

Public Document Pack



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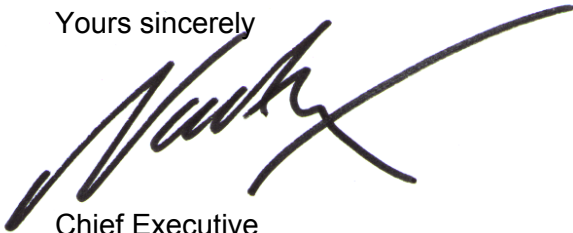
22 August 2017

Dear Councillor

NOTICE IS HEREBY GIVEN THAT a meeting of the **PLANNING COMMITTEE** will be held in the Council Chamber at these Offices on Thursday 31 August 2017 at 6.00 pm when the following business will be transacted.

Members of the public who require further information are asked to contact Kate Batty-Smith on (01304) 872303 or by e-mail at kate.batty-smith@dover.gov.uk.

Yours sincerely



Chief Executive

Planning Committee Membership:

F J W Scales (Chairman)
B W Butcher (Vice-Chairman)
J S Back
T J Bartlett
T A Bond
D G Cronk
B Gardner
D P Murphy
G Rapley
P M Wallace

AGENDA

1 **APOLOGIES**

To receive any apologies for absence.

2 **APPOINTMENT OF SUBSTITUTE MEMBERS**

To note appointments of Substitute Members.

3 **DECLARATIONS OF INTEREST** (Page 4)

To receive any declarations of interest from Members in respect of business to be transacted on the agenda.

4 **ITEMS DEFERRED** (Page 5)

To consider the attached report of the Head of Regeneration and Development.

ITEMS WHICH ARE SUBJECT TO PUBLIC SPEAKING
(Pages 6-9)

5 **APPLICATION NO DOV/16/01496 - PIGLET PLACE, FLEMING ROAD, BARNSOLE, STAPLE** (Pages 10-24)

Change of Use to residential dwelling-house; Change of Use of land to garden land; alterations to an existing field access and formation of parking and turning area

To consider the attached report of the Head of Regeneration and Development.

6 **APPLICATION NO DOV/16/01229 - 117 LONDON ROAD, DEAL** (Pages 25-28)

Erection of single storey rear extension

To consider the attached report of the Head of Regeneration and Development.

7 **APPLICATION NO DOV/17/00432 - 32 THE STRAND, WALMER** (Pages 29-34)

Erection of first-floor extension above existing garage

To consider the attached report of the Head of Regeneration and Development.

8 **APPLICATION NO DOV/17/00636 - LAND SOUTH-EAST OF HULL PLACE, SHOLDEN, DEAL** (Pages 35-44)

Erection of single storey two-bedroom eco house

To consider the attached report of the Head of Regeneration and Development.

9 **APPLICATION NO DOV/16/00986 - LAND BETWEEN HOMELEIGH AND LANSDALE, NORTHBOURNE ROAD, GREAT MONGEHAM** (Pages 45-60)

Erection of twelve dwellings; construction of vehicular access, with associated car parking and landscaping

To consider the attached report of the Head of Regeneration and Development.

10 **APPLICATION NO DOV/14/00240 - EASTRY HOSPITAL, MILL LANE, EASTRY**
(Pages 61-150)

Redevelopment of site to provide a total of 100 residential units comprising: two-storey terrace, semi-detached and detached new-build dwellings; Change

of Use and conversion of Tewkesbury House and the Chapel to provide 568 square metres of community space (Use Class D1), employment space (Use Class B1) and two residential units; minor demolition, alteration and conversion of the 'Old Workhouse' to provide ten residential units; retention and reinstatement of the fire-damaged Range building and erection of a two-storey terrace of ten residential units; car parking, landscaping, public open space and alteration to existing access (Amended plans and documents)

To consider the attached report of the Head of Regeneration and Development.

ITEMS WHICH ARE NOT SUBJECT TO PUBLIC SPEAKING

11 APPEALS AND INFORMAL HEARINGS

To receive information relating to Appeals and Informal Hearings, and appoint Members as appropriate.

12 ACTION TAKEN IN ACCORDANCE WITH THE ORDINARY DECISIONS (COUNCIL BUSINESS) URGENCY PROCEDURE

To raise any matters of concern in relation to decisions taken under the above procedure and reported on the Official Members' Weekly News.

Access to Meetings and Information

- Members of the public are welcome to attend meetings of the Council, its Committees and Sub-Committees. You may remain present throughout them except during the consideration of exempt or confidential information.
- All meetings are held at the Council Offices, Whitfield unless otherwise indicated on the front page of the agenda. There is disabled access via the Council Chamber entrance and a disabled toilet is available in the foyer. In addition, there is a PA system and hearing loop within the Council Chamber.
- Agenda papers are published five clear working days before the meeting. Alternatively, a limited supply of agendas will be available at the meeting, free of charge, and all agendas, reports and minutes can be viewed and downloaded from our website www.dover.gov.uk. Minutes will be published on our website as soon as practicably possible after each meeting. All agenda papers and minutes are available for public inspection for a period of six years from the date of the meeting.
- If you require any further information about the contents of this agenda or your right to gain access to information held by the Council please contact Kate Batty-Smith, Democratic Support Officer, telephone: (01304) 872303 or email: kate.batty-smith@dover.gov.uk for details.

Large print copies of this agenda can be supplied on request.

Declarations of Interest**Disclosable Pecuniary Interest (DPI)**

Where a Member has a new or registered DPI in a matter under consideration they must disclose that they have an interest and, unless the Monitoring Officer has agreed in advance that the DPI is a 'Sensitive Interest', explain the nature of that interest at the meeting. The Member must withdraw from the meeting at the commencement of the consideration of any matter in which they have declared a DPI and must not participate in any discussion of, or vote taken on, the matter unless they have been granted a dispensation permitting them to do so. If during the consideration of any item a Member becomes aware that they have a DPI in the matter they should declare the interest immediately and, subject to any dispensations, withdraw from the meeting.

Other Significant Interest (OSI)

Where a Member is declaring an OSI they must also disclose the interest and explain the nature of the interest at the meeting. The Member must withdraw from the meeting at the commencement of the consideration of any matter in which they have declared a OSI and must not participate in any discussion of, or vote taken on, the matter unless they have been granted a dispensation to do so or the meeting is one at which members of the public are permitted to speak for the purpose of making representations, answering questions or giving evidence relating to the matter. In the latter case, the Member may only participate on the same basis as a member of the public and cannot participate in any discussion of, or vote taken on, the matter and must withdraw from the meeting in accordance with the Council's procedure rules.

Voluntary Announcement of Other Interests (VAOI)

Where a Member does not have either a DPI or OSI but is of the opinion that for transparency reasons alone s/he should make an announcement in respect of a matter under consideration, they can make a VAOI. A Member declaring a VAOI may still remain at the meeting and vote on the matter under consideration.

Note to the Code:

Situations in which a Member may wish to make a VAOI include membership of outside bodies that have made representations on agenda items; where a Member knows a person involved, but does not have a close association with that person; or where an item would affect the well-being of a Member, relative, close associate, employer, etc. but not his/her financial position. It should be emphasised that an effect on the financial position of a Member, relative, close associate, employer, etc OR an application made by a Member, relative, close associate, employer, etc would both probably constitute either an OSI or in some cases a DPI.

DOVER DISTRICT COUNCIL

REPORT OF THE HEAD OF REGENERATION AND DEVELOPMENT

PLANNING COMMITTEE – 31 AUGUST 2017

**CONSIDERATION OF THE FOLLOWING ITEMS HAS BEEN
DEFERRED AT PREVIOUS MEETINGS**

Members of the Planning Committee are asked to note that the following application(s) have been deferred at previous meetings. Unless specified, these applications are not for determination at the meeting since the reasons for their deferral have not yet been resolved.

- 1. DOV/16/00530 Erection of a detached dwelling – Site adjacent to 5 Friends Close, Deal (Agenda Item 12 of 23 March 2017)**
- 2. DOV/16/01328 Outline application for the erection of up to 28 dwellings (30% affordable), creation of vehicular access (to include demolition of 14 Archers Court Road) – Land rear of Archers Court Road, Whitfield (Agenda Item 8 of 20 April 2017)**

Background Papers:

Unless otherwise stated, the appropriate application file, the reference of which is stated.

MIKE EBBS

Head of Regeneration and Development

The Officer to whom reference should be made concerning inspection of the background papers is Alice Fey, Support Team Supervisor, Planning Section, Council Offices, White Cliffs Business Park, Dover (Tel: 01304 872468).

APPLICATIONS WHICH MAY BE SUBJECT TO PUBLIC SPEAKING

The Reports

The file reference number, a description of the proposal and its location are identified under a) of each separate item. The relevant planning policies and guidance and the previous planning history of the site are summarised at c) and d) respectively.

The views of third parties are set out at e); the details of the application and an appraisal of the proposal are set out at f) and each item concludes with a recommendation at g).

Additional information received prior to the meeting will be reported verbally. In some circumstances this may lead to a change in the recommendation.

Details of the abbreviated standard conditions, reasons for refusal and informatives may be obtained from the Planning Support Team Supervisor (Tel: 01304 872468).

It should be noted, in respect of points raised by third parties in support of or objecting to applications, that they are incorporated in this report only if they concern material planning considerations.

Each item is accompanied by a plan (for identification purposes only) showing the location of the site and the Ordnance Survey Map reference.

Site Visits

All requests for site visits will be considered on their merits having regard to the likely usefulness to the Committee in reaching a decision.

The following criteria will be used to determine usefulness:

- The matter can only be safely determined after information has been acquired directly from inspecting this site;
- There is a need to further involve the public in the decision-making process as a result of substantial local interest, based on material planning considerations, in the proposals;
- The comments of the applicant or an objector cannot be adequately expressed in writing because of age, infirmity or illiteracy.

The reasons for holding a Committee site visit must be included in the minutes.

Background Papers

Unless otherwise stated, the background papers will be the appropriate file in respect of each application, save any document which discloses exempt information within the meaning of the Local Government (Access to Information) Act 1985.

The Officer to whom reference should be made concerning inspection of the background papers is Alice Fey, Planning Support Team Supervisor, Planning Department, Council Offices, White Cliffs Business Park, Whitfield, Dover CT16 3PJ (Tel: 01304 872468).

IMPORTANT

The Committee should have regard to the following preamble during its consideration of all applications on this agenda

1. Section 70(2) of the Town and Country Planning Act 1990 requires that, in dealing with an application for planning permission, the local planning authority shall have regard to the provisions of the Development Plan, so far as material to the application, and to any other material considerations.
2. Section 38(6) of the Planning and Compulsory Purchase Act 2004 requires that: 'If regard is to be had to the development plan for the purposes of any determination to be made under the Planning Acts the determination must be made in accordance with the plan unless material considerations indicate otherwise'.
3. Planning applications which are in accordance with the relevant policies in the Development Plan should be allowed and applications which are not in accordance with those policies should not be allowed unless material considerations justify granting of planning permission. In deciding such applications, it should always be taken into account whether the proposed development would cause demonstrable harm to interests of acknowledged importance. In all cases where the Development Plan is relevant, it will be necessary to decide whether the proposal is in accordance with the Plan and then to take into account material considerations.
4. In effect, the following approach should be adopted in determining planning applications:
 - (a) if the Development Plan contains material policies or proposals and there are no other material considerations, the application should be determined in accordance with the Development Plan;
 - (b) where there are other material considerations, the Development Plan should be taken as the starting point and the other material considerations should be weighed in reaching a decision;
 - (c) where there are no relevant policies in the Development Plan, the planning application should be determined on its merits in the light of all material considerations; and
 - (d) exceptionally, a development proposal which departs from the Development Plan may be permitted because the contribution of that proposal to some material, local or national need or objective is so significant that it outweighs what the Development Plan says about it.
5. Section 66 of the Planning (Listed Buildings and Conservation Areas) Act 1990 states that, in considering planning applications for development affecting a listed building or its setting, special regard shall be had to the desirability of preserving the building, its setting or any features of special architectural or historical interest which it possesses. Section 72 requires that special attention shall be paid to the desirability of preserving or enhancing the character or appearance of conservation areas when considering any applications affecting land or buildings within them. Section 16 requires that, when considering applications for listed building consent, special regard shall be had to the desirability of preserving the listed building, its setting, or features of special architectural or historic interest which it has.
6. Section 38(6) of the 2004 Act does not apply to the determination of applications for advertisement consent, listed building consent or conservation area consent. Applications for advertisement consent can be controlled only in the interests of amenity and public safety. However, regard must be had to policies in the Development Plan (as material considerations) when making such determinations.

The Development Plan

7. The Development Plan in Dover District is comprised of:

Dover District Core Strategy 2010
Dover District Land Allocations Local Plan 2015
Dover District Local Plan 2002 (saved policies)
Worth Neighbourhood Development Plan (2015)
Kent Minerals and Waste Local Plan 2016

Human Rights Act 1998

During the processing of all applications and other items and the subsequent preparation of reports and recommendations on this agenda, consideration has been given to the implications of the Human Rights Act 1998 in relation to both applicants and other parties and whether there would be any undue interference in the Convention rights of any person affected by the recommended decision.

The key articles are:-

Article 8 - Right to respect for private and family life, home and correspondence. There shall be no interference by a public authority with the exercise of this right except such as is in accordance with the law and is necessary in a democratic society in the interests of national security, public safety or the economic well being of the country, for the prevention of disorder or crime, for the protection of health or morals, or for the protection of the rights and freedoms of others.

Article 1 of the First Protocol - Right of the individual to the peaceful enjoyment of his possessions. No one shall be deprived of his possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law.

Account may also be taken of:-

Article 6 - Right to a fair trial and public trial within a reasonable time.

Article 10 - Right to free expression.

Article 14 - Prohibition of discrimination.

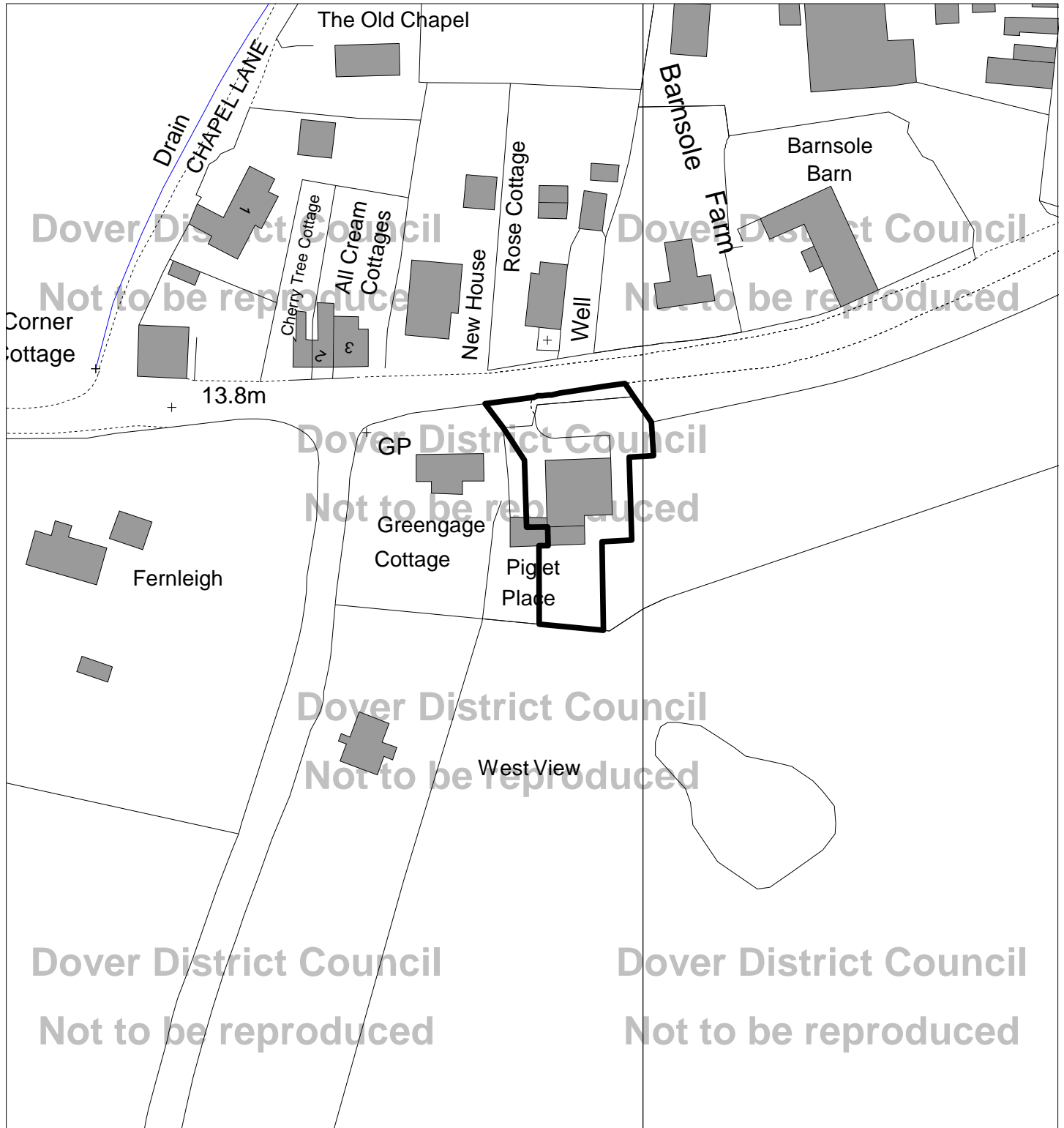
The Committee needs to bear in mind that its decision may interfere with the rights of particular parties, particularly under Article 8 and Article 1 of the First Protocol. The decision should be a balanced one and taken in the wider public interest, as reflected also in planning policies and other material considerations.

(PTS/PLAN/GEN) HUMANRI

PUBLIC SPEAKING AT PLANNING COMMITTEE

1. The scheme for public speaking at Planning Committee only concerns matters relating to the determination of individual applications for planning permission contained in the Planning Committee agenda and not to other matters such as Tree Preservation Orders or Enforcement.
2. The scheme for public speaking will apply at each meeting where an individual application for planning permission is considered by the Planning Committee.
3. Any person wishing to speak at the Planning Committee should submit a written request using this form and indicate clearly whether the speaker is in favour of, or opposed to, the planning application.
4. The form must be returned to Democratic Support no later than two working days prior to the meeting of the Planning Committee.
5. Speaking opportunities will be allocated on a first come, first served basis but with the applicant being given first chance of supporting the scheme. Applicants or agents will be notified of requests to speak. Third parties who have applied to speak will be notified of other requests only when these directly affect their application to speak. The names, addresses and telephone numbers of people who wish to speak may be given to other people who share their views and have expressed a wish to address the Committee. The identified speaker may defer to another at the discretion of the Chairman of the Committee.
6. One person will be allowed to speak in favour of, and one person allowed to speak against, each application. The maximum time limit will be three minutes per speaker. This does not affect a person's right to speak at a site visit if the Committee decides one should be held.
7. Public speakers will not be permitted to distribute photographs or written documents at the Committee meeting.
8. The procedure to be followed when members of the public address the Committee will be as follows:
 - (a) Chairman introduces item.
 - (b) Planning Officer updates as appropriate.
 - (c) Chairman invites the member of the public and Ward Councillor(s) to speak, with the applicant or supporter last.
 - (d) Planning Officer clarifies as appropriate.
 - (e) Committee debates the application.
 - (f) The vote is taken.
9. In addition to the arrangements outlined in paragraph 6 above, District Councillors who are not members of the Committee may be permitted to address the Planning Committee for three minutes in relation to planning applications in their Ward. This is subject to giving formal notice of not less than two working days and advising whether they are for or against the proposals. In the interests of balance, a further three minutes' representation on the contrary point of view will be extended to the identified or an additional speaker. If other District Councillors wish to speak, having given similar notice and with the agreement of the Chairman, this opportunity will be further extended as appropriate.
10. Agenda items will be taken in the order listed.
11. The Chairman may, in exceptional circumstances, alter or amend this procedure as deemed necessary.

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Not to scale

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published 2016

Note: This plan is provided for purposes of site identification only.

Application: DOV/16/01496

Piglet Place

Fleming Road

Barnsolw, Staple

CT3 1LG

TR27985664



- a) **DOV/16/01496 – Change of use to residential dwelling-house, change of use of land to garden land, alterations to an existing field access, and formation of parking and turning area - Piglet Place, Fleming Road, Barnsole, Staple**

Reason for Report: Called in by Councillor Bartlett.

- b) **Summary of Recommendation**

Planning permission be refused

- c) **Planning Policy and Guidance**

Core Strategy Policies

CP1 – Settlement hierarchy

DM1 – Settlement Confines

DM4 – Re-use or conversion of rural buildings

DM11 – Location of development and managing travel demand

DM13 – Parking provision

DM15 – Protection of the Countryside

DM16 – Landscape Character

NPPF

Paragraph 6 – Recognises that the purpose of the planning system is to contribute to the achievement of sustainable development.

Paragraph 7- Outlines the three dimensions of sustainable development, which has an economic role, social and environmental role.

Paragraph 14- states that at the heart of the National Planning Policy Framework is a presumption in favour of sustainable development, which should be seen as a golden thread running through both plan-making and decision taking.

Paragraph 28- states that planning policies should support sustainable rural tourism and leisure developments that benefit business in rural areas, communities and visitors and which respect the character of the countryside.

Paragraph 49- States that housing applications should be considered in the context of the presumption in favour of sustainable development. In addition to the above, it states that relevant policies for the supply of housing should not be considered up to-date if the local planning authority cannot demonstrate a five-year supply of deliverable housing sites.

Paragraph 55 - to promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities. For example, where there are groups of smaller settlements, development in one village may support services in a village nearby. Local Planning Authorities should avoid new isolated homes in the countryside unless there are special circumstances.

Paragraph 56 - emphasises that the Government attaches great importance to the design of the built environment. Good design is a key aspect of sustainable development, is indivisible from good planning, and should contribute positively to making places better for people.

Paragraph 131, 132 & 134 – highlights the desirability of sustaining and enhancing the significance of heritage assets with great weight to be given to the asset's conservation – the more important it is, the greater the weight should be. Where a proposal would lead to less than substantial harm to a heritage asset, this harm should be weighed against the public benefits of the proposal.

Kent Design

Identifies (at 2.1.2) that as a general rule it's desirable for dwellings to be within 400m of a bus stop.

Planning and Compulsory Purchase Act 2004

Section 38(6) requires that the determination of planning applications determined under the planning Acts must be made in accordance with the plan unless material considerations indicate otherwise.

Planning Act (Listed Building and Conservation Areas) 1990

Section 66(1) of the Planning (Listed Buildings and Conservation Areas) Act 1990 states that 'In considering whether to grant planning permission for development which affects a listed building or its setting, the local planning authority shall have special regard to the desirability of preserving the building or its setting, or any features of special architectural or historic interest it possesses.'

When evaluating proposals, the statutory duties must be applied, and considerable importance and weight must be given to any predicted harm.

d) **Relevant Planning History**

89/01727 – Planning Permission granted for conversion of a barn to holiday accommodation, with a condition restricting the use to holiday accommodation for people whose primary residence is elsewhere.

e) **Consultee and Third Party Responses**

Staple Parish Council: Positively supports the proposal

Public Representations: One letter of objection has been received from the owner of Rose Cottage, opposite, objecting to the proposal on the grounds of highway safety. They state that the road is already extremely busy with cars, lorries and farm vehicles; any increase in traffic would increase the probability of a serious accident; and that the front wall of Rose Cottage, opposite the entrance to the application site, has been damaged several times by vehicles swerving to avoid each other.

Three letters of support have been received from members of the public with the following material reasons:

- The change of use will have no impact on the visual appearance of the property or the area.
- The access to the site will be improved.
- The property is close to buses to Dover and Canterbury.
- There is no impact on the community.

- f) 1. **The Site and the Proposal**
- 1.1 Piglet Place is a two bedroomed detached cottage with a restrictive condition to be used only as a holiday let. It has an outdoor swimming pool in the back garden, and attached outbuildings providing a games room, pool changing room and utility room.
- 1.2 The property also has a large store attached to it, accessed externally, with an open shelter and workshop.
- 1.3 The application site lies within the hamlet of Barnsole, comprising a loose cluster of properties fronting the rural road network to the east of the village of Staple. The site is surrounded on three sides by land belonging to the applicants, who reside at Greengage Cottage immediately to the west of the site. Land to the east is identified as 'paddock' on the submitted plan. There is woodland to the south.
- 1.4 The application site fronts and is accessed from Fleming Road, being a well used, but relatively narrow road, without a central/dividing white line, and absent of adjoining made footways.
- 1.5 Opposite the site, across Fleming Road, is Rose Cottage, a Grade II listed thatched cottage.
- 1.6 The proposal seeks to change the use of the property to a permanent dwellinghouse.
- 1.7 There are no proposed changes to the building fabric itself, inside or out. However, a number of changes within the curtilage are sought.
- 1.8 The proposal includes altering the vehicular access to the site. It currently shares parking and turning facilities with Greengage Cottage, through a single access. It is proposed to upgrade an existing farm/field gated access to provide access into the application site and two parking spaces for Piglet Place. The shingle drive also provides access to the paddock land to the east.
- 1.9 The new access would have sight lines of 85m to the west and over 80m to the east.
- 1.10 As originally submitted, the proposal showed the red line to include the property, its front and rear gardens, the large store, open shelter and workshop, the existing field entrance, and a distance of 15.8m in width from the store to the proposed east side (paddock) boundary to be garden land. The proposed plot size, as originally submitted, is 0.122 hectares (0.31 acres). However, following concerns from your officer that the use of the area of land to the side as curtilage to the proposed dwellinghouse (including the new access) would be detrimental to the countryside by virtue of increased domestication of the site and an increase in hard standing as a result of the drive and potential domestic paraphernalia on the side garden, amended plans were submitted on 20 June 2017, showing the site area reduced to 0.07 hectares leaving a small curtilage for the proposed dwellinghouse. The revised site area retains the new access and extension of drive, but excludes the area of garden land to the side.

Instead, the red line runs along the open sided shelter, workshop, and hedge currently flanking the rear garden.

Supporting Information

- 1.11 In support of the application, the applicants have stated that the business requires a lot of input from them, and that, now that they are both 'well into retirement age' and suffering with poor health, they are no longer capable of the work that it demands. The applicant has been receiving medical treatment, and is certain that she is unable to organise the letting and running of the holiday cottage. The cottage, she says, will therefore remain empty. Having lived in Greengage Cottage for thirty years, the applicants would like to continue to live there without the holiday let in the future, but state that they need an income from the premises to stay in their own home. They state that they will not be moving from Greengage Cottage, as the applicant is not able to cope with the drastic change. And they will not entertain the option of selling off the cottage on its own. They wish to let it on a more permanent basis to get an income to supplement their pensions – or allow a family member to move in.
- 1.12 They also state that the holiday let has not been viable. Simple income/expenditure accounts for the last several years (from April 2009) have been provided showing a net income, after expenditure of sequentially £1,430, £835, £1,055, £1,137, £323, £341, £488 and £624. These figures do not show the income details, only rent received as an annual sum. However, the applicant advises that, as most guests require the July to September period, only six to eight weeks per annum have been booked over recent years. The applicant also advises that, for tax purposes, the business has not had enough letting days to comply with the tax laws for holiday lettings, in spite of extensive annual advertising, comprising two web sites, magazine advertising and a continuous four star tourist board rating.
- 1.13 Piglet Place has been let since 1998 with a 4 star rating and advertising from the Quality in Tourism no. 64527 – the last inspection being October 2015. From the outset pigletplace.co.uk has been the web address, with another site pigletplacekent.co.uk added in 2010 in an attempt to bolster bookings. These are now both withdrawn – the latter in September 2015 when the applicant felt unable to carry on with the letting. Magazine advertising has been through The Lady and This England.
- 1.14 Documentary evidence has been provided in the form of the front, title page of a Visit Report from the Quality of Tourism; an invoice from Fasthosts Internet Ltd, both dated 2015; and a copy of a tri-fold leaflet advertising Piglet Place, with booking form attached.
- 1.15 The agent, in his letter received 20 June 2017, asserts that the only way such a holiday let can, in theory, be workable is where it is adjacent to the owner's residence so that they can easily attend to the demands of the occupants. He goes on to say that such a unit is not readily saleable on the open market to a buyer located away from the site. He suggests that the action of putting it on the market to see if it

achieves a sale would be purely an artificial exercise which would not lead to a positive result.

- 1.16 The agent states that stricter policies applicable in 1990 when the conversion to a holiday let was carried out no longer apply and that the Council has approved building conversions and new dwellings outside confines locally in the last few years, on the grounds that there is insufficient 5 year housing land supply and that further such approvals have arisen from successful appeals against DDC refusals.

2. **Main Issues**

- 2.1 The main issues are:
- Principle of/Justification for removing the condition
 - Impact on the character/appearance of the countryside
 - Highways Issues
 - The amenity of neighbours
 - Setting of the listed building
 - Sustainability Overview

3. **Assessment**

Principle of/Justification for removing the condition

- 3.1 Planning permission was granted under DOV/89/01727 for the conversion, of what was then a barn, to a holiday let. The permission was given against a backdrop of a policy of restraint with regard to residential development beyond a rural settlement, but in acknowledgement that the holiday let restriction would be in accordance with government policy to encourage small business, including tourist accommodation. Since that time, national planning policy has generally remained unchanged with regard to the location of housing in the rural area, with the focus for development being at existing communities, this also being reflected locally through the application of a settlement hierarchy under Policy CP1 of the Core Strategy. In the case of the current application site/proposal:
- Barnsole is considered to be a hamlet (where settlement confines do not apply) and in accordance with Core Strategy policy CP1 is not considered suitable for further residential development.
 - The nearest settlement confines are at Staple, some 700m to the west. Policy DM1 does not permit development on land outside settlement confines unless it is justified by other development plan policies or it functionally requires such a location. A functional justification would include a proven accommodation need for an agricultural worker.
 - Where a proposal would be contrary to Policy DM1, as in this case, the Core strategy indicates (para 1.7) that it would require “unusual and compelling justification for permission to be given”.
 - Policy DM4 only permits the conversion of rural buildings to private residential uses where the building is adjacent to the confines, which would not apply to the current application site.

- DM11 resists development that would generate travel beyond settlement confines unless justified by other development plan policies, none of which can be identified in this case.
- 3.2 The proposal would therefore lead to an unrestricted residential use in a location where the Development Plan precludes such development and would be contrary to the Development Plan. Members will be aware that the Council is able to demonstrate a 5 year housing land supply and that, in the context of paragraph 49 of the NPPF, full weight can be given to the Core Strategy housing policies. The NPPF affirms (Paragraph 12 & 196) that the planning system should be planned, with the development plan being the starting point for decision making.
- 3.3 As explained above, the Core Strategy states that a grant of permission in such circumstances would require “unusual and compelling justification”. It falls therefore to determine whether there are any material planning considerations of this nature sufficient to set aside Development Plan policy. The assessment below reviews relevant material considerations.
- 3.4 It is important to point out that, for the fair and efficient operation of the Development Management service, the evaluation of material considerations should be undertaken in a manner that can be consistently applied to other proposals of a similar nature. Setting aside the circumstances of this application, the following matters provide a relevant backdrop for assessing proposals to remove holiday let restrictions, in locations where (as is the case here) housing would not normally be acceptable:
- There has been a longstanding practice (subject to site specific circumstances) of favourably considering conversions to provide residential accommodation with a holiday use restriction. The justification for this stems from Policy DM4 (and prior to that LE20 of the 2002 Dover District Local Plan), which allows for the conversion of rural buildings outside settlement confines for commercial uses, which in essence a holiday let use is. The local planning authority generally takes a positive approach to holiday let conversions in recognition of the wider economic benefits for rural tourism and the local economy.
 - The credibility of this permissive route under DM4 (and for the retention of the stock of holiday lets granted over previous years) relies on a robust and consistent approach being taken to any application to subsequently have a holiday let condition removed thereby enabling a property to be used as an unrestricted dwelling. Otherwise there’s a strong risk that applications for holiday lets could be perceived as, or might become, inadvertently or otherwise, a ‘back door’ means of securing open market housing in locations, which would be contrary to the strategy of the development plan. Such an outcome would also undermine confidence in the operation of the planning process.
- 3.5 The NPPF is clearly a material consideration to which considerable weight should be given. Paragraph 14 states that a presumption in

favour of sustainable development is at the heart of the Framework and that the assessment of sustainability has regard to three dimensions: economic, environmental and social, which should be sought jointly and simultaneously through the planning system. These are considered in more detail within a 'sustainability overview' of the proposal at the conclusion of this report.

3.6 NPPF paragraph 55 affirms the need to locate housing in rural areas where it will enhance or maintain the vitality of rural communities. This approach doesn't conflict with Policy CP1 of the Core strategy (settlement hierarchy). Likewise, the NPPF takes a strict approach to new housing within the open countryside. It states, "*local authorities should avoid new isolated homes in the countryside unless there are 'special circumstances' such as:*

- *the essential need for a rural worker to live permanently at or near their place of work in the countryside; or*
- *where such development would represent the optimal viable use of a heritage asset or would be appropriate enabling development to secure the future of heritage assets; or*
- *where the development would re-use redundant or disused buildings and lead to an enhancement to the immediate setting; or*
- *the exceptional quality or innovative nature of the design of the dwelling."*

It is not considered that any of these 'exceptions' materially apply to the matters under review through the current application.

3.7 Paragraph 28 of the NPPF outlines the importance of policies to support economic growth in rural areas, including the encouragement of sustainable rural tourism facilities. This also aligns with the application of Policy DM4 of the Core Strategy to the assessment of applications for holiday let uses in the rural areas, as explained further below.

3.8 The current application is supported by evidence and information, as detailed at 1.11 to 1.16 above, which aims to demonstrate why permission should be granted for the removal of the holiday let condition. It should be noted that personal circumstances are capable of being a material consideration, although any such matter would need to be properly understood, and compelling in nature. It is important to state that personal circumstances are seldom held to have weight sufficient to set aside established material planning considerations.

3.9 Evidence from appeal decisions elsewhere suggest, in line with Paragraph 1.7 of the Core Strategy, that special circumstances need to be identified to justify lifting a holiday let condition in a location where housing would otherwise be considered unsuitable. This would reasonably include the consideration and submission of evidence relating to the following:

- (i) Understanding the lack of demand e.g. historic occupancy rates.
- (ii) Whether any claims relating to the use not being viable are linked to management and/or pricing issues i.e. was the holiday let use managed effectively - were there personal circumstances that

prevented it from being so? Was it advertised appropriately/widely and priced in line with market expectations in order to maximise interest?

- (iii) Marketing evidence to demonstrate that there is no market interest in purchasing the property with the holiday let condition attached. Such evidence would need to show that the property had been marketed at a fair market value, reflecting the existence of the condition. It would also need to be marketed for a reasonable period of time and by appropriate means.
- (iv) As (iii) but testing whether a relaxation of the current condition to enable occupancy for more than 6 consecutive weeks would prove more attractive to the market (this is a route highlighted by one Inspector on appeal).

- 3.10 Information relating to the above would need to be fully presented with an application, or following its submission, to enable objective analysis. Depending on its nature, this might require the local planning authority to seek independent expert advice.
- 3.11 Regrettably, with regard to the supporting information provided with the application and the assessment criteria outlined at 3.9, it is considered that the application falls some way short of clearly demonstrating that a holiday let use at the property would be unviable, this being necessary to 'make a case' for the lifting of the condition.
- 3.12 While income/expenditure accounts have been provided for the last few years showing a very limited income, no wider contextual evidence has been provided, such as the levels of the previous income for years before this, or details of historic occupancy rates.
- 3.13 The reasons for the very limited income are also currently unclear. The applicant has explained verbally for instance, that although he had paid for what he thought was extensive holiday let advertising, when he tried to find his own property using the staff who should have been promoting it, he found the staff hadn't heard of Piglet Place, and had no literature on it. This, together with a lack of any supporting material accompanying the application (e.g. copies/evidence of the adverts etc), makes it difficult to draw sound conclusions around the effectiveness of advertising and leaves open the possibility that this might have contributed to the level of demand for the holiday let.
- 3.14 Extracts/details of advertising should also confirm the pricing policy of the holiday let (for different months of the year). Unfortunately, no information has been made available, thereby preventing an evaluation as to whether pricing aligned with market norms and/or expectations.
- 3.15 No marketing evidence has been submitted with the application to assess whether market interest exists in purchasing the property with the holiday let condition attached. This is the only reasonable means of demonstrating whether or not, notwithstanding any management/operational considerations, there's market recognition or otherwise that the property has potential to operate as a viable holiday let. To date, the applicant has resisted marketing the property for sale, citing this as an artificial exercise that would not lead to positive

results. In planning terms however, the absence of this evidence is considered to be a fundamental shortcoming in the submission.

- 3.16 Without appropriate evidence, the bulk of the planning case appears to turn on whether the personal circumstances of the applicant justify lifting the holiday let restriction. These are referred to at 1.11 and include a letter from the applicant which is appended to this report. On a personal level, there is a great deal of sympathy with the health issues mentioned. Beyond this however the Committee must be satisfied about the robustness of the case and whether it is compelling in nature sufficient to set aside policy.
- 3.17 It's stated (in the letter accompanying the application) that the lifting of the restriction, for use as a dwelling, would enable the applicant to carry on living at Greengage Cottage, where they have been in residence for 30 years and, for understandable reasons, wish to remain. It's understood that a rental income from Piglet Place would supplement their pension income. The imperative of an additional income, as set out in the letter appended to this report, however appears to be less clear cut, where it states that it 'may need' to be let out to get an income to supplement the pension income or it might be used for a family member to move into. Critically and notwithstanding, no evidence of the financial circumstances pertaining to the 'need' for the additional income has been provided, which might reasonably be required if judged central to any justification.
- 3.18 In addition, the option of selling Piglet Place (with the holiday let restriction in place) has been dismissed by the applicant, although no specific reasons are given. Evidence from applications considered by DDC for similar proposals elsewhere suggest that a sales price, with the holiday let restriction, would attract in the region of a 30% reduction in value over normal market housing. It's unknown whether the property could attract a buyer on the open market as no marketing work has been carried out. In any event, even with a 30% reduction this would probably realise a not inconsiderable financial sum to help meet the stated need relating to ongoing residence at Greengage Cottage.
- 3.19 As things stand, the Committee would need to be satisfied that without the grant of permission, the applicant would be likely to suffer deleteriously to the point of personal hardship. On the balance of the information available, including other possible options open to the applicant, it is not felt that the evidence currently points to this, and/or that a compelling personal circumstances case presently exists sufficient to set aside established planning policy.
- 3.20 Reference has been made by the applicant to a stricter policy approach applying at the time of the original permission (in 1989) and that, in the absence of a 5 year housing supply, the Council has granted permission for housing in rural areas. The Council does now have a 5 year housing land supply and as mentioned, full weight can be given to development plan policies. As stated, these policies preclude residential conversions in locations beyond village confines.

Impact on the Countryside

- 3.21 The proposal involves an increase in the hard surfaced area to the front of the property, loss of some trees along the front boundary to allow for the sight lines at the altered access. However, the trees are shown to be retained, and your officer considers that the sight lines can be achieved underneath the tree canopies, with minimal pollarding. It is considered that the impact on the rural scene is unlikely to be sufficient to harm the character of the countryside at this point, taking into account also the proximity of other properties, all with their own accesses and drives. The provision of off-road parking here is not an alien feature. Furthermore, the use of shingle (except for the first 5 metres, which would be bonded material), and the retention of some of the trees at the front of the site, means that the property would maintain a soft frontage within the street scene.
- 3.22 As amended, the curtilage of the site excludes the land to the side of the large store, and the rear garden allocated to the dwelling is limited to the area behind the building. This area is screened from the wider landscape by the building itself, and by trees surrounding the site. As such, it is not likely that any domestic outbuildings or other garden paraphernalia, which could potentially be erected through use of the site as a dwelling, would be visible from the wider landscape. As far, then, as DM15 and DM16 are concerned, the proposal would be considered acceptable.

Highways

- 3.23 Parking provision is adequately provided by two independently accessible spaces for both properties, in accordance with policy DM13.
- 3.24 The objection from the occupier of Rose Cottage is noted. They are concerned that the increased use of the new vehicular access to the property would jeopardise their own safety as well as other residents. However, it is considered that with normal, careful driving in and out of the access it is unlikely that a risk to the safe operation of the highway at this point would arise.

Impact on the Amenity of Neighbours

- 3.25 The nearest neighbours would be the occupiers of Greengage Cottage (the applicants). There is no unacceptable interlooking between the two properties, which are separated by a distance of 10m.

Setting of the Listed Building

- 3.26 Rose Cottage is a Grade II listed building and lies across the road from Piglet Place. The listed building, which is under a striking thatched roof, has a very low boundary wall and a cottage style garden. The loss or pruning of the trees on the frontage of the application property to secure the additional access would change the immediate character opposite the listed building, although in view of the character of the lane more generally at this point and neighbouring

the listed building, it is considered that the setting of the listed building would not be harmed and intrinsically, would be preserved.

Sustainability Overview

- 3.27 Achieving sustainable development lies at the heart of the planning system. The NPPF (Paragraph 8) states that to deliver this, economic, social and environmental gains should be sought jointly and simultaneously.
- 3.28 The provision of tourist accommodation brings an economic benefit to the district. Paragraph 28 of the NPPF identifies tourist and visitor facilities as being a valuable arm of rural economic sustainability, with potential to input into the rural economy and provide wider benefits of tourism within the district. Whilst it is noted that the holiday let property subject of this application, has not been let widely in recent years, there is currently insufficient evidence (submitted with the application) to suggest that the cottage is unsuitable for the use, or that it would be unviable in the long term with successful marketing at an appropriate rental value. There is no reason to believe that the nature of the location, between Canterbury and Dover would not be attractive to tourists. In the circumstances it has not been demonstrated that the loss of the holiday let would constitute anything less than an economic disbenefit.
- 3.29 The NPPF recognises the social benefit of providing a supply of housing. In this case, the provision of one new open market dwelling would only marginally contribute to this, against a backdrop of the Council being able to demonstrate an adequate (5 year) supply of housing.
- 3.30 Compared to a holiday let use, which would introduce seasonal traffic movements, it's very likely that the all year round nature of an unrestricted residential use would result in a greater degree of trip generation. The applicant makes reference to the availability of bus stops to Canterbury and Deal being some 7 minute walk away, however it is considered that at about 1km (actual walking distance) the walking time might be about twice this; it's worth mentioning that Kent Design states, as a general rule, it's desirable for dwellings to be within 400m of a bus stop. In this case, it should also important to note that with no footway or lighting for most of its length into Staple, Fleming Road does not readily lend itself to safe/convenient use by pedestrians. Even compared to a more regularly used holiday let, the use of the property without an occupancy/holiday let restriction would be likely to increase the use of the car in a location where access to alternative means of travel is marginal at best. In this respect, the proposal would be likely to encourage higher trip rates by car and work against environmental objectives relating to reducing pollution and moving towards a low carbon economy.
- 3.31 From the above analysis, it must be concluded that the proposal would materially conflict with the objectives of sustainable development.

4. Conclusion

- 4.1 The proposal would result in the establishment of a dwelling house in a location that would be clearly contrary to Development Plan policy and would constitute an unsustainable form of development, contrary also to the objectives of the NPPF.
- 4.2 Insufficient evidence has been submitted with the application to suggest that the harm arising from the conflict with the Development Plan and NPPF should be set aside. In particular it has not been demonstrated, in a manner commensurate with the assessments of other applications of this type, that the use of the property as a holiday let is no longer viable.
- 4.3 Whilst there is sympathy with the applicants' personal circumstances, it is not considered that this has been demonstrated to provide a compelling basis for setting aside policy, and allowing the use of the premises as an unrestricted private dwelling.

g) **Recommendation**

I PERMISSION BE refused on the grounds:-

- 1) Insufficient evidence has been provided with the application to demonstrate that the use of the property as a holiday let is no longer viable. The proposal would result in the loss of tourist accommodation and the provision of an unrestricted dwelling, beyond settlement confines, leading to an increase in travel by private car, and would be unsustainable development, contrary to Core Strategy policies CP1, DM1, DM4, DM11 and the NPPF, in particular paragraphs 8,14 and 17, and chapter 3.

Case Officer
Maxine Hall

16/1496

DOVER DISTRICT COUNCIL

- 1 JUN 2017

PLANNING SECTION

Dover District Council,
Planning Department,
White Cliffs Business Park,
Dover, CT16 3PJ.

Greengage Cottage,
Fleming Road,
Barnsole, Staple,
CANTERBURY, Kent, CT3 1LG

30th May, 2017

Dear Maxine,

re: Planning Application DOV116101496INV

Further to your e-mail of 19th May regarding the Committee Meeting of 27th July, 2017.

I am again laying out the facts of our case from our original request for Change of Use at 1st May 2015.

Piglet Place has been let since 1998 – with a 4 star rating and advertising from the Quality in Tourism no: 64527 – the last inspection being October 2015. We have had a website pigletplace.co.uk from the outset and then another site pigletplacekent.co.uk added in 2010 to try to booster our bookings. These are now both withdrawn the latter in September 2015, when I felt unable to carry on with the letting. I enclose a Fasthost invoice to confirm internet payment. We have also advertised with The Lady magazine and This England.

As most guest require the same weeks, July to September, bookings have been consistently low for some years. Our accountant informs us that we have not let enough to comply with the tax laws for holiday lettings, and we are really working for next to nothing. (see accounts as presented by Mr. N. Blake.)

I have been feeling unwell for some years, which is why our original application enquiry was 2015, and put my symptoms down to ageing. The doctor consistently misdiagnosed my brain tumour, until a scan in January 2016. I had an operation in February 2016 at Kings College Hospital which has de-bulked the mass, however I will be monitored by the Hospital annually and may need further treatment. This explains to me now why I have been unable to carry on with most of the life style I had previously and why I can say with certainty I am unable to organise the letting and running of the holiday cottage.

The cottage will therefore remain empty. We may need to let it on a more permanent basis to get an income to supplement our pensions – or allow a family member to move in. There has never been an option of selling off the cottage on its own.

We will not be moving from Greengage Cottage, as I am not able to cope with such a drastic change.

Our wish is to leave the dwelling and all surrounding areas exactly as they are, with Piglet Place having the option to use the second gate way and/or our drive. We have excellent site lines.

Other properties in our proximity have been given permission for new build and change of use from sheds to dwellings – so we really cannot see the problem with our application.

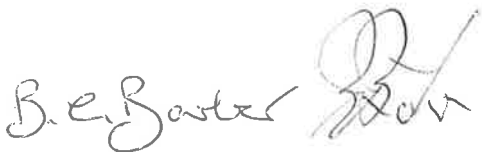
Our property is by no means the last in Barnsole, as can be seen from aerial photographs. There are more properties on the other side of our road, one of which a thatched barn was made into a dwelling since our conversion, and was not part of a farm.

We have asked some of our neighbours to support our application, and hope that you will be hearing from them before the Committee Meeting.

This process has been extremely stressful for me, so Nick Blake and Trevor Bartlett will be at Committee to speak on our behalf. I know there are lots of letters, photographs and emails that will confirm a lot of what has already been said, please bring them to Committee. It is very hard for me to remember all previous enclosures.

I hope that this is the letter and evidence that you need, please let me know if there is anything else.

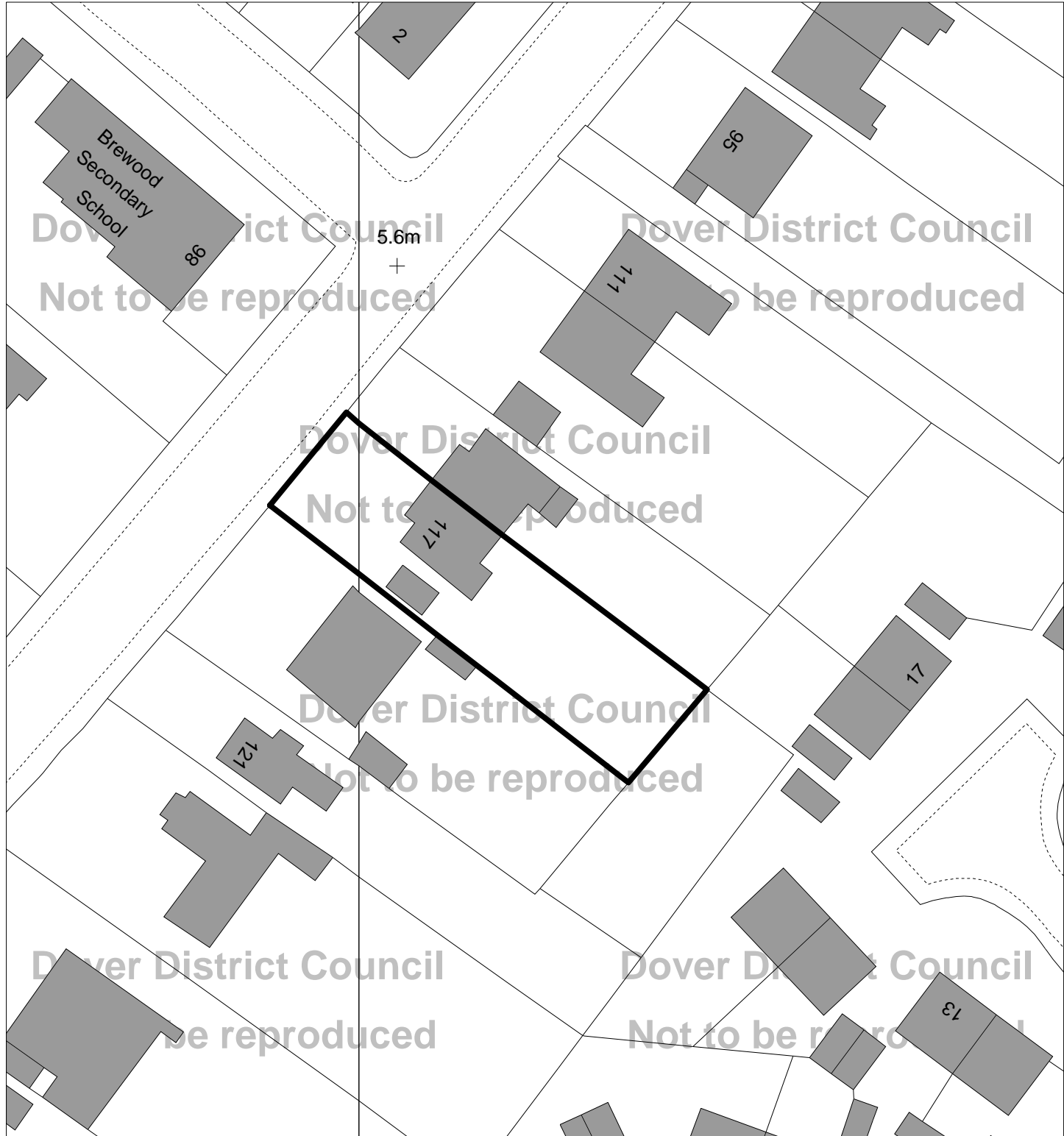
Yours sincerely,

The image shows two handwritten signatures in black ink. The signature on the left is 'B. Barber' and the signature on the right is 'Richard Barber'. Both are written in a cursive, flowing style.

Bronwen Barber - Richard Barber

Encs:

As above + copy of our Brochure



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Application: DOV/16/01229

117 London Road
Deal
CT14 9TR

TR37015225



- a) **DOV/16/01229 – Erection of single storey rear extension - 117 London Road, Deal**

Reason for report: Number of contrary views (11).

- b) **Summary of Recommendation**

Planning permission be granted.

- c) **Planning Policies and Guidance**

Core Strategy Policies

DM1 - Development will not be permitted outside of the settlement confines, unless it is specifically justified by other development plan policies, or it functionally requires such a location, or it is ancillary to existing development or uses.

National Planning Policy Framework (NPPF)

- Paragraph 17 states that securing high quality design and a good standard of amenity for all existing and future occupants of land and buildings is one of the 12 core planning principles set out in the NPPF.
- Paragraph 32 states that development should only be prevented or refused on transport grounds where the residual cumulative impacts of development are severe.
- Paragraph 56 states that the Government attaches great importance to the design of the built environment. Good design is a key aspect of sustainable development, is indivisible from good planning, and should contribute positively to making places better for people.
- Paragraph 64 states that permission should be refused for development of poor design that fails to take the opportunities available for improving the character and quality of an area and the way it functions”.

The Kent Design Guide

The Kent Design Guide says that for extensions to buildings the main principle is that the character of the building and the surroundings must be maintained or improved by the work done.

- d) **Relevant Planning History**

DOV/15/00614 - Erection of a two storey side extension with integral garage, a single storey rear extension, a single storey rear conservatory extension and a raised patio (existing garage to be demolished). Approved.

- e) **Consultee and Third Party Responses**

Deal Town Council – object to the planning application as the plans were found inaccurate.

Public Representations:

Eleven (11) representations received objecting to the planning application and raising the following relevant planning matters:

- side door would cause loss of privacy to no.117
- extension is of poor design
- height of the extension is oppressive
- has an overbearing and negative impact on outlook of the occupiers of no.117

f) 1. **The Site and the Proposal**

1.1 The application relates to a two storey semi-detached dwelling-house which falls within the settlement confines of Deal. The exterior facade of the property is white textured finish. It has a tiled roof and UPVC doors and windows. It has front and rear gardens. The application site makes provision for two offstreet car parking spaces. The application property constitutes the south-western half of the pair whilst no.115 constitutes the other half. The rear gardens of nos 117 (application site) and 115 (to the southeast) are divided by a 1.8m high close boarded wooden fence. There is mature vegetation along the northeastern, southeastern and southwestern boundary of the application site. The application property also shares boundaries with no.119 London Road to the southwest. The street scene of London Road predominately comprises of detached and semi-detached dwellinghouses with varying architectural styles.

1.2 This is a retrospective application which seeks permission to retain the flat roofed single storey rear extension with a roof lantern over. The extension is L-shaped and is sited 150mm from the dividing boundary with the attached neighbour at no.115 to the northeast. The extension has an exposed brick plinth with walls proposed to be finished in plain render and has UPVC fenestration. Originally, the application had several drawing discrepancies. The applicant was provided the opportunity to submit accurate drawings to the scheme, they were forthcoming and the amended drawings were received on 07 July 2017.

2 **Main Issues**

2.1 The main issues are:

- The principle of the development
- The impact on the character and appearance of the area
- The impact on residential amenity
- The impact on the highway network

Assessment

Principle of Development

2.2 The site lies within the settlement confines of Deal. It is considered that principle of the development is acceptable, subject to site-specific considerations.

Impact on the Character and Appearance of the Area and Design

2.3 By virtue of its siting, the proposed rear extension is not readily visible from the public viewpoints in London Road. Whilst some glimpse views of the extension are achievable from the west in the street, given the limited scale and design of the proposal, it is not considered that the extension causes

harm to the character and appearance of the street scene. The extension is simply designed with a flat roof and a roof lantern. It is sympathetic in terms of its appearance to the original dwellinghouse.

Impact on Residential Amenity

2.4 No.115 London Road (semi-detached partner) to the northeast

No.115 has an existing single storey rear conservatory extension measuring approximately 3m in depth. The proposed extension projects beyond the rear wall of the extension at no.115 by approximately 1m. Given the fact that it is a single storey extension reaching a maximum height of 3.5m above ground level and having regard for the existing adjoining development at no.115, it is not considered that the living conditions in respect of any overbearing effect or overshadowing of the neighbouring occupiers of no.115 are unduly harmed.

No.119 London Road to the southwest

2.5 The finished extension lies at a distance of approximately 6m from the northeast (side) elevation of no.119. Having regard for the separation distance and the limited scale of the extension, it is not considered that the proposal causes harm to the residential amenity of the neighbouring occupiers.

2.6 Concerns were raised regarding the potential for direct overlooking through the side door to the extension facing no.119 which was shown on the original plans received with the application. The applicant confirmed that side door was shown in error and the application was later amended and the door was removed. The drawings now accurately represent what is on site.

2.7 There are no other properties in the vicinity that would be directly affected by the proposal.

Conclusion

2.8 The extension is considered acceptable in design terms and does not cause harm to the character and appearance of the street scene. It does not cause harm to the residential amenity of the neighbouring occupiers.

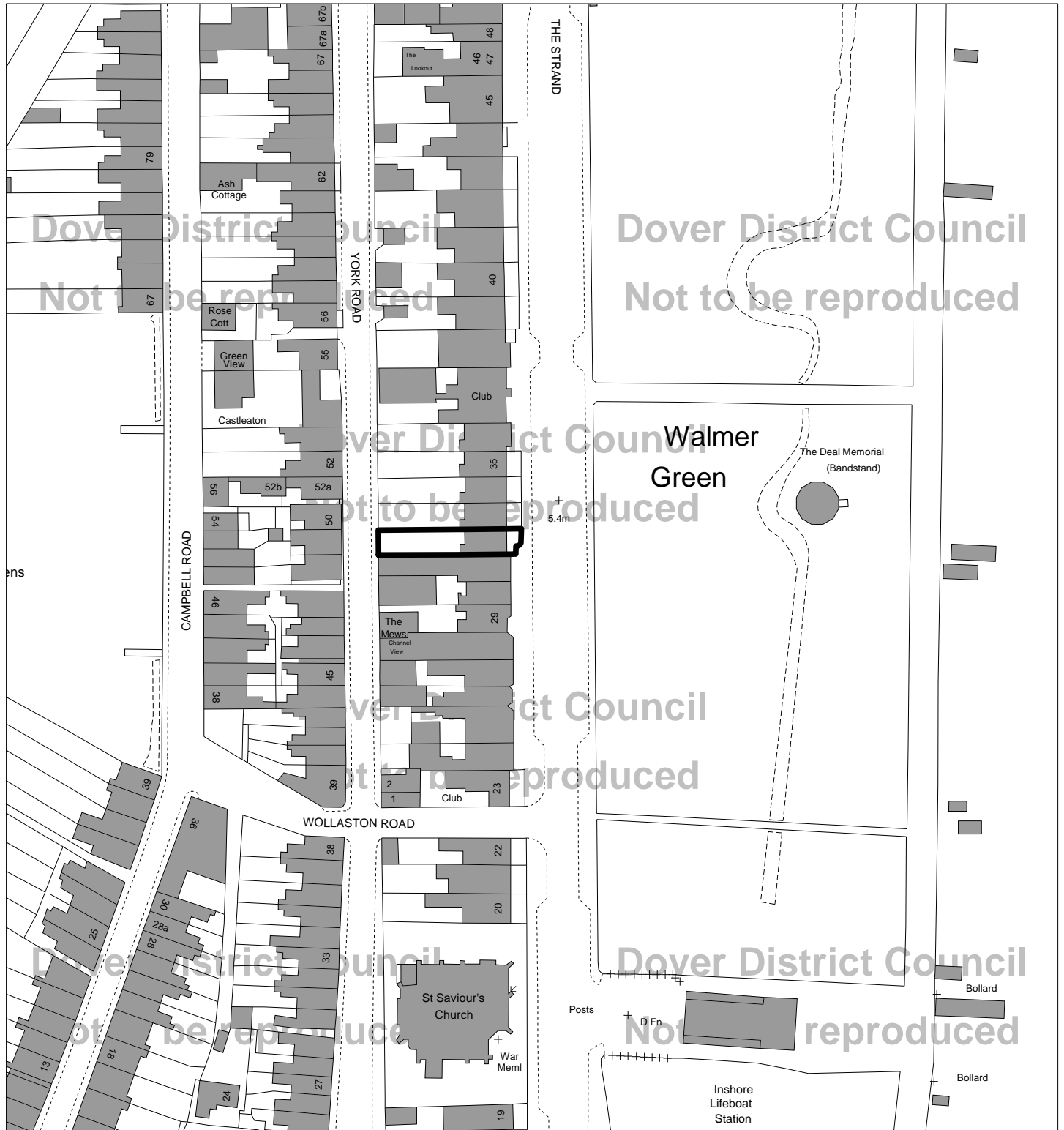
g)

Recommendation

- I PERMISSION BE GRANTED subject to conditions which include: ii) A list of approved plans (iii) No openings to southwest (side) or northeast (side) elevations of the extension.
- II Powers to be delegated to the Head of Regeneration and Development to settle any necessary planning conditions in line with the issues set out in the recommendation and as resolved by the Planning Committee.

Case Officer
Benazir Kachchhi

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Application: DOV17/00432

32 The Strand

Walmer

CT14 7DX

TR37705162



- a) **DOV/17/00432 – Erection of first-floor extension above existing garage - 32 The Strand, Walmer**

Reason for report: Number of contrary views (8)

- b) **Summary of Recommendation**

Planning permission be granted.

- c) **Planning Policies and Guidance**

Core Strategy Policies

DM1 - Development will not be permitted outside of the settlement confines, unless it is specifically justified by other development plan policies, or it functionally requires such a location, or it is ancillary to existing development or uses.

National Planning Policy Framework (NPPF)

- Paragraph 17 states that securing high quality design and a good standard of amenity for all existing and future occupants of land and buildings is one of the 12 core planning principles set out in the NPPF.
- Paragraph 32 states that development should only be prevented or refused on transport grounds where the residual cumulative impacts of development are severe.
- Paragraph 56 states that the Government attaches great importance to the design of the built environment. Good design is a key aspect of sustainable development, is indivisible from good planning, and should contribute positively to making places better for people.
- Paragraph 64 states that permission should be refused for development of poor design that fails to take the opportunities available for improving the character and quality of an area and the way it functions”.
- Paragraph 132 states that when considering the impact of a proposed development on the significance of a designated heritage asset, great weight should be given to the asset’s conservation. The more important the asset, the greater the weight should be. Significance can be harmed or lost through alteration or destruction of the heritage asset or development within its setting. As heritage assets are irreplaceable, any harm or loss should require clear and convincing justification. Substantial harm to or loss of a grade II listed building, park or garden should be exceptional.
- Paragraph 134 states that where a development proposal will lead to less than substantial harm to the significance of a designated heritage asset, this harm should be weighed against the public benefits of the proposal, including securing its optimum viable use.

The Kent Design Guide

This states that ‘the restoration, modification or extension of any building requires a sympathetic approach and this is particularly the case with heritage areas including historic buildings and townscape. Even a seemingly minor alteration can be damaging to an individual building or group’.

Walmer Design Statement

Walmer Design Statement seeks to focus on the special character and design features in different parts of Walmer. It sets out Design Principles that could be applied appropriately.

The design principles that can be applied in the context of the current planning proposal are:

WDS1: requires the development to be consistent with Dover District Local Plan (2002) and the principles and objectives of Kent Design (2000) and should acknowledge, preserve or enhance the built and natural heritage of the parish of Walmer.

WDS3: The scale, materials and boundary treatments used in development should be appropriate to their surroundings and the design details of the Character Area in which the development is proposed. Harmonious variety in design details within developments is encouraged to maintain the tradition of visually interesting streetscapes which is a characteristic of Walmer.

Sections 72(1) of Planning (Listed Buildings and Conservation Area) Act 1990

Section 72(1) states that, 'In the exercise, with respect to any building or other land in a conservation area, of any powers under any of the provisions mentioned in subsection (2), special attention shall be paid to the desirability of preserving or enhancing the character or appearance of that area.'

d) Relevant Planning History

DOV/16/00235 - Replace existing tiled roof with slate, replacement dormer window to front, excavations to form new lightwell to rear and enlargement of front lightwell (amended proposal). Approved.

DOV/16/01148 - Excavations to form new lightwell to rear and enlargement of front lightwell, replace existing tiled roof with slate, installation of replacement windows, removal of side front dormer windows, installation of replacement window on rear elevation and bi-fold doors to lower ground floor and construction of associated access steps. Approved.

e) Consultee and Third Party Responses

Walmer Parish Council – positively supports the proposal.

Environmental Health Manager – no observations.

Heritage Officer – no objections.

Public Representations:

Eight (8) representations received objecting to the planning application and raising the following relevant planning matters:

- Out of keeping with the character and appearance of the Conservation Area
- Loss of light
- Loss of privacy
- Out of scale
- Overshadows immediate neighbours
- Increase in demand for water, drainage, refuse disposal and parking

f) 1. **The Site and the Proposal**

1.1 The application site relates to an existing garage within the rear garden of a terraced dwelling which lies within the settlement confines of Walmer in Walmer Sea Front Conservation Area. The properties to the south of the application site have two storey outbuildings fronting York Road whilst properties to the north have single storey outbuildings/garages. The application property shares boundaries with no.33 to the north and no.31 to the south.

1.2 This application seeks permission to erect a pitched roofed first floor extension over the existing garage abutting York Road. It would be finished in brick. It would have timber casement windows and a slate tiled roof. The proposed extension would be used as a home office used ancillary to the main dwellinghouse. Concerns were raised regarding the loss of privacy and loss of light to the neighbouring properties opposite the application site fronting York Road. The applicant subsequently amended the scheme which involved the removal of the proposed windows to the extension's first floor York Road elevation (west) and the insertion of windows to the east (side) elevation facing the rear elevation of the main dwellinghouse. To mitigate the light loss impacts on the neighbouring properties fronting York Road, the roof of the extension which was originally proposed with a gable end facing York Road was amended to have gable ends to the side elevations instead. This amendment was also sought with a view to retain some consistency in terms of building form in the street elevation. Furthermore, rectangular recesses with exposed stone cill and soldier course brick header details were sought with a view to add some interest to the elevation rather than having a blank brick wall facing York Road.

2 **Main Issues**

2.1 The main issues are:

- The principle of the development
- The impact on the character and appearance of the area and Heritage Asset
- The impact on residential amenity
- The impact on the highway network

Assessment

Principle of the Development

2.2 The site lies within the settlement confines of Deal. It is considered that principle of the development is acceptable, subject to site-specific considerations.

Impact on the Character and Appearance of the Area

2.3 By virtue of its siting, the proposed first floor extension would be readily visible in York Road. However, having regard for the amended design of the extension and the existing two storey outbuildings backing onto York Road of a similar scale and appearance, it is not considered that the proposed first floor extension over the existing garage would appear out of character with the area. Therefore, the proposed extension would comply with the aims and objectives of the Walmer Design Statement.

- 2.4 For the foregoing reasons, your officers are satisfied that the proposal would preserve the character and appearance of the Conservation Area in accordance with Section 72(1) of Planning (Listed Buildings and Conservation Area) Act 1990. As far as the NPPF is concerned, given the existing character of the street and having regard to the design and form of the building, the impact of the development is considered to be neutral.

Impact on Residential Amenity

2.5 No. 31 to the north

No. 31 has an existing conservatory along the rear site boundary set-in from the edge of York Road by approximately 5.5m. This setback area is used for the parking of cars by no. 31. Therefore, by virtue of the siting of the existing adjoining development at no. 31, the proposed extension whilst two storey is not considered to have an unacceptable overbearing impact on the neighbouring occupiers of no. 31. Having regard for the separation distance between the proposed development and the rear elevation of no. 31, no unacceptable loss of light or overshadowing would occur from the proposal.

2.6 No. 33 to the south

No. 33 has an existing outbuilding with a pitched roof along the rear boundary. By virtue of the siting of the proposed garage extension to the north of no.33 and having regard to the location of the outbuilding, it is not considered that it would cause loss of light, sense of enclosure or overshadowing to private amenity space or dwellinghouse at no. 33.

- 2.7 The windows proposed to the east elevation of the proposed first floor extension would have views into the private gardens of nos 31 and 33. Therefore, to mitigate this concern, the proposed windows would be conditioned to be obscure glazed and non-openable upto a height of 1.7m above floor level. With regards to the proposed rooflights within the eastern roofslope, they would be high level and as such are not considered to result in harmful downward overlooking.

- 2.8 Having regard for the proximity of the proposed extension to the dividing boundaries with nos 31 and 33, it is considered that the proposed windows to the first floor east (rear) elevation of the extension may not result in overlooking but are likely to result in the perception of overlooking. However, it is not considered that this perception of overlooking would not be sufficiently harmful to warrant refusal of the application.

2.9 Properties Fronting York Road

Following the amendments to the proposal, the first floor extension is considered acceptable and is not considered to result in a loss of privacy, loss of light, sense of enclosure or overshadowing to the occupiers of the properties fronting York Road to the west. Having regard to the north-south orientation of the street and the separation distance between the proposed extension and the front elevations of the properties opposite (approximately 7m apart), it is not considered that the proposed first floor extension would cause unacceptable loss of light to the neighbouring occupiers opposite.

- 2.10 There are no other properties in the vicinity that would be directly affected by the proposal.

Impact on Highways

- 2.11 The applicant has confirmed that the proposed extension would be used as a home office ancillary to the main dwellinghouse. As such, no additional increase in traffic or parking demands are envisaged from the proposal. Ancillary use as such can be conditioned.

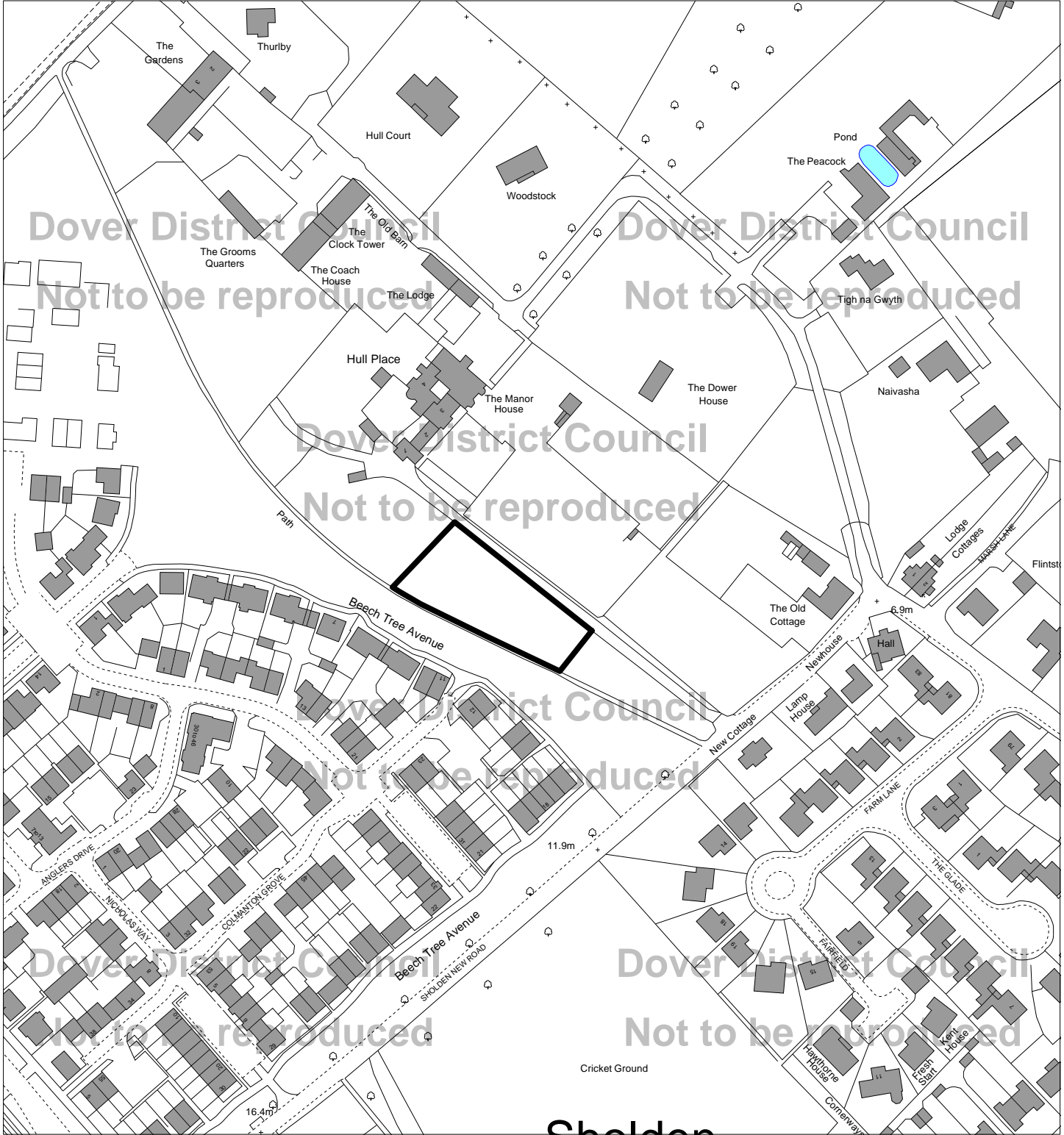
3. **Conclusion**

- 3.1 The proposed extension is considered acceptable and would preserve the character and appearance of the wider Conservation Area and the street scene. It would not undue cause harm to the residential amenity of the neighbouring occupiers.

g) **Recommendation**

- I PERMISSION BE GRANTED subject to conditions to include: i) Timescale of commencement of development, ii) A list of approved plans (iii) Materials as confirmed by the applicant (iv) obscure glazed fixed shut below 1.7m (v) No openings to any elevations or roof plane (vi) Ancillary use.
- II Powers to be delegated to the Head of Regeneration and Development to settle any necessary planning conditions in line with the issues set out in the recommendation and as resolved by the Planning Committee.

Case Officer
Benazir Kachchhi



Not to scale

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Application: DOV/17/00636

Land to the south east of Hull Place

Sholden

CT14 0AQ

TR35205271



a) DOV/17/00636 - Erection of single storey two-bedroom eco house - Land south-east of Hull Place, Sholden, Deal

Reason for Report: No of contrary views (7)

b) Summary of Recommendation

Refuse Planning Permission

c) Planning Policy and Guidance

Statute

Section 38(6) of the Planning and Compulsory Purchase Act 2004 requires that planning applications be determined in accordance with the Development Plan unless material considerations indicate otherwise.

National Planning Policy Framework (NPPF)

Paragraph 7 states that there are three dimensions to sustainable development: economic, social and environmental. These dimensions give rise to the need for the planning system to perform a number of roles:

- an economic role - contributing to building a strong, responsive and competitive economy, by ensuring that sufficient land of the right type is available in the right places and at the right time to support growth and innovation; and by identifying and coordinating development requirements, including the provision of infrastructure;
- a social role - supporting strong, vibrant and healthy communities, by providing the supply of housing required to meet the needs of present and future generations; and by creating a high quality built environment, with accessible local services that reflect the community's needs and support its health, social and cultural well-being; and
- an environmental role - contributing to protecting and enhancing our natural, built and historic environment; and, as part of this, helping to improve biodiversity, use natural resources prudently, minimise waste and pollution, and mitigate and adapt to climate change including moving to a low carbon economy.

Paragraph 8 continues stipulating that these roles should not be taken in isolation, because they are mutually dependent

Paragraph 10 requires plans and decisions to take local circumstances into account to respond to opportunities for achieving sustainable development.

Paragraph 14 – states that at the heart of the National Planning Policy Framework is a presumption in favour of sustainable development, which should be seen as a golden thread running through both plan-making and decision-taking.”

Paragraph 17 - Core planning principles planning should:

- be a creative exercise in finding ways to enhance and improve the places in which people live their lives;
- always seek to secure high quality design and a good standard of amenity for all existing and future occupants of land and buildings;

- take account of the different roles and character of different areas, promoting the vitality of our main urban areas...
- conserve heritage assets in a manner appropriate to their significance, so that they can be enjoyed for their contribution to the quality of life of this and future generations

Paragraph 49 states that housing applications should be considered in the context of the presumption in favour of sustainable development.

Paragraph 50 seeks to deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities, local planning authorities should plan for future needs, identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand and ensure such policies should be sufficiently flexible to take account of changing market conditions over time.

Paragraph 55 of NPPF 'rural housing should be located where it will enhance or maintain the vitality of rural communities'. Local planning authorities should avoid new isolated homes in the countryside unless there are special circumstances such as:

the essential need for a rural worker to live permanently at or near their place of work in the countryside; or where such development would represent the optimal viable use of a heritage asset or would be appropriate enabling development to secure the future of heritage assets; or where the development would re-use redundant or disused buildings and lead to an enhancement to the immediate setting; or the exceptional quality or innovative nature of the design of the dwelling.

Such a design should be truly outstanding or innovative, helping to raise standards of design more generally in rural areas, reflect the highest standards in architecture, significantly enhance its immediate setting; and be sensitive to the defining characteristics of the local area.

Paragraph 56. The Government attaches great importance to the design of the built environment. Good design is a key aspect of sustainable development, is indivisible from good planning, and should contribute positively to making places better for people."

Paragraph 57 emphasises that it is important to plan positively for the achievement of high quality and inclusive design for all development, including individual buildings.

Paragraph 132 outlines that considering the impact of a proposed development on the significance of a designated heritage asset, great weight should be given to the asset's conservation. It goes on to state that the more important the asset, the greater the weight should be.

Paragraph 133 states that where a proposed development will lead to substantial harm to or total loss of significance of a designated heritage asset, local planning authorities should refuse consent unless it can be demonstrated that the substantial harm or loss is necessary to achieve the substantial public benefits that outweigh that harm or loss, or unless a number of criteria are satisfied.

Paragraph 134 states that where a development proposal will lead to less than substantial harm to the significance of a designated heritage asset, this harm should be weighed against the public benefits of the proposal, including securing its optimum viable use.

Core Strategy

CP1-Settlement Hierarchy
CP3-Distribution of Housing Allocations
DM1- Within Settlement Boundary
DM11-Location for Development and Managing Travel Demand
DM13- Parking Provision
DM15 Protection of the Countryside
DM16-Landscape Character

Other

Kent Design Guide

d) Relevant Planning History

PE/16/00007 A pre-application enquiry into erection of eco house on site.

e) Consultee and Third Party Responses

Sholden Parish Council were consulted and objected to the proposal on the following grounds:

- Objects as Buffer zone between Sholden Fields and Hull Place compromised. The buffer zone needs to be maintained, helping to maintain the tranquillity of the area and maintain screening. The trees help to disperse run off water from Sholden Fields onto Hull Place. Trees have TPO's and should remain.
- Access is unsafe onto Sholden New Road and access into the site is compromised with the 2 stone pillars in situ. Habitat for slow worms which have already been disturbed by the Sholden Fields development. Wildlife area of Hull Place should be respected and allowed to recover the recent development.

DDC Trees and Horticulture no response.

DDC Heritage were consulted and raised no objection to the proposal.

Southern Water no response.

Third Party Responses

Seven letters of support on following grounds:

- Sustainable, contemporary architecture a good thing in this location;
- The modest eco house would blend in with the environment;
- The site is currently an eyesore with litter dumping and trees falling down and would benefit from the development;
- Government is encouraging self-builds and this is a well-considered, modest and sensitive plan;
- The applicant would retain as many trees as possible and double the replanting of trees being taken out, revitalising the existing wood belt;
- Safe access and exist can be improved with a convex mirror and reduction in foliage in summer. A 20mph speed limit is also an option;
- The new bungalow will not infringe on the lane that clearly denotes the area between Sholden Fields and Hull Place;
- Scale of the bungalow is in keeping with the size of the site;
- Neighbours would not be impacted upon by the dwelling or its inhabitants.

Three letters of objection on following grounds:

- The woodlands, should not be disturbed but maintained, as TPO trees on this

site

- Increased in traffic, car parking demand and adverse impact on Highway Safety, narrow entrance and poor visibility
- Lack of information about services
- Existing trees provide buffer zone and privacy would be undermined by development
- No economic benefit to development
- Increased flood risk due to recent developments will be exacerbated by this development
- Adverse impact on slow worms a protected species.

f) The Site and the Proposal

1. The application site is located within the grounds of Hull Place, located to the north of Sholden and approximately one mile to the north-west of Deal. Hull Place Manor is a Grade II listed property built in the early 18th Century. The property has since been altered and extended from its original state in 1915 and 1931. The Manor House is red bricked and with plain tiled roof. Within the grounds of Hull Place are a number of dwellings which have been built subsequent to the Manor House. Originally these properties would have been used as outhouses or quarters to the Manor House. These dwellings now all fall under separate private ownership.
2. The application site is approximately 0.2ha in size and is positioned in the south-eastern part of Hull Place's grounds. This area is currently occupied by dense woodland and several of the trees are protected under Tree Preservation Orders (TPO's).
3. The proposed development site can be accessed by foot and vehicle via an existing entrance and private drive off Sholden New Road. The site is also located c. 300 metres from an existing bus route which provides regular service towards Sandwich, Deal and Canterbury.
4. The site lies outside of the Sholden development boundary but is adjacent to the recently completed Sholden Fields Development of 230 dwellings immediately to the west of Hull Place. This means that the proposed development site is now surrounded by residential use to the north, south and west.

Preliminary Matters

5. A pre-application enquiry under Ref PE/16/00067 was submitted for the erection of an eco-house on the subject site, the LPA reply dated 28th April 2016 advised that:
 - The site is outside of Deal's urban boundary and for the purposes of planning is considered to be within the countryside. Policy DM1 of the CS does not permit development on land outside the settlement boundaries unless it is justified by other development plan policies or it functionally requires such a location.
 - The proposed development would be a departure from adopted policies and would require unusual and compelling justification for permission to be given. This justification would need to be assessed against the core theme in the NPPF of promoting sustainable development which has three dimensions - economic, social and environmental.
 - The existence of TPO No. 1 (1958), which covers the swathe of land which lies betwixt Hull Place and the recently constructed Sholden Fields development would render it unlikely that you such a justification with no demonstrable environmental harm would be caused.

- This substantial mixed evergreen tree belt forms a strong visual screen between Sholden Fields and the listed properties at Hull Place. The screen ensures that these Listed properties are effectively visually self-contained and that there is no clear view between them and the newly constructed homes at Sholden Fields. This was an important consideration during determination of the application for Sholden Fields. Where views exist, the siting of an open space between Sholden Fields and Hull Place limits any visual impact.
- The protection of the trees by virtue of the TPO therefore has a clear function of screening the Listed properties at Hull Place, and any loss of trees in this area would be strongly resisted.
- In summary, there would be an in-principle objection to the proposed development, which could not be overcome by changes to the siting or design of the proposed development.

Proposed Development

6. The proposal is for the erection of a detached single storey eco house with a new vehicle access and one car parking space off-street. The dwelling would have an indicative floor area of 84 square metres.
7. The main issues in the determination of this planning application are:
 - Principle of the development
 - Landscape character and countryside
 - Design and visual impact
 - Trees and landscaping
 - Residential amenity
 - Highways and access

Principle of Development

8. Section 38(6) of the Planning and Compulsory Purchase Act 2004 states that planning applications should be determined in accordance with the Development Plan unless material considerations indicate otherwise.
9. The NPPF states that any development that accords with an up-to-date development plan should be approved and that which conflicts should be refused unless material considerations indicate otherwise. At the heart of the NPPF is a presumption in favour of sustainable development and for decision making this means approving development that accords with the Development Plan.
10. The Council considers that it can demonstrate 6.03 years supply of housing. Accordingly, the Policies within the Dover Core Strategy shall be accorded full weight.
11. The site is outside of the confines of Sholden/Deal defined settlement and the use of the site for additional residential dwelling is considered to be contrary to Policies CP1 and DM1 and therefore unacceptable in principle.
12. Whilst there is residential development to the north-east and west and further away to the east, it is separated by buffers such as a tree belt, a water course and open grounds. Officers therefore do not consider that it is 'surrounded by development as claimed in the Planning Statement submitted in support of this scheme.
13. With regard to exceptional justification, the applicant claims that the proposed dwelling will be raised from the ground to minimise any ground disturbance or impact

to the existing trees located on site.

14. Paragraph 3.6 of the planning statement sets out the merits of the proposed development:

- Improved efficiency due to factory fabrication;
- Development of a lightweight home that requires very low impact foundation to minimise ground disturbance;
- Low impact to site due to reduced build time and labour;
- No material waste with any surplus materials recycled;
- Superior air tightness for high levels of energy efficiency due to factory controlled conditions;
- Improved quality with high levels of accuracy;
- Sustainably sourced timber from managed sources;
- Natural breathable insulation;
- Natural timber cladding which will weather a silvery shade to blend into the surrounding woodland;
- Energy efficient heating using air source heat pump heating system with log burning stove for backup.

15. In addition, under ref DOV/10/01065 the “Land North East of Sandwich Road and North West of Sholden New Road, Sholden: Erection of 230 residential dwellings.” Was granted permission outside of the defined settlement. In justifying this decision the Planning Officer recommended that planning permission be granted at the Dover District Council planning committee on 14/12/2011.

16. The Planning Statement in paragraph 4.4 states that:

“The Officer’s report relating to the application at Sholden Fields concluded that due to the self-contained nature of the site, which is substantially screened by mature tree belts, the development should not adversely impact the wider countryside. The report also states that the development accords with government planning policy relating to sustainable development”

17. In paragraph 6.4 of the Planning Statement the applicants claim that the LPA is currently unable to demonstrate a five-year supply of housing. As such, Paragraph 49 of the NPPF takes effect, and the presumption in favour of sustainable development is engaged. In light of this, policy DM1, DM15 and DM16 of the Council’s Core Strategy, which aim to restrict development in the countryside, should not be material considerations when determining this application as the proposed development site is surrounded by residential use.

18. In paragraph 6.8 the applicant claims that in terms of the screening between the Sholden Fields and Hull Place listed buildings, the proposed eco-house will be placed at the centre of this woodland area thus leading to limited impact on the existing tree line. Although a small number of non-TPO trees will be removed, the impact this will have on the woodland area will be minimal to ensure that a strong visual screen between the two developments will remain.

19. The planning statement concludes its justification of the scheme being in accordance with paragraph 7 of the NPPF and that the proposed development fulfils an economic, social and environmental role.

20. Officer’s in response have already set out that in excess of a 5 year housing supply can be demonstrated and therefore that full weight is therefore accorded to all Core Strategy Policies. Moreover, whilst the applicant can demonstrate that the proposed eco house would use sustainable construction methods, there would be no wider

public or environmental benefits. Officers remain concerned that its impact on the tree belt, protected trees and the wider landscape character and appearance will not be safeguarded.

21. Officer note that the applicant is not attempting to rely on exceptional design as set out in paragraph 55.
22. In summation, the LPA retains its objection in principle to the proposed development and justification for a departure from this policy has not been demonstrated by the applicant.

Impact on Landscape Character and Countryside

23. Policy DM15 refers to the protection of the countryside and stipulates that development which would result in the loss of, or adversely affect the character or appearance of the countryside will only be permitted if it is:
 - i). In accordance with allocations made in Development Plan Documents, or
 - ii). Justified by the needs of agriculture; or
 - Justified by a need to sustain the rural economy of a rural community
 - it cannot be accommodated elsewhere; and
 - it does not result in the loss of ecological habitats.
24. Provided that measures are incorporated to reduce, as far as practicable, any harmful effects on countryside character.
25. The application site is not surrounded by development as there are various buffers in between development to the east and west of the site. Of most importance is the wooded area which notwithstanding the avoidance of harm to the TPO'd trees would be denuded by the proposed development not least as a new vehicular access will be required to facilitate the development. The proposed development is not justified by the criteria set out in Policy DM15 above and would in officer's view serve to detract from the countryside character and appearance contrary to this Policy.
26. Policy DM16 refers to the landscape character of the proposed development site and states that development that would harm the character of the landscape, as identified through the process of landscape character assessment will only be permitted if (inter alia):

'It can be sited to avoid or reduce harm and/or incorporate design measures to mitigate the impacts to an acceptable level.'

27. No landscape character assessment has been submitted. However due to its siting it is considered that the impact on the wider landscape is at best neutral.

Design and Visual Impact

28. The proposal would be a single storey flat roofed property of contemporary design and of a relatively modest footprint. The house itself is considered to have a relatively minor impact on the appearance of the surrounding area but the vehicular access would in effect open the site up although most of the visual impact would be limited by the fact it would be within the access road leading to Hull Place Manor. Officers consider that consequently its impact would be relatively minor on the surrounding area.

Trees and Landscaping

29. No comments have been received from the Trees and Horticulture Officer. However, from the proposed plans it would appear that tree cover may be affected. Therefore if planning permission were to be recommended these views would have been sought before a decision would have been made. The application site has a significant number of trees within it, and some of these would have to be removed from the site should permission be granted. The submitted Arboricultural report identifies these are being all of category C or less, and as such, their loss is not considered to be to the detriment of the character of the area.
30. That said, there would be the potential for future pressure to remove the other trees, particularly as there are a number of self-seeded sycamores within the site – which are known to be fast growing. It is considered that the location of these development, within the cluster of trees, the provision of the access and the use of the land as residential curtilage would result in the harm to the overall character and appearance of the locality, if not the trees themselves.

Residential Amenity

31. The site is of a sufficient size to enable a dwelling to be accommodated with adverse impact on neighbours in terms of overbearing or overlooking impacts.

Highways Implications

32. The site would be accessed from a private road leading to Hull Place and given the modest scale of the development is considered unlikely to generate any significant traffic or to contribute to adverse highway safety issues. The single car parking space would be in accordance with the Maximum car parking standards set out in Kent CC SPG 4 and with bus services being in relatively close proximity (less than 300 metres away) is considered acceptable to officers.

Heritage

33. The application site is located a significant distance away from Hull Place, a Grade II listed building which is an early 18th Century dwelling (now split into three) planned around a central courtyard. The grounds to Hull Place, also contain Grade II listed gates and wall which are approximately 30metres to the north of the building (and thus further away from the application site).
34. Paragraphs 132-135 of the NPPF relate to the significance of heritage assets and how planning applications should be determined to ensure that great weight is given to the asset's conservation. As heritage assets are irreplaceable, any harm or loss should require clear and convincing justification.
35. Because of the level of separation (approximately 70metres) and because the building would be enclosed within an area of substantial tree planting, it is not considered that the proposal would have any negative impact upon the setting of these listed structures – i.e. the impact upon the heritage asset would be neutral.
36. It is therefore considered that the proposal would accord with the requirements of paragraphs 132 – 135 of the NPPF in this instance.

Conclusion

37. The Council can demonstrate a five-year housing supply and accordingly, the policies in the Core Strategy and Land Allocations Local Plan are to be given full weight. The development proposes a new house outside of the defined settlement boundary which is contrary to Policy DM1 of the Core Strategy.

38. The strategic planning permission granted under DOV/10/1065, located directly to the south-west of the site, is being claimed as being beneficial to the proposed development. Officers however consider that the application site is part of a tree-covered, green buffer zone between a Listed Building and a recent major development scheme which serves to maintain and enhance the surrounding countryside.
39. The applicant has not provided satisfactory justification as to why a departure from the development plan should succeed and as such the Council maintains its objection in principle to the development as set out in its pre-application response in 2016 under PE/16/00067.
40. The development would represent an unsustainable form of development which is located outside of existing settlement confines in what is, for development management purposes, a countryside location. The proposal is therefore contrary to Policy DM1 of the Core Strategy regarding the location of new development. No justification has been provided with regard to inter alia exceptional design as set out in paragraph 55 of the NPPF and there are not considered to be any other exceptions which would justify the development.
41. Whilst the proposal would provide an additional dwelling, this would not in any meaningful way contribute toward housing figures. Notwithstanding this, in any case the council are able to demonstrate a 5 year housing line supply. This marginal benefit is heavily outweighed by the introduction of a dwelling in an attractive green buffer zone which has established tree cover and which contributes to providing a clear break between the modern housing development to the south-west and the more historic development to the north-east. There would be demonstrable harm to the character and appearance of the locality and the semi-rural environment of the area as a result of the introduction of a form of sporadic development in this location. The development would therefore fail to comply with Policy DM15.
42. NPPF Paragraph 14 outlines the presumption in favour of sustainable development which should be seen as a golden thread running through plan-making and decision-taking. The presumption requires development proposals that accord with the development plan to be granted planning permission without delay. In this instance, the proposals are contrary to the aforementioned policies in the development plan and there are no material considerations identified that would outweigh this. The application should therefore be refused.

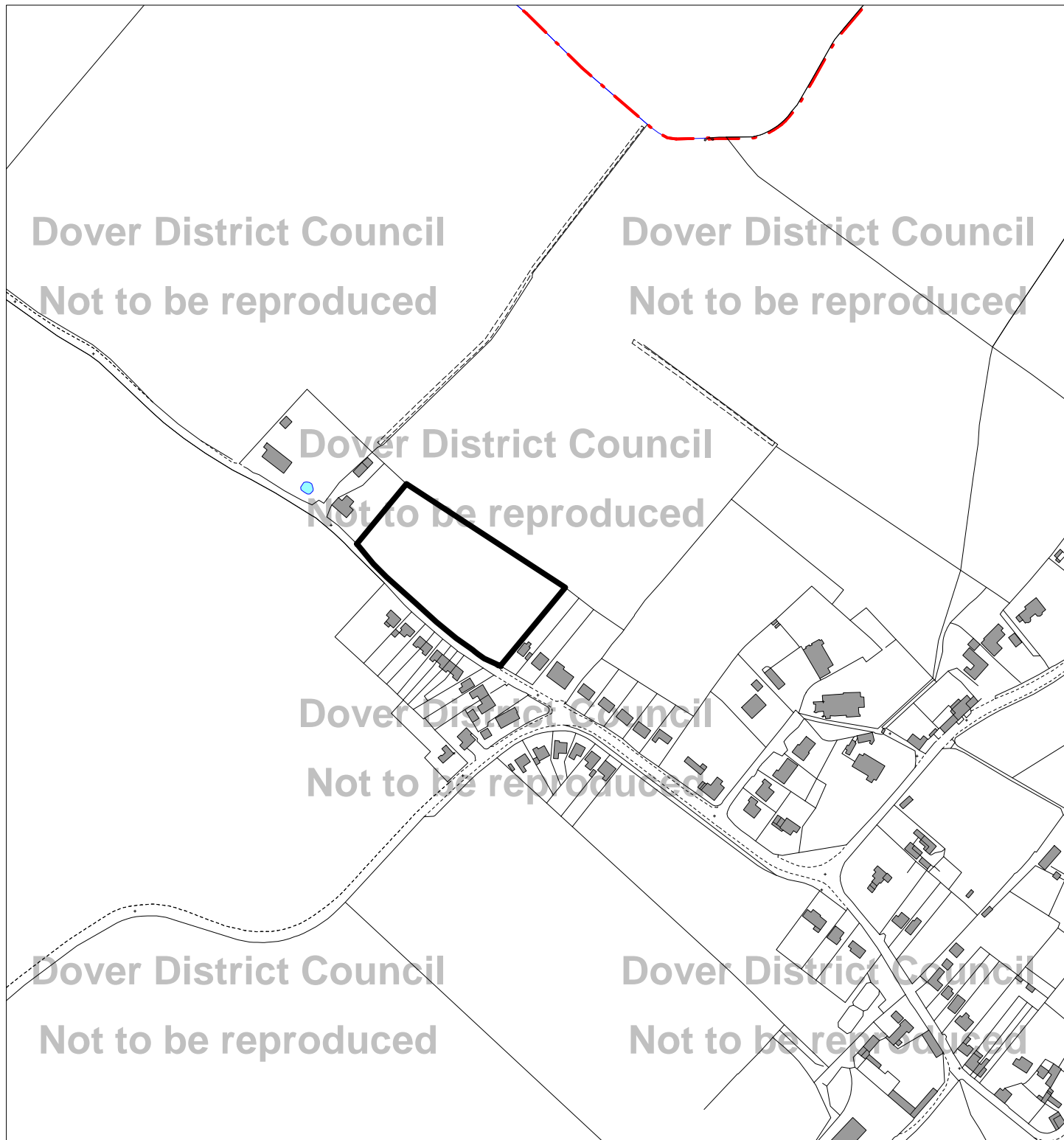
g) Recommendation

I PERMISSION BE REFUSED for the following reason:

The proposed development would be located outside of the urban and village confines and would therefore represent an unjustified and unsustainable form of development, that by virtue of its location, form and design, in addition to the proposed loss of trees, would result in harm to the character and appearance of the locality, thereby proving contrary to the aims and objectives of the NPPF (paragraphs 12, 14 and 17) and the Dover District Council Core Strategy Policies DM1, DM15 and DM16.

Case Officer

Chris Hawkins



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Application: DOV/16/00986

Land Between Homeleigh & Lansdale

Northbourne Road

Great Mongeham

CT14 0LB

TR34365159



- a) **DOV/16/00986 - Erection of 12 dwellings, construction of vehicular access, with associated car parking and landscaping - Land between Homeleigh and Lansdale, Northbourne Road, Great Mongeham**

Reason for report: Because of the number of objections (25)

b) **Summary of Recommendation**

Planning permission be approved.

c) **Statutory Requirements, Planning Policies and Guidance**

Section 38(6) of the Planning and Compulsory purchase act 2004 requires that planning applications be determined in accordance with the development plan unless material considerations indicate otherwise.

Dover District Council Core Strategy (2008).

Policy CP1 states that the location and scale of development in the District must comply with the settlement hierarchy. The hierarchy should also be used for infrastructure providers to inform decisions about the provision of their services.

Policy CP2 Outlines the provision for jobs and homes from 2006-2026 and a breakdown of land allocations and uses.

Policy CP3 Relates to policy CP2 and gives a breakdown of where the allocated sites will be distributed in the District.

Policy CP4 Housing allocations in the Site Allocations Document and planning applications for residential development for 10 or more dwellings should identify the purpose of the development in terms of creating, reinforcing or restoring the local housing market in which they are located and develop an appropriate housing mix and design taking account of the guidance in the Strategic Housing Market Assessment and the need to create landmark, foreground and background buildings, vistas and focal points.

Policy CP6 seeks to ensure that development that generates a demand for infrastructure will only be permitted if the necessary infrastructure to support it is already in place, or there is a reliable mechanism to ensure that it will be provided at the time it is needed.

Policy DM1 states that development will not be permitted outside of the urban/village confines unless specifically justified by other development plan policies, or if it functionally requires such a location.

Policy DM5: Provision of affordable housing

Policy DM11 states that planning applications that would increase the travel demand should be accompanied with a suitable assessment of this increase. This again reiterates that development outside of the urban/rural confines will not be permitted unless justified by development plan policies.

Policy DM13 states that parking provision should be design led and based on the characteristics of the site, the locality the nature of the proposed development, and

its design objectives. Provision for non-residential development, and for residential cycle provision, should be informed by Kent County Council guidance SPG4, or any successor.

Policy DM15 Development which would result in the loss of, or adversely affect the character or appearance, of the countryside will only be permitted if it is:-

- In accordance with allocations made in Development Plan Documents, or
- justified by the needs of agriculture; or
- justified by a need to sustain the rural economy or a rural community;
- it cannot be accommodated elsewhere; and
- it does not result in the loss of ecological habitats.

Policy DM16 Development that would harm the character of the landscape, as identified through the process of landscape character assessment will only be permitted if:

- i. It is in accordance with allocations made in Development Plan Documents and incorporates any necessary avoidance and mitigation measures; or
- ii. It can be sited to avoid or reduce the harm and/or incorporate design measures to mitigate the impacts to an acceptable level.

Provided that measures are incorporated to reduce, as far as practicable, any harmful effects on countryside character.

Dover District Council Local Plan Saved Policies.

N/A

Land Allocations Local Plan (LALP).

Policy LA37: Land allocated for residential development at land at Northbourne Road. This policy states that the following should be provided:

- Frontage Development Only
- Retention of Hedgerows
- Creation of boundary to north west and north east.
- Provision of new footway fronting the site and connecting with existing footway on Northbourne Road

The Policy also states that there should be approximately 10 units provided within the application site.

Worth Neighbourhood Plan.

N/A

National Planning Policy Framework (NPPF) 2012

- Paragraph 7 sets out the three dimensions to sustainable development. These are set out as follows:

- (i) an economic role – contributing to building a strong, responsive and competitive economy, by ensuring that sufficient land of the right type is available in the right places and at the right time to support growth and innovation; and by identifying and coordinating development requirements, including the provision of infrastructure;
 - (ii) a social role – supporting strong, vibrant and healthy communities, by providing the supply of housing required to meet the needs of present and future generations; and by creating a high quality built environment, with accessible local services that reflect the community's needs and support its health, social and cultural well-being; and
 - (iii) an environmental role – contributing to protecting and enhancing our natural, built and historic environment; and, as part of this, helping to improve biodiversity, use natural resources prudently, minimise waste and pollution, and mitigate and adapt to climate change including moving to a low carbon economy.
- Paragraph 8 states that these roles should not be undertaken in isolation, because they are mutually dependent. Economic growth can secure higher social and environmental standards, and well-designed buildings and places can improve the lives of people and communities. Therefore, to achieve sustainable development, economic, social and environmental gains should be sought jointly and simultaneously through the planning system. The planning system should play an active role in guiding development to sustainable solutions.
 - Paragraph 14 states that there is a presumption in favour of sustainable development, and where the development plan is absent, silent or out of date this means granting permission unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits when assessed against the framework as a whole
 - Paragraph 17 outlines the overarching role that the planning system ought to play, and a set of core land-use planning principles which should underpin both plan making and decision taking.
 - Paragraph 47 Refers to the responsibility of each LPA to ensure that their local plan meets the full, objectively assessed needs for market and affordable housing in the housing market area. It goes onto to state how the LPA should identify and update annually a supply of specific deliverable sites sufficient to provide five years' worth of housing against their housing requirements with an additional buffer of 5% to ensure competition in the market for land.
 - Paragraph 49 housing applications should be considered in the context of the presumption in favour of sustainable development. Relevant policies for the supply of housing should not be considered up-to-date if the local planning authority cannot demonstrate a five-year supply of deliverable housing sites.
 - Paragraph 50 states that the local planning authorities should seek to deliver a wide choice of high quality homes, widen opportunities for home ownership

and create sustainable inclusive and mixed communities through plan making and decision taking.

- Paragraph 56 states that The Government attaches great importance to the design of the built environment. Good design is a key aspect of sustainable development, is indivisible from good planning, and should contribute positively to making places better for people.
- Paragraph 65 states that local Planning Authorities should not refuse planning permission for buildings or infrastructure which promote high levels of sustainability because of concerns about incompatibility with an existing townscape, if those concerns are mitigated by good design.
- Paragraph 117 seeks to ensure that planning policies minimise impacts on biodiversity and geodiversity.
- Paragraph 118 states that when determining planning applications, local planning authorities should aim to conserve and enhance biodiversity by applying a number of principles.
- Paragraph 139 states that non designated heritage assets of archaeological interest that are demonstrably of equivalent significance to scheduled monuments, should be considered subject to the policies for designated heritage assets.
- Paragraph 203 states that local planning authorities should consider whether otherwise unacceptable development could be made acceptable through the use of conditions or planning obligations.

National Planning Policy Guidance (NPPG)

This provides guidance on matters relating to the main issues associated with development, and how decision making should take place.

Other Documents

The Kent Design Guide sets out design principles of development.

d) Relevant Planning History

PE/15/00168- Pre-application advice.

The principle of development is something that could be supported, however there are a number of issues that's would need to be addressed prior to submission.

e) Consultee and Third Party Responses

KCC Highways and Transportation made the following comments on the application

"I refer to the above planning application and note that the majority of the site is allocated for residential development in the Dover District Land Allocations Local

Plan, the principle of development therefore being acceptable. I would comment further as follows:

1. Visibility splays of 43 metres x 2 metres x 43 metres are required at the proposed access points, unless measured vehicle speeds indicate a lesser requirement. There should be no obstructions over 1 metre above carriageway level within the splays and they should be over land within the control of the applicant and/or the highway authority. It should be demonstrated that appropriate splays can be achieved.
2. There should be a pedestrian route available for proposed residents along the frontage of the site. This can be a footway adjacent to the carriageway or a route behind the proposed boundary hedge, but details need to be shown on the plans. Ideally this would continue along Northbourne Road to the junction with Willow Road however, it does not appear possible to provide a footway between the site and Willow Road due to the land ownership and highway boundary issues. On balance this is acceptable bearing in mind this is only a short section of the lane within a low speed environment; it has good visibility (the lane is straight); the lane is not heavily trafficked; and there is unlikely to be a significant number of pedestrians.
3. It is not clear if plots 1-4 have the necessary two independently accessible parking spaces each. Spaces should be 5 metres long x 2.5 metres wide, increased to 2.7 metres where bounded by walls/fences/landscaping on one side. It should be demonstrated that such parking spaces are available."

Amended plans were submitted, however KCC Highways responded stating that the concerns raised had not been appropriately addressed.

Environment Agency raise no objection to the development, subject to the imposition of relevant conditions.

Natural England made the following comments on the application:

"Statutory nature conservation sites – no objection based upon the information provided, Natural England advises the Council that the proposal is unlikely to affect any statutorily protected sites or landscapes."

In addition to the above, Natural England have also published their recommendation in relation to protected species, local sites, biodiversity enhancements, landscape enhancements; and sites of special scientific interest impact zones.

Environmental Health raise no objection subject to conditions.

Southern Water responded to the consultation, stating that they require a formal application to be made by the developer/applicant for a connection to the public sewer. Should the application be approved they also asked that a number of conditions be imposed on the permission.

Kent Police (CPDA) stated that if the planning application is granted permission and no contact has been made to the Crime Prevention Design Advisors (CPDA) by the applicant/agent, then we suggest that a condition should be included as part of the planning approval to ensure that crime prevention is addressed effectively.

KCC Archaeology raise no objection subject to conditions.

Southern Gas Networks made comments on the application submitted in relation to safe digging practices and safety risks associated with poor digging practices. It is stated that it is the responsibility of the applicant/developer to ensure that safe practice is carried out and that damage to any pipes will be charged to the liable organisation.

Great Mongeham Parish Council made the following comments on the application:

“Great Mongeham Parish Council supported the application in principle, however should DDC be of a mind to grant planning permission they would like conditions added to deal with the following issues: -

- Parking- it was felt that there is insufficient parking allocated on site for residents and visitors, the existing residents in Northbourne Road already park on the road making it difficult to pass. The Council would like the road widened to allow sufficient room for vehicles to pass parked cars, they would also like parking restriction on the north east side of the road to prevent parking on both side of the road leading to obstructions.
- Footpath- they would like to see a footpath installed on the site to allow pedestrian access from the site towards the main village.
- Flooding- there is already a major issue with surface water runoff in the vicinity of Sparrow Court where the road regularly floods during heavy rain. Arrangements should be made to help with the existing issue and prevent additional water adding to the problem.

In addition to the above the Council had been asked to raise two issues relating to the existing Land Allocation Document, as the proposed development extends further than the allocated site and the proposal is for 12 properties not the 10 listed in policy LA37.”

DDC Regeneration Delivery No objection.

KCC Development Contributions Comments from KCC development contributions were sought in relation to the proposed development. These contributions will be discussed within the body of this report.

Kent Wildlife Trust no response.

National Grid Plant Protection no response.

EDF Energy no response.

Fire Safety Service no response.

Tree and Horticultural Officer No trees are affected by the proposed development.

Ecology Officer Not a local wildlife site or priority habitat site.

Representations

Neighbouring occupiers were notified of this application and 25 letters of objection have been received. The concerns raised within these letters are summarised below:

- Very narrow lane which is not suitable to accommodate the level of development proposed.

- Pressure on off street parking.
- Concerns over highway safety
- Application site extends beyond the village confines
- Road not widened enough and no provision of footpath
- The development would appear crowded and incongruous in the street scene which would not be adequate in terms of amenity or adhering to existing area character.
- Erosion of rural character
- Unsatisfactory affordable housing provision/ contribution.
- Concerns over increased flooding and surface water.
- Lack of shops and facilities in the area to serve the new development.
- Environmental concerns over the impact on wildlife, local habitats.
- Development would detract from openness and view of countryside (conservation of the hedgerow).
- Gas and water supply issues.
- Development on grade 1 agricultural land.
- Ribbon development
- Development could be accommodated elsewhere that could also provide a better level of affordable housing.

There are also 2 letters of support. The reasons for support are summarised below:

- Broadly support the principle
- The development is in keeping with the area and well designed.
- Concerns over proposed highways works and parking.

1 of the public comments neither supported nor objected to the proposal.

f) The Site and the Proposal

The Site

Most of the site is allocated and falls within the defined settlement boundaries and the other is beyond the settlement boundaries and therefore by definition in the countryside. Approximately, two thirds of the application site is allocated for housing and the other third is beyond the settlement boundaries.

The site consists of agricultural land and adjoins residential dwellings (Homeleigh and Lansdale) at the east and west ends of the site. These are well contained within the hedgerows and trees. There are no features along the north-eastern boundary that delineate the line indicated on the plan submitted.

Northbourne road runs along the south west boundary. This is a single width rural lane which is derestricted. There is a hedgerow running the length of the boundary with telegraph poles located within it. There are residential properties to the east, west and south of the site, whilst beyond the northern boundary is open countryside.

The Proposal

This application seeks full planning permission for the erection of 12no. dwellings and the construction of a new vehicular access with associated parking and landscaping.

The proposed development comprises 2no. 4 bedroom detached dwellings, 6no. 3 bedroom semi-detached dwellings and 4no. 3 bedroom terraced properties. The

combination of 3 and 4 bedroom dwellings offers living areas, bathrooms and bedrooms, large private gardens, parking space for at least two cars per dwelling, refuse storage facilities and two cycle parking spaces are also provided.

The proposed development has been amended on two separate occasions to address the concerns of officers and statutory consultees. Further to ongoing consultation with the DDC the material palette has been changed to be red stock brick, weatherboarding in a composite cladding in a dark brown timber finish and pitched grey slate rooves.

Main Issues

The main issues in the determination of this planning application are:

- The principle of development.
- Countryside and landscape impact
- Design and appearance and impact on street scene
- The impact upon highway safety.
- The impact upon residential amenity.
- Ecology.
- Planning Obligations/Contributions.
- Archaeology.
- Other matters.

Principle of Development

Section 38(6) of the Planning and Compulsory Purchase Act 2004 states that planning applications should be determined in accordance with the Development Plan unless material considerations indicate otherwise.

The NPPF states that any development that accords with an up-to-date development plan should be approved and that which conflicts should be refused unless material considerations indicate otherwise.

At the heart of the NPPF is a presumption in favour of sustainable development and for decision making this means approving development that accords with the Development Plan.

Policy LA37 states that the site (part of) is allocated for residential development. It states that planning permission will be permitted provided that; the proposal reflects the characteristics of the surrounding built form both in terms of density and rural character.

The key issues highlighted for this site include:

- Frontage Development.
- Retention of Hedgerows Creation of boundary to north west and north east.
- Provision of new footway fronting the site and connecting with existing footway on Northbourne Road.

Officers note that the application site comprises land which is not included in Land Allocation 37. The site area extends beyond the western boundary of the allocated site area and adjoins the residential curtilage of Homeleigh. This means that part of the site also falls outside of the existing settlement confines of Great Mongeham. However, pre-application discussions took place with officers of the Council who agreed that subject to the submission of a suitable design, the further infilling of the site would be acceptable, and make best use of land.

Policy DM1 of the Core Strategy states that development will not be permitted outside of the settlement confines unless it is justified by any other development plan policies.

Whilst in part the proposal this might be viewed as a departure from the development plan, this larger application site area has allowed for a lower density development to occur and does not result in an unacceptable level of harm to the openness of the countryside and character of the area.

In addition, the number of residential units provided (12) is in keeping with Great Mongeham's status as a village, suitable for a scale of development that would reinforce its role as a provider of services to its home community, in accordance with Policy CP1.

Countryside and Landscape Impact

The land allocations document indicates that development within this site should be designed sensitively in order to ensure that it reflects the characteristics of the surrounding built form and development density. The policy also states that any proposal should be 'frontage development only', to ensure that it is consistent with the characteristics of the surrounding built environment and also to ensure that a sense of openness is retained.

Policy DM15 states that development that would result in the loss of, or adversely affect the character or appearance, of the countryside will only be permitted in very specific cases, one of which being when development is in accordance with allocations made in the Development Plan. The proposed development would result in the loss of some countryside, however it was established during pre-application discussions that further infilling would be acceptable subject to design. Therefore, the loss of countryside is permitted in this case as long as there is not an adverse impact on the character of the landscape or appearance of the street scene. These will be addressed in the body of this report.

Policy DM16 of the Core Strategy states that Development that would harm the character of the landscape, as identified through the process of landscape character assessment will only be permitted if; it is in accordance with allocations made in Development Plan Documents and incorporates any necessary avoidance and mitigation measures; or it can be sited to avoid or reduce the harm and/or incorporate design measures to mitigate the impacts to an acceptable level.

Pre-application advice was sought prior to submission. Within the written response, emphasis is placed on retaining the character of the area through good design and a low density development. The retention of the hedgerow was mentioned explicitly as making a huge contribution to the open character of the area. Following some extensive amendments, officers are now satisfied with the design, layout and landscaping scheme proposed.

In this instance, extending the area of the site allocation to provide a high-quality development in a sustainable location is considered appropriate in this case to outweigh the minimal harm (the loss of countryside) that would be caused, subject to the other material considerations discussed below.

The hedgerow that runs along the southern boundary of the site is a key design feature of the site, which functions to preserve a sense of openness and the rural

character of the area. The dwellings are all situated behind this hedge, meaning that it still makes a significant contribution to the street scene of this edge of settlement location whilst also acting as a privacy buffer. Officers are pleased that the hedge has now been integrated into the design approach.

A full landscaping scheme will be secured by condition to ensure that the edge of the site facing onto the Northbourne Road will be hedged and tree/shrub planting carried out to create natural screening which will enhance the setting of the development.

Subject to the imposition of appropriate safeguarding conditions, it is considered that the design of the proposed dwellings and the associated landscaping scheme is now acceptable for the site and would not have an adverse impact upon the character of the countryside or wider landscape.

Design and Appearance and Impact on Street Scene

The NPPF identifies that good design is indivisible from good planning (paragraph 56) and section 7 of this document sets out how policies should not seek to impose architectural styles or tastes, and should not stifle innovation (paragraph 60).

The proposed development includes a mix of dwellings types, which have all been designed to respond positively to the architectural style prevalent in the local area. Whilst this architectural style is by no means consistent or identifiable to a certain period, certain features such as hipped roofs and the dominant use of stock brick work, contribute toward upholding the areas rural appearance. Whilst slightly larger than some of the properties in the immediate vicinity, the scale and form of all 12 no. dwellings are in keeping with the parameters and would not appear incongruous in the street scene.

The proposed development includes a mix of dwellings types, which have all been designed to respond positively to the architectural style prevalent in the local area. The dwellings are of a high quality and comparatively modern design, whilst still of a form and design that would not appear as out of keeping. The proposed materials reflect the architectural style and materials used within Great Mongeham, including plain slate tiles, local red stock brickwork, and composite cladding.

Northbourne Road is characterised by a mix of detached and semi-detached residential dwellings which are set back from the highway and interspersed by open countryside. There is adequate spacing between the dwellings, which adds to the sense of openness in the run up to the edge of the settlement boundary. Moreover, whilst there is no architectural style there is a fairly consistent pattern of development seen within the confines of Great Mongeham, which defines area character more so than the architectural style of the dwellings.

The proposed development seeks to retain most of this hedgerow, with the exception of 3 small areas which would be removed to allow access onto the site. Officers consider that the retention of this landscape feature has contributed to preserving the character of the area, whilst also ensuring the development site is functional and safe from a highways perspective. The dwellings all front Northbourne road and conform to the pattern of development in the area, which is characterised by clusters of 2 storey dwellings, which occupy larger plots on the periphery of and outside of the settlement confines.

The proposed development comprises 2no. 4 bedroom detached dwellings, 6no. 3 bedroom semi-detached dwellings and 4no.3 bedroom terraced properties. This mix

of dwelling types reflects the dwelling mix in the locality. The dwellings proposed are all two storey form, and fit comfortably on the plot to form a coherent and well-structured development. The layout of the dwellings have ensured that the smaller terraced dwellings remain within confines to respond directly to the neighbouring properties, whilst the larger detached dwellings are located outside confines to the west of the site, where plot sizes and the size of dwellings are seen to increase.

Whilst no definite architectural style is prevalent in the wider area, the scheme has taken architectural influences from Great Mongeham, the wider Kent vernacular and barn/agricultural style buildings. The use of feature elements such as gable ends and defined changes in materials tie the site in with the surrounding built form.

Overall, the proposal represents a high quality development, which is suitable in terms of scale and form in this edge of village location. On balance, the small loss of countryside is negligible when weighed up against the positive benefits of providing housing in a sustainable location which responds to the rural character of Great Mongeham. To this end, the proposal is fully compliant with paragraph 14 of the NPPF, which outlines the presumption in favour of sustainable development.

In light of the alterations to the scale, layout and form of the dwellings, and the retention of the majority of the hedgerow, it is considered that the proposed development would be not lead to an unacceptable level of harm to the character of the area or an undue loss of countryside. To this end, officers are satisfied that the proposed development is compliant with policies DM15 and DM16 of the core strategy, as well as the NPPF.

Impact on Residential Amenity

Paragraph 17 of the NPPF outlines that one of the core principles of sustainable development is to always seek to secure high quality design and a good standard of amenity for all existing and future occupants of land and buildings.

The application site is relatively self-contained, insofar as it does not back on to any existing properties. There are a number of dwellings fronting the south side of Northbourne Road, opposite the proposed development. However there is ample separation between these dwellings and the ones proposed and the retention of most of the hedgerow along the southern boundary ensures there is an appropriate privacy buffer. The proposed building heights are no greater than the surrounding two storey properties and are set back from the road by approximately 17m, minimizing direct impact to the neighbours opposite.

The west and east end boundaries of the site adjoin existing residential properties (Lansdale and Homeleigh). However, there is adequate landscaping proposed to run along these boundaries, and the separation between the dwellings is considered entirely acceptable.

In light of the above, it is considered that the proposal would have no significant impact upon the residential amenity of the existing properties within the locality, in terms of overlooking, overshadowing, or the creation of a sense of enclosure.

The erection of these properties would give rise to an element of additional noise and disturbance, but this would not be of a level that would be considered inappropriate.

It is therefore considered that there would be no detrimental impact upon the existing amenities of neighbouring occupiers.

Parking, Access and Highways

Policy DM13 of the Core strategy states that provision for parking should be a designed process based upon the characteristics of the site, the locality, the nature of the proposed development and its design objectives.

The proposed development would provide a total of 24 car parking spaces, which breaks down into 2 spaces per dwellings. This adheres to the requirements of Policy DM13. Officers are also satisfied that the car parking spaces adhere to the design requirements outlined by KCC Highways in their comments dated 5th October 2016. A suitable pre-commencement condition will be imposed to ensure that car parking is provided in adherence with the comments made by KCC Highways in respect of car parking spaces.

There are 3 access points to the proposed development along Northbourne Road, which would be created by cutting into the existing hedgerow to form vehicle crossovers. Officers note the concerns raised by KCC Highways with respect to the visibility splays that need to be achieved (in the interests of highway safety), however, we are of the opinion that these could be achieved given that the road is straight and the vehicle speed limits along this stretch. A suitable safeguarding condition will be imposed to ensure that details of the visibility splays are submitted to and approved by the planning authority prior to commencement.

Whilst the development will inevitably increase the volume of traffic on the road, officers consider that this will not have a significant impact on highway safety and that the existing road network can accommodate the additional vehicle journeys that will be generated. Indeed, this was considered at the allocation stage when deciding on land which is suitable for residential development.

A public footpath is not being provided as part of this proposal, although it is a requirement outlined within the land allocation plan (policy LA37). Constructing a footpath would compromise the future of the hedgerow, which has been identified as a key landscape feature, central to upholding rural character and a sense of openness. In addition, KCC Highways have highlighted that it may not be possible to provide a footway linking the development along Northbourne Road to the shared junction with Willow Road to the east. Indeed, it is difficult to see where the footpath would connect to without carrying out substantial engineering works and officers consider that a heavily engineered feature would appear out of place in this edge of village location and would have an adverse impact on the rural character of the area and street scene.

On balance, not providing a footpath is considered acceptable bearing in mind this is only a short section of the lane, which has good visibility splays. The lane is not heavily trafficked and there is unlikely to be a significant number of pedestrians. Seeing as the proposed development would not be unsafe in highway terms, officers have given more weight to preserving the rural character of the area.

In light of the above, officers are satisfied that, subject to compliance with conditions, that the proposed development is acceptable with respect to parking provision, highway safety and the impact on highway capacity.

Ecology

Paragraph 109 of the NPPF outlines the importance of contributing to and enhancing the natural and local environment. Paragraph 118 states that's when determining application, local authorities should aim to conserve and enhance biodiversity at all times.

The hedgerow which aligns the southern boundary of the site is the main feature of ecological interest of the site. A hedgerow report was submitted to the local planning authority, confirming that this particular landscape feature is classed as an 'important' hedge in line with Part II of Schedule 1 of the Hedgerow Regulations, 1997. The hedgerow is also shown to be of biodiversity interest as it provides a green corridor for a range of species including birds, bats, invertebrates, flora and potentially reptiles.

The ecological scoping survey also submitted supported the application, which identified the species native to the site and the mitigation measures that might be imposed both to protect and enhance biodiversity opportunities in the local area. A number of recommendations are made including:

- *Flora* – Supplement planting schedules with garden plants to ensure a range of year-round flowering plants are available for invertebrates.
- *Birds* – Development to be carried out to disturb as little of the mature vegetation likely to support nesting birds as possible. Ten bird nest boxes to be incorporated into the scheme.
- *Bats* – Lighting to be designed with bat conservation in mind. Bat boxes to provide new roosting opportunities to be provided on new buildings.
- *Reptiles* – Identification of a suitable receptor site in the local area, create terrestrial sheltering places at strategic locations around the receptor site, carry out capture work prior to translocation under specific criteria.
- *Invertebrates* – Planting to provide a nectar source for insects as well as provision of invertebrate boxes in specific locations.

The hedgerow is being mostly retained to ensure that an ecological corridor is retained and continues to support native species in the vicinity of the site. Moreover, subject to compliance with the mitigation measures outlined in the ecological scoping survey and set out above, officers are satisfied with the impact that the proposed development would have from an ecological perspective.

Planning Obligations/Contributions

Any requests for contributions needs to be scrutinised in accordance with Regulation 122 of the Community Infrastructure Regulations 2010. These stipulate that an obligation can only be a reason for granting planning permission if it meets the following requirements:

It is:

- (a) Necessary to make the development acceptable in planning terms;
- (b) Directly related to the development; and
- (c) Fairly and reasonably related in scale and kind to the development.

Paragraph 203 of the NPPF states that Local Planning Authorities should consider whether otherwise unacceptable development could be made acceptable through the use of conditions or planning obligations. Planning obligations should only be used where it is not possible to address unacceptable impacts through a planning condition.

The applicant has agreed to enter into a section 106 agreement so that the necessary financial contributions can be secured to make the development acceptable in planning terms. Planning permission is subject to the completion of a Section 106 agreement.

Financial contributions are sought by KCC for the following:

- Extension to Primary School: £3,324 per house
- Extension to Secondary School: £2,359.80 per house
- Increasing the book stock for local library: £48.02 per dwelling

In addition to the above, there is an informative for the developer to work with the telecommunications provider at the early stage of development.

The proposed development is for 12 dwellings and is therefore below the 15 dwelling threshold that would require consideration to be given to the provision of on site affordable housing in line with Policy DM5. The applicant has submitted an affordable housing statement which agrees to make the appropriate financial contribution for off-site affordable housing, which is considered to comply with this policy. This will be secured through the provision of a suitable section 106 legal agreement.

Archaeology

KCC Archaeology have commented on the application saying that the site lies in an area of archaeological potential, associated with a rich archaeological landscape around the village of Great Mongeham. It is possible that construction of the proposed dwellings could affect remains of archaeological interest and therefore relevant safe guarding conditions have been imposed to the permission.

Other Matters

The general layout ensures good neighbourhood surveillance which in turn will assist in attaining a 'Secure by Design' accreditation. However, full details of crime prevention measures will need to be sought by condition.

In addition to the above, a number of safeguarding conditions will be imposed to ensure that the development is acceptable in planning terms, including various conditions sought in relation to highways and utilities including drainage and sewage disposal.

Conclusion

In light of the above, it is considered that the proposal is acceptable, and would comply with the requirements of Policy LA37 of the LALP (2015). The pattern and grain of development would be retained.

The proposal, whilst marginally incorporating land beyond the allocated site boundary, would not result in any significant harm to the countryside/landscape character residential amenity, highways or ecology and represents a highly sustainable and high quality development.

To this end, it is considered that the proposed development aligns with the requirements of Policies DM1, DM15, DM16 and CP1 of the Core Strategy. There is also appropriate provision in place to ensure that financial contributions/obligations are sought to make the development acceptable in planning terms, thus according with policies DM5 and CP6.

On balance, officers consider that the proposal accords with the requirements of the Development Plan and the aims and objectives of the NPPF, particularly with regards to sustainability. At the heart of the NPPF is a presumption in favour of sustainable development which should be seen as a golden thread running through plan making and decision taking (paragraph 14). In achieving sustainable development, the proposal would perform a social, economic and environmental role in line with the objectives of paragraph 7.

It is therefore recommended that the application be approved, subject to the imposition of the safeguarding conditions set out below.

g) Recommendation

GRANT PLANNING PERMISSION subject to conditions to include:

- I i) commencement within 3 years; ii) carried out in accordance with the approved drawings; iii) submission of Construction Management Plan; iv) submission of material samples; v) submission of details of proposed on-site highway works (including parking); vi) finished surfacing to vehicle and pedestrian access routes; vii) submission of details sight lines (private driveways); viii) submission of details related to vehicle parking; ix) submission of details of hard and soft landscaping; x) hard and soft landscaping carried out in accordance with approved details; xi) no damage to trees of hedgerows within phased development; xii) submission of external lighting scheme; xiii) submission of details of refuse storage areas and recycling facilities; xiv) programme of archaeological works; xv) contamination xvi) details of finished ground floor levels; xvii) carried out in accordance with ecological enhancements; xviii) drainage and infiltration surface water; xix) submission of sustainable water drainage scheme; xx) details of crime prevention; xxi) foul and surface water sewage details.
- II Powers be delegated to the Head of Regeneration and Development to settle any necessary conditions and legal agreement in line with issues set out in the recommendation and as resolved by Planning Committee.

Case Officer

Chris Hawkins



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Eastry Hospital
Mill Lane
Eastry
CT13 0JU

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- a) **DOV/14/00240 - Redevelopment of site to provide a total of 100 residential units comprising: two-storey terrace, semi-detached and detached new-build dwellings; Change of use and conversion of Tewkesbury House and the Chapel to provide 568 sqm of community space (Use Class D1), employment space (Use Class B1) and two residential units; minor demolition, alteration and conversion of the 'Old Workhouse' to provide ten residential units; retention and reinstatement of the fire-damaged Range building and erection of a two-storey terrace of ten residential units; car parking, landscaping, public open space and alteration to existing access (Amended plans and documents) – Eastry Hospital, Mill Lane, Eastry**

Reason for report: Number of contrary views (13)

b) **Summary of Recommendation**

Planning permission be granted.

c) **Legislation, Planning Policies and Guidance**

Section 38(6) of the Planning and Compulsory Purchase Act 2004 requires that planning applications be determined in accordance with the Development Plan unless material considerations indicate otherwise.

Section 16(2) of the Planning (Listed Buildings and Conservation Areas) Act 1990 states that in considering whether to grant listed building consent the local planning authority *"shall have special regard to the desirability of preserving the building or its setting or any features of special architectural or historic interest it possesses."*

Section 66 of the Planning (Listed Buildings and Conservation Areas) Act 1990 requires that the planning authority should pay special regard to the desirability of preserving a listed building or its setting or any features of special architectural or historic interest it possesses.

Section 72 of the Act 1990 requires that the planning authority should pay special attention to the desirability of preserving or enhancing the character or appearance of the conservation area.

Land Allocations Local Plan Adopted 2015

Policy LA29 is specifically related to this application site, being the allocation policy for Eastry Hospital within the recent Local Plan. It should be noted that this policy was adopted after the initial submission of this planning application. The policy states that:

'The site is allocated for a mixed use scheme including residential, community and compatible employment generating uses with an estimated capacity of 80 dwellings. Planning permission will be permitted provided that:

- i. any proposals ensure that repairs to the external envelope of the listed workhouse building are prioritised;
- ii. any proposals ensure that visual interest is not harmed, and provide for a soft loose knit interface between the site boundary and adjacent countryside and, in particular, provide for structural landscaping along the southern boundary of the site;
- iii. any road improvements arising from the development are funded by the developer and limited to works which are compatible with the historic environment;
- iv. the traffic and highways issues can be satisfactorily addressed;

- v. redevelopment of the Range building reflects the height, scale and massing of the fire damaged building and include a porte-cochere (a covered entrance large enough for vehicles to pass through);
- vi. the development should provide a connection to the water supply infrastructure at the nearest point of adequate capacity;
- vii. a mitigation strategy to address any impact on the Thanet Coast and Sandwich Bay Ramsar and SPA sites and Sandwich Bay SAC site is developed. The strategy should consider a range of measures and initiatives; and
- viii. the Public Right of Way (EE256) is retained and enhanced.'

Dover District Core Strategy:

Policy CP1 states that the location and scale of development in the District must comply with the Settlement Hierarchy. The Hierarchy should also be used by infrastructure providers to inform decisions about the provision of their services.

Policy CP2 outlines the provision of jobs and homes required between 2006-2026.

- Policy CP3: Distribution of Housing Allocations
- Policy CP4: Housing Quality, Mix, Density and Design.

Policy CP5 outlines the sustainable construction standards required for new non-residential development which proposes in excess of 1,000 square metres of floor space.

Policy CP6 seeks to ensure that development that generates a demand for infrastructure will only be permitted if the necessary infrastructure to support it is either already in place, or there is a reliable mechanism to ensure that it will be provided at the time it is needed.

Policy DM1 states that development will not be permitted outside of the urban/village confines unless specifically justified by other development plan policies, or if its functionality requires such a location.

Policy DM5 states that the Council will seek applications for residential developments of 15 or more dwellings to provide 30% of the total homes proposed as affordable homes, in home types that will address prioritised need, and for developments between 5 and 14 homes to make a contribution towards the provision of affordable housing. Affordable housing should be provided on the application site except in relation to developments of 5 to 14 dwellings which may provide either on-site affordable housing or a broadly equivalent financial contribution, or a combination of both. *The exact amount of affordable housing, or financial contribution, to be delivered from any specific scheme will be determined by economic viability having regard to individual site and market conditions.*

Policy DM11 states that planning applications that would increase travel demand should be accompanied with a suitable assessment of this increase. This again re-iterates that development outside of the urban/rural confines will not be permitted unless justified by Development Plan policies.

- Policy DM12: Road Hierarchy

Policy DM13 states that parking provision should be design led and based on the characteristics of the site, the locality, the nature of the proposed development

and its design objectives. Provision for non-residential development, and for residential cycle provision, should be informed by Kent County Council Guidance SPG4, or any successor.

Policy DM16 states that development that would harm the character of the landscape will only be permitted if it is in accordance with allocations made in Development Plan Documents and incorporates any necessary avoidance and mitigation measures; or it can be sited to avoid or reduce the harm and/or incorporate design measures to mitigate the impacts to an acceptable level.

- Policy DM25: Open Space

Saved Policies

- Policy TR9: Cycles Routes
- Policy HS2: Housing Allocations
- Policy OS2: Children's Play Space
- Policy OS3: Open space
- Policy AS11: Re-use of Eastry Hospital

National Planning Policy Framework (NPPF)

The NPPF states that at its heart is the presumption in favour of sustainable development, to be seen as a golden thread running through decision-taking. It sets out three dimensions to achieving sustainable development; economic, social and environmental. These should not be undertaken in isolation, because they are mutually dependent. To achieve sustainable development economic, social and environmental gains should be sought jointly and simultaneously through the planning system.

- Paragraph 14 sets out the presumption in favour of sustainable development. This is set out in full in the Overall Conclusions section at the end of this report.
- Paragraph 17 sets out 12 core principles which amongst the others seek to secure high quality design and a good standard of amenity for all existing and future residents.
- Section 1 sets out the needs of building a strong, competitive economy.
- Section 4: Promoting Sustainable Transport
- Section 6: Delivering a wide choice of high quality homes
- Section 7: Requiring a good design
- Paragraph 69 and 70 sets out the importance of facilitating social interaction and creating healthy, inclusive communities and to deliver the social, recreational and cultural facilities and services the community needs.
- Section 11: Conserving and enhancing the natural environment.
- Section 12: Conserving and enhancing the historic environment.

National Planning Policy Guidance

This provides guidance relating to matters contained within the NPPF.

d) Relevant Planning History

There is extensive planning history for this application. The relevant history is summarised below:

93/00609: Two six place residential units. Granted on 18th November 1993.

- 00/00259: Demolition of a major part of Eastry Hospital (but retaining Chapel, buildings on back edge of Mill Lane and building fronting the access). Granted permission 18th May 2000.
- 04/01399: Erection of 23 houses and 26 apartments together with 2145m² of B1 Employment floorspace following the demolition of existing buildings. Refused permission on 16th February 2005.
- 14/00241 Minor demolition, and refurbishment/conversion of the Old Workhouse to provide 10 residential units; alterations and conversion of Tewkesbury House and the former Chapel to provide for community and employment space; reinstatement of the former Range building to provide a two-storey terrace of 10 residential units. (Amended plans and documents). Yet to be determined – awaiting the outcome of this application.

Also of relevance is Tree Preservation Order 3/2001 dated 28 March 2001.

e) Consultee and Third Party Comments

Neighbouring occupiers were notified and to date 13 letters of objection and 1 letter of support have been received. 6 of the commentators offered their comments but remained neutral. It is worth noting that many of those who objected to the application would accept an alternative, perhaps less intensive redevelopment of the site. The main comments within these letters are summarised below:

Objections:

- The development would result in an unacceptable level of increased traffic.
- Increased population would place pressure on local facilities such as schools, doctors surgery etc.
- Lack of infrastructure to support the development.
- Overdevelopment of the locality/ too many houses.
- The application site covers an area which is potentially rich in archaeological material.
- Concerns over the impact of the development on nearby listed buildings and how the development would be in keeping with the historic built environment.
- Surface water drainage.
- Traffic assessment out of date.
- Development not in keeping with the character of the area.
- No affordable housing contribution.
- Construction related disturbance (noise, vehicles etc.).

Support:

- Welcome initiative for rural regeneration to provide extra housing. However it is stated that more could be done to protect the historic built environment

Neutral:

- Information requested from nearby surgery on how it would cope with increased population level. Requested a S106 to ensure adequate provision is given.

Natural England were consulted and raised no objection in regard to national and international designated sites. We have not assessed this application for impacts on protected species.

Dover District Council Environmental Health Officer was consulted and states that the proposed development sits on top of the former hospital site which could possibly be contaminated land. The application shows little detail on the planned use of the existing church / chapel for change of use to B1 planning class. During previous demolition works within the planned development area Dover District Council served a Section 80 Abatement Notice for smoke nuisance. There were also concerns raised over the burning of trade waste. I would advise any developer of this site to pay due regard to smoke nuisance legislation under the Environmental Protection Act 1990. I would also draw the developer's attention to the waste management regulation for the disposal of site waste. Your attention is drawn to the provisions of the Control of Pollution Act 1974. Section 60 & 61 of the Act gives local authorities powers to control noise from construction sites.

Dover District Council Heritage Officer: The remaining buildings of the historic workhouse have suffered from extensive damage resulting in much of the internal historic fabric being lost. Externally the buildings contribute strongly to the street scene, being large and dominant structures within a street composed of small scale dwellings. However the largest building, the original 1835-36 workhouse has suffered significantly resulting in the need to carry out emergency works to remove several courses of the brick façade to prevent loose material falling and potentially causing harm to the general public. The proposal to convert to residential would help to ensure the preservation of the building and prevent further loss.

Dover District Council Ecological Officer: Makes no comments in relation to the application.

The Fire Officer was consulted and stated that from the submitted plans it appears that access to the site for the Fire and Rescue Service, as required by Section 53 of the above legislation, is adequate.

Kent Highways Services: Were initially consulted upon the application and raised a number of concerns with regards to the proposal and the data that was submitted with it. They therefore asked the applicant to submit further studies and plans, which were subsequently reviewed.

KCC Highways have now withdrawn a number of their objections but remain concerned with regards to the following matters:

KCC PROW were consulted and raised no objection to the erection of the development but as the proposed application is directly adjacent to footpath ER256 had concerns regarding how this will affect the footpath. It is intended to address this concern by condition.

KCC Development contributions were consulted and requested contributions for Primary school, secondary school, library book stock, Adult Social Care contributions and a condition to be included for the provision of Superfast Fibre Optic Broadband. As is set out within the main body of the report, these contributions cannot be met due to viability issues.

KCC Heritage were consulted and raised two principal issues which arise from proposals: impact on sites historic buildings (both listed and otherwise) and the impact on buried archaeological remains. They would recommend attaching two conditions if permitted.

KCC Archaeology were consulted and recommended conditions relating to historic building recording and the requirement for a programme of archaeological works to be implemented.

Southern Water were consulted and raised the following concerns: Following initial investigations, there is currently inadequate capacity in the local network to provide foul sewage disposal to service the proposed development. May lead to increase flows to the public sewerage system and existing properties and land may be subject to greater risk of flooding. They recommended that if planning permission is granted that suitable safeguarding conditions be imposed.

Kent Wildlife Trust were consulted and recommended that DDC ensures that a Bat Mitigation Strategy is submitted for this planning application. They would also advise that a similar approach should be taken to a Reptile Mitigation Plan, supported by condition and including recommendations with the Greenspace Ecological Solutions report of October 2014. Does not appear to be any mitigation measures detailed for loss of habitat for breeding birds. They would expect to see details of how this development would avoid any potential impacts upon the European designated sites nearby, in particular as a result of increased recreational pressure. Kent Wildlife Trust therefore has **no objection** to the planning application, subject to the remaining matters above being addressed.

Dover District Council Strategic Housing Manager was consulted and made the following comments:

'While the developer claims that the requirement to provide 30% affordable housing made the previous proposed scheme unviable I am of the view that some aspects of the scheme may have contributed to increased viability i.e. the proposed increase in the number of units and an increase in property values. It will need further viability testing to determine whether or not some contribution towards affordable housing can be made.'

Stagecoach were consulted and confirmed that drawing 616231/SK03 revision B, showing the new westbound bus stop, is acceptable to them.

Historic England were consulted but did not wish to offer any comments on this occasion.

The Environment Agency were consulted and raised no objections to this proposal subject to the imposition of suitable safeguarding conditions.

The Primary Care Locality Manager was consulted and made comments outlining the estimated costs of reconfiguration and refurbishment work needed so that the local hospitals and surgeries could cope with the increased population.

Eastry Parish Council were consulted and made the following comments:

'Although the Parish Council supports the principle of development on this site they object to this application on transport and highway issues related to the number and density of proposed dwellings and commercial units. The inadequate and flawed transport report submitted with the application means that the traffic impacts have not been fully or accurately considered. Further information is required to enable a full assessment to be made as to whether the impact is acceptable.'

The application also makes numerous references to the fall-back position of the site as a hospital, however with the lack of buildings on site which could facilitate the realistic re-use of the site in a fall-back scenario, the strength of the fall-back position is seriously compromised. The Parish has commissioned an independent transport and highways report to fully detail the concerns of the local residents.

In addition, the members strongly object to the proposed removal of the specimen sycamore tree T1 to improve the access to the site. This tree is of significant value to

the village. The members would also like more details in the proposed 568m2 of community and employment use areas.'

Nonington Parish Council were consulted and made the following comments:

'Object to the proposed development on Mill Lane on the ground that traffic from the Mill Lane site heading to either Canterbury, Maidstone or Faversham or to the M2, M20 or the M25 will travel directly through Easole/Holt Street. This is an unclassified village road through a designated Conservation Area. The MLM 2014 traffic report does not contain a single reference to the primary transport route for the primary transport mode – road travel from Easry to the A2 and UK Motorway System. No consideration appears to have been taken as to whether this route can accommodate the increased traffic this development will inevitably generate. It is clear that a co-ordinated approach between housing development and the infrastructural capacity of the local road network at both a local and regional level is urgently required before this proposal should be considered. NPC therefore recommend that this proposal be refused.'

f) The Site and Proposal

1. The proposed site is roughly L-shaped which is approximately 4.68ha, lying on the south side of Mill Lane on the southern edge of the village of Easry. Easry is located approximately 20km east of Canterbury. There is one single point of vehicular and pedestrian access to the site from Mill Lane.
2. The site was formerly used as a mental health hospital, however that use ceased in the 1990's. Prior to being acquired by the NHS, the site housed the Easry Union Workhouse. The original Old Workhouse building is highly prominent on site and has been affected by numerous fires but is still a Grade II listed building. The site also consists of the Easry Asylum Chapel and Tewkesbury House. In 2008, many of the other previous hospital buildings were demolished.
3. The Easry Conservation Area, as designated by Dover District Council, extends across the north corner of the site and includes the Old Workhouse and Chapel. The site is located outside of the Kent Downs Area of Outstanding Natural Beauty (AONB), though the land to the immediate south of the site, part of which is under the applicant's ownership, has been designated as part of the North Downs Special Landscape Area (SLA) by Kent County Council.
4. The proposal comprises of residential development consisting of 100 dwellings with partial redevelopment of The Range and the Old Workhouse. In addition, the development will comprise of commercial/community floorspace to be provided within the Chapel, the retained wing to the Old Workhouse and Tewkesbury House providing a total of 568m2 of B1/D1 floorspace.
5. The range of dwellings include: 12 x 2-bed flats, 34 x 2-bed houses, 25 x 3-bed houses, 9 x 4-bed houses. As well as 7 x 2-bed, 2 x 3-bed and 1 x 4-bed houses in the Range and 7 x 1-bed and 3 x 2-bed flats in the Old Workhouse. The new dwellings will use a mix of materials including timber cladding, brickwork, powder coated aluminium frames, slate and roof tiles.
6. The application site contains a number of listed buildings, with the descriptions available on the Historic England website. These listed buildings are however in a significant state of disrepair, with only the chapel within the site appearing to be fully intact.

7. The site is very much overgrown, with the buildings within the site in a particularly unkempt state, and they have clearly suffered significant vandalism over the past few years. There is evidence of fires having taken place within the site and other forms of anti-social behaviour – such as graffiti.

Main Issues

8. The main issues for consideration in the determination of this application are:

- Principle of Development
- Impact on the visual amenity of the area and landscape
- Impact upon residential amenity within the area
- Impact upon highways
- Impact upon heritage assets
- Contributions
- Drainage

Assessment

Principle of Development

9. Section 38(6) of the Planning and Compulsory Purchase Act 2004 states that planning applications should be determined in accordance with the Development Plan unless material considerations indicate otherwise.
10. The National Planning Policy Framework 2012 (herein referred to as the NPPF) indicates that planning applications within sustainable locations and that accord with the development plan should be approved without delay.
11. The application site is allocated within the adopted Land Allocations Local Plan (adopted in 2015) for a mixed use development, the criteria of the policy being set out in full earlier within this report. It should be noted that this proposal does not wholly comply with the requirements of this policy, but nevertheless does accord with the principle of development, i.e. a mixed use scheme.
12. That said, given the fact the proposal does not wholly comply with the policy, a careful assessment with regards to sustainability of the development, in accordance with the NPPF is also required, and in particular the three threads of sustainable development, and the importance of conserving and enhancing heritage assets. Whilst the principle is therefore acceptable, all material considerations need to be fully considered prior to the determination of this application.
13. In terms of the split of uses within the site, the LALP document identifies that there is a requirement for employment as well as housing within the application site. Paragraph 3.332 states that the Employment Update (2012) has indicated that, in terms of the rural area, retaining an element of employment at Eastry Hospital is important for the geographical distribution of employment sites in the District. The retention of an element of employment in the former workhouse, which fronts Mill Lane, is supported from a historic environment perspective as potentially there could be less damage to the internal layout.
14. The LALP then states (in paragraph 3.333) that in recognition that the demand for specific B1 (business) uses has historically been low, the District Council will be supportive of other employment generating uses, wider than the B1 use classification, providing that they are compatible with the residential element of the development.

15. The applicant has sought to provide some flexibility within this site, by suggesting either community or employment uses within these buildings. It is considered that this is a pragmatic response to the policy requirements; it is acknowledged that this would be a particularly difficult location to support medium/large scale employment provision, given its relatively remote location, but also the emergence of Discovery Park in Sandwich as a successful hub for businesses of this scale (with all of the economic benefits of an Enterprise Zone). Whilst clearly the aspiration for mixed use within communities such as this is generally supported, it is considered that due to the economic viability of refurbishing the buildings, together with the abundance of available office/commercial space within the locality, it is reasonable and acceptable to provide a lesser amount of floorspace within this location.
16. In terms of housing numbers, this site would deliver an over-provision when assessed against the requirements of the policy. This is in-part due to the fact that there is less commercial floorspace than the policy suggests, but also because the applicant has sought to provide a variety of house types throughout the development including a number of smaller properties.
17. Whilst the Council are currently in a relatively strong position in terms of five-year housing land supply, it is acknowledged that there is a strong reliance upon large strategic allocations such as Whitfield. Sites such as this could deliver approximately 50 dwellings per annum, and given this is a full application, it is likely that all 100 units would be delivered within the next five years. It should also be acknowledged that the figures provided within the LALP are suggested yields, and not limits to development. If an appropriate form of development comes forward which exceeds this figure then there is no ground to refuse simply on that basis.
18. For the reasons given above, it is considered that whilst this proposal does not comply with all elements of the LALP Policy, there are sound justifications for this, and as such, the proposal is acceptable in principle subject to all other material considerations being assessed.

Impact on the Visual Amenity of the Area and Landscape

19. Given that the application site has been allocated within the Council's land allocations local plan, there is clearly an acceptance that this is a suitable site for a mixed use development, which comprises primarily of housing. That said, the policy states that the site would be able to accommodate up to 80 dwellings, and this proposal is demonstrating a significant uplift on this projected figure to 100 dwellings.
20. The proposed layout has been formulated in order to respond positively to the setting of the listed buildings that are sought to be retained/refurbished within the site. That said the layout within the site is relatively formulaic, with the highways throughout of a fairly formal character.
21. There is a clear road hierarchy that is legible once within the site, and the main means of access/egress is easily defined. In any event, this is not a scale of development that would require differing character areas of specific highways treatment to emphasise the layout.
22. Pockets of open space would be provided within the development, that would allow for the retention of the highest quality trees within the development. These would also act as informal areas of open space for recreational purposes. They would also have the benefit of being located upon the southern part of the site, where views into

the development would be more readily available from medium/long distance views. These areas of open space, with retained trees would offer a layering effect and would soften the development from the south. It is also noted that there is land to the south that is proposed to be undeveloped, but that is part of the application site. This is to be used for ecological mitigation, and as such additional planting can be provided that would further soften the proposal from medium/long distance views.

23. Views from the south are particularly important, and this is highlighted within the preamble to the allocation policy. It is therefore welcomed that, in addition to the above, the properties along this southern edge are at the lowest density, with the greatest level of separation between them. These are the largest properties within the site, and are also provided with good sized gardens, which is as you would expect upon the most sensitive part of the site.
24. The density of the development rises as one heads northwards, which responds positively to the existing building form of the former hospital buildings. Again, the proposal is relatively simple in its form, but nevertheless would provide for an attractive layout that would allow for a suitable level of soft planting throughout.
25. Much of the development within the north of the site would be screened from the public domain by the existing buildings. It is noted that the rebuilding of the Range would be as per the requirements of the policy, with the inclusion of a porte-cochere upon its front elevation. It is considered that this element of the proposal is well designed, and would re-instate the building with correct proportions etc.
26. Given the above it is considered that the development would be acceptable in terms of its impact on the street scene and would be able to be assimilated into the village without having a detrimental impact upon its character. In terms of any wider landscape impact, whilst the development would be located on the southern edge of the village, it would be viewed within the context of existing residential development surrounding it and through the design and layout solutions outlined above, it would not have an unacceptable impact upon the character of the wider rural landscape. Policy DM16 states that development that would harm the character of the landscape will only be permitted if it is in accordance with allocations made in Development Plan Documents and incorporates any necessary avoidance and mitigation measures; or it can be sited to avoid or reduce the harm and/or incorporate design measures to mitigate the impacts to an acceptable level.
27. The proposed development would therefore comply with the objectives of Core Strategy Policy DM16 as it would not harm the character of the landscape and of Paragraph 17 of the NPPF which requires development to take recognise the intrinsic character and beauty of the countryside.

Impact upon Residential Amenity within the Area

28. Paragraph 17 of the NPPF outlines that one of the core principles of sustainable development is to always seek to secure high quality design and a good standard of amenity for all existing and future occupants of land and buildings.
29. The application site is relatively self-contained, and would be set away from existing residential properties to the aside from those within Lower Street, and also within White Wood Road.
30. The properties within White Wood Road would be side on to the development, with a pedestrian/cycle link to be provided into the highway. The proposed layout would

relate to this existing pattern, grain, and orientation of development, and as such there would be no direct overlooking of the existing properties. Furthermore, the positioning of the new dwellings, together with their scale (being of two storey) would ensure that there is no overshadowing, nor the creation of a sense of enclosure to these properties.

31. Whilst a pedestrian link is proposed through to this cul-de-sac, it is not considered that this would result in any significant noise and disturbance to the occupiers of these properties, over and beyond that which would be expected within a residential area.
32. The properties within Lower Street are set out in a much more organic manner, with some properties within the road frontages and others set further back from the highway. Those that are set further back would thus be closer to the proposed development. The proposed properties closest to Lower Street are all designed to be 'side on' with the boundary, and with no windows that would overlook the properties. As such, it is not considered that there would be any overlooking of these existing properties. Likewise, there would be sufficient separation between the proposed and existing (minimum of 19 metres) to ensure that there is no overshadowing or creation of a sense of enclosure.
33. Again, whilst there will be a slight uplift in general noise and disturbance from new occupiers of these dwellings, this is clearly anticipated as the site has been allocated for housing for a significant period of time. It is therefore not considered that any increase would be unacceptable. The Council's Environmental Health Officer has also not expressed any concerns in this regard.
34. The site is currently undeveloped (aside from the derelict buildings) but is therefore particularly dark at evening/night. The development of this site would introduce a chance to this, but a condition has been suggested that would ensure that details be submitted, in order that the local authority has suitable control over lighting – both in terms of residential amenity and also ecology.
35. It is therefore considered that the proposal would not have any adverse impact upon the residential amenities of the neighbouring occupiers, thereby complying with the requirements of the NPPF.

Impact upon Highways

36. Paragraph 32 of the NPPF states that All developments that generate significant amounts of movement should be supported by a Transport Statement or Transport Assessment. Plans and decisions should take account of whether:
 - the opportunities for sustainable transport modes have been taken up depending on the nature and location of the site, to reduce the need for major transport infrastructure;
 - safe and suitable access to the site can be achieved for all people; and
 - improvements can be undertaken within the transport network that cost effectively limit the significant impacts of the development. Development should only be prevented or refused on transport grounds where the residual cumulative impacts of development are severe.
37. The applicant has submitted a Transport Assessment with the planning application which has now been reviewed by Kent County Council Highways Services. This

Assessment sets out that the proposal would have no severe impact upon the highway network within the vicinity or further afield.

38. There were initially a number of concerns raised by the highways officer, with regards to the submissions that have been made, and the applicant has subsequently submitted additional information that has now removed their objections from the development.
39. The proposals are likely to generate approximately 60 two-way vehicle movements in the morning and evening peak hours, most of which will enter and leave the site via High Street and Sandwich Road or Lower Street and Dover Road. The main concentration of vehicle movements is through the Mill Lane/High Street/Lower Street junction and this has sufficient capacity to accommodate the additional movements. Whilst visibility from Mill Lane to Lower Street is less than would ideally be provided under current guidance, the junction has been in use for many years and there are no recorded personal injury crashes at the junction in the five years to the end of 2016. Both High Street and Lower Street have sections which are used for on-street parking, reducing the carriageway to single-lane working. In the case of High Street there are passing places available at several locations (protected by existing parking restrictions) and other gaps in the on-street parking, and these should be sufficient to accommodate the additional vehicle movements on this route.
40. In Lower Street there are existing accesses protected by 'dog bone' markings which act as passing places but some would benefit from being extended and protected by parking restrictions. The development proposals therefore include provision of double yellow lines to improve two of these informal passing places. This would mean the loss of three on-street parking spaces in those specific locations but other on-street parking is available. A Traffic Regulation Order (TRO) would be required for the parking restrictions and this can be made by Kent County Council as the highway authority. According to advice to Planning Inspectors TROs must be made for qualifying purposes including avoiding danger to persons or traffic and facilitating the passage of traffic, which clearly apply in this case. Traffic flow and highway safety should be the primary concerns in relation to introducing a prohibition of waiting rather than matters of inconvenience or change. Therefore, if KCC is satisfied that the TRO is required and is the correct form of mitigation then they are in a position to dismiss erroneous objections and make the Order. The TRO could therefore be reasonably secured through a planning condition, which has been proposed.
41. Whilst a few movements may be generated in Mill Lane to the west of the site but the numbers are unlikely to be significant and, although there is some on-street parking in this section of Mill Lane, passing places are available.
42. It should also be noted that whilst there may be some vehicle trips from the development to/from the school, these will not add to existing school trips as they will replace current trips by parents from further afield when school places are given to children living in the new development. Some children from the development will also be walked the short distance to and from the school using the direct pedestrian route available.
43. The site access proposals include the provision of a pedestrian crossing point just to the north of the access, to provide a connection to the existing footway network on the north side of Mill Lane and therefore pedestrian access to the school and village centre. A build-out and parking restrictions are required on the north side of Mill Lane to provide visibility for pedestrians crossing southwards and this requires the removal of 3 existing on-street parking spaces, replacements for which are included in the

new parking area for existing residents adjacent to the access on the south side of Mill Lane. The site access proposals also include the provision of a footway, pedestrian crossing point and bus stop to the front of the listed building in Mill Lane, the bus stop being a relocation of the existing westbound stop a few metres to the east.

44. The footway will allow level access to buses and a pedestrian connection between the listed building and the existing footway network on the north side of Mill Lane. Parking restrictions are required on the north side of Mill Lane to provide visibility for pedestrians crossing southwards. This will remove what appears to be some sporadic footway parking in this section of Mill Lane, however other parking is available on the south side of the road and additional parking will be available in the new parking area for existing residents adjacent to the access on the south side of Mill Lane. Again a Traffic Regulation Order (TRO) would be required for the parking restrictions and this can be made by Kent County Council as the highway authority. It should be noted that in order to provide a new pedestrian access via private steps from Mill Lane to the listed building, the small area of the highway containing the steps will need to be stopped up.
45. There is no objection in principle to this from the highway authority. It is considered that sufficient levels of car parking are available for the proposals within the site and whilst there are a few plots where the associated parking would ideally be closer to the dwelling, this is unlikely to result in unacceptable parking on the existing highway. A gated secondary emergency access to the site is provided from White Wood Road and this can be secured by condition.
46. Due to the scale of the proposed, it is considered necessary to require a detailed construction management plan to address traffic and the associated routing and timing of HGV movements, together with parking for delivery vehicles and site personnel.
47. Given the above, it is not considered that the proposal would result in a severe impact upon the highway network and existing public rights of way would be unaffected by the proposal. As such the proposal complies with the requirements of DM13 of the Core Strategy and the requirements of paragraph 32 of the NPPF.

Impact upon Heritage Assets

48. The NPPF (paragraph 128) requires that applicants should describe the significance of any heritage assets affected including any contribution made by their setting. The level of detail should be proportionate to the assets' significance. The applicant has submitted a full heritage assessment which identifies the historic use of the land at its importance in relating to the setting of the building.
49. Paragraphs 132-135 of the NPPF relate to the significance of heritage assets and how planning applications should be determined to ensure that great weight is given to the asset's conservation. As heritage assets are irreplaceable, any harm or loss should require clear and convincing justification.
50. The existing buildings within the application site are now within a significant state of disrepair. Much of the original structure of the main listed building (chapel aside) appear to have been lost, or in a state of collapse. It is clear therefore that there is the necessity for a significant level of work to be undertaken on this site to bring the listed buildings back in to any sort of use.

51. The applicant has submitted a Heritage Statement that sets out both the significance of, and impact upon the heritage asset. Significant pre-application and post submission negotiations have taken place with the Council's Heritage Officer, who initially requested that a number of amendments be made to the scheme – these were generally detailed points.
52. The applicant has addressed these points, and submitted amended plans which have been reviewed by the Heritage Officer who is now content with the proposal.
53. The allocation policy for this site identifies elements of the listed buildings that should be re-built and the applicant has undertaken a thorough assessment of the existing buildings, and the plans clearly demonstrate how the listed structures can be reinstated in an appropriate manner.
54. One of the key reasons that this site has been an allocation for housing development is due to the necessity to be able to fund the rebuilding and refurbishment of the derelict listed buildings. The buildings, being set up against the highway would retain their character from outside of the application site as the additional housing development would not be visible from this vista. Indeed, because of the works required to bring these buildings into a habitable state, there would be betterment from this public vantage point.
55. From within the site, the buildings appear as more derelict and as such their setting has already been significantly compromised. The site is wholly overgrown, with short to medium term views significantly compromised. Whilst the erection of dwellings within their immediate curtilage would result in the loss of openness to the rear, and thus would impact upon the buildings' setting, this would not be to their detriment. The site, being a former hospital use, would not necessarily be expected to be surrounded by a significant level of open space, with many buildings of this type located within urban or village settings, with buildings surrounding them.
56. Furthermore, the impact would be reduced by the re-instatement of the Range which is currently of no scale having been mostly demolished. This historic structure would be of a substantial size and would replicate the building that was previously in situ. This in itself would therefore represent a barrier from the new development to the listed buildings, which will further soften the impact of the dwellings.
57. Whilst the proposal would be in relatively close proximity to a number of listed buildings located along Lower Street, there would be sufficient separation between the proposed development and these properties to ensure that their setting would not be compromised. The development would ensure the significance of the heritage asset is safeguarded for the future.
58. In terms of archaeology an evaluation accompanies the application, the results of which indicate that Anglo-Saxon settlement is present on or close to the site. It is therefore possible that archaeological deposits may be present at the site that would be affected by groundworks associated with the development and therefore provision should be made for a programme of archaeological works, to be secured by condition.
59. It is therefore considered that the proposal would bring about significant enhancements to the existing listed building, with no significant impact upon their setting brought about by the new development. The setting of existing listed buildings would also be preserved, and as such the proposal is considered to comply with the requirements of 132-135 of the NPPF.

Ecology

60. Paragraph 3.337 of the LALP states that a combination of the scale of the development and the proximity of the site to European designated nature conservation sites means that any planning application will have to develop a strategy with a range of measures and initiatives such as the provision of informal open space or walking routes (leading to wider PROWs) within the development.
61. The applicant has submitted a number of ecological reports that set out both the existing biodiversity within the site, as well as suitable mitigation to address the impact of the proposal.
62. The reptile survey that was undertaken showed a 'good' population of common lizards, a 'low' population of slow worms in the development site, and a 'good' population of both within the proposed receptor site. It is therefore likely that harm would occur without suitable mitigation, and it is therefore proposed that the receptor site be in place prior to any works on site, in order that they can be translocated without harm. The full mitigation for this is set out within the submitted report, and shall be controlled by condition.
63. The submitted bat survey highlighted that during the surveys one common pipistrelle bat was confirmed to have emerged from the northern aspect of the Chapel roof, three common pipistrelle bats were confirmed emerging from Tewksbury House and one long-eared bat emerged from a first-floor window of the Range. In addition, there was a probable emergence of one soprano pipistrelle bat from Tewksbury House.
64. Because the chapel building is to be limited to internal alterations, there is not considered to be any detrimental impact upon these bats, as the roost present within this building would be unaffected. However, due to the level of works required to the 'Range' building, there is likely to be a requirement for further licences to be granted to enable these works to take place. It is important for Members to note that these licences can only be granted once planning permission has been granted – i.e. this is the first step on the process. The content of the EPSM licence (if required) will then detail the timeframes, methodology and mitigation measures required when working with bats and their roosts.
65. Regardless of whether an EPSM is currently identified as needed for works to any particular building, it is strongly recommended that update surveys are conducted in the season prior to works being undertaken on any building. This is necessary as bats have been found to be using three of the four buildings surveyed and their usage of these buildings may change both throughout a season and from year to year; this will therefore be secured by condition.
66. It is therefore considered that whilst this is a sensitive site in relation to ecology, mitigation can be put into place to ensure that there would be no adverse impact upon biodiversity subject to the imposition of suitable safeguarding conditions.

Contributions

67. Any requests for contributions needs to be scrutinised in accordance with Regulation 122 of the Community Infrastructure Regulations 2010. These stipulate that an obligation can only be a reason for granting planning permission if it meets the following requirements:

It is:

- (a) Necessary to make the development acceptable in planning terms;
- (b) Directly related to the development; and
- (c) Fairly and reasonably related in scale and kind to the development.

68. As Members are aware the Council would ordinarily seek a provision of 30% affordable housing on a site of this scale, together with suitable contributions for community facilities that would be impacted by the proposal.
69. The applicant has submitted a full viability appraisal with this application, which has been independently assessed for the Council. This and the assessment carried out are attached to this report as appendix 1 and 2. The viability appraisal submitted indicated that the viability constraints of the site meant that there would be no scope to provide for any financial contributions or for any affordable housing provision within the development.
70. The findings of the report were questioned by the independent assessor, who raised some concerns with the proposed sales prices as well as costs. They estimated that there would be an element of surplus (when taking into account a developer's profit) that could be spent on either affordable housing provision, or contributions.
71. Following on from this appraisal the case officer has been in negotiations with the applicant, who has confirmed that the applicant can now provide 10% affordable housing within the scheme (amounting to 10 units), as well as the required play space contributions and SAMMS payments to mitigate the impact upon the local nature reserves. These contributions will assist to address the impact of the proposal upon the locality.
72. The lack of contributions needs to be carefully considered by Members, as a proposal of this scale will have a clear impact upon local infrastructure. However, the delivery of housing within the District is an important consideration, particularly given that this is a long-standing allocation. There have consistently been viability concerns with the delivery of this site, and these remain, and indeed are exacerbated by the length of time the site has taken to come forward – which has required further works to the listed buildings. Should the development provide the contributions proposed it would be viable, and would significantly assist with both the Council's five-year housing land supply and also to address the strategic need within the District. This is a significant material consideration in the determination of the planning application.
73. It is considered that whilst this shortfall of contributions is regrettable, the applicant has demonstrated that it would not be possible to deliver more than 10% affordable housing, open space, and SAMMS contributions, particularly given the cost of safeguarding and reinstating the heritage asset, and as such the application can be supported on this basis, given the overall benefits to the listed buildings and the provision of housing delivery.

Drainage/Flooding

74. The applicant has submitted a flood risk assessment (FRA) with the application which sets out that the development should not be at a significant risk of flooding, and should not be susceptible to damage due to flooding. The flood risk assessment concludes that the site is located within flood zone 1 and whilst the type of development is classified as 'more vulnerable' this would not require an exceptions test to be undertaken.

75. The FRA then makes a number of suggestions in order to ensure that the development does not adversely impact flood risk elsewhere. These include the requirement for a detailed surface water management strategy (which is sought to be conditioned), and the use of appropriate SuDS techniques within the development, which again is to be conditioned.
76. The Environment Agency were consulted on this application and raised no objections subject to the imposition of suitable safeguarding conditions to address the above matters. These conditions are set out at the end of the report.

Open Space

77. It is proposed that an area of open space be provided to the south of the application site. This is designed to be informal, semi-natural open space which will retain existing trees, and hedging, and will therefore be used as informal open space. This will be accessible for both the future residents of this site, as well as for those outside of the site – i.e. public access would be available. The area would be bound to the north by the rear boundaries of the application site, which would reduce the level of natural surveillance but that in itself is not considered to be unexpected. There would be access through the open space within the residential portion to the north of the site.
78. This open space would not be provided with any formal play equipment etc. but contributions are to be made to improve other local facilities – as set out within the section of the report above. This open space will also enable additional planting to be provided which would further reduce the impact of the development upon the wider area.

Conclusion

79. This is a development that has been subject to significant pre-application discussions, and further amendments subsequent to the submission of the application (which was made over three years ago). There are a number of reasons why this application has taken this length of time to come to determination, including the requirement for amended plans to be submitted, as well as the necessity for a viability appraisal to be submitted – and fully and independently assessed.
80. This viability appraisal demonstrates that the applicant can only provide for 10% affordable housing throughout the development, and given that this is an allocated site within the Land Allocations DPD, this is disappointing. Nevertheless, the importance of delivering this site, which has been allocated for a number of years, for much needed housing is considered to be a strong material consideration in its favour.
81. The proposal would bring forward 100 dwellings within a site identified as being within a suitable location, as well as community/commercial floorspace.
82. A further benefit would be to bring back the now derelict listed buildings back into use which will have social as well as environmental benefits. The rebuilding/refurbishment of the listed structures will come at a significant cost, and it is these benefits that have had a direct impact upon the viability of the scheme. Whilst Policy DM5 of the Core Strategy does require the provision of 30% affordable housing, it does allow for flexibility where viability does not allow this full provision. In this instance the applicant has clearly demonstrated that this full provision cannot be

made, for the reasons set out above, and as such it is considered that the policy is still complied with.

83. Significant work has also been undertaken to ensure that the impact upon the highways are fully understood and the County Highways Officer now does not object to the proposal. Suitable parking provision is to be made within the site that would ensure that there would be no detrimental impact upon highway safety. The proposal therefore accords with Policy DM13 of the Core Strategy.
84. The proposal is well designed and has due regard to the sensitivity of the site. The refurbishment of the buildings will see them re-instated to a high quality, and the proposed new dwellings would respond positively to their locality.
85. Whilst the development does not wholly comply with the criteria of LALP 2015 Policy LA29 in that it is seeking to provide more than 80 dwellings and incorporate flexibility within the site to provide either community or employment uses, for the reasons outlined in this report the proposed development is considered to be acceptable having regard to all relevant material considerations.
86. The development would comply with the sustainability objectives of the NPPF by reusing land that has been previously developed to provide an appropriate form of mixed use development whilst securing a high-quality design and ensuring that heritage assets are conserved in a manner appropriate to their significance. The development would result in a high quality built environment which through the provision of this additional housing and increased population would help to support the vitality of the existing community.
87. It is therefore considered that on balance, this proposal is acceptable, and it is recommended that Members give this application favourable consideration and grant delegated powers to approve subject to a suitable S106 legal agreement and the imposition of suitable safeguarding conditions as summarised below.

g) Recommendation

- I. GRANT PLANNING PERMISSION subject to the completion of a legal agreement to secure the provision of 10% affordable housing and appropriate financial contributions to provide necessary ecological mitigation and subject to conditions to include:
 - i) commencement within 3 years; ii) carried out in accordance with the approved drawings; iii) submission of Construction Management Plan; iv) limits on temporary lighting/illumination; v) development carried out in accordance with approved phasing sequence; vi) written confirmation of commencement of development and first occupation of each phase; vii) submission of details relevant to sales/marketing accommodation, vehicle parking and servicing and associated development; viii) limits to means of enclosure; ix) limits to the provision of hard surfacing; x) submission of material samples; xi) informative on windows; xii) submission of details for listed buildings; xiii) solar panel installation; xiv) retention of Public Right of Way; xv) submission of details- proposed on-site highway works; xvi) finished surfacing to vehicle and pedestrian access routes; xvii) submission of details- of sight lines (roadway junctions); xviii) submission of details- sight lines (private driveways); xix) limits on development overhang; xx) submission of details related to vehicle parking; xxi) submission of travel plan; xxii) submission of details of hard and soft

landscaping; xiii) hard and soft landscaping carried out in accordance with approved details; xxiv) limits on excavation during construction; xxv) limits on storage of materials; xxvi) no damage to trees of hedgerows within phased development; xxvii) erection of mans of enclosure; xxviii) submission of external lighting scheme; xxix) submission of details of refuse storage areas and recycling facilities; xxx) programme of archaeological works; xxxi) contamination informative; xxxii) submission of sustainable water drainage scheme; xxxiii) infiltration of surface water drainage only with approval of LPA; xxxiv) submission of Foul Sewerage Disposal Strategy; xxxv) retention of open areas/spaces; xxxvi) no external units on any external elevation; xxxvii) secure and implement programme of archaeological works; xxxviii) ecological enhancements; xxxix) any other conditions as required by KCC highways; xxxx) safeguarding employment use; xxxxi) any other conditions as required by DDC Conservation; and

- II. Powers be delegated to the Head of Regeneration and Development to settle any necessary S106 matters and planning conditions in line with issues set out in the recommendation and as resolved by Planning Committee.

Case Officer

Chris Hawkins

■ London
■ Glasgow
■ Edinburgh



MJW/lf/PS10966

5th August 2015

Martin Brown
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Dear Mr Brown,

EASTRY HOSPITAL SITE, MILL ROAD, EASTRY, KENT

1. Introduction

In accordance with your recent instructions I write to set out my opinion of the financial viability of developing a 100 unit residential scheme on the site of the former Eastry Hospital ("the Site").

By way of background, I would confirm that our instructions are to prepare an assessment of the likely level of profit that the owner of the Site, Runnymede Investments Limited ("Runnymede"), is likely to earn in the event that the Site was developed out to provide a fully private housing scheme in accordance with the layout prepared by Guy Holloway Architects ("the Architect"). For ease of reference a copy of the Architect's Masterplan ("the Scheme") is attached to this letter as **Appendix 1**.

In addition to the residential development, the Scheme incorporates some 3,800 sq ft of commercial development designed for employment uses, in line with the planning policy aspirations of Dover District Council ("the LPA" or "the Council"). It should also be noted that the Site comprises a number of historically important listed buildings, situated at the front of the Site. These are described in more detail below.

We understand that this scheme is the subject of an undetermined planning application submitted by Runnymede in April 2014 to the Council under reference DOV/14/00240).

For the reasons set out in this letter we are of the opinion that residential developments represents the highest and best value use for the Site, albeit given the prevailing low level of house prices within the local area; the provision of commercial accommodation; and the high cost of restoring and converting the listed buildings on Site, the development of the Scheme is not commercially viable. In making this statement, the development profit forecast, of some 12.82% (as a return on all costs) is below the level that, in our opinion and experience, would be required by the market in the event that the Site was to developed by a third party.

Against this background, we are of the opinion that the Scheme cannot viably sustain the development of any affordable housing, or afford to make any form of Section 106 or CIL payment.

2. Factual background

Although the Site is well known to you, I would confirm that the site is situated in the village of Eastry, which lies 7 miles to the north-west of Deal, 12 miles to the south of Ramsgate and 10 miles to the north of Dover.

The Site, which is broadly level and a reverse 'L' in shape is situated on the south side of Mill Lane in Eastry, and extends to some 12 acres or 4.86 hectares. It includes a number of Grade II Listed Buildings located towards the front of the Site comprising a former hospital and work house building. We understand that these buildings have been substantially damaged following a fire at the property in December 2012.

The Site was acquired by Runnymede in November 2007 in consideration of the sum of £1,700,000. The Site was acquired in the open market, in competition, directly from the Department of Health ("the Department") and, as such, the price paid represented market value as at the date of acquisition.

The Site was acquired subject to an overage agreement which required Runnymede to pay an additional sum calculated by reference to a fixed price per square foot multiplied by the number of square feet for which planning permission was obtained.

Following discussions with the Department of Health, in March 2014 Runnymede entered into a supplemental agreement with the Department and negotiated the release of the overage arrangement. In consideration of the release of the overage provisions, a further sum of £400,000 was paid to the Department, who have no further interest in the Site.

Against this background, the total price paid by Runnymede to acquire the Site from the Department of Health was £2,100,000. As noted, this sum and the overage provisions were representative of market value and terms as at the date of the original acquisition in 2007. The amount paid to the Department in consideration of the release of the average obligations is the lowest sum that the Department was willing to accept.

This is an important point in that Runnymede does not seek to test the viability of the Scheme against anything other than the actual cost that it has incurred in acquiring the Site. The volatility in the UK and world economy that emerged in late 2007 and culminated in the Global Financial Crisis of September 2008, had a profound effect on the UK housing market in the period 2008 to date, and whilst the terms on which Runnymede agreed to acquire the Site may not be market terms now, they were at the time that they were agreed and they form the starting point for assessing the financial viability of any development that Runnymede may propose for the Site.

In the absence of Runnymede being able to progress a financially viable scheme, the Site will not come forward for development.

3. Proposed Scheme

We have been provided with a copy of the proposed scheme for which Runnymede seeks planning permission as shown on the Architects drawings No. 14.042.02. This shows proposals for the development of a scheme of 100 units; 20 of which are to be built within the shell of the existing

buildings known as The Range and Tewksbury House. The balance of the units are new build, and are to be developed within the site grounds of the former hospital.

The net saleable area of the proposed scheme is some 93,844 sq ft with units providing between 1 and 4 bedrooms in units of between 600 and 1,581 sq ft. A copy of the indicative layout is shown on the plan attached to this letter as **Appendix 1**.

In addition to the residential accommodation the scheme also provides 3,800 sq ft of commercial accommodation within the Chapel and Tewkesbury House situated towards the front of the Site. We understand that Runnymede propose to convert this accommodation for commercial and employment uses in accordance with the requirements LPA.

4. Methodology

In accordance with your instructions we have undertaken a development appraisal utilising industry standard methodology in order to assess the profitability of the proposed Scheme.

The property market adopts what is known as the residual method of valuation in order to assess the viability of development proposals through an assessment of scheme profit. This approach involves a consideration of the Gross Development Value of a development proposal from which the costs of development, including finance costs, site acquisition costs, Section 106 or CIL contributions are deducted.

The difference between the projected scheme revenue and forecast costs is the amount that, subject to the development being built out in accordance with the assumptions made in the appraisal that is likely to be available as development profit. The monetary amount of profit, which is generally expressed as a percentage of development cost or revenue, that is produced through the residual calculation is then compared to general industry benchmarks in order to assess whether or not the scheme, with any inherent planning liabilities (notably the provision of affordable housing and section 106 and/or CIL Payments), could be said to be commercially viable.

In the case of residential development schemes, the market generally considers that a "viable" scheme is one that generates a profit as a return on all cost of at least 15%. This minimum benchmark applies to what the market perceives as relatively straightforward developments, notably greenfield. In respect of more complicated development situations; for example involving the refurbishment of listed buildings (where the costs of conversion are difficult to estimate); brownfield developments (where there may be additional costs associated with the previous use of the site); or in locations where the scheme is of a significant size in a limited market; the level of profit required would be in excess of the minimum level of 15% profit on cost.

Based on these industry "typical" benchmarks if a scheme is likely to generate a profit that is below a benchmark of 15% of overall development costs, then that scheme is considered by the market to be financially unviable on any basis and is unlikely to be brought forward. On the contrary, where the viability of a scheme is in excess of these benchmark levels the surplus "additional" profit is notionally available to fund Section 106 and affordable housing obligations up to a policy compliant level.

However for a scheme such as the development of Eastry Hospital to be considered viable, I am of the opinion that the minimum profit that the market would require would be higher in order to reflect

the various additional construction and market risks to which the project is subject (listed building, brownfield site and limited local market with an extended sales period). To reflect these risks I consider that the minimum level of profit that would be required to render the development of the site viable is of the order of 17.50% to 20.00% return on cost.

The scheme that has been submitted to LPA does not include the provision of any affordable housing. Furthermore, Runnymede has indicated to the LPA that, based on its own internal assessment of viability, the Scheme cannot afford to make a Section 106 contribution.

The purpose of this letter is to test the reasonableness of these statements.

5. Viability Assessment

As noted we have prepared an assessment of the viability of the proposed Scheme having regard to the actual cost that Runnymede incurred in acquiring Site, coupled with current estimates of likely scheme revenue and build cost. The revenue and cost estimates have been provided to us by third parties and are detailed below.

We have incorporated the revenue and cost assumptions into an industry standard residual development model known as "Argus Developer". This is a commercially available programme that is widely used in the development industry and amongst valuation surveyors.

The information that we have been provided with in terms of revenue and development cost is as follows;

1. An estimate of residential scheme revenue prepared by Colebrook Sturrock dated May 2015. A copy of this note is attached as **Appendix 2**. The units have been priced on a unit by unit basis with values ranging from around £215 per sq ft, up to just under £300 per sq ft. or £230 per sq ft overall. These revenues, which have been split as between the listed buildings and new build units at averages of just under £188 per sq ft and £238 per sq ft respectively, have been carried forward into our development appraisal;
2. An explanatory note prepared by Simon Greaves prepared in July 2015 detailing the rationale and comparable evidence utilised in arriving at his opinion of revenue. A copy of this note is attached as **Appendix 3**;
3. A marketing report prepared by Caxton's detailing the marketing of the Site in the period to October 2013 and confirming that there was no market demand for the existing hospital in its current state for employment uses. A copy of this report, which includes an analysis of available competing office locations is attached as **Appendix 4**;
4. Marketing details prepared by Caxton's in relation to the proposed refurbished office accommodation in which a rent of £10 per sq ft is quoted. A copy of these details are attached as **Appendix 5**; and
5. Various quotations and estimates provided to Runnymede in relation to the cost of developing the Scheme in the period 2011 to 2014, as set out in **Appendix 6**; and

6. Details of the build cost adopted by DVS in their report dated November 2011.

In terms of build cost, the conversion of the listed buildings has been looked at in detail more recently than the remainder of the Scheme, which was considered in detail in 2011 and 2012 in relation to the 2010 application approved by committee, but unimplemented due to Section 106 requirements. We are advised that a consensus as to build cost was reached with DVS at the time, and this has been updated by Runnymede's in house construction team to current, 2015 prices.

Over the period 2011 to 2015 construction costs have increased significantly, particularly in the South-East as the property market and economy has recovered. According to BCIS, the all in Tender Price Index increased by almost 18% over the period, albeit that the level of increase in the residential sector, particularly in the South-East, has been substantially higher at some 27.50% (median cost - housing, mixed developments).

Based on these calculations, we have adopted a total cost of developing the Scheme of just under £13,850,000, which is equivalent to £141 per sq ft overall. In terms of a breakdown this reflects the following:

- Listed building and Tewkesbury House - £1,930,000 (Jenner estimate plus 5% inflation derived from BCIS TPI) which is equivalent to £168.66 per sq ft overall, including non-recoverable VAT; and
- New build costs based on an average cost of £137.28 per sq ft totalling just over £11.90m.

It should be noted that these costs include all estate roads and site services infrastructure.

The remaining inputs to our appraisal are based on our experience generally applied to the specific factors that would be taken into account in assessing the viability of developing the Scheme. Notable assumptions include an overall time scale of 30 months to develop and sell the Scheme, professional fees of 10% of cost and a finance charge of 6.50%.

A copy of our appraisal is attached to this letter as **Appendix 7**. In order to be consistent with Runnymede's adopted position, no allowance for the payment of any section 106 or CIL costs is included within the appraisal, nor is the provision of any affordable housing.

6. Conclusion

In summary the output of our appraisal is as follows;

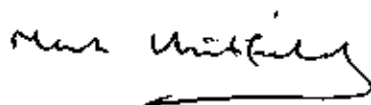
REVENUE	£21,832,590
COSTS (INCLUDING LAND)	£19,414,241
PROFIT	£ 2,418,349
PROFIT AS % COST	12.46%
PROFIT AS % REVENUE	11.06%

Although the Scheme is forecast to make a profit, the level of profit is significantly less than would be commercially acceptable to a third party developer. We understand that, having regard to the costs that Runneymede have already incurred (both site purchase costs and holding costs), they are prepared to proceed with the development of the Scheme at this reduced level of profit.

However, based on our analysis of the Scheme and the development appraisal that we have undertaken, we are of the opinion that having regard to the sub-optimal profitability of the Scheme, it cannot afford to provide any affordable housing, nor can it afford to make a section 106 payment.

I trust that the foregoing is self explanatory, albeit we would, of course, be pleased to outline our approach and appraisal to the LPA in more detail if required.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Mark Whitfield', with a long horizontal flourish extending to the right.

Mark Whitfield
Partner
For and on behalf of Montagu Evans



Former Easry Hospital Masterplan (n.t.s)
Coloured masterplan using 14.042.29 Revision P5

guy hollaway
ARCHITECTS

A	B	C	D	E	F	G	H
U67	Semi-detached	C3	2	25.9	796.5	235,000	256.41
U68	Flat	B	2	63.7	665.7	1,250,000	182.30
U69	Flat	B	2	63.7	665.7	1,250,000	182.30
U70	Flat	B	2	63.7	665.7	1,250,000	182.30
U71	Flat	B	2	63.7	665.7	1,250,000	182.30
U72	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U73	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U74	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U75	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U76	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U77	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U78	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U79	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U80	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U81	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U82	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U83	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U84	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U85	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U86	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U87	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U88	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U89	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U90	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U91	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U92	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U93	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U94	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U95	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U96	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U97	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U98	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U99	Semi-detached	C3	2	71.9	796.5	200,000	381.41
U100	Semi-detached	C3	2	71.9	796.5	200,000	381.41
TOTAL				878.9	8,944.8	2,441,150	235.07

**Mark Whitfield
Montagu Evans**

Eastry Hospital site

Martin Brown has asked me to provide you with some background evidence for the sales values we have proposed for the above site. We have secured this from sales on new home sites in the area, combined with sales of comparable re-sale properties as flats have not been available on any of these sites.

The new homes sites in the area include,

Sholden Fields at Sholden, Deal. This is a large site of 230 units on the north western borders of the town (about 1 mile from the centre) by Ward Homes that provides a mix of 2,3 and 4 bed properties and includes affordable units. In terms of appeal I would suggest this represents a better location in that demand for homes in Deal and values achievable are 5-10% higher than those at Eastry.

The Eastry site is close to a village centre with its limited range of amenities including a single pub whereas Deal offers a comprehensive range of facilities and the High Speed rail service that broadens the towns appeal to younger purchasers. The Sholden Fields is also sufficiently separated from nearby development to be able to set its own values.

Based on their claimed sizes their 722ft² 2 bed home is averaging £277/ft²

There is a range of 3 bed homes from £234 - £286/ft² from 786ft² to 1,067ft²

Their 4 bed range starts at 1,192ft² rising to 1,446ft² and have sold at prices between £240 -£266/ft².

At Stanhope Place, Deal Abbey New Homes have a scheme nearing completion of 44 No. 2,3 & 4 bedroom homes. This is located on a former school site in Mill Road, closer to the centre of town.

Their Wilton 2 bed terrace at 650ft² has achieved an average of £176,000 (end and mid-terrace combined) or £271/ft².

Their Rushton 3 bed terrace (820ft²) has achieved from £195,000 to £208,000 or an average of £235/ft².

Their Deene 3 bed semi (903ft²) has achieved £220,000 or £238/ft²

Their Stanwick 4 bed townhouse (1,250ft²) achieved £250,000 or £200/ft²

Persimmon Homes are building Timberley Place, off Church Lane, Sholden a mixed scheme of 65 units including 12 affordable units, including 2,3 & 4 bed homes. At an early stage their completed and exchanged sales include

Their Wootton 2 bed terrace at 613ft² has achieved £174,950 or £277/ft². This included and is adjusted for fitted appliances, flooring and turfing worth c.£5k*.

Their Walmer 4 bed townhouse at 1,207ft² has sold at £254,950 to include a package of carpets, turfing, appliances and £500 legals contribution. This equates to c. £207/ft²

Current pricing for available units ranges from £289/ft² for smaller 2 bed units (Wootton 613ft² and Lydden 639ft²), to £261/ft² for the Elvington (3 bed semi-detached) or £273/ft² for the detached variant.

The larger units are the Alkham (1,266ft²) priced at £248/ft² and Challock (1,443ft²) priced at £246/ft²

***NB for the unsold units I have not allowed for price discounting but have allowed £5k per unit for sales incentives as above**

At Bowman's Place, Sandwich Road, Whitfield Abbey New Homes are offering a site of 74 new homes, part of a larger site planned as part of Whitfield's expansion. Due to an infrastructure hold-up sales started only in April this year since when there have been 10 sales completions and 7 exchanges.

Their Wingham 4 bed detached (1,202 ft²) has achieved £215/ft²

Their Maxwell 4 bed detached at 1,558 ft² has achieved c. £312,000 net of incentives or £200/ft² .

They have reservations for

Their Fernwood (1,366ft²) 4 bed detached at £289,995 or £208/ft²*

Their Carney (1,138ft²) 3 bed semi-detached townhouse is available at £254,995 or £219/ft²*

Their Ripley (1,122ft²) 4 bed detached is available at £289,995 or £254/ft² *

***NB for the unsold units I have not allowed for price discounting but have allowed £5k per unit for sales incentives as above**

In addition there are 2 smaller sites in nearby villages that may be considered.

At Woodnesborough (about 1½ miles distance) there is a development site called The Village by TG Designer Homes of 24 units from 2-5 beds backing onto farmland. At an early stage, 3 plots are reserved which are each 2 bed units of 820ft² which show an average of £291/ft². However I understand that this includes a fully fitted kitchen with appliances, under-floor heating, landscaping, turfing, and carpeting throughout. Allowing a figure of say £5,000 for these elements the adjusted value/ft² is £280. You should be aware that the village has few amenities, no shop or pub and residents rely upon travelling to Sandwich (2 miles), Eastry or further afield.

In Ash, a comparable but better village lying about 2 miles to the west towards Canterbury, Rogate built 14 homes on a development called The Lanes, mainly terraced or semi-detached homes, comprising 11 No. 3 bed and 3 No. 4 bed homes in four terraces. These were sold between May & August last year and achieved values ranging from £228/ft² for a 4 bed end terrace (1,447 ft²) but average values were between £250 - £270/ft² for the remaining 3 bed properties averaging 1,110 ft². In a better location this was a higher spec. scheme including Amtico flooring to ground floor and bathrooms, fully fitted kitchens including dishwasher and fridge freezer.

Flats

There are no flats currently being offered on any of these sites. However 2 recent re-sales at the Abbey Homes site (Archers Field) at Whitfield show 2 bed flats of between 517ft² and 559ft² achieving resale values of c. £210/ft² and selling between £116,000 and £118,000.

Comparison of proposed pricing to current market evidence

Flats

Based on the only available data from a recent development that included flats, a price of £200/ft² seems reasonable albeit that the B units proposed are bigger than the comparables. We have proposed a sale value of £135,000 and I feel this is too high based on this evidence. I have adjusted these to £125,000.

Based on the figures above I have not altered the Flat prices in the Range Building.

C1 - 2 bed units

Smaller units such as this are clearly achieving higher prices/ft² but this is also size dependent where the smaller units in the range available achieve £275-£285/ft² for a typical 613-650ft² whereas the larger units proposed at Eastry are 770ft². I have therefore amended the pricing of these units to reflect a £265/ft² average.

Although larger overall, I have not altered the anticipated prices achievable for The Range building.

D1/D2/D3 variants

These are mid-sized 3 bed units proposed between 1,000 and 1,145ft² with a median sales value proposed of £225/ft². The lower achieved values at the Whitfield site and Church Lane, Sholden site suggest that this value should be adjusted to an average £220/ft² which I have applied.

D4 semi-detached 3 bed units

At 1,078ft² these are priced within the range of £225 to £240/ft². I have made no adjustment to these as I feel these sit comfortably within the range achieved elsewhere and are in a better part of the site.

Detached units 80-88 (E1, E2 & F)

Although these units have southerly views over open farmland I cannot ignore the most recent evidence for the sale of similar sized detached homes nearby. Our estimate average price/ft² is £240. I have applied a more modest reduction from previous estimates to £235/ft²

MARKETING REPORT

Applicant: Runnymede Investments Limited

Proposal: Residential Redevelopment

Location: Former Eastry Hospital, Mill Lane, Eastry, Kent CT13 0LD

Marketing: Through Caxtons from 9th March 2009 to 10 October 2013

1. Marketing / Media

Caxtons commenced marketing in March 2009. There was a comprehensive range of advertising, details of which are shown below with copies attached.

2. Formal Offers Received

Caxtons have not received any formal offers for the premises.

3. Source of Enquiries

Four enquiries have been received as set out below.

- 24.05.10 Strutt and Parking in Canterbury for sales particulars
- 07.10.10, 27 July 2011 and 24.12.11 General enquires from individuals and details sent

4. Marketing Analysis

The hospital closed in 1997 and has been unused since this time. Caxtons have marketed the premises for sale and to let for office use for nearly three years. The lack of success is due to two main factors which are location and the prevailing market conditions. Eastry is a rural location and as such is not suited to large scale office development. Small offices take time to find occupiers for in Canterbury and Dover but rural areas are not suitable for many employees due to extended travelling times, lack of local service and higher housing costs.

We did not feel that it was appropriate to quote a price or rent on the marketing details. This was due to the size of the premises and the probability that most occupiers would wish to take on a smaller proportion of

the overall space. This is a frequently used approach when advertising unrefurbished space which is dilapidated.

The economy has also had a negative effect on the success of the marketing campaign. The lack of bank lending has severely reduced the number of businesses requiring office space. It will be some time before the currently available space is taken up again, and before new stock is required.

The following comments are from Locate In Kent who have assisted in marketing the site.

The property has been logged on our system since March 2009.

We have received very little interest in the site. It has been put forward to clients on a few occasions but there has been no follow up to my knowledge. As you know demand for offices is slow at the moment and the enquiries we have had for Dover have been looking for town centre premises.

Another factor is Discovery Park in Sandwich. Hopefully this will soon come to the market but that could accommodate all the local office demand, particularly when you factor in the Enterprise Zone status (business rate exemption up to £55k per annum) and availability of Regional Growth Fund grants. There is circa 3 million sq.ft. of available space at Discovery Park which will have a significant impact on the commercial property market in East Kent.

A residential use would no doubt create employment in the short term during the construction phase. Importantly, employment would also be required for ongoing maintenance of the buildings, grounds and communal areas of this site.

The development of a similar former hospital site at Chartham proved successful. The residential development has successfully incorporated some of the former hospital buildings.

In March 2013 we added further office space to our particulars in the form of the chapel building. This will provide 1884 sqft of modern office space within the original chapel building.

5 Comparative analysis

There are a number of vacant offices available in the vicinity. We have offices available at Eurokent Business Park, Ramsgate, Discovery Park and Spratling Court, Manston.

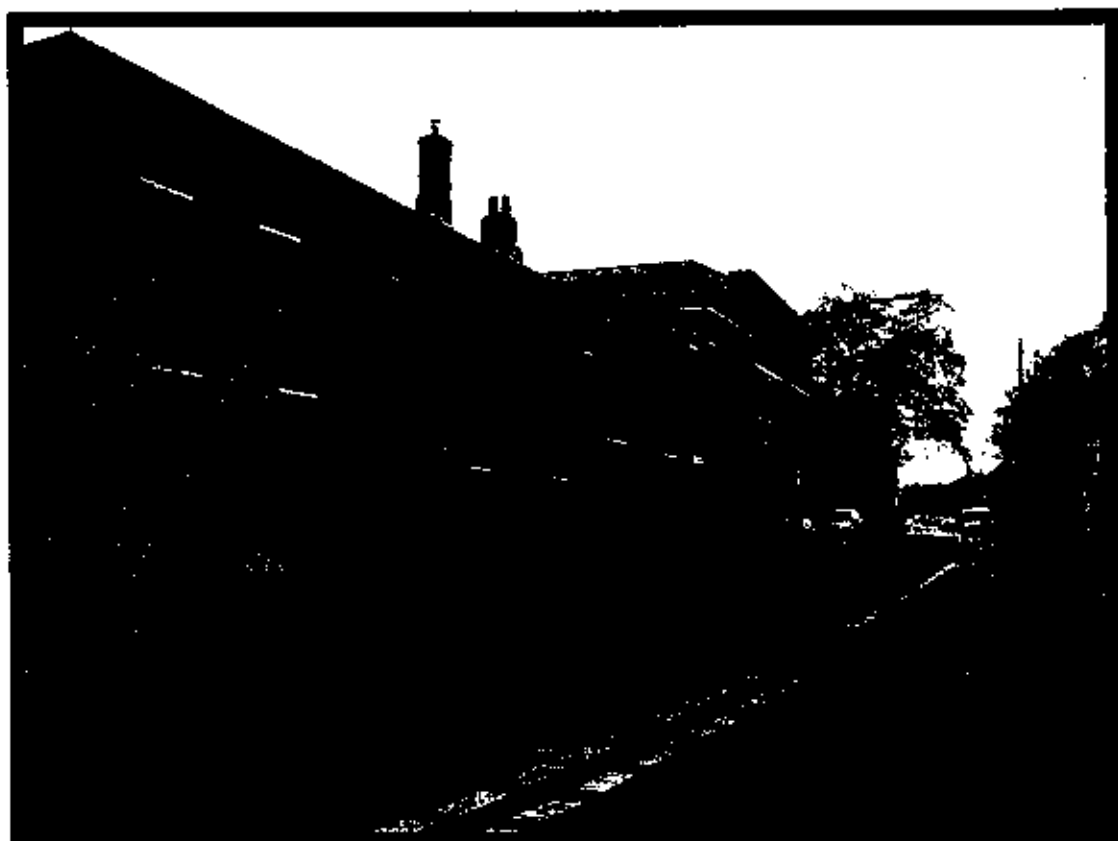
	Space available	Asking Rent £psf	Caxtons Marketing Commenced
Eurokent	1775sqft	14	2008
Discovery	500,000	20	Feb 2013
Spratling	3000	8	Feb 2013

Whilst we have recently had enquiries for all of the above offices, take up appears to depend hugely on whether the offices are in an existing hub such as the former Pfizer plant or not. There has been no take up of the rental office space at Eurokent. Shell units have been bought and fitted as offices by occupiers but there have been no offers to take the office suite. Discovery park has seen reasonable take up of office space but this existing office space benefits from reduced rates and excellent on site facilities. Spratling Court Offices are converted from a barn and we have had no offers on the advertised space since marketing commenced in February 2013.

The offices at Eastry will provide good accommodation but they are relatively remote despite being on the village outskirts. It is apparent that lettings are achievable when office are close to coastal towns and established hubs which provide the facilities so often required by companies. These include good transport network, support services including catering facilities and good local housing stock. I would suggest that the subject premises would see good take up if they were offered as residential accommodation for which there is demand.

James Logan BSc (Hons) MRICS
 For and on behalf of Caxtons

1 Castle Street, Canterbury
Kent, CT1 2QF
Tel: 01227 788088
Fax: 01227 450003



**FORMER EASTRY HOSPITAL
MILL LANE
EASTRY
NEAR SANDWICH
KENT
CT13 0LD**

**PROPOSED REFURBISHED OFFICES
UP TO 2,203 M² (23,704 FT²)**

**FOR SALE / TO LET
ADDRESS OF PROPERTY**

Caxtons, for themselves and for vendors or lessors of this property whose agents they are, give notice that:

1. The particulars are set out as a general outline only for the guidance of prospective purchasers or tenants and do not constitute part of an offer or contract.
2. The figures are only approximate and may be subject to change without notice. The figures are only approximate and may be subject to change without notice. The figures are only approximate and may be subject to change without notice.
3. No person is to be employed by Caxtons nor any authority to make or give any representation or warranty whatsoever in relation to this property.

4. All descriptions, dimensions, reference to condition and necessary permissions for use and occupation, and other details are given without responsibility and any intending purchasers or tenants should verify or obtain any necessary permissions or facts but must satisfy themselves by inspection or otherwise as to the correctness of each item.

Where applicable all figures quoted are net area of floor.

100 RUSSELL SQUARE, LONDON, EC4A 3DF
Registered Office: James Park House, 45-46 Westgate Street, Gloucester, G1 2EG
Registered in England No. 0457789

caxtons.com



Location

The offices are to be located in the former Eastry Hospital fronting Mill Lane, close to the village centre.

Eastry is approximately 3 miles south east of the Cinque Port of Sandwich, just off the A256 dual carriageway from Eastry to Dover, approximately 11 miles from the Port, town and A20/M20. The A2 at Whitfield is only 6 miles distant, so the property is well placed for the motorway network.

There is a main line station in Sandwich with London Charing Cross being approximately 2 hours.

Description

The property is attractively situated and comprises two of the remaining buildings of the now Listed former hospital.

The remainder of the site to the rear is to be redeveloped for residential purposes.

It is proposed that the buildings will be fitted out to a high standard of finish and to any internal layout required by the tenant consistent with the restrictions of a Listed Building.

Accommodation

	Gross Int. Areas	
	M²	FT²
Main Building		
Ground floor office	618	6650
First floor office	481	5176
Second floor office	167	1797
Basement storage	171	1839
Total	1437	15462
 Range building		
Ground floor office	374	4024
First floor office	392	4218
Total	766	8242
 Total for both buildings	2203	23,704

Outside – parking areas will be provided for both buildings.

Terms

The offices are available for rent at £10psf or purchase on terms to be agreed. Expressions of interest are invited and further details and plans are available on request.

1 Castle Street, Canterbury
Kent, CT1 2QF
Tel: 01227 788088
Fax: 01227 450003



Rating

To be assessed by the Valuation Office.

EPC

Results awaited, a copy of the report will be available upon request to prospective purchasers / tenants

Legal Costs

The landlord's legal costs in respect of a letting will be the responsibility of the incoming tenant.

Note

The buildings are currently in a poor state of repair and access is restricted.

Viewing

Strictly by appointment through Sole Agents Caxtons on ☎ 01227 788088
James Logan (Extn 225) or Beverley Chaplin (Extn 240).

Caxtons tell themselves and the vendors or lessors of the property whose agents they are, that they believe that:

1. The particulars are set out as a general outline only for the guidance of intended purchasers or lessees, and do not constitute an offer or a contract.
2. The relevant details given, including any price, are based on the best of the agents' knowledge at the time of the particulars being issued and are subject to change without notice.
3. The particulars are issued for the guidance of intended purchasers or lessees and should not be taken as a basis for any claim or liability.
4. No person is to be taken as having any authority to make or give representation or warranty whatsoever in relation to the property.

4. All descriptions, dimensions, views, etc. are given and are to be taken as approximate only and are not to be taken as a basis for any claim or liability.

Where applicable, the agent's name and address are given.

CAXTONS COMMERCIAL LIMITED, Registered and Managing Chartered
Registered Office: 101 Fife Avenue, 42nd Floor, 42nd Avenue, New York, NY 10017
Legal Firm Number: 268795



Chartered
Building
Company

JENNER

Building in Kent since 1876

Our ref: -AKR/akr/11-013

Your ref: -

Runnymede Homes Limited
182 Brooklands Road
Weybridge
Surrey
KT13 0RJ

4th March 2014

For the attention of Mr Martin Brown

Dear Martin,

Jenner (Contractors) Ltd
Dartford House
Park Farm Road
Park Farm Industrial Estate
Folkestone
Kent CT14 6DZ

T 01524 250144
F 01524 242443
E enquiries@jenner.co.uk
W www.jenner.co.uk

RE: - Indicative Costs for refurbishment and conversion of Existing Fire Damaged Listed Building and Tewkesbury House into 12 Units.

Further to our recent telephone conversation I have pleasure in submitting the following budget information.

The indicative costs to construct the above as shown on guy holloway drawings 13.028 - 45, 46, 47 & 48 would be in the sum of £1,837,500.00 including VAT. This is based upon carrying out the works in a traditional manner and under a traditional form of building contract, with the design aspects of the works remaining with yourselves.

I trust the above is sufficient for your purposes at this stage but should you wish to discuss any points or require any further information please do not hesitate to contact me.

I look forward to hearing from you again in the near future.

Yours sincerely,
For Jenner (Contractors) Ltd



Andrew Ralph
Estimating Director

Registered office:
Jenner (Contractors) Ltd
Dartford House, Park Farm Road
Park Farm Industrial Estate, Folkestone
Kent CT14 6DZ

Registered in England No. 04411061
VAT Registration No. 900 449 44

Questions
All enquiries should be sent to:
JENNER LTD
182 Brooklands Road
Weybridge, Surrey
KT13 0RJ
Tel: 01524 250144
Fax: 01524 242443
Email: enquiries@jenner.co.uk



BUDGETARY ADVICE

**PROPOSED REDEVELOPMENT
OF
THE FORMER
EASTRY HOSPITAL**

ON BEHALF OF

RUNNYMEDE HOMES LTD

**ISSUE 1
10.10.11**

Coombs
... the constructive answer

Contents

- **Proposed Budget Cost Sum Analysis**
- **Client's Provisional Sums**
- **Contractor's Provisional Sums**
- **Qualifications/ Exclusions**

Proposed Budget Contract Sum Analysis

Preliminaries (80 weeks)	631,042.00
Flats Type A (2 blocks of 6 units @ £60,144)	721,728.00
Flats Type B (1 block of 4 units @ £68,274)	273,096.00
House Type C – 30 units	
C1 terraced (13 no. @ £73,922.00)	960,986.00
C1 semi-detached (4 no. @ £78,835.00)	315,340.00
C2 terraced (5 no. @ £74,214.00)	371,070.00
C3 semi-detached (3 no. @ £79,368.00)	238,104.00
C4 semi-detached (3 no. @ £82,780.00)	248,340.00
C5 semi-detached (2 no. @ £79,798.00)	159,596.00
Step/ staggers (4 no. @ £500.00)	2,000.00
House Type D – 26 units	
D1 semi-detached (3 no. @ £99,840.00)	299,520.00
D1 terraced (3 no. @ £97,476.00)	292,428.00
D2 terraced (2 no. @ £95,678.00)	191,356.00
D2 semi-detached (3 no. @ £97,330.00)	291,990.00
D2 detached (3 no. @ £98,509.00)	295,527.00
D4 semi-detached (2 no. @ £97,346.00)	194,692.00
D5 detached (2 no. @ £98,490.00)	196,980.00
D6 semi-detached (8 no. @ £97,368.00)	778,944.00
Step/ staggers (7 no. @ £500.00)	3,500.00
House Type E	
Detached (4 no. @ £181,831.00)	727,324.00
House Type F	
Detached (4 no. @ £164,447.00)	657,788.00
Refurbishment to externals of existing buildings	215,000.00
External works	2,261,540.00
	10,327,891.00
Overhead & profit recovery	275,893.00
	<u>£10,603,784.00</u>

NB/ the Bills above include the Provisional Sums

Client's Provisional Sum

Flats	Type A	Kitchen units @ £2500	12 no	30,000.00
	Type B	Kitchen units @ £2500	4 no.	10,000.00
House	C1 terrace	Kitchen units @ £2500	13 no.	32,500.00
	C1 Semi	Kitchen units @ £2500	4 no.	10,000.00
	C2 terrace	Kitchen units @ £2500	5 no.	12,500.00
	C3 semi	Kitchen units @ £2500	3 no.	7,500.00
	C4 semi	Kitchen units @ £2500	3 no.	7,500.00
	C5 semi	Kitchen units @ £2500	2 no.	5,000.00
House	D1 semi	Kitchen units @ £3500	3 no.	10,500.00
	D1 terrace	Kitchen units @ £3500	3 no.	10,500.00
	D2 terrace	Kitchen units @ £3500	2 no.	7,000.00
	D2 semi	Kitchen units @ £3500	3 no.	10,500.00
	D2 detached	Kitchen units @ £3500	3 no.	10,500.00
	D4 semi	Kitchen units @ £3500	2 no.	7,000.00
	D5 detached	Kitchen units @ £3500	2 no.	7,000.00
	D6 semi	Kitchen units @ £3500	8 no.	28,000.00
	E detached	Kitchen units @ £4500	4 no.	18,000.00
	E	Fire hearths @ £500	4 no.	2,000.00
	F detached	Kitchen units @ £4500	4 no.	18,000.00
	F	Fire hearths @ £500	4 no.	2,000.00
		Site clearance		10,000.00
		Gas supply complete		20,000.00
		Electrical supply complete		60,000.00
		Water supply complete		60,000.00
		Sight lines		5,000.00
				£401,000.00

Contractor's Provisional Sums

Break our existing roadways	5,000.00	
Small cycle stores	90,000.00	✓
Large cycle stores (L1)	91,000.00	✓
Large cycle stores (L2)	56,000.00	✓
Small bin stores	9,000.00	✓
Large bin stores	5,250.00	✓
Tree protection	2,500.00	
Street lighting	50,000.00	
BT supply complete	20,000.00	
Drainage/ unit with ground floor	80,000.00	
Self-binding gravel drive	7,200.00	
Steps/ handrails	7,000.00	
Resin based roadway	73,750.00	
Resin based footpath	67,900.00	
Pergola parking structures	31,500.00	
Bus stop signage	250.00	
Road signage (names)	2,500.00	
Bus layby	7,500.00	
Alterations to existing site entrance	10,000.00	
<u>Refurbishment Works to Exterior of Existing Building</u>		
Preliminaries	47,000.00	
Demolition	5,000.00	
Brickwork repairs	34,000.00	
Roof covering repairs	31,500.00	
Gutters	7,500.00	
Replacement windows	90,000.00	
		215,000.00
		£832,850.00

Qualifications/ Exclusions

1. Any works which may be required in re-routing, removal or upgrade of existing services which may be found crossing the site.
2. Any works in the removal of contaminated materials which may be found on site. This includes any demolished or excavated materials.
3. Any works which may be required in connection with an archaeological survey.
4. All fees to the Local Authorities in connection with obtaining/ discharging of Planning Approval or Building Regulations.
5. Design fees including Robust Details.
6. NHBC or any other similar insurance cost.
7. Costs involved in testing for compliance with Building Regulations.
8. The works are to be completed in a continuous operation with a contract period of 80 weeks.
9. The works will be constructed in an economical sequence, not based upon a sales sequence.
10. Standard of properties to achieve Code Level 3.
11. Standard Form of Contract
12. Exclusion of a Bond if required
13. No allowance made for a Contingency Sum
14. Type D5 – no detailed drawing – assumed similar to other "D" type units

Net Estimate

Tender No. c8189
Title Easry Hospital Site

Bill
Section

Ref.	Description	Quantity	Units	Rate	Extension
	Section Summary				
04 A	SUBSTRUCTURES				36,151.48
04 B	STRUCTURAL FRAMEWORK				43,123.50
04 C	EXTERNAL WALLS				40,122.90
04 D	UPPER FLOORS & STAIRS				3,474.23
04 E	WINDOWS EXTERNAL DOORS				34,844.24
04 F	ROOF				25,277.85
04 G	INTERNAL WALLS				3,771.54
04 H	INTERNAL DOORS				9,776.57
04 I	MECHANICAL & ELECTRICAL				61,842.77
04 J	FIXTURES & FITTINGS				20,357.18
04 K	FINISHINGS				70,411.48
04 L	DECORATIONS				11,708.57
				Grand Total	360,861.29
	Bill Summary				
04	Flats Type A	2.00		360,861.29	721,722.58
				Grand Total	721,722.58

Summary

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Net Estimate

Tender No. c8189
Title Easry Hospital Site

Bill
Section

Ref.	Description	Quantity	Units	Rate	Extension
	Section Summary				
05 A	SUBSTRUCTURES				26,814.89
05 B	STRUCTURAL FRAMEWORK				31,530.00
05 C	EXTERNAL WALLS				31,316.29
05 D	UPPER FLOORS & STAIRS				2,973.18
05 E	WINDOWS & EXTERNAL DOORS				27,762.11
05 F	ROOF				18,033.63
05 G	INTERNAL WALLS				3,835.31
05 H	INTERNAL DOORS				7,301.62
05 I	MECHANICAL & ELECTRICAL				43,542.08
05 J	FIXTURES & FITTINGS				13,048.90
05 K	FINISHINGS				57,131.14
05 L	DECORATIONS				9,806.88
				Grand Total	<u>273,095.03</u>
	Bill Summary				
05	FLATS TYPE B				273,095.03
				Grand Total	<u>273,095.03</u>

Summary

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Net Estimate

Tender No. c8189

Title Easry Hospital Site

Bill

Section

Ref.	Description	Quantity	Units	Rate	Extension
Section Summary					
01 A	Management & Staff				139,000.00
01 B	Site Accommodation				20,800.00
01 C	Services & Facilities				73,100.00
01 D	Mechanical Plant				13,200.00
01 E	Temporary Works				369,942.00
01 F	Project Specific Requirements				15,000.00
01 G	Design Fees				
				Grand Total	<u>631,042.00</u>
Bill Summary					
01	Preliminaries				631,042.00
				Grand Total	<u>631,042.00</u>

Summary

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Net Estimate

Tender No. c8189
Title Easry Hoospital Site

Bill
Section

Ref.	Description	Quantity	Units	Rate	Extension
Section Summary					
13 A	SUBSTRUCTURES				18,523.57
13 B	STRUCTURAL FRAMEWORK				18,230.00
13 C	EXTERNAL WALLS				22,112.30
13 D	UPPER FLOOR & STAIRS				2,417.47
13 E	WINDOWS & EXTERNAL DOORS				13,887.26
13 F	ROOF				13,876.48
13 G	INTERNAL WALLS & CHIMNEY				6,637.65
13 H	INTERNAL DOORS				3,857.90
13 I	MECHANICAL & ELECTRICAL				22,367.56
13 J	FIXTURES & FITTINGS				6,264.65
13 K	FINISHINGS				30,607.74
13 L	DECORATIONS				5,664.50
				Grand Total	164,447.27
Bill Summary					
13	HOUSE TYPE F	4.00		164,447.27	657,789.08
				Grand Total	657,789.08

Summary

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Montagu Evans LLP		Runnymede Scheme (0% affordable) Fixed Land Cost plus Overage @ £400k		Date : August 2015
Project : Easry Hospital - Revised June 2015		Project Number :		98,222
Address :		GFA :		97,644
		GLA :		100
		Units :		

Element	Cost Ratio	Elemental Amount	Cost/pf ² per Gross Leasable Area	Cost/pf ² per Gross Buildable Area	Cost per Unit	Amount	% of Total
Phase 1							
Construction Costs							
Con. - Commercial	100.00%	738,393	141.77	140.94	138,429.97		
Con. - Private Units	5.33%	11,913,021	7.56	7.52	7,383.93		
Con. - Listed Building	86.06%	1,191,583	122.00	121.29	119,130.21		
	8.61%		12.20	12.13	11,915.83	13,842,997	77.26%
Net Building Cost (Excluding Site)	100.00%	13,842,997	141.77	140.94	138,429.97	13,842,997	77.26%

Project : Eastry Hospital - Revised June 2015

Address :

Date : August 2015

Project Number :

GFA : 98,222

GLA : 97,644

Units : 100

Element	Cost Ratio	Elemental Amount	Cost/pt ² per Gross Leasable Area	Cost/pt ² per Gross Buildable Area	Cost per Unit	Amount	% of Total
Phase 1							
Acquisition Costs							
Fixed Price	15.84%		22.46	22.33	21,930.00		
Stamp Duty	12.28%	1,700,000	17.41	17.31	17,000.00		
Other Acquisition	0.49%	68,000	0.70	0.69	680.00		
Town Planning	2.89%	400,000	4.10	4.07	4,000.00		
	0.18%	25,000	0.26	0.25	250.00	2,193,000	12.24%
Professional Fees							
Architect	10.00%	1,384,300	14.18	14.09	13,843.00	1,384,300	7.73%
Marketing, Letting & Disposal Costs							
Sales Agent Fee	2.19%	302,827	3.10	3.07	4,982.41		
Sales Legal Fee	1.09%	151,414	1.55	1.54	3,028.27		
Marketing	0.32%	44,000	0.45	0.45	1,514.14	498,241	2.78%

Summary Appraisal for Phase 1

Currency in £

REVENUE

Sales Valuation

Private Units

Listed Building

Totals

Units	ft ²	Rate ft ²	Unit Price	Gross Sales
90	86,779	232.92	224,584	20,212,565
10	7,065	173.95	122,896	1,228,957
100	93,844			21,441,521

Rental Area Summary

Commercial

Units	ft ²	Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
1	3,800	10.00	38,000	38,000	38,000

Investment Valuation

Commercial

Market Rent

Units	YP @	PV 1yr 9mths @	Initial MRV/Unit	Net Rent at Sale
38,000	8.0000%	8.0000%	12,5000	415,147

ELEMENTAL COST SUMMARY **MONTAGU EVANS LLP**

Runnymede Scheme (0% affordable)
Fixed Land Cost plus Overage @ £400k
GROSS DEVELOPMENT VALUE

21,856,663

Purchaser's Costs

5.80%

(24,079)

(24,079)

NET DEVELOPMENT VALUE

21,832,590

NET REALISATION

21,832,590

OUTLAY

ACQUISITION COSTS

Fixed Price
Stamp Duty
Town Planning

1,700,000
68,000
25,000

4.00%

1,793,000

Other Acquisition
Other Acquisition

400,000

400,000

CONSTRUCTION COSTS

Construction
Commercial
Private Units
Listed Building
Totals

ft²
4,378 ft²
86,779 ft²
7,065 ft²
98,222 ft²

Rate ft²
168.66 pft
137.28 pft
168.66 pft

Cost
738,393
11,913,021
1,191,583
13,842,997

13,842,997

PROFESSIONAL FEES

Architect

10.00%

1,384,300

1,384,300

MARKETING & LETTING

Marketing

44,000

44,000

DISPOSAL FEES

Sales Agent Fee
Sales Legal Fee

1.50%
0.75%

302,827
151,414

454,241

FINANCE

Debit Rate 6.50% Credit Rate 0.00% (Nominal)

Land

1,364,638

Construction

131,065

Total Finance Cost

1,495,702

File: \\nev-app01\apps\Developer1\ProgramData\Data\MJWEastry - No affordable units PROFIT appraisal original timing.wcfx
ARGUS Developer Version: 6.00.003

Date: 18/08/2015

ELEMENTAL COST SUMMARY**MONTAGU EVANS LLP**

Runnymede Scheme (0% affordable)
Fixed Land Cost plus Overage @ £400k

TOTAL COSTS

19,414,241

PROFIT

2,418,348

Performance Measures

Profit on Cost%

Profit on GDV%

Profit on NDV%

Development Yield% (on Rent)

Equivalent Yield% (Nominal)

Equivalent Yield% (True)

12.46%

11.08%

11.08%

0.20%

8.00%

8.42%

IRR

13.94%

Rent Cover

63 yrs 8 mths

Profit Erosion (finance rate 6.500%)

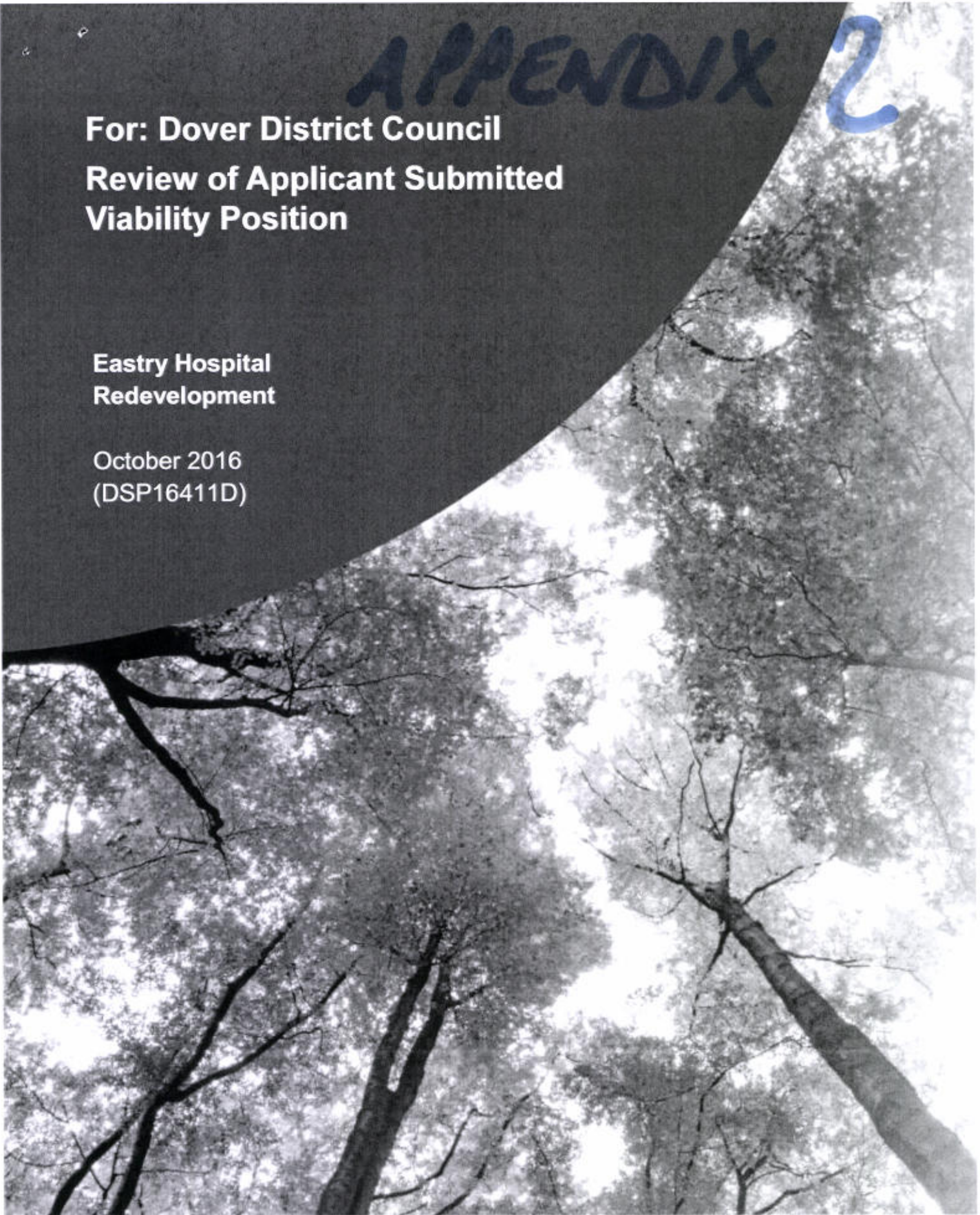
1 yr 10 mths

APPENDIX 2

For: Dover District Council Review of Applicant Submitted Viability Position

Eastry Hospital Redevelopment

October 2016
(DSP16411D)



The background of the page is a faded, high-angle photograph of architectural blueprints spread out on a surface. The blueprints show various geometric shapes, lines, and grids, typical of a site plan or floor plan. The lighting is soft, and the colors are muted, giving it a professional and technical appearance.

S X10W349A

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1. Notes and Limitations

- 1.1.1** The following does not provide formal valuation advice. This review and its findings are intended purely for the purposes of providing Dover District Council (DDC) with an independent check of, and opinion on, the planning applicant's viability information and stated position in this case.
- 1.1.2** This document has been prepared for this specific reason and should not be used for any other purpose without the prior written authority of Dixon Searle Partnership (DSP); we accept no responsibility or liability for the consequences of this document being used for a purpose other than for which it was commissioned. To the extent that the document is based on information supplied by others, Dixon Searle Partnership accepts no liability for any loss or damage suffered by the client.
- 1.1.3** We have undertaken this as a desk-top exercise as is appropriate for this stage and level of review. For general familiarisation we have considered the site context from the information supplied by the Council and using available web-based material. We have not visited the location; it was not considered necessary to enter the site for this current review purpose.
- 1.1.4** We have assumed that the information supplied to DSP to inform and support this review process has been supplied on a **COMMERCIALLY CONFIDENTIAL BASIS**; hence DSP's assumption is that the review detail, as contained within this report is to be treated in the same way.
- 1.1.5** It is requested that the viability information, this report and any further supporting information or similar reporting prepared by DSP will not be disclosed to any third parties under the Freedom of Information Act (Sections 41 and 43(2)) or under the Environmental Information Regulations.

2. Introduction & Background

- 2.1.1 Dixon Searle LLP (DSP) has been commissioned by Dover District Council (DDC) to carry out an independent review of the viability letter, appendices and appraisal supplied to the Council by the applicant's agent Montagu Evans on behalf of the applicant Runnymede Investments Limited. This is in respect of the proposed development comprising: two storey terrace, semi-detached and detached new build dwellings; Change of use and conversion of Tewkesbury House and the Chapel to provide 568 sq. m of community space (Use Class D1) and employment space (Use Class B1) two residential units; minor demolition, alteration and conversion of the 'Old Workhouse' to provide ten residential units; retention and reinstatement of the fire damaged Range building and erection of a two-storey terrace of ten residential units; car parking, landscaping, public open space and alteration to existing access. A total of 100 residential units are to be provided. The Council's planning reference is DOV/14/00240. The development is also subject to an application for listed building consent (DOV/14/00241).
- 2.1.2 In presenting their viability position the applicant's agent has supplied to the Council a viability letter dated 5th August 2015. In addition we were supplied with both a hard-copy and electronic versions of the applicant's appraisal (Appendix 7). This was supported by a copy of the architect's masterplan (Appendix 1); estimate of residential scheme revenue (Colebrook Sturrock (May 2015); explanatory note by Simon Greaves (July 2015) detailing rationale and comparable evidence (Appendix 3); marketing report for the hospital in its current state (Appendix 4); marketing details prepared by Caxton's in relation to the proposed refurbished office accommodation (Appendix 5) and; quotations and estimates relating to the cost of developing the scheme in the period 2011 – 2014 (Appendix 6). We have also had sight of the other documents contained on the electronic planning file.
- 2.1.3 The Council's adopted affordable housing policy (Policy DM5) of their Core Strategy requires the Council to *"seek applications for residential developments of 15 or more dwellings to provide 30% of the total homes proposed as affordable homes"* which in this case equates to 30 no. affordable units.
- 2.1.4 For general background, a viable development can be defined as *'the ability of a development project to meet its costs including the cost of planning obligations, while*

ensuring an appropriate Site Value for the landowner and a market risk adjusted return to the developer in delivering that project...Site Value should equate to the market value subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan... The residual land value (ignoring any planning obligations and assuming planning permission is in place) and current use value represent the parameters within which to assess the level of any planning obligations¹. Under normal circumstances, if the residual land value (RLV) created by a scheme proposal exceeds the current or alternative use value then we usually have a positive viability scenario – i.e. the scheme is much more likely to proceed.

- 2.1.5 As an alternative a development appraisal may be run as a profit residual where the land cost becomes a fixed cost to the development appraisal and the profit becomes the key output / variable. This is the case here whereby the applicant's agent has carried out the development appraisal exercise assuming a fixed level of land cost (£2.1m).

- 2.1.6 The submitted viability report presents and the scheme as appraised by the applicant, currently produces a profit of 12.46% on cost / 11.06% on revenue. The applicant's agent states that:

"Although the Scheme is forecast to make a profit, the level of profit is significantly less than would be commercially acceptable to a third party developer. We understand that, having regard to the costs that Runneymede have already incurred (both site purchase costs and holding costs), they are prepared to proceed with the development of the Scheme at this reduced level of profit.

However, based on our analysis of the Scheme and the development appraisal that we have undertaken, we are of the opinion that having regard to the sub-optimal profitability of the Scheme, it cannot afford to provide any affordable housing, nor can it afford to make a section 106 payment".

- 2.1.7 We assume (as appears to be the case in the statement above) that in putting this proposal forward as unviable, the applicant is prepared to accept an element of commercial risk as represented by the submitted position, and accept the resultant profit level in order to progress the scheme. This could therefore be regarded as the applicant's base position. We will consider this further as the review progresses.

¹ Financial Viability in planning – RICS Guidance note (August 2012)

- 2.1.8 This review does not seek to pre-determine any Council positions, but merely sets out our opinion on the submitted residential viability assumptions and outcomes in order to inform the Council's discussions with the applicant and its decision making; it deals only with viability matters, in accordance with our instructions.
- 2.1.9 We should point out at this stage that the submission of the viability letter is dated August 2015 and the associated supporting evidence dated across a range 2011 – 2014. All appear significantly out of date and we have not had an explanation as to why an updated viability letter / report and evidence has not been submitted. We therefore have concerns over the robustness of the viability assessment put forward in that so much could have changed in the intervening period in terms of both costs and values. The Council may need to bear this in mind when reviewing our report and in the decision taking process. At this stage we have reviewed the information as factually as possible (given the passing of time) based on the instructions provided to us by Dover District Council. We have, where possible, attempted to update the assumptions (at a high level) to test the impact of those changes to see the potential impact on the currently indicated outcomes.
- 2.1.10 We also note reference to a 2010 application approved by committee – a search of the Council's planning file indicates an application for 80 residential units and associated works but no outcome is available. For the purposes of this review we have assumed that no current, implementable consent exists.
- 2.1.11 Dover District Council requires our opinion as to whether the viability figures and position put forward by the applicant are reasonable. We have therefore considered the information submitted. Following our review of the key assumptions areas, this report provides our views.
- 2.1.12 We have based our review primarily on the submitted report and appraisal to see if the viability assumptions are valid in our opinion and whether the base position put forward by the applicant is reasonable. We then discuss any variation in terms of any surplus (or deficit) created from that base position by altering appraisal assumptions (where there is disagreement) utilising the applicant's appraisal as a base.
- 2.1.13 This assessment has been carried out by Rob Searle and Richard Dixon of DSP who have many years combined experience in the development industry working for Local

Authorities, developers, Housing Associations and in consultancy. As consultants we have a considerable track record of assessing the viability of schemes and assessing the scope for Local Authority planning obligation requirements. This expertise includes viability-related work carried out for many Local Authorities nationwide over the last 13 years or so.

2.1.14 The purpose of this report is to provide our overview comments with regard to this individual scheme, on behalf of the Council - taking into account the details as presented. It will then be for the Council to consider this information in the context of the wider planning objectives in accordance with its policy positions and strategies.

2.1.15 In carrying out this type of review a key theme for us is to identify whether, in our opinion, any key revenue assumptions have been under-assessed (e.g. sales value estimates) or any key cost estimates (e.g. build costs, fees, etc.) over-assessed – since both of these effects can reduce the stated viability outcome (in this case the RLV, equating to the estimated cross-subsidy level available).

3. Review of Submitted Viability Assumptions

- 3.1.1 The following commentary reviews the applicant's submitted viability appraisal assumptions as set out in the viability letter and associated development appraisals issued to DSP by the Council.
- 3.1.2 As noted above DSP was also supplied with working versions of the appraisal used by the applicant. The applicant's agent has used Argus Developer software, a suitable tool for use in testing the viability of specific sites in our opinion. In summary the appraisal works on a residual valuation basis, with a cashflow sitting behind it in order to take account of the timing of the various current stage estimations of the revenue (receipts) and development costs (expenses). In this case the development appraisal has been run on the basis of a residual profit calculation. This produces a residual profit after all development costs have been deducted from the anticipated level of sales revenue (from the open market housing, affordable homes and capitalised ground rents) finance costs on the basis of a fixed level of land cost.
- 3.1.3 Primarily the review process takes into account the fact that the collective impact of the various elements of the cost and value assumptions is of greatest importance, rather than necessarily the individual detailed inputs in isolation. We have considered those figures (the appraisal assumptions) provided, as below. In the background to this we have used the working version appraisals to review the impact of trial changes to particular submitted assumptions.
- 3.1.4 This type of audit / check is carried out so that we can give the Council a feel for whether or not the indicated profit positions are approximately as expected – i.e. informed by a reasonable set of assumptions and appraisal approach.

Site value / Benchmark Land Value

- 3.1.5 In all appraisals of this type, the base value (value of the site or premises – e.g. in existing use) is one of the key ingredients of scheme viability. A view needs to be taken on land value so that it is sufficient to secure the release of the site for the scheme (sale by the landowner) but is not assumed at such a level that restricts the financial capacity of the scheme to deliver suitable profits (for risk reward), cover all development costs (including any abnormals) and provide for planning obligations as a part of creating sustainable development. This can be a difficult balance to reach, both in terms of

developers' dealings with landowners, and Councils' assessments of what a scheme has the capacity to bear.

3.1.6 The RICS Guidance 'Financial Viability in Planning'² states that:

'A viability appraisal is taken at a point in time, taking account of costs and values at that date. A site may be purchased some time before a viability assessment takes place and circumstances might change.'

This is part of the developer's risk. Land values can go up or down between the date of purchase and a viability assessment taking place; in a rising market developers benefit, in a falling market they may lose out.

A developer may make unreasonable/overoptimistic assumptions regarding the type and density of development or the extent of planning obligations, which means that it has overpaid for the site'.

'Site Value' is defined in the same Guidance as the following: 'Site Value should equate to the market value subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan'. It goes on to say 'It is for the practitioner to consider the relevance or otherwise of the actual purchase price, and whether any weight should be attached to it, having regard to the date of assessment and the Site Value definition as set out in this guidance. Where historic costs (for example remediation works) are stated it is important that these are not reflected in the Site Value (i.e. double counted)'.

3.1.7 In this case, the site value (cost) is stated to be £2.1m. This in turn is explained in some depth within the Monatgu Evans letter. This is set out again here for ease of reference:

"The Site was acquired by Runnymede in November 2007 in consideration of the sum of £1,700,000. The Site was acquired in the open market, in competition, directly from the Department of Health ("the Department") and, as such, the price paid represented market value as at the date of acquisition.

² RICS Professional Guidance – Financial Viability in Planning (August 2012)

The Site was acquired subject to an overage agreement which required Runnymede to pay an additional sum calculated by reference to a fixed price per square foot multiplied by the number of square feet for which planning permission was obtained.

Following discussions with the Department of Health, in March 2014 Runnymede entered into a supplemental agreement with the Department and negotiated the release of the overage arrangement. In consideration of the release of the overage provisions, a further sum of £400,000 was paid to the Department, who have no further interest in the Site.

Against this background, the total price paid by Runnymede to acquire the Site from the Department of Health was £2,100,000. As noted, this sum and the overage provisions were representative of market value and terms as at the date of the original acquisition in 2007. The amount paid to the Department in consideration of the release of the overage obligations is the lowest sum that the Department was willing to accept.

This is an important point in that Runnymede does not seek to test the viability of the Scheme against anything other than the actual cost that it has incurred in acquiring the Site. The volatility in the UK and world economy that emerged in late 2007 and culminated in the Global Financial Crisis of September 2008, had a profound effect on the UK housing market in the period 2008 to date, and whilst the terms on which Runnymede agreed to acquire the Site may not be market terms now, they were at the time that they were agreed and they form the starting point for assessing the financial viability of any development that Runnymede may propose for the Site.

In the absence of Runnymede being able to progress a financially viable scheme, the Site will not come forward for development”.

- 3.1.8 RICS Guidance makes it clear, as discussed above, that the price paid for a site does not necessarily equate to the market value of the site. Equally, the value of the site should be the Market Value at the date of the assessment (in this case it is debateable whether that should be August 2015 or at this current review point). Theoretically therefore there should be an up to date valuation of the site taking into account the current constraints and opportunities including the requirement for affordable housing and any other planning obligations.

- 3.1.9 Without an up to date valuation it is difficult to comment as comparable evidence, given the type of site, is very difficult to source. DSP have been involved in a viability review of development of hospital land elsewhere in the South East where the land value was put forward by the applicant's agent in that case at £2.295m (£21,650/plot) in December 2014. This was for a scheme of 106 units in a locality with significantly higher sales values than those of the subject site (approximately 30% higher than those indicated within the subject site development appraisal). Taking the figures above and discounting to take account of the difference in average sales values would suggest a site cost equivalent per plot of approximately £16,250/plot and an overall site value in the region of £1.6m. This is not significantly different from the price paid for the site previously but of course does not take into account the overage release cost. At a very high level therefore it appears that the site value included here, regardless of the price paid, is possibly too high when including the £400,000 overage release costs. The Council may therefore wish to see up to date evidence in this regard.

Gross Development Value – Private Residential & Affordable Housing

- 3.1.10 The viability submission indicates sales values based on advice provided by Colebrook Sturrock (May 2015) with units priced on a unit by unit basis with comprehensive supporting information provided in a note to Mark Whitfield of Montagu Evans detailing evidence for the sales values assumed. The values range from £215/sq.ft. to approximately £300/sq.ft. (£2,315/m² - £3,229/m²). This provides capital values of £115,000 - £135,000 for the flats £190,000 to £228,000 for the terraced properties, £204,500 to £258,000 for the semi-detached properties and £375,000 to £392,000 for the detached properties. The gross development value of the residential element of the scheme is stated to be £21,441,521 with an overall average sales rate of approximately £228/sq.ft. (£2,459/m²). Please note that whilst the sales value information states £230/sq.ft average, the development appraisal indicates an average of £228/sq.ft. The overall gross development value is the same and we therefore assume that the difference is caused by rounding within the sales value schedule.
- 3.1.11 We have carried out our own desktop research of property values using property search engine RightMove and similar sources to review local market indications for comparable properties (both re-sale and new build) considering current / recent asking prices within a 1-mile radius of Eastry. This research indicates that overall the sales values assumed are possibly low in the current market but potentially approximately valid, as assumptions, at the point the viability submission was made (May 2015). Reviewing the comparable information and the UK House Price Index for Dover District as a whole we

would expect prices now to achieve in the region of 10% more than at the date the sales advice was provided. Of course, any sales price increase in the development appraisal would also need to be accompanied by updated build cost data – please see associated Development Costs section.

3.1.12 In addition to the sales values, it is normal to include revenue associated with the capitalised ground rental income for any apartments / flats within a development. In this case not such revenue appears to have been included. Typically, we would expect ground rents at an average of £250 - £350 per unit, capitalised assuming a yield of 5% - 6%. For the purposes of this review we have assumed ground rents at £250/unit and a yield of 5.5% (applied to 22 units) and added this to the applicant's version of the development appraisal.

3.1.13 It is worth noting that any improvement in the sales value assumptions (compared with a level set at the point of the appraisal) would most likely be reflected in an improvement in scheme viability. Whilst the opposite could also occur (the sales values could fall relative to the assumptions made), that is the developer's risk and such factors need to be kept in mind in making an overall assessment of the applicant's position.

Affordable Housing

3.1.14 No affordable housing has been included within the scheme and as such we are unable to comment further in this regard. As a general point, it is always useful if a policy compliant development appraisal can be included in order that any identified differences of opinion within the review process can be sensitivity tested against the policy compliant appraisal.

Gross Development Value – Non-Residential

3.1.15 The scheme as submitted also includes an element of non-residential space. We understand that this forms part of the Chapel & Tewkesbury Houses as converted and refurbished community and / or employment space. For the purposes of the viability assessment it appears that this space is included as office accommodation.

3.1.16 3,800sq.ft. (353m²) of office accommodation has been included in the development appraisal at an average of £10/sq.ft. (£107.64/m²) indicating a net annual rent of £38,000. A yield of 8% has been assumed leading to a capitalised value of £415,147 once a 12-month void period has been included within the appraisal. The rental value is based on advice provided by Caxton's Chartered Surveyors that suggest an asking rent of

£10/sq.ft. this figure has been included within the development appraisal and in our opinion is not an unreasonable assumption based on our own research using Co-Star property research database. The same is true of the yield assumptions.

- 3.1.17 What is very clear is that the office / non-residential accommodation is having a negative impact on development viability in that the cost of development is, as set out in the development appraisal, significantly higher than the revenue received.

Development Costs, Contingencies & Fees

- 3.1.18 Build costs for the development have been based on cost advice and quotes obtained between 2011 and 2014. As noted previously in this review report, the data is now increasingly historic and it is difficult to know how much reliance to place on it at this stage. Ideally the build cost information would have been updated to the date of the viability assessment at the very least (notwithstanding our overall comments about the timing of the viability assessment).
- 3.1.19 Budgetary advice was provided in 2011 by Coombs, presumably the principal contractor for the applicant in this case and indicates build costs of £10,603,784. A separate single page quote from Jenner building contractors provides an estimate / indicative costs for the refurbishment and conversion of the existing listed buildings and Tewkesbury House of £1,837,500 (dated March 2014).
- 3.1.20 In setting out the costs within the development appraisal, Montagu Evans state:

'In terms of build cost, the conversion of the listed buildings has been looked at in detail more recently than the remainder of the Scheme, which was considered in detail in 2011 and 2012 in relation to the 2010 application approved by committee, but unimplemented due to Section 106 requirements. We are advised that a consensus as to build cost was reached with DVS at the time, and this has been updated by Runnymede's in house construction team to current, 2015 prices.

Over the period 2011 to 2015 construction costs have increased significantly, particularly in the South-East as the property market and economy has recovered. According to BCIS, the all in Tender Price Index increased by almost 18% over the period, albeit that the level of increase in the residential sector, particularly in the South-East, has been substantially higher at some 27.50% (median cost - housing, mixed developments).

Based on these calculations, we have adopted a total cost of developing the Scheme of just under £13,850,000, which is equivalent to £141 per sq. ft. overall. In terms of a breakdown this reflects the following;

- *Listed building and Tewkesbury House - £1,930,000 (Jenner estimate plus 5% inflation derived from BCIS TPI) which is equivalent to £168.66 per sq. ft. overall, including non-recoverable VAT; and*
- *New build costs based on an average cost of £137.28 per sq. ft. totaling just over £11.90m.*

It should be noted that these costs include all estate roads and site services infrastructure'.

3.1.21 We have not been party to any discussions that the applicant may have had with the DVS during previous negotiations on the level of \$106 costs for a previous application. We note (and accept) the commentary on the build cost inflation over the period between 2011/12 and the date of the Montagu Evans (2015) letter as well as the assumed uplift in costs from the date of the Jenner indicative cost estimate. We note however that no evidence has been supplied to show the costs as updated by Runnymede's in house construction team in relation to the main new-build construction costs.

3.1.22 In order to provide a high level comparison, we have reviewed the RICS Building Cost Information Service (BCIS) database re-based for a Dover location factor and updated to current day rates. The data indicates that for housing, mixed developments median build costs are in the region of £1,236/m² (£115/sq.ft.). To allow comparison with the new build costs indicated above we would also need to make an allowance for external works (typically 10% - 20% of base build costs) and contingencies (typically 2-5% for new build; more for conversion / refurbishment). Allowing 15% for external works and 3% contingencies would lead to an overall build cost for comparison of approximately £1,464/m² (£136/sq.ft.). These are the costs as at the current time, not a comparison with May 2015. We are therefore of the opinion that along with updated sales values, the new build costs set out in the development appraisals would be broadly acceptable today.

3.1.23 For the refurbishment and conversion of the existing buildings, it is difficult to analyse the costs by unit type as the costs are not broken down in that way but at a high level,

the BCIS data indicates base build costs of £1,270/m²; £906/m² for offices. Even allowing for external works and contingencies these costs are obviously lower than those assumed within the development appraisals. However, given that they are based on a costs estimate (albeit indicative) we would need to accept those at this stage – as a current date allowance for build costs.

- 3.1.24 The viability submission and development appraisals also include an allowance of 10% for professional fees. This assumption appears within typical parameters in our experience.

Cost Assumptions – Section 106 Payments / Planning Obligations

- 3.1.25 The viability assessment allows for no affordable housing, CIL or other specifically requested s106 payments. The Council would need to be clear on the planning obligations requirements and whether those were required to mitigate the impact of the development and are compliant with CIL Regulation 122 being (a) necessary to make the development acceptable in planning terms; (b) directly related to the development; and (c) fairly and reasonably related in scale and kind to the development. We would assume, if any and regardless of the viability exercise, that without meeting those requirements the scheme would not be acceptable in planning terms? Equally, of course from the Council's perspective it must ensure that in requesting any contributions it does not fall foul of the pooling restrictions by entering into 5 or more s106 obligations for the same type of infrastructure (backdated to April 2010).

Cost Assumptions – Agent's, Marketing & Legal Fees

- 3.1.26 The viability assessment has assumed marketing costs of £44,000, agent's fees on sale of 1.5%, legal fees on sale of 0.75% and purchaser's costs on the non-residential units at 5.8%. Overall these cost additions are not untypical and we would not query those further.

Development Timings & Development Finance

- 3.1.27 Finance costs have been assumed based on debt finance rate 6.5% p.a. with no credit interest rate (assuming 100% debt funding over the whole development period). No allowance for other finance related fees has been made.
- 3.1.28 The interest rate is the cost of funds to the scheme developer; it is applied to the net cumulative negative cash balance each month on the scheme as a whole. According to the HCA in its notes to its Development Appraisal Tool (DAT) *'The rate applied will*

depend on the developer, the perceived scheme risk, and the state of the financial markets. There is also a credit interest rate, which is applied should the cumulative month end balance be positive. As a developer normally has other variable borrowings (such as an overdraft), or other investment opportunities, then the value of credit balances in reducing overall finance charges is generally the same as the debit interest charge. A zero rate of credit interest is not generally plausible, and will generate significantly erroneous results in a long term scheme'.

- 3.1.29 RICS also points out that it is often the case that schemes are modelled at current costs & values i.e. ignoring inflation (as is the case here). In this case RICS Financial Viability in planning paper states in appendix D 4.5 *'... current values and costs should be used together with a net of inflation finance rate. Such a net of inflation rate would be much lower than a bank rate (which naturally includes inflation expectations)'.*
- 3.1.30 As a package, the overall finance cost does not look unreasonable in our experience given that other finance costs are not included separately.
- 3.1.31 Development timings indicate an overall project timescale of 30 months to develop and sell the scheme with an 18-month construction and overlapping 18 month sales period.
- 3.1.32 The overall scheme period does not appear unreasonable in our opinion however we have noticed that the land payment is included at September 2007 (£1.7m) with the 'overage' release payment included at March 2014. This is effectively attributing a holding cost to the appraisal and would not normally be included (i.e. it increases the period over which interest is charged and as such leads to a worsening viability picture). RICS Guidance (Financial Viability in Planning) makes it clear that *'The site will be valued at the date of assessment. Holding costs attributable to the purchase of the site should, therefore, not normally be allowed, as the Site Value will be updated'*. It is therefore our opinion that whatever site values is attributed, this should be included at the date of the appraisal. In the case of the appraisal submitted that would be May 2015 with all other construction / sales dates following on from that including a reasonable allowance for pre-commencement planning. As we have updated both sales values and build costs to the current date in carrying out this review we have also adjusted the project timings to include bringing the land cost payment to the current date, allowing a 6-month lead-in period, 18-month construction and 18 month sales period. We note that in the submitted appraisal the sales appear to occur in one lump sum at the start of the sales period with construction continuing beyond the sales period. This does not appear

correct and again we have made alterations in our version of the applicant's development appraisal. Making the timing changes alone (before any adjustment to sales values / ground rents or land value assumption) leads to an improved output of 15.79% on cost and above the stated minimum benchmark profit level (see discussion below).

Developer's risk reward – profit

3.1.33 In this case the level of developer profit is indicated as an output of the appraisal process. The Montagu Evans letter states

'In the case of residential development schemes, the market generally considers that a "viable" scheme is one that generates a profit as a return on all cost of at least 15%. This minimum benchmark applies to what the market perceives as relatively straightforward developments, notably greenfield. In respect of more complicated development situations; for example, involving the refurbishment of listed buildings (where the costs of conversion are difficult to estimate); brownfield developments (where there may be additional costs associated with the previous use of the site); or in locations where the scheme is of a significant size in a limited market; the level of profit required would be in excess of the minimum level of 15% profit on cost.

Based on these industry "typical" benchmarks if a scheme is likely to generate a profit that is below a benchmark of 15% of overall development costs, then that scheme is considered by the market to be financially unviable on any basis and is unlikely to be brought forward. On the contrary, where the viability of a scheme is in excess of these benchmark levels the surplus "additional" profit is notionally available to fund Section 106 and affordable housing obligations up to a policy compliant level.

However, for a scheme such as the development of Eastry Hospital to be considered viable, I am of the opinion that the minimum profit that the market would require would be higher in order to reflect the various additional construction and market risks to which the project is subject (listed building, brownfield site and limited local market with an extended sales period). To reflect these risks I consider that the minimum level of profit that would be required to render the development of the site viable is of the order of 17.50% to 20.00% return on cost'.

3.1.34 The level of profit assumed viable is a matter of debate and there are no rules about what can be considered acceptable; case law as well as our own significant experience of recent site specific schemes suggests a significant range. We would however comment that the overall approach to the profit level does not appear unreasonable in our opinion in relation to this particular site and location. For the purposes of carrying out this review and associated sensitivity testing we have assumed a benchmark of 15% - 17.5% on cost.

4. Summary & Overview of Findings

- 4.1.1 Our review of the submitted information leads us to conclude that a number of the assumptions used in the submitted viability information and associated appraisals appear reasonable.
- 4.1.2 There are we think difficulties in being asked to review a viability submission that is historic both in terms of the date of the submission and even more so in terms of the evidence used to support the submission. We have however attempted to review as factually as possible and updated the submitted development appraisal both in terms of timings and assumptions where we feel those should be updated / altered.
- 4.1.3 In summary, the areas that have been updated include the overall development programme and in particular the timing of the land payment and subsequent overage release payment. In our opinion, the site value, where an input assumption (rather than a residual output) should equate to the site value at the date of the appraisal for reasons explained above. Equally we are of the opinion that the sales values and development costs should be updated to the current date and so have increased sales values by 10% in line with average house price inflation within Dover and suggested that the build costs utilised could, at this stage, be considered current for the purposes of this exercise. We have also included an allowance for ground rental income for the 22 flats included within the scheme.
- 4.1.4 The net result of those changes is to increase the profit on cost to 27.9% compared to a profit on cost of 12.82% as presented within the submitted viability assessment.
- 4.1.5 In order to test the impact of the additional profit we have run a further test appraisal that, through iteration, includes a sum representative of the affordable housing / S106 package that could potentially be secured whilst maintaining either 15% profit on cost or 17.5% profit on cost. The development appraisals (DSPv1 – base updated; DSPv2 15% profit on cost and DSPv3 17.5% profit on cost) are appended to the rear of this review report.
- 4.1.6 Assuming a 15% profit on cost, a surplus of approximately £1.85m is created. Assuming a 17.5% profit on cost benchmark, a surplus of approximately £1.485m is

created. This sum could theoretically be diverted into providing on-site affordable housing and / or other s106 requirements.

- 4.1.7 Of course, no viability appraisal or review can accurately reflect costs and values until a scheme is built and sold - this is the nature of the viability review process. In this sense the applicant and their agents are in a similar position to us in estimating positions moving forward – it is not an exact science by any means, and we find that opinions will usually vary.
- 4.1.8 We also need to be clear that the above is based on making adjustments to key assumptions, as described within this report and also subject to any views the applicant may have on this. Any agreed affordable housing either via a financial contribution or on-site will need to be agreed based on updated full appraisals.
- 4.1.9 DSP will be happy to advise further as required.

Review report ends

October 2016

Carried out by: Rob Searle BSc (Hons) MSc CIHM
Checked by: Richard Dixon BSc (Hons) MRICS CIHM

Appendix I

DSP Versions of Applicant Submitted Development Appraisal

Eastry Hospital - Revised June 2015
Runnymede Scheme (0% affordable)
Fixed Land Cost plus Overage @ £400k

Development Appraisal
Dixon Searle Partnership
October 16, 2016

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP**

Eastry Hospital - Revised June 2015
 Runnymede Scheme (0% affordable)
 Fixed Land Cost plus Overage @ £400k

Summary Appraisal for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Rate ft ²	Unit Price	Gross Sales
Private Units	90	86,779	256.21	247,041	22,233,648
Listed Building	10	7,065	191.35	135,189	1,251,888
Totals	100	93,844			23,585,535

Rental Area Summary

	Units	ft ²	Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Commercial	1	3,800	10.00	38,000	38,000	38,000

Investment Valuation

Commercial						
Market Rent	38,000	YP @	8.0000%	12.5000		
		PV 9yrs @	8.0000%	0.5002	237,618	

GROSS DEVELOPMENT VALUE 23,823,154

Purchaser's Costs (13,782)
 (13,782)

NET DEVELOPMENT VALUE 23,809,372

Additional Revenue
 Ground Rent Income 100,000
 100,000

NET REALISATION 23,909,372

OUTLAY

This appraisal report does not constitute a formal valuation.

Project: 15411D - Eastry Hospital redevelopment/15411E - Eastry (No affordable units PROFIT) - DSP v1 wcfx
 ARGUS Developer Version: 7.50.001 - 2 -

Date: 16-Oct-16

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP**

Eassey Hospital - Revised June 2015
Runnymede Scheme (0% affordable)
Fixed Land Cost plus Overage @ £400k

ACQUISITION COSTS

Fixed Price		1,700,000	
			1,700,000
Stamp Duty	4.00%	68,000	
Town Planning		25,000	
			93,000

Other Acquisition

Other Acquisition		400,000	
			400,000

CONSTRUCTION COSTS

Construction	ft²	Rate ft²	Cost	
Commercial	4,378 ft²	168.66 pP	738,393	
Private Units	66,779 ft²	137.28 pP	11,913,021	
Letted Building	7,065 ft²	168.66 pP	1,191,593	
Totals	98,222 ft²		13,842,998	13,842,998

PROFESSIONAL FEES

Architect	10.00%	1,384,300	
			1,384,300

MARKETING & LETTING

Marketing		44,000	
			44,000

DISPOSAL FEES

Sales Agent Fee	1.50%	333,298	
Sales Legal Fee	0.75%	166,649	
			499,947

FINANCE

Debt Rate 6.500%, Credit Rate 0.000% (Nominal)			
Land		345,480	
Construction		367,838	
Total Finance Cost			728,316

TOTAL COSTS**16,692,561**

This appraisal report does not constitute a formal valuation.

Project: 16411D - Eassey Hospital redevelopment/16411E - Eassey (No affordable units PROFIT) - OSP v1 wdx
 ARGUS Developer Version: 7.50.001

Date: 16-Oct-16

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP**

Eastry Hospital - Revised June 2015

Runnymede Scheme (0% affordable)

Fixed Land Cost plus Overage @ £400k

PROFIT

5,216,811

Performance Measures

Profit on Cost% 27.91%

Profit on GDV% 21.90%

IRR 38.43%

This appraisal report does not constitute a formal valuation.

Project: 16411D - Eastry Hospital redevelopment/16411E - Eastry (No affordable units PROFIT) - DSP v1 wcfx
ARGUS Developer Version: 7.50.001

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Date: 16-Oct-16

SENSITIVITY ANALYSIS REPORT

DIXON SEARLE PARTNERSHIP

Easry Hospital - Revised June 2015
Runnymede Scheme (0% affordable)
Fixed Land Cost plus Overage @ £400k

Sensitivity Analysis results are not available.
Click the Analysis Results tab, then print the report.

This appraisal report does not constitute a formal valuation.

Project 16411E - Easry (No affordable units PROFIT) - DSP v1.wcf
ARGUS Developer Version: 7 \$0.001

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Report Date: 16-Oct-15

Eastry Hospital - Revised June 2015
Runnymede Scheme (0% affordable)
Fixed Land Cost plus Overage @ £400k

Development Appraisal
Dixon Searle Partnership
October 16, 2016

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP**

Eastry Hospital - Revised June 2015
 Runnymede Scheme (0% affordable)
 Fixed Land Cost plus Coverage @ £400k

Summary Appraisal for Phase 1

Currency in £

REVENUE						
Sales Valuation	Units	ft²	Rate ft²	Unit Price	Gross Sales	
Private Units	90	86,779	296.21	247,041	22,233,548	
Listed Building	10	7,065	191.35	135,189	1,351,848	
Totals	100	93,844			23,585,396	
Rental Area Summary						
	Units	ft²	Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Commercial	1	3,800	10.00	38,000	38,000	38,000
Investment Valuation						
Commercial						
Market Rent	38,000	YP @	8.0000%	12.5000		
		PV 5yrs @	8.0000%	0.5002		237,618
GROSS DEVELOPMENT VALUE				23,823,154		
Purchaser's Costs			(13,782)	(13,782)		
NET DEVELOPMENT VALUE				23,809,372		
Additional Revenue						
Ground Rent Income			100,000	100,000		
NET REALISATION				23,909,372		
OUTLAY						

This appraisal report does not constitute a formal valuation.

Project: 16411D - Eastry Hospital redevelopment\16411E - Eastry (No affordable units PROFIT) - DSP v2 15% PoC.worx
 ARG\JS Developer Version: 7.50.001

Date: 16-Oct-16

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP**

Easry Hospital - Revised June 2015
Runnymede Scheme (0% affordable)
Fixed Land Cost plus Overage @ £400k

ACQUISITION COSTS

Fixed Price		1,700,000	
Stamp Duty	4.00%	68,000	1,700,000
Town Planning		25,000	
			93,000
Other Acquisition			
Other Acquisition		400,000	
			400,000

CONSTRUCTION COSTS

Construction	ft ²	Rate ft ²	Cost
Commercial	4,378 ft ²	168.66 p ²	738,393
Private Units	86,779 ft ²	137.28 p ²	11,913,021
Listed Building	7,065 ft ²	168.66 p ²	1,191,563
Totals	98,222 ft²		13,842,998

Statutory/LA		1,850,000	
			1,850,000

PROFESSIONAL FEES

Architect	10.00%	1,384,300	1,384,300
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MARKETING & LETTING

Marketing		44,000	
			44,000

DISPOSAL FEES

Sales Agent Fee	1.50%	333,298	
Sales Legal Fee	0.75%	166,649	
			499,947

FINANCE

Debt Rate 5.500%, Credit Rate 0.000% (Nominal)			
Land		367,105	
Construction		580,692	
Total Finance Cost			947,797

This appraisal report does not constitute a formal valuation.

Project: 18411D - Easry Hospital redevelopment(18411E -Easry (No affordable units PROFIT) - DSP v2 15% PoC.wcfx
 ARGUS Developer Version: 7.50.001

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Date: 16-Oct-16

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP**

Eastry Hospital - Revised June 2015
Runnymede Scheme (0% affordable)
Fixed Land Cost plus Overage @ £400k

TOTAL COSTS 20,762,031

PROFIT 3,147,341

Performance Measures

Profit on Cost% 15.16%
Profit on GDV% 13.21%

IRR 22.85%

This appraisal report does not constitute a formal valuation.

Project: 16411D - Eastry Hospital redevelopment\16411E - Eastry (No affordable units PROFIT) - DSP v2 15% PoC.wct
ARGUS Developer Version: 7.50.001

Date: 16-Oct-16

SENSITIVITY ANALYSIS REPORT

DIXON SEARLE PARTNERSHIP

Easry Hospital - Revised June 2015
Runnymede Scheme (0% affordable)
Fixed Land Cost plus Overage @ £400k

Sensitivity Analysis results are not available.
Click the Analysis Results tab, then print the report.

This appraisal report does not constitute a formal valuation.

Project: 16411E -Easry (No affordable units PROFIT) - DSP v2 15% PoC.wch
ARGUS Developer Version: 7.50 001

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Report Date: 16-Oct-16

Eastry Hospital - Revised June 2015
Runnymede Scheme (0% affordable)
Fixed Land Cost plus Overage @ £400k

Development Appraisal
Dixon Searle Partnership
October 16, 2016

APPRAISAL SUMMARY**DOXON SEARLE PARTNERSHIP**

Eastry Hospital - Revised June 2015
 Runnymede Scheme (0% affordable)
 Fixed Land Cost plus Overage @ £400k

Summary Appraisal for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	R*	Rate ft*	Unit Price	Gross Sales
Private Units	90	80,779	256.21	247,041	22,233,646
Listed Building	10	7,065	194.35	135,189	1,351,898
Totals	100	87,844			23,585,539

Rental Area Summary

	Units	R*	Rate ft*	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Commercial	1	3,800	10.00	38,000	38,000	38,000

Investment Valuation

Commercial						
Market Rent	38,000	YP @	8.0000%	12.5000		
		PV 5yrs @	8.0000%	0.5002	237,616	

GROSS DEVELOPMENT VALUE

23,823,154

Purchaser's Costs

(13,782)

(13,782)

NET DEVELOPMENT VALUE

23,809,372

Additional Revenue

Ground Rent Income	100,000			100,000		
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NET REALISATION

23,909,372

OUTLAY

This appraisal report does not constitute a formal valuation.

Project: t64110 - Eastry Hospital redevelopment\164111E -Eastry (No affordable units PROFIT) - DSP v3 17.5% PoC.wbx
 ARGUS Developer Version: 7.50.001

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Date: 16-Oct-16

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP**

Eastry Hospital - Revised June 2015
 Runnymede Scheme (0% affordable)
 Fixed Land Cost plus Overage @ £400k

ACQUISITION COSTS			
Fixed Price		1,700,000	1,700,000
Stamp Duty	4.00%	68,000	
Town Planning		25,000	93,000
Other Acquisition			
Other Acquisition		400,000	400,000
CONSTRUCTION COSTS			
Construction	IP	Rate ft²	Cost
Commercial	4,378 ft²	169.66 p²	738,393
Private Units	86,779 ft²	137.28 p²	11,915,021
Listed Building	7,065 ft²	169.66 p²	1,191,583
Totals	98,222 ft²		13,842,996
Statutory/LA		1,480,000	1,480,000
PROFESSIONAL FEES			
Architect	10.00%	1,384,300	1,384,300
MARKETING & LETTING			
Marketing		44,000	44,000
DISPOSAL FEES			
Sales Agent Fee	1.50%	383,296	
Sales Legal Fee	0.75%	168,849	499,947
FINANCE			
Debt Rate 6.500%, Credit Rate 0.000% (Nominal)			
Land		362,665	
Construction		639,783	
Total Finance Cost			902,448

This appraisal report does not constitute a formal valuation.

Project: 16411D - Eastry Hospital redevelopment/16411E - Eastry (No affordable units, PROFIT) - DSP v3.17.5% PoC wdx
 ARGUS Developer Version: 7.50.001

Date: 16-Oct-16

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP**

Easry Hospital - Revised June 2015
Runnymede Scheme (0% affordable)
Fixed Land Cost plus Overage @ £400k

TOTAL COSTS 20,348,693

PROFIT 3,582,873

Performance Measures

Profit on Cost% 17.51%

Profit on GDV% 14.95%

IRR 25.61%

This appraisal report does not constitute a formal valuation.

Project: 16411D - Easry Hospital redevelopment\16411E -Easry (No affordable units PROFIT) - DSP v3 17.5% PoC.worx
ARGUS Developer Version: 7.50.001

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Date: 16-Oct-16

SENSITIVITY ANALYSIS REPORT

DIXON SEARLE PARTNERSHIP

Eassey Hospital - Revised June 2015
Runnymede Scheme (0% affordable)
Fixed Land Cost plus Overage @ £400k

Sensitivity Analysis results are not available.
Click the Analysis Results tab, then print the report.

This appraisal report does not constitute a formal valuation.

Project: 16411E -Eassey (No affordable units PROFIT) - DSP v3 17.5% PoC.wpk
ARGUS Developer Version: 7.50.001

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Report Date: 16-Oct-16