

SUPPLEMENTARY REPORT
TO THE PLANNING COMMITTEE

3rd April 2014

Agenda item 3

Application ref. 13/00974/OUT

Land off Watermills Road, Chesterton

Following the publication of the National Planning Policy Guidance (NPPG) on 6th March 2014, Circular 11/95 – The Use of Conditions in Planning Permissions (1995) is no longer a material consideration. Guidance on the use of conditions is included in the NPPG.

Since the preparation of the agenda report, revised comments from the **Highway Authority** have been received. They have no objections to the proposal subject to conditions requiring the completion of the access to the site prior to the commencement of the remainder of the development, submission and approval of details of a footway on either side of the access road, appropriate access routes for construction traffic, wheel cleaning/washing facilities for heavy goods vehicles during construction, layout of the site, swept path analysis to cater for 12m long refuse vehicle and means of surface water drainage. A contribution of £40,079 towards the Newcastle-under-Lyme Transport and Development Strategy (NTADS) is also sought.

The comments of **Severn Trent Water** have been received. They raise no objections subject to the imposition of a condition requiring the submission, approval and implementation of drainage plans for the disposal of surface water and foul sewage.

Correspondence has been received from the **applicant's agent**. It has also been sent to all members of the Planning Committee. A summary of the comments made is as follows:

- It is confirmed that although reasons 2-5 relate solely to the absence of a secured planning obligation, it has always been advised that the applicant would be happy to provide any necessary contributions and draft Heads of Terms were submitted. It was expected that any decision would be subject to the signing of an appropriate S106 Agreement but a draft obligation has now been prepared and submitted. It is stated that reasons 2-5 are therefore no longer relevant.
- Paragraph 22 of the NPPF is highlighted and it is contended that in the report the Planning Officer does not consider the site to be good quality employment land in terms of Policy E11. The site has had the long term protection of Policy E9 despite unsuccessful marketing over the past 6 years and in accordance with the NPPF, alternative land uses should be considered and supported where sustainable.
- A wealth of information has already been provided relating to the financial and marketing history of the site. A summary is as follows:
 - The site was first marketed in October 2008 and although a single offer was received it did not even meet the costs of the land purchase.
 - Butters John Bee (BJB) were instructed to market the site in July 2009 and no formal offers were received.

- Mounsey Chartered Surveyors were engaged in September 2011 and despite some progress on an offer, this was pulled at Board level by the purchaser.
 - Pressure was made by Yorkshire Bank to sell the land and it was sold to Carden Developments Ltd in September 2012.
 - This demonstrates that this site is not viable in its current form and has resulted in continued financial loss to the landowners over the past 6 years.
 - Recent letters from Richard Mounsey and Glenn Hammond (formerly BJB) confirmed the above and their independent professional view that the site is no longer marketable as employment land.
- Further advice has been received from Glenn Hammond and Richard Mounsey (Chartered Surveyors) which relates to Para. 2.10 of the Committee Report. Their letters are summarised below.
 - Enquiries were made regarding other possible land uses and it was decided to test the waters with an outline planning application. Therefore whilst aggressive marketing has not continued since the purchase, the landowners felt it more worthwhile investing money into finding an alternative more viable land use. Marketing has however remained active and no interest in the site has been made for employment purposes.
 - This reasonable quality employment site should no longer be afforded protection under Policy E9/E11 when it has been demonstrated that there is no reasonable prospect of this site being used for employment purposes and its continued marketing is resulting in financial loss to the landowners.
 - No statutory consultees or local residents have raised objection.
 - The site is enveloped by an Area of Landscape Regeneration and Apedale Country Park is to the south-west. A residential use on this site would be much more appropriate to these environmental designations than an employment use.
 - The Officer's report concludes that the site represents a sustainable location.
 - Approval of this application will contribute to the provision of housing.
 - This application differs only marginally from the site on London Road, Chesterton for 14 dwellings approved by the Planning Inspectorate in August 2013. However in that case the Officer recommended that the re-use of a brownfield site was acceptable in principle (which included the demolition of an existing building currently in use).
 - This application should be approved on the basis of it being a brownfield site within a sustainable location, providing community benefits in terms of open space and housing, and aiding the developer with finding a viable use for this long-standing redundant site.

A letter has been received from **Glenn Hammond of Hammond Chartered Surveyors** (formerly of **Butters John Bee**). He states that he believes that there are several reasons why there has been little interest in the site and why it is not attractive as a commercial development site. These are:

1. Location - the site is away from the primary road network, it is neither prominent nor easily accessible, and other sites in the area are better located
2. Size - sites of this size have limited appeal to developers
3. Development costs - small design and build projects for B1(c), B2 and B8 uses are not price competitive in the current market due to the fall in the value

- of existing buildings, the generally more cautious approach by banks, and the increase in the cost of new construction particularly for smaller units
4. Competition - there are many competing sites located across the Newcastle-under-Lyme and Stoke-on-Trent area and also in nearby Crewe which offer better prospects.

He states that he is not aware of anything that could have been done to make the site more attractive to potential purchasers. The site was extensively marketed by experienced commercial chartered surveyors and was promoted by all of the usual methods over a period of years including the pre-credit crunch years, yet still failed to find a purchaser. It is his professional opinion that there is no commercial market for the site for the reasons stated above and that it may now be better to look towards alternative uses. It is believed that continued promotion of the site for commercial development will not deliver a positive solution for some years to come.

Correspondence has also been received from **Richard Mounsey of Mounsey Surveyors**. He states that in his opinion the site is poorly located when compared to those sites and opportunities on the A34, A500 and A50. During the period of their marketing they have seen very few enquiries actively looking for land or units in the Chesterton area and even fewer on Apedale Business Park. Coupled with the relatively remote position of the site, the scale of the site is on the small side for industrial development. The site is not big enough to offer development where economies of scale impact upon build costs and therefore any development would be expensive to build and only really be targeted at small to medium sized industrial accommodation. For this type of accommodation there is already an industrial scheme lower down Watermills Road where a number of units have been built and some of which still lie empty. Furthermore there is surplus land still undeveloped at this scheme which this developer intends to build out when market conditions improve and therefore this will satisfy whatever limited demand there is for units of this size. The supply of industrial units on Parkhouse Industrial Estate (East & West), High Carr Business Park and Lymedale Business Park also offer a better range of opportunity, in better locations and are much more accessible than the land in question. It is concluded that this site is not suitable for industrial use.

Your Officer's comments

The applicant's agent has confirmed, now that the NTADS position is known, that they are prepared to enter into an agreement securing all the required S106 contributions. A draft Section 106 Agreement has been received however as it is only in draft form and has not been completed, reasons 2 – 5 of the recommendation within the agenda report remain unchanged and appropriate *if* members agree with the first of the reasons for refusal. Your officers furthermore have had no reasonable opportunity to confirm that appropriate enquiries as to title of the land have been made.

The majority of the matters referred to by the applicant's agent have been considered in full within the agenda report and therefore it is not considered necessary to comment further now. Reference has been made to an application relating to a site on London Road, Chesterton for 14 dwellings (Ref. 12/00118/OUT). The agent states that in that case your Officer recommended that the re-use of a brownfield site was acceptable in principle (which included the demolition of an existing building currently in use). The principle of residential use of that site (Midland House) was established in 2005 when a change of use from light industrial use to residential was granted. In consideration of the subsequent application referred to by the applicant's agent, it was considered that the introduction of the CSS and the NPPF did not raise

significant issues that would lead to the site being considered inappropriate for residential use, or render the loss of the employment use at this site unacceptable. Contrary to the current application site, Midland House is tightly constrained, has poor access for deliveries and is sited in very close proximity to residential dwellings. It is not considered therefore that any meaningful comparison can be made between the two sites.

It is not considered that the further letters received from Hammonds Chartered Surveyors and Mounsey Surveyors include any additional evidence to convince your Officer that it is unlikely that the site will be developed for employment. Indeed with respect to the other site on Watermills Road to which they refer, members may wish to note that an application for planning permission for the further development of that site (with smaller units) has very recently been submitted. Your officers would make the observation that it would be extremely unlikely that the developer would be advancing these proposals were they not confident that market conditions were not appropriate – i.e. that there is a market for small units on the Watermills Road industrial estate.

The RECOMMENDATION therefore remains as set out within the main agenda report