

**12. FULL APPLICATION – CHANGE OF USE OF PUBLIC HOUSE TO TWO RESIDENTIAL DWELLINGS WITH ASSOCIATED PARKING AND AMENITY SPACE, AT STANHOPE ARMS DUNFORD BRIDGE, SHEFFIELD, (NP/B/0914/0988, P2026, 415828 / 402320/SC)**

This application is brought to the Committee because the views of the Parish Council are contrary to the Officer recommendation.

**APPLICANT: MR COSTA CONSTANTINAU**

**Site and Surroundings**

The Stanhope Arms is sited within the hamlet of Dunford Bridge on the southern side of the River Don at the head of the Dunford Bridge to Wortley stage of the Trans Pennine Trail. The former Public House is a large traditional two/three storey building, constructed of natural gritstone under a slate roof and sited within relatively large grounds bordered by drystone walls. Mature trees and hedging run along the northern boundary of the site with the Trans Pennine Trail (old railway line) running beyond. Access is off Windle Edge Road at the northwest corner of the site. Windle Edge Road leads southwest from the hamlet to the A628, which in turn gives access westward towards Manchester and southeast to Sheffield.

The site lies within the Dark Peak Yorkshire Fringe as depicted in the Authority's Landscape Character Assessment, which comprise upland areas that have largely been enclosed and where settlement is associated with industry as well as agriculture. Sloping land is often well wooded and it is this characteristic that defines the upland edge along the margin of the Dark Peak. Much of this land still retains a strong pastoral character despite the urban and in some cases, industrial influences of the towns and villages. Dunford Bridge, whilst retaining the effects of past industrial activity, is now itself predominantly residential in nature.

**Proposal**

The conversion/change of use of the premises from a former public house to two open market houses, with associated landscaping and parking.

**RECOMMENDATION:**

**That the application be APPROVED subject to the following conditions:**

- 1. 3 year time limit for commencement of development**
- 2. Adopt amended plans**
- 3. Removal of PD rights for external appearance, extensions, etc.**
- 4. Minor building design details.**
- 5. Submit scheme of environmental management measures to reduce energy use and lower carbon footprint.**

**Key Issues**

1. Whether the building should be retained as a community use
2. Principle of conversion to unrestricted dwellings
3. Design, materials and landscaping

## **History**

1985 – 1997 - Various extensions approved to former public house.

2005 – Public house use ceased

2006 – 2014 - Numerous enquiries received regarding alternative uses

The last use was by a London Theatrical Group who used the site for rehearsals with staying accommodation by members of the group. Sometime in 2012/13 that use also ceased. The property has been vacant and for sale since.

## **Consultations**

Highway Authority – No response at the time of writing the report

Parish Council – Object on the following grounds:

- Agent has failed to demonstrate a viable business case.
- Aware of a serious offer from a third party, who believe they have a commercially viable business plan which would provide a facility for use by the local community. There are no other community facilities at Dunford Bridge, but the property's location on the Trans Pennine Trail (TPT) would present a business with the ideal opportunity to maximise tourism and leisure trade associated with the TPT.
- There is currently an oversupply of larger houses in the Dunford Bridge area.

## **Representations**

One letter making general comments has been submitted, this is summarised below:

- Factual inaccuracies, questionable assumptions and some omissions, which when considered in the round may cause some doubt as to whether the applicants have proven their case that the Stanhope is unviable as a commercial venture.
- Expert Report does not consider the potential trade arising from the recently upgraded Trans-Pennine Trail.
- The Expert Report misunderstands the Stanhope's past as a community resource; it under estimates the demand for community facilities within Dunford Parish.
- The potential for alternative commercial uses deserve further consideration.

## **Main Development Plan Policies**

### **Core Strategy**

Policy DS1, allows for the principle of conversion or change of use to housing, community facilities and business uses including visitor accommodation, in the open countryside, preferably by re-use of traditional buildings. The housing strategy is clear that provision will not be made for housing to solely meet open market demand. However Policy HC1 allows exceptionally, new housing from the reuse of existing buildings, where it addresses eligible local needs for affordable housing, aged persons accommodation, key agricultural or forestry workers or where in accordance with GSP1 and GSP2 the housing would be required in order to achieve

conservation and/or enhancement of valued vernacular or listed buildings, or in certain listed settlements.

In this case, the building lies within Dunford Bridge, a small hamlet located within the open countryside, which is not one of the listed settlements set out in policy DS1. The Stanhope Arms building, although constructed from natural materials in a robust local traditional style, is not a listed building; however it does possess some historic and vernacular merit. Given the application proposal is for market housing, the core housing policy HC1 would in principle support the conversion.

As a former community building, in this case at some point in the recent past the village pub, Policy HC4 is considered the most relevant policy, which seeks to provide and retain various forms of community services and facilities. As this proposal seeks the change of use of a former community facility, Policy HC4C is key to the determination of the application.

The policy states, that proposals to change the use of buildings or sites which provide community services and facilities to non-community uses must demonstrate that, the service or facility is; i) no longer needed; or ii), available elsewhere in the settlement, or iii) can no longer be viable. It goes on to state, that 'Wherever possible, the new use must meet either another community need or offer alternative community benefit such as social housing. It further states, that 'Evidence of reasonable attempts to secure such a use must be provided before any other use is permitted'.

Policy L3 of the adopted Core Strategy is particularly relevant as it deals with Cultural Heritage Assets. It explains that development must conserve and where appropriate enhance or reveal the significance of historic assets and their setting.

Core Strategy Policies GSP1, GSP2 and GSP3; jointly seek to secure National Park legal purposes and duties through the conversion and enhancement of the National Park's landscape and its natural and heritage assets.

#### Local Plan

LC4 considers design, layout and landscaping and points out that particular attention will be paid to scale, form, mass and orientation in relation to existing buildings. Design criteria as set out in the Authority's Supplementary Planning Document is also a material consideration.

LC8 states, that conversion of a building of historic or vernacular merit to a use other than that for which it was designed will be permitted provided that: it can accommodate the new use without changes that would adversely affect its character.

LT11 says that the design of residential parking must respect the valued characteristics of the area, and LT18 states, that inter alia, the provision of a safe means of access will be a pre-requisite for all development. Where a new access is required a refusal will be considered if the provision of a safe means of access would damage the valued characteristics of the Park.

#### **Wider Policy context**

##### National Planning Policy Framework

In this instance, the Development Plan provides a clear policy context in which to determine the current application and is considered not to conflict between more recent Government guidance in the NPPF in respect of the key issues raised by the current change of use application.

## **Assessment**

Public houses are recognised by the Authority and its Development Plan, to be community facilities that play a key role in rural life as an important hub to the social and economic wellbeing of the local community. In this case, the pub closed approx. nine years ago and has been vacant and up for sale ever since, apart from the short term temporary use by the theatre group. The agent has submitted a case for the change of use of a former Public House to residential, on the grounds that the use is no longer needed, can no longer be viable and that there is an inadequate demand for its use. The applicant contends this can be demonstrated and that conversion to two unrestricted dwellings is the best way to achieve the necessary conservation and enhancement required, of what is considered a valued vernacular building.

Core Strategy HC4 - 'Provision and retention of community services and facilities', states that proposals to change the use of buildings or sites which provide community services and facilities to non-community uses must demonstrate that the:

- service or facility is no longer needed, or
- available elsewhere in the settlement, or
- can no longer be viable.

It should be noted that only one of these policy provisions needs to be met. If this first test is passed then the policy goes on to state, that ... *"Wherever possible, the new use must either meet another community need, or offer alternative community benefit such as social housing. Evidence of reasonable attempts to secure such a use, must be provided before any other use is permitted"*

### Availability of alternative facilities

The submitted Expert Viability Report (EVP) suggests that due to the Stanhope's remote location and the small resident population of Dunford Bridge, it would appear there is insufficient immediate local population to support the business and there are better placed and more prominent public houses within a wider proximity.

It further states that for a public house such as the Stanhope Arms to be a viable business, it needs to be a primarily food-led operation, especially as there is a limited local population who are perceived to be unable to support sustainable levels of wet sales. Whilst there are reasonable size trading areas within the building, given the property's remote location, it is unlikely to attract sufficient volumes of trade to fill these seats. The issue regarding long term sustainability of the business is as much about the location of the property as to the premises themselves. It concludes that within Dunford Bridge there is insufficient demand for a community facility and there are more viable and better located licensed premises within a fairly reachable distance of the hamlet.

Officers concur with the conclusion of the EVP, that due to the remote and isolated location of the Stanhope, it is unlikely to attract sufficient volumes of trade to make it sustainable and that the local and wider community could still be served by other more viable Public Houses, that are better placed to attract local and wider rural trade from in and around the Dunford area. For example, the Foxhouse Inn at Hepworth (2.2 miles, 5 mins by car), Dog & Partridge at Flouch (4.3 miles, 8 mins by car) and Waggon & Horses at Langsett (5.4 miles, 11 mins by car).

### Continuing viability of the business

The EVP states that the most appropriate style of trade for the pub would be as a destination food house, incorporating core wet-led community trade. However, the level of potential trade

would be restricted by the isolated location and the availability of alternative facilities (as stated above).

It also expresses the opinion that a building that falls into disrepair or requires substantial refurbishment to the point at which the cost of repair is disproportionate to the profit of the business can often make it unviable. In this case, the Stanhope Arms is in need of significant works of repair and refurbishment (not only of the building, but also the surrounding grounds) and in the light of such repairs/maintenance required and the cost of such works, it is considered the premises are at, or close to, the end of their useful economic life as a public house.

The EVP further states that the owner/occupier of a public house must be able to expect a reasonable return on the time and risk that is invested in operating the business and arguably a greater return, where the licensee has the greater risk of the debt of the property. The report concentrates on the viability of the Stanhope Arms as a pub/restaurant and concludes that it would not be suitable for other licenced or leisure uses, certainly not without significant further capital outlay.

The EVP goes on to say that the lease option has also been considered (owned by a pub chain and let on the basis of a tied lease). In reality, it would still earn a reduced level of profit and given the current acquisition of pub companies, the implication is that the site would not be of interest to them.

The EVP therefore concludes, that the Stanhope Arms is not a viable proposition for the following reasons:

- After allowance for finance costs, the business is loss making.
- The return on the investment required does not reflect the risk.
- Potential difficulties in raising finance, not only to carry out the refurbishment/repairs but also to acquire the property.
- The property would not be of interest to corporate pub companies, either leased or managed operators.
- Nationally beer volumes are in decline.
- The cost of essential repairs and refurbishment.
- The premises have not operated as a public house for at least 8 years
- The property no longer has a Premises Licence

From the detailed information supplied by the agent, it would appear that in the current financial climate, a borrowing sum of approx £330,000 would be required to cover the cost of the property, including refurbishment and working capital. Added to this would be further operating costs, particularly catering staff and utility costs among other things. The EVP states, that the likelihood of such a loan being made is remote and that lending institutions are only willing to lend to established operators with a proven track record and in circumstances where the business performance is supported by accounts. In this case, due to the significant outlay expected and the existence of more viable businesses within a closer proximity, there would be fewer opportunities to utilize the Stanhope Arms for other community usages, or attract sufficient wet led local trade. Officers therefore agree with the report, that it can be reasonably argued that the former Public House can no longer be viable.

#### Marketing as a going concern

The property has been marketed by various parties in recent years, the most recent being Sidney Philips (Commercial Property Agents). They undertook a full open marketing campaign with the property being fully exposed to potential purchasers. According to the EVP, they initially looked at the property in October 2011 and subsequently commenced marketing in January 2012 at a guide price of £490,000 for the freehold interest (subject to vacant possession). The marketing campaign is summarised as follows:

- Preparation of sales particulars giving full details of the property
- The property was advertised in the Publican's Morning Advertiser (licensed trade publication).
- For Sale Board erected
- The property was advertised on their website
- The website has the facility to download a set of the property details
- Property details were emailed to all those parties registered on the agents database with a property requirement matching the Stanhope Arms
- Property details were emailed to all those parties who had previously expressed interest in similar properties that had been marketed in the area.

According to the information supplied, there was limited interest with 147 sets of details sent out. In this case, no parties wished to view the property.

The EVP states that whilst there have been tentative enquiries considering the former public house, no formal offers have been forthcoming to date. Furthermore, the property has remained empty since early 2013 and due to sporadic acts of vandalism, is in a worse condition than when it first went on the market. As such, anyone wishing to use this property for its existing use would have to expend considerable monies to bring it back up to operational standards.

In this case, the interpretation of the marketing of the Stanhope Arms as a going concern is as follows:

- The property has been extensively marketed.
- The property has been available for sale at various times over the past 27 months
- All offers received were from parties who required partial, if not complete change of use of the premises.
- The deteriorating condition of the property is making it increasingly unattractive to the market.
- The Stanhope Arms does not appeal to the market as a viable proposition for use as a public house.

Officers consider that the above information implies that the Stanhope Arms does not appear to be supported by the local community to such an extent that would enable it to run as a viable business. As suggested previously, there are more viable and alternative facilities within the surrounding locality of Dunford Bridge, that could absorb the trade and better serve the community needs without any depreciable loss of amenity.

#### Alternative/other community uses

The Agent commissioned a consultant to undertake an assessment into the viability of the development and submitted a development appraisal based on two semi-detached open market properties. Officers were concerned that the appraisal did not go far enough to confirm that an alternative use such as affordable housing had been thoroughly addressed as required by Policy HC4 C.

Consequently, a revised appraisal based on three properties, two larger properties for open market occupation and one property marketed for affordable use was submitted. In this case, the revised development appraisal concludes, that the construction costs, marketing and other costs such as buildings insurance, security fencing during construction (and after construction, should any properties remain vacant for a period of time). Coupled with the lesser predicted sales value (including risk and contingency allowance), this would have a detrimental effect on the overall viability of the scheme by predicting a negative profit circa minus 9% of the total development cost.

With consideration to the revised assessment that the inclusion of an affordable dwelling unit would not sustain a reasonable return/profit for the developer and the fact that the property is sited in a remote location outside of any named settlement, the building is not deemed sustainable, suitable or required by the community as a whole for another communal use. In this case therefore, Officers consider as all other avenues have now been addressed/exhausted, a change of use of the premises to support two open market unrestricted dwellings, is acceptable in principle.

#### Principle of conversion to residential use

Policy HC1 states, provision will not be made for housing to solely meet open market demand. However exceptionally, new housing from the reuse of existing buildings can be accepted where there is a local need, or in order to achieve conservation and/or enhancement of valued vernacular or listed buildings. Core Strategy Policies DS1 and HC1, allow in principle conversion of suitable traditional buildings to another use, where conservation and enhancement can be achieved. In this case, Officers consider the former public house is considered to be a valued vernacular building that would warrant conversion to unrestricted housing in order for the building to achieve the necessary enhancement required by policy.

#### Proposed design and landscape changes

The proposed alterations to the building will mainly be within the main shell of the building, with the internal space divided to provide two separate residential dwellings, one five bedroom and one four bedroom.

Amended plans have been submitted, addressing previous Officer concerns over particular design issues. This has resulted in the reconfiguration of a single storey mono-pitched outbuilding on the south elevation of the building and replaced it with a dual pitched roof and small flat roof infill, linking to the existing two storey offshoot. In addition, two detached double garages are proposed, one for each dwelling unit. Furthermore, a single storey flat roofed extension will be removed and the window detailing amended to better reflect the existing on the west elevation of the property.

The proposal will also include a traditional boundary wall separating the proposed garden areas of the dwellings. The proposed access will be shared and will provide separate tarmacked access drives to the dwellings, with ample space for parking and turning.

The converted public house would provide a 5 bedroom (unit A) and a 4 bedroomed (unit B) dwelling over three floors, including basement storage/games room, detached double garages and separate parking and garden amenity space. In this case, the proposal does not include any new build (to the main building) that would adversely affect its character and appearance. Therefore is not considered to have any greater impact on the building or surroundings than already exists.

Although no structural survey has been submitted, the agents have stated that the building is in sound condition; however, due to the buildings isolated location and sporadic acts of vandalism, there are signs of general deterioration of the building. The plans show that all existing windows and doors will be replaced with a style and materials that provide an appropriate traditional design (further detailed plans to be submitted and agreed by condition). Natural stone slates will be retained and will be conditioned for the new single storey roof as further enhancement of the building.

It is considered, subject to agreed design and materials, that these changes would have minimal impact on the character and appearance of the existing building, with the public aspect (largely views from the public footpath to the north) of the main building remaining largely unchanged. Subject to appropriate conditions, the proposed alterations and new extensions are considered

acceptable, as they help conserve and enhance the building's overall character and appearance and the wider locality in which the development is sited.

### Other planning considerations

The Highway Authority has made no response to date; however, they did respond to a previously withdrawn application, (NP/B/0613/0486), stating they had no objections to the proposal. In this case, as the proposal is essentially the same development, it is considered the scheme is satisfactory not to lead to a different conclusion.

There are a number of sporadic dwellings in the locality, the nearest lying on the western boundary of the development site. However, due to the extent of separation from the proposed dwellings, it is considered the residential amenity of these properties would not be adversely affected by the development.

### Environmental Management

The agent has looked at energy efficiency measures and given the nature and location of the intended development, there appears to be an opportunity to introduce renewable forms of energy into the scheme. Suggesting that the most obvious way to do this would be to utilise solar PV cells on the roofs of the new build portions of the development, for example to the south facing roof slopes of the garages.

The agent has suggested that there may also be an option to incorporate air source heat pumps. However, it is difficult to be precise about the type of source best suited to the proposals, but a 10% provision of the annual energy needs via a source of renewable energy would be reasonable.

In this case, officers recommend that a condition be imposed to provide further evidence that the applicant has considered and could include the use of environmental management schemes in accord with the Authority's Renewable Energy Policies and Supplementary Guidance.

### Conclusion

It would appear that this proposal arises as a result of changes in society, leading to a general downward trend in the fortunes of public houses generally and particularly rural pubs in remote or unsustainable locations. In this case, the application confirms that the pub is no longer viable or required to be retained as another community use. Whilst the loss of the Stanhope Arms is regrettable, this former community facility is replicated elsewhere within the wider locality. Consequently, the proposed conversion to unrestricted residential use is considered to accord with the Authority's Adopted Policies, subject to appropriate conditions.

### Human Rights

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

### List of Background Papers (not previously published)

Nil