## <u>ANNEX A</u>

## AGENDA ITEM No. 6

#### PEAK DISTRICT NATIONAL PARK AUTHORITY

#### PLANNING COMMITTEE

#### 15 DECEMBER 2006

#### REPORT OF THE HEAD OF PLANNING SERVICE

#### PLANNING ITEMS

## <u>PART A</u>

#### 1. FULL APPLICATION – CONVERSION OF YOUTH HOSTEL & CARETAKERS/WARDENS BUNGALOW TO 3 TERRACED HOUSES AND 1 DETACHED BUNGALOW AT CROWDEN YOUTH HOSTEL, CROWDEN. (NP/HPK/0806/0776, P2734, 16.08.06, 407360/399333/JK)

This item was deferred from the October meeting as the applicants had not yet submitted a business case which was crucial to the consideration of the application. In addition further information was requested by members on the assessment of affordable housing needs within the area. Members also requested a site visit to establish whether local needs housing is appropriate in the location. If approved the application would be against policies and would need to be reported to the Authority meeting as a departure from the Development Plan.

#### Supplementary Information

#### 1) Business Case

The applicants have submitted a detailed Development Appraisal setting out the business case for the development. This has been checked by the Authority's Building Services Manager who comments that the construction costs are about 50% higher than average housing refurbishment costs but these are clearly explained by a number of factors in this particular scheme. Taking those factors into account he considers the developer's appraisal to be reasonable. He further comments that the assumptions about sales valuations seem reasonable for the location given the limited amount of market evidence available.

The appraisal includes the £100,000 contribution by the applicants to Rotherham MBC to cover the shortfall on the rebuilding costs at the nearby Outdoor Centre which the applicants lease to Rotherham MBC and now the YHA. The Outdoor Centre is nearly finished and due to open in January.

The Development Appraisal shows a profit, after the payment to Rotherham, of 15.3% as a percentage of costs. Using figures from the appraisal officers have calculated that if one of the units were restricted to local needs the consequent reduction in value as a result of the occupancy restriction would reduce profit to 7.4%. This is based on an occupancy restriction having a realistic 30% reduction from open market values in this location. At this level of return there would be some doubts that the development, in this form, would go ahead given the scale of the investment required in relation to the return. These figures show that without the contribution to the outdoor centre it would only have been reasonable to insist upon one of the units being restricted to local needs. The appraisal is therefore considered to support the business case for an unrestricted consent.

## 2) Housing Need

The High Peak Borough Council Housing Manager agrees that this is not a sustainable location for affordable housing in terms of its remoteness and lack of amenities. However, there is the question whether a contribution of cash in lieu would be appropriate to assist the provision of affordable housing in a more sustainable location in the parish. The Housing Manager confirms there is a need for affordable housing in the area based on the results from their strategic Housing Need Survey.

Unlike High Peak Borough Councils Housing SPG, the Authority's exceptions based policy does not advocate cross-subsidy from open market housing and therefore contains no policy basis for such contributions. Consequently officers consider a contribution would be inappropriate.

## 3) Director of Recreation and Education

Fully supports the plans to close the former Youth Hostel and relocate to the new Outdoor Centre where the partnership between the YHA and Rotherham MBC will help to ensure viability and a continued presence in the area by both organisations The reorganisation of these activities has followed extensive consultations with officers and members of the Authority. These culminated in a decision by Services Committee in 2005 to surrender the Authority's lease on the Hostel site, the sale of which will provide the funds to subsidise the shortfall in rebuilding costs.

## 4) Opportunities for renewables and energy conservation

Since receiving the SPG – For Energy Renewables and Conservation the agent states that it could be possible to consider solar panels to the rear roofs and garden area of the bungalow with high energy efficiency condensing boilers and ground source heat pumps for the terraced units. The new doors and windows will be timber and have double glazed units using low E-glass. He suggests the simple measures from paragraph 2.17 of the SPG (householder actions to save energy and plan for compatibility with new technology) could be a condition of consent. Light pipes have been specified for use to light the landings in the terraced units. Furthermore collection tanks could be used for rainwater to supply toilets and other fittings with appropriate filters. The agent points out careful liaison with Building Regulations will be required and the additional costs of such technology will dictate the market value of the properties.

## 5) Consultation updates

Highway Authority – No objections subject to condition covering parking and manoeuvring space provision.

English Nature – Satisfied the proposals accord with Bat Mitigation Guidelines and recommend suitable conditions.

## Officer comment

The financial appraisal demonstrates that a substantial proportion of the profits will be reinvested locally in the Outdoor Centre. The remainder appears to be a reasonable return justifying the level of investment necessary to return the building to its former use and gain the advantages to the built environment from the enhancements and security of a long term beneficial use. The Borough Housing Manager confirms the officer view that the site is not sustainable for local need housing. Even if this were not the case the applicants appraisal demonstrates that the effect of imposing a local occupancy restriction on even one of the units would seriously affect the viability of the scheme.

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It is appropriate in terms of government advice regarding planning obligations to require the funding of the Outdoor centre. This is legitimate planning gain in terms of facilitating the redevelopment of the Outdoor Centre fulfilling National Park educational purposes and being reasonably related to the development in terms of its nature and scale.

Subject to the oral update regarding the detail of the S106 agreement, the officer recommendation remains, on balance, one of approval as set out in the original report but with the last condition omitted as being unnecessary for the outdoor centre is very nearly complete.

# Human Rights

Any human rights issues have been considered and addressed in the preparation of this report.

## RECOMMENDATION:

That the application be referred to the next Authority meeting as a departure from the Development Plan with the recommendation that subject to the prior completion of a legal agreement covering:

- 1. Money from the development of the hostel helps fund the creation of the new hostel/outdoor centre.
- 2. Dwellings not to be occupied until all conservation work is complete and thereafter these works are retained.

The application be APPROVED subject to the following conditions:

- 1. Withdraw permitted development rights for external alterations and extensions.
- 2. Agree landscape details.
- 3. Protected species mitigation
- 4. Minor design/details
- 5. Maintain garage spaces, parking and turning area.
- 6. Implement bat mitigation measures.
- 7. Highway requirements
- 8 Dwellings not to be occupied until all conservation work is complete and thereafter these works are retained.

List of Background Papers (not previously published)

Nil

Appendix - Original Report to October Committee.

## 1. FULL APPLICATION – CONVERSION OF YOUTH HOSTEL & CARETAKERS/WARDENS BUNGALOW TO 3 TERRACED HOUSES AND 1 DETACHED BUNGALOW AT CROWDEN YOUTH HOSTEL, CROWDEN. (NP/HPK/0806/0776, P2734, 16.08.06, 407360/399333/JK)

Crowden is situated in the open countryside on the north side of the A628 Woodhead Road above Torside Reservoir. It consists of a loose collection of buildings comprising an outdoor centre, farm, campsite, car park and Youth Hostel. The Pennine Way passes the west side of Crowden which contributes to the locations popularity as a base for outdoor recreation activity.

The application site comprises the Youth Hostel and adjacent warden's bungalow. The hostel formerly a terrace of six cottages known as 'Stone Row' and despite several damaging alterations still retains most of its domestic appearance. To the rear there is a series of stone outhouses and later covered entrance/drying area beyond which the land rises to a walled garden backing onto a wood. Adjacent to the hostel is the warden's bungalow with two staff bedsits and link corridor to the Hostel. The bungalow has a separate garden, vehicular access and a dilapidated mono-pitched roof block work garage.

Vehicular access to the Hostel is via an access lane off the main side road from the A628. This access lane used to be the old road but is now closed off at the A628 following the construction of the new road. Hostel parking takes place on the lane.

## **Proposal**

Conversion with alterations and minor rear extensions to the main Hostel to form 3 No threebedroom houses.

Alteration and extension of the warden/staff bungalow to form a single three-bedroom bungalow.

A replacement double garage is proposed to the rear of the bungalow with new turning area and boundary walling.

Plans show the former walled gardens in front of the Hostel restored and parking for residents and visitors defined on the access lane.

## <u>Key Issue</u>

- Whether the reversion of the hostel to its former use as unrestricted housing, bringing with it
  associated enhancement and improvement, is the most appropriate and beneficial use for the
  site and National Park and sufficient to warrant an exception to policy.
- There is an officer declaration of a non-pecuniary interest in this application.

## <u>History</u>

1963 – Deemed consent granted for conversion of six cottages to walkers hostel and erection of wardens dwelling.

1980 – conversion and extension of boiler room attached to wardens dwelling to provide two bed-sits for assistant wardens.

1981 – Closure of old road (which passed in front of hostel and joined A628 at an angle) and construction of new road with improved geometry.

2006 – Pre-application policy, design and layout advice given to applicants about reversion to housing use.

2006 – Application for conversion and extension of the hostel and associated warden's dwelling to four open market dwellings withdrawn due to inadequate bat report leading to objections from English Nature.

# Adjacent sites

2002 – Longdendale Outdoor Centre (situated 450m to the north west and operated by Rotherham MBC for outdoor activities and residential courses) closes following extensive fire damage. Rotherham MBC switches to use Crowden Hostel during the week when the Hostel is underused.

2005 – Permission for restoration of Outdoor Centre including significant alteration and extension, work nearing completion.

## **Consultations**

Highway Authority – no response to date.

District Council – no response to date.

Parish Council – no response to date.

#### Main Policies

Relevant Structure Plan policies include: GS1, C2, C9, C11, C14, HC1, T1, T8, T11

Relevant Local Plan policies include: LC4, LH4, LC8, LC18, LT11, LT22.

## Comment

#### Background

The Hostel is sub-let to the Youth Hostel Association on a yearly basis but has been suffering for several years from declining visitor numbers. The use of the Hostel during the week by Rotherham MBC following the fire at its centre benefited the viability of Hostel which tended to be empty during the week but busy with the public at weekends. Rotherham MBC are now in the process of rebuilding their outdoor centre which is nearing completion. Following the experience of shared use of the hostel the two parties are now proposing to amalgamate their operations and base these in the new outdoor centre where there is room to expand and offer improved facilities. More importantly for both, however is that such an arrangement will save costs and allow each to function on a more viable financial footing to maintain their operations at Crowden. This site is also away from the busy main road and ought to prove more attractive as a hostel.

#### Policy Considerations

The site lies in the open countryside well outside the confines of the nearest designated local plan settlement where the Authorities Conservation (C2) and Housing policies (HC1) seek to concentrate most new residential development. In the open countryside these policies restrict residential conversions to agricultural workers, holiday accommodation or exceptionally to provide affordable housing to meet local needs, the aim being to protect the open countryside from non-essential development which would be more appropriately and sustainably located within or on the edge of a settlement.

In respect of buildings of vernacular merit, policy (C9) states that their effective conservation will be pursued by ensuring they continue to be used for purposes suited to the conservation of the buildings themselves and to their locations. Further policies (C14, HC1) encourage development that would enhance and improve the National Park by the removal of undesirable features or buildings. However, policy HC1 is clear that normally only open market residential development is permitted within settlements where it is necessary to enhance the valued characteristics of the Park. Where development is acceptable policies seek a high standard of design and detailing to ensure it respects the valued character and appearance of the area (GS1, C2, LC4).

The hostel building is of vernacular merit but its conservation would be best achieved by a return to its original use as housing. That would fully accord with the building conservation policies C9 and LC8. Conservation and Housing policy further state that in this location residential uses are restricted to meeting need for either holiday accommodation, agriculture or for affordable local needs. In this case therefore the proposal for open market dwellings would be contrary to adopted policy and, if approved, would therefore represent a 'departure'.

The site is however situated in a relatively remote location, well away from the nearest a town or village which makes it less suited for local needs housing for people on low or moderate incomes. The applicants have put forward a strong case for an exception citing that the development would not be viable if encumbered by a local occupancy restriction.

The key policy issue therefore comes down to a choice of whether this residential reversion is the best use for the buildings and if so whether the benefit to the National Park from the enhancements to the hostel site as well as the wider benefits for improved recreational and tourism activity in the immediate locality justify an exception to policy.

The applicants have submitted a supporting statement setting out the reasoned justification, which they consider to be a unique and special case warranting an exception to the policy. In summary their case is that;

- i) The proposal is a unique regeneration and reversion scheme that will convert what will become redundant buildings back to their former use as simple terraced housing.
- ii) The use is in conformity with government planning advice in PPG3 and supporting circular which recognises that conversion of redundant traditional buildings have a part to play in meeting identified needs for open market and affordable housing.
- iii) The reversion to their former residential use is the most appropriate use for the buildings and is necessary to fund the considerable cost of the remodelling and restoration works, as well as helping to provide additional monies to fund essential investment by the applicant in the Outdoor Centre.
- iv) The reversion to residential use will bring about considerable enhancement of the buildings and the site as a whole to the benefit of the character and appearance of the immediate locality and National Park.
- v) The scheme has wider benefits outside the site itself in that it releases funds for the applicants to invest in the development of the nearby Outdoor Centre. This helps meet the Authority's statutory purpose to promote opportunities for the public understanding and enjoyment of the Park as well as other policies aiming to provide appropriate recreation facilities and accommodation for staying visitors.
- vi) The resultant housing by reason of its modest size, terraced form and relatively remote location next to the A628, even without the occupancy restriction, will still be more affordable to local people than most housing in the area.

Officers are clear that a residential reversion is the best use for the conservation of the site. The conversion will be costly however if all the restoration and enhancement work is to be carried out, a reason your officers consider, on balance, lends significant weight toward justification of the open market approach. Whilst it is acknowledged that this would not be in accordance with housing policy any decision must consider the possible alternative uses when the building becomes redundant.

Alternative uses are likely to be some form of holiday residential use which given the location and environment around the site would probably be a similar form of hostel/bunkhouse style of accommodation aimed at walkers and other outdoor recreation activities. Given the building is already in this use, there would be less impetus to carry out any significant enhancement works. In addition, the viability could be questioned given current declining visitor numbers to the hostel and the fact such a use would be in competition with the outdoor centre.

Conversion to holiday cottages would entail similar costs to the application scheme but could function without the same degree of external enhancement works, particularly in respect of the bungalow. The rental income from such cottages would be depressed as a result of the location and outlook, which would further reduce the likelihood of achieving the desired enhancement.

It is recognised however that in order to fully justify any departure, the applicant's case, although appearing strong, must nevertheless be backed up by full information on the business case for each scenario so officers can be certain that the submitted scheme is the best choice for the conservation of the building and the Park. This has been requested from the agent who will provide officers with the required information enabling the report to be updated orally at the meeting.

Furthermore if this proposal were accepted, mechanisms would need to be in place to ensure that the conservation benefits are achieved. The applicant has agreed informally to enter a S106 agreement that ensures money arising from the sale of the hostel will go to the new hostel/outdoor centre. Also, the necessary conservation work would need to be undertaken before the dwellings are occupied and thereafter remain.

## Detailed Considerations

The application follows discussions with officers over the detailed design and the plans incorporate all the officer recommendations. These show a sensitive conversion and restoration of the main hostel using matching materials and detailing to restore its valued characteristics and original appearance. The work involves the removal of the later unsympathetic openings and insertion of appropriate new window and door openings to match the original. The present flagged patio at the front of the hostel will be taken up and the original gardens and walling restored. The link corridor to the warden's dwelling will be removed and a new boundary wall erected between the two buildings. At the rear of the hostel the dilapidated outbuildings and all the later unsympathetic alterations and extensions are to be removed. In their place the original pattern of openings will be restored and a modest single storey lean-to in matching materials and design added to the rear of each dwelling. In addition the present retaining walls and steps up to the rear gardens will be rebuilt in natural stone. These works fully accord with policy and design guidance and will represent significant and welcome enhancement to this building. The plans demonstrate that a reversion to its former use and appearance as a terrace of residential cottages is the most appropriate beneficial use to conserve the building and its setting.

Ample and appropriate space is available for on-street residents parking with space for visitor parking adjacent the east gable end. At the end of the lane new tree planting is proposed in an area of the former old road which will close off the gap in the trees between the Woodhead Road and the hostel acting both a visual and noise buffer to the heavy traffic.

Although the warden's bungalow has a simple, plain appearance it is nevertheless out of keeping with the local tradition, especially in relation to the rather unfortunate later mono-pitched roof extension. The plans show a modest rear extension enabling the mono-pitched section to be converted to a traditional double pitch along with new improved window and door details. In addition, a new porch with disabled access ramp is proposed on the front elevation to help break up and add interest to what otherwise would be a rather bland front elevation.

Outside, the present driveway would be given a cobbled threshold and improved access and turning space. The present ranch style post and rail fencing to the driveway will be replaced by traditional dry-stone walling. The new garage is a typical standard double garage in stone under a brown concrete tiled roof to match the warden's dwelling. Officers consider these works also represent a considerable improvement to the form and appearance of the bungalow. The works accord with policy on extensions and alterations as well as the guidance in the building design guide.

The application is accompanied by a bat report that confirms the use of the warden's accommodation by bats. The precise nature of the use is however difficult to ascertain and so the report recommends mitigation measures to protect the bats and their habitat during the construction period. The Authority's ecologist endorses the report and its recommendations.

#### Sustainability Issues

The new dwellings will be subject to the Building Regulations, which will ensure they are designed to meet the latest regulations regarding the conservation of heat and power. As no conservation or renewable measures were included with the application the agent has been advised of the Authority's SPG – For Energy Renewables and Conservation. Officers have suggested suitable measures for this site and asked the agent to consider its contents with a view to reporting back in time for the committee on what measures could be incorporated by his client into this scheme.

Funds raised from this proposal project should ensure the retention and efficient use of a better sited hostel and out door centre, consistent with National Park purposes.

## Human Rights

Any human rights issues have been considered and addressed in the preparation of this report.

#### **RECOMMENDATION:**

That the application be referred to the next Authority meeting as a departure from the Development Plan with the recommendation that subject to the prior completion of a legal agreement covering:

- 1. Money from the sale of the hostel helps fund the creation of the new hostel/outdoor centre.
- 2. Dwellings not to be occupied until all conservation work is complete and thereafter these works are retained.

The application be APPROVED subject to the following conditions:

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- 5. Maintain garage spaces, parking and turning area.
- 6. Implement bat mitigation measures.
- 7. Highway requirements
- 8 Dwellings not to be occupied until all conservation work is complete and thereafter these works are retained.
- 9. The dwellings are not occupied until the a contract has been entered into for completion of the new hostel/outdoor centre

List of Background Papers (not previously published)

Nil