

- 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) **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 relates to the distribution of housing allocations.

Policy CP4 relates to 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 reiterates that development outside of the urban/rural confines will not be permitted unless justified by Development Plan policies.

Policy DM12 relates the road hierarchy within the Borough.

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 63 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 relates to the provision of open space within developments.

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

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 if 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

All comments relating the application that were submitted prior to the Planning Committee Meeting on the 31 August 2017 are set out within the appended report.

Since the publication of this report, one additional letter of representation has been received which raises concerns with regards to the point of access into the application site.

There are no additional consultation responses to report to Members.

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 Eastry. Eastry 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 Eastry 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 Eastry Asylum Chapel and Tewkesbury House. In 2008, many of the other previous hospital buildings were demolished.
3. The Eastry 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.

Assessment

8. This application was deferred by Members at the Planning Committee meeting on the 31 August 2017 for the following reasons:

That, notwithstanding the Officer's recommendation, Application No DOV/14/00240 be DEFERRED for the following information: (i) An updated Viability Assessment and an independent review of that Assessment; (ii) Clarification from Southern Water on whether there is an increased flood risk; (iii) Clarification from Southern Water regarding what drainage infrastructure is required; (iv) Details of the phasing plan for the listed buildings; and (v) Clarification on the design of the housing in front of the hospital and its association with that building.

9. This report therefore seeks to address the issues raised by Members on each matter.
10. The original committee report is attached at Appendix 1.

Viability

11. The first matter for consideration is the requirement for an updated viability appraisal to be submitted and reviewed. Following the Planning Committee meeting, the applicants submitted an updated appraisal (on the 27 September 2017) which addresses Members' concern with regards the age of the information and data inputted into the previous viability appraisal.
12. As background, the previous viability report was dated August 2015, and Members' concern related to whether these were up-to-date given the changes within the housing market. The report, submitted by the applicant seeks to address this, by looking at the likely level of profit that would be generated with 2017 values and build costs within the appraisal.
13. One of the key points for debate relates to the land acquisition cost – and whether this should be treated as being at the point of purchase, or whether this

value should reflect the likely purchase price in the here and now. There is no hard and fast rule in this regard, but what one should consider it how important it is that the site is redeveloped to the Council, and the likelihood of the site being sold on should a loss then be made.

14. In this regard I am of the view that this is an important site to the Council, delivering not only 100 houses to meet their strategic, and indeed immediate (five-year housing land supply) need, but also to ensure the long-term future of these important heritage assets. To this end, it would not be in the Council's interests for this site to remain undeveloped for the unforeseeable future, and as such, the Council have taken a pragmatic approach to development here. For this reason, I am happy to accept the purchase price within the financial appraisal.
15. The assertion from the applicant's agent that because of the more buoyant housing market, there would be an expectation of more than 20% profit on costs is not accepted however. Whilst this might well be desirable, there is no reason, in terms of availability of finance that this would be *required*. I therefore give this little weight in the determination of this application.
16. The appraisal does demonstrate though, that with the provision of 10% affordable housing, there would be a profit of between 15% and 17% - which is within the recognised level of profit that any developer would expect when undertaking a scheme of this nature. Should the profit levels drop below 15% then finance would be less readily available, and would certainly make the proposal less attractive to the site owner.
17. The figures that have been submitted have been analysed and are considered to be robust, and relate to the local property market.
18. It is therefore recommended that Members accept the findings of this report, and the recommendations of the previous report which would see a provision of 10% affordable housing, together with the contributions towards ecological mitigation and open space.

Flood Risk

19. Members raised concerns with regards to the impact that this proposal would have upon the locality in terms of flood risk, and requested that further discussions be held with the statutory undertaker to assess the likely impact of this proposal.
20. It is important for Members to note that the Water Industry Act 1991 has significant powers that should not be overridden by the granting of planning permission, and in particular the imposition of safeguarding conditions. This is not to say of course, that flood and drainage are not material considerations in the determination of planning applications.
21. Of particular importance in the High Court Case (Barratt Homes Limited v DWR Cymru Cyfyngedig (Welsh Water) (2009) UKSC 13) which made it clear that any developer has the right to connect to a public sewer (or drain) under Section 106 (of the Water Industry Act 1991) and that right cannot be denied because it might cause a nuisance, or capacity issues. This also states that Grampian conditions should not be imposed to prevent an impact upon the drainage system as a result of the undertaker failing to provide sufficient capacity.

22. In this instance, Southern Water has stated that they do not have capacity within the locality, however they have invited the applicant to liaise with them in order to ensure that it can be provided. I have discussed the matter with Southern Water and they have confirmed that given the run-off rate for surface water from the site is to be improved through the use of SuDs, the capacity concern relates to waste water disposal – which is course is unlikely to cause any flooding.
23. In this instance, the statutory undertaker has requested that an informative be placed upon any permission which would ensure that the developer and Southern Water enter into a formal agreement (outside of planning legislation) to provide the necessary infrastructure required to service this development. This requirement, together with the necessity to provide a drainage strategy for within the site will ensure that there would be no detrimental impact upon the existing network, and will also ensure that there would be no further risk of flooding.

Phasing of Listed Buildings

24. It is proposed that the listed building will be completed within phase II of the application, which will ensure that this work is undertaken in a timely fashion. It is proposed that the phasing plan be included within the S106 agreement so that this is enforceable.

Location of Dwellings to Front of Hospital Building

25. Members expressed concern at the previous Planning Committee with regards to the location and orientation of dwellings to the front of the existing hospital building, and in particular the fact that these 'back on' to the building. Further discussions have taken place with the applicant as to whether there would be any benefit in re-orientating the dwellings, however this would have significant implications for the remainder of the development, and access to the units.
26. One of the benefits of having the dwellings orientated in this manner is the fact that it limited the number of vehicular movements than run to the front of the listed buildings. Should these dwellings be re-positioned then the number of vehicles running past the listed buildings would be increased.
27. In addition, any re-positioning would be likely to have an impact upon the outlook of the other dwellings within the development. The design submitted seeks to ensure that there would be a legible road hierarchy, and this is achieved through both the layout and the materials used within the highways.
28. I am therefore satisfied that the proposal does represent a high standard of design, that would have the least impact upon the setting of the listed buildings, and would also represent a good standard of urban design. As such, the applicant has not been requested to amend the proposal further.

Conclusion

29. As set out within the previous report, this is an application that has now been with the local authority for three years. Through this passage of time, amendments have been made to the scheme and additional information has been submitted.

30. Whilst clearly the failure to deliver a policy compliant level of affordable housing is regrettable, in this instance, the viability report is robust, and demonstrates that the costs of refurbishing the listed buildings would be significantly greater than expected on most sites, and this has a significant impact upon developer profits. It is therefore concluded that this is acceptable in this instance.
31. It is also considered that the matter of drainage can be adequately addressed through both the imposition of conditions, and the requirements of the 1991 Water Industry Act. The provision of SuDs within the development will actually ensure that surface water run-off is at a lesser rate than greenfield – which will alleviate any risk of flooding.
32. It is also considered that the design is of a high standard, and that there is an adequate mechanism to ensure that the refurbishment to the listed buildings takes place at an appropriate stage. For these reasons, it is recommended that Members give this application favourable consideration and grant delegated powers to approve in accordance with the requirements set out 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 to secure appropriate phasing of the site, 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) submission of development phasing vii) written confirmation of commencement of development and first occupation of each phase; viii) submission of details relevant to sales/marketing accommodation, vehicle parking and servicing and associated development; ix) limits to means of enclosure; x) limits to the provision of hard surfacing; xi) submission of material samples; xii) informative on windows; xiii) submission of details for listed buildings; xiv) solar panel installation; xv) retention of Public Right of Way; xvi) submission of details- proposed on-site highway works; xvii) finished surfacing to vehicle and pedestrian access routes; xviii) submission of details of sight lines (roadway junctions); xix) submission of details of sight lines (private driveways); xx) limits on development overhang; xxi) submission of details related to vehicle parking; xxii) submission of travel plan; xxiii) submission of details of hard and soft landscaping; xxiv) hard and soft landscaping carried out in accordance with approved details; xxv) limits on excavation during construction; xxvi) limits on storage of materials; xxvii) no damage to trees of hedgerows within phased development; xxviii) erection of mans of enclosure; xxix) submission of external lighting scheme; xxx) submission of details of refuse storage areas and recycling facilities; xxxi) programme of archaeological works; xxxii) contamination informative; xxxiii) submission of sustainable water drainage scheme; xxxiv) infiltration of surface water drainage only with approval of LPA; xxxv) submission of Foul Sewerage Disposal Strategy; xxxvi) retention of open areas/spaces; xxxvii) no external units on any external elevation; xxxviii) secure and implement programme of archaeological works; xxxix) ecological enhancements; xxxx) any other conditions as required by KCC highways; xxxxi) safeguarding employment use; xxxxii) 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.