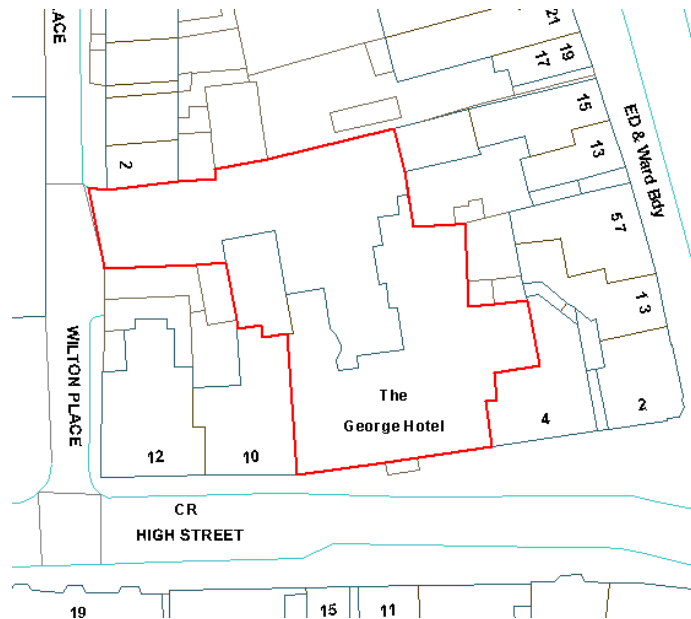


Reference: 15/00238/COU & 15/00239/LBC
Date submitted: 25.03.15
Applicant: Mr L Topley
Location: The George Hotel, 8 High Street, Melton Mowbray
Proposal: Change of use from existing ground floor retail units to create two apartments.



Proposal :-

The George Hotel, fronting High Street, already benefits from planning and listed building consent to form two retail units on the ground floor, 12 flats, and a new build residential unit adjacent to the stable outbuildings. The current proposal is for the change of use of the two retail units on the ground floor to two residential units. These applications cover the required planning permission for the change of use and the listed building application to consider the physical works.

The site is within the town centre and Conservation Area for Melton Mowbray and the building is also grade II listed. The site is surrounded by a variety of different uses; to the north-west of the site is a row of residential terraced housing on Wilton Terrace with the remainder of the site surrounded by retail units or commercial.

The application is to be considered by Committee as the application includes a viability appraisal in relation to the provision of affordable housing and S106 contributions.

Relevant History:-

There have been various applications on this site, the most relevant of which are:-

12/00146/LBC - Ground floor internal works to create 2 no retail units and 2 no new flats, internal works to first and second floors to create a further 10 flats and works to the external yard including the creation of one further duplex apartment – Listed Building Consent Granted in April 2012.

11/00141/FUL & 11/00142/LBC - Internal works on ground floor to create 2 retail units and 2 new flats and internal works to first and second floors to create a further 10 flats and works to external yard including the creation of one further duplex apartment – were both withdrawn.

12/00145/FUL & 12/00146/LBC - to form two retail units on the ground floor, 12 flats, and a new build residential unit adjacent to the stable outbuildings – both approved on 28 May 2012.

Planning Policies:-

The National Planning Policy Framework

Introduces a ‘presumption in favour of sustainable development’ meaning:

- approving development proposals that accord with the development plan without delay; and
- where the development plan is absent, silent or relevant policies are out-of-date, granting permission unless:

— any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole; or
— specific policies in this Framework indicate development should be restricted.

The NPPF offers direction on the relative weight of the content in comparison to existing Local Plan policy and advises that whilst the NPPF does not automatically render older policies obsolete, where they are in conflict, the NPPF should prevail. It also offers advice on the weight to be given to ‘emerging’ policy (i.e the LDF) depending on its stage of preparation, extent of unresolved (disputed) issues and compatibility with the NPPF.

It also establishes 12 planning principles against which proposals should be judged. Relevant to this application are those to:

- deliver development in sustainable patterns and
- re-using brownfield land.

On Specific issues it advises:

Delivering a Wide choice of High Quality Homes

- Set out own approach to housing densities to reflect local circumstances
- Housing applications should be considered in the context of the presumption in favour of sustainable development.
- deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities
- identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand

Require Good Design

- Good design is a key aspect of sustainable development, is indivisible from good planning, and should contribute positively to making places better for people.

Conserving and enhancing the Historic Environment – An assessment of the particular significance of a heritage asset that may be affected by a proposal should be made taking account of the available evidence and any necessary expertise.

In determining applications LPA’s should take account of the desirability of sustaining and enhancing the significance of heritage assets and put them to viable uses consistent with their conservation.

Great weight should be given to the heritage asset’s conservation and the more important the asset, the greater the weight. Where harm is caused to an asset, this should be weighed against public benefits.

Members are reminded of the general duty to give special attention to the desirability of preserving or enhancing the character or appearance of Conservation areas and the setting of listed buildings (s66 and

s72 of the LB and CA Act 1990). The site is within the conservation area and the building is grade II listed.

Melton Local Plan (saved policies):

Policies OS1 and BE1 allow for development within Town Envelopes providing that:-

- the form, character and appearance of the settlement is not adversely affected;
- the form, size, scale, mass, materials and architectural detailing of the development is in keeping with its locality;
- the development would not cause undue loss of residential privacy, outlook and amenities as enjoyed by occupants of existing dwellings in the vicinity; and,
- satisfactory access and parking provision can be made available.

Policy H7 states that an appropriate level of affordable housing will be sought based on evidence of need.

In addition, the "Statement of Requirements for Developer Contributions in Leicestershire" sets out guidance on appropriate contributions to be sought to offset the costs of new development. This directly links to Policy OS3 of the local plan, which requires developments to fund increases in infrastructure that they create the need for.

Consultations:-

Consultation reply	Assessment of Head of Regulatory Services
<p>Housing Policy Officer</p> <p><u>Affordable Housing</u></p> <p>The Council has undertaken several assessments in order to be informed by an evidence base of housing need (households unable to access suitable housing without financial assistance). The level of identified need for affordable housing is extremely high within the borough.</p> <p>The current application provides an additional two residential units bringing the total to 15. This therefore sits over the threshold of more than 10 units and so a 40% affordable housing contribution would normally be sought.</p> <p>An independent viability assessment was undertaken on the previously approved proposal for 13 residential units, and it was concluded that it would be unreasonable in the circumstances to request an affordable housing contribution. The viability assessment showed there to be little or no financial return and the scheme in its current state would produce a deficit. The development was therefore unviable, and would be further so with contributions for affordable housing.</p> <p>For these reasons, a nil affordable housing contribution was sought. This decision related solely to the outcome of the independent viability assessment and the individual circumstances of the application.</p> <p>With regard to this application the applicant has provided details of costings to provide the</p>	<p>Melton Local Plan Policy H7 states that the Council will have regard to evidence of need for affordable housing in the locality when considering planning applications for residential development on land not allocated in the Local Plan. Where there is evidence of need, the Council will negotiate for the inclusion of an element of affordable housing having regard to site, size, suitability, the economics of provision and the need to achieve a housing development that incorporates a mix of housing types.</p> <p>This application seeks planning consent for the change of use of the two ground floor retail units into two residential units. The proposed application, together with extant permissions, will therefore bring forward 15 new apartments comprising of the following mix; 4 x 1 bedroom apartments and 11 x 2 bedroom apartments.</p> <p>While there is a strong need for smaller market housing within Melton Mowbray, this relates to houses rather than flats and the proposed application would add to the existing surplus of 1 and 2 bedroom private market flats in the town centre area.</p> <p>The assessments state that ideally apartments should only be proposed where other types of housing are not suitable. However, being a conversion of a listed building, this proposal provides such an example.</p> <p>The building is grade II listed and is considered to be an important feature of Melton’s heritage. The previously approved proposal will secure the continued use of the building as a whole for the</p>

<p>additional two residential units.</p> <p>These figures show there to be little or no additional financial return on the additional units and the scheme in its current state would still produce a deficit.</p> <p>As such the Housing Policy Officer is content to proceed without a new viability assessment.</p>	<p>foreseeable future and will ensure that the existing buildings are refurbished in an appropriate manner. This will help to enhance the character and appearance of the listed building and conservation area.</p> <p>Accordingly this current proposal for the change of use of the retail units to residential units would also meet this objective and is therefore considered to be acceptable in this instance.</p> <p>The applicant submitted a viability statement to support the previous application which stated that the viability of the scheme was highly suspect from a profitability and viability point of view even before any contributions under s106 and the provision of affordable housing are accounted for within the scheme.</p> <p>In order to test and confirm the applicant's viability statement the Council commissioned an Independent viability assessment which confirmed that the total construction cost put forward by the applicant was reasonable due to the complexity and nature of the conversion of the building. It also confirmed that the finance costs, sales and marketing costs and contingency all appear to be reasonable.</p> <p>The assessment concluded that the proposed residential development scheme was not viable. Since that time the Agent has provided further information relating to the conversion costs of these two units to residential and the resultant value of the units. As the building is listed the conversion costs are relatively high and the value of the residential units relatively low given the small nature of the units. The Agent has confirmed making these properties affordable units would not allow the conversion costs to be covered and would make the scheme unviable.</p> <p>As such it is considered a convincing case has been made to demonstrate the scheme would not be viable with an affordable housing contribution.</p> <p>Accordingly, it is considered that in this instance, given the outcome of the previous viability assessment, and the costings submitted for the additional 2 units, a justification exists for the affordable housing contribution to be waived.</p>
<p>LCC Developer Contributions – Libraries – The proposed development would not have any significant accumulative impact on current stock provision at the nearest library which is at Melton Mowbray. No claim is required for library services.</p> <p>Waste Management –The County Council has</p>	<p>It is considered that these contributions relate appropriately to the development in terms of their nature and scale, and as such are appropriate matters for an agreement.</p> <p>However, as stated above, the applicant submitted a viability statement alongside their previous</p>

<p>reviewed the proposed development and considers that there would be an impact on the delivery of Civic Amenity waste facilities within the local area because a development of this scale, type and size. As such a developer contribution of £165 is required.</p> <p>Education - An education contribution is not requested for this site as it is below the threshold. The cumulative impact of the previous application has been considered.</p> <p>Highways – Have no requirements for developer contributions</p> <p>Landscape – no comments</p>	<p>application which stated that the viability of the scheme was highly suspect from a profitability and viability perspective even before any contributions under s106 and this remains relevant to this application.</p> <p>It is considered that the current proposals would contribute to securing the continued use of the building as a whole for the foreseeable future and would ensure the existing buildings which were under-utilised and in a poor state of decoration and repair are refurbished in an appropriate manner. This would help to enhance the character and appearance of the listed building and conservation area. Accordingly it is recommended to members that the development is approved without the requested LCC developer contributions.</p>
<p>Highways Authority – No Comments</p>	<p>Noted</p>

Representations:

A site notice was posted and neighbouring properties consulted. As a result no representations were received.

Other material considerations (not raised through consultation or representation)

<p>Heritage Issues</p>	<p>Members are reminded of the duty to have special regard to the desirability of preserving the building or its setting or any features of special architectural or historic interest which it possesses (LB and CA Act s66 and s72). Para 131 of the NPPF identifies a number of issues which the Local Planning Authority should take into account, including sustaining and enhancing the significance of the asset and putting them to viable use consistent with their conservation.</p> <p>The proposals offer the valuable opportunity of finding a new use for the former public house, and it is considered that the proposals have been well considered and care has been taken to ensure that significant features of the existing listed building are retained. Accordingly the proposals are considered to fulfil the legislative requirements under s66 and s72 and to be in accordance with the NPPF Guidance.</p>
<p>Impact on Character and Appearance of the Area</p>	<p>The proposals would contribute to securing the continued use of the building as a whole for the foreseeable future and would ensure that the existing buildings which were under-utilised and in a poor state of decoration and repair are refurbished in an appropriate manner. This would enhance the character and appearance of the listed building and conservation area and satisfy the legal requirements in regard to giving special attention to the desirability of preserving or enhancing the character or appearance of that area (s72). Care has been taken to ensure that significant features of the existing listed building are retained. Accordingly</p>

	<p>the proposals are considered to be in accordance with the NPPF Guidance.</p>
Layout and Design	<p>Limited alterations are proposed to the ground floor layout of the existing building to provide the two additional residential units. There would be no impact on the historic fabric with new partitions added to provide individual rooms within the dwelling units.</p> <p>Accordingly the proposals are considered to have a negligible impact on the special architectural and historic interest of the building and would enhance the character and appearance of the listed building and conservation area.</p>
Impact on Residential Amenity	<p>The proposal would create two residential units on the ground floor at the front of the building, abutting the pavement. It is not considered the future amenity of these units would be ideal given the proximity to the busy footway in the town centre.</p> <p>However, increasing residential units are located in town centres in part due to the changes in the planning system allowing the conversion of commercial buildings to residential. Furthermore, the Agent has confirmed that both front windows abutting the footway, serving bedrooms and living areas, would be obscure glazed up to a height of 1.5 metres. This can be conditioned to be provided and retained. The location of the units will also be obvious to any perspective purchaser and the likely level of amenity can be assessed by a buyer. It is considered the level of amenity to future occupants would be satisfactory.</p> <p>It is not considered that the proposals will result in any adverse impact on the residential amenities of adjoining/surrounding properties or future occupants and accordingly the proposal is considered acceptable.</p>
Application of Development Plan and other planning policy	<p>The site sits within the town envelope where residential development is supported. Policies OS1 and BE1 seek to ensure that development respects the character of the area and that there would be no loss of residential amenities and satisfactory access and parking provisions can be complied with.</p> <p>However, the proposals would result in the loss of two retail units and the Agent has submitted a Retail Feasibility Report. This assesses the suitability of the two units for retail use in the context of the local commercial market and the physical characteristics of the properties.</p> <p>The report states Queensbridge Homes and their property Agents Connells, have been marketing the retail units and no interest has been shown for commercial use. The property is considered to occupy a secondary position in the context of the</p>

	<p>retail hierarchy of the town.</p> <p>The report states Unit 1 has an area of 81.6 square metres and Unit 2 an area of 47.4 square metres. These are gross internal floor areas and the net lettable areas will be less as occupiers will need as a minimum to install a toilet and lobby area and are likely to require an area for storage/administration.</p> <p>Access into the units would be via a communal entrance and neither unit has a large sales window for the display of goods and services. The window for Unit 1 is also considerably higher than the street level given the drop in level leading west on High Street. The building is also grade II listed which would limit the extent to which a retailer could make alterations to the frontage and for signage.</p> <p>The report states the units were granted permission in 2012 and subsequently reduced in size in 2014. It states the units have been on the market via Connells for some years with no material interest for commercial use. The properties were advertised by boards on the property with the selling agent office next door. The report concludes the absence of any interest, the barriers to shoppers, the absence of individual access to each unit from the street, the limited size of the units and the listed building restrictions makes the units unsuitable for retail use.</p> <p>Although retail units would be preferred on the frontage it is accepted adequate marketing has taken place over a considerable period with no demand for the units. Furthermore, the constraints of the units are noted. On balance therefore it is considered a satisfactory case has been made to demonstrate the non-viability of the units for retail use. As such a residential use is considered acceptable given the town centre location and the unlikely event of any other suitable commercial use being found.</p> <p>It is considered that the proposals are in accordance with Policy and are therefore considered acceptable.</p>
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Conclusion

The application site lies within the Town envelope of Melton Mowbray and thus benefits from a presumption in favour of development under policies OS1 and BE1, and fulfils the legal requirements of s66 and 72 in terms of the historic interest of the building itself and the character and appearance of the conservation area, and also the objectives of the NPPF in terms of sustainability. The proposed development has been designed to have limited impact on adjoining properties, the street scene and has been designed to reflect the surrounding area. The proposed access and parking arrangements are also considered to be acceptable given the town centre location.

It is considered that the proposal to provide two additional residential units to those previously permitted under reference 12/00145/FUL would help to secure the continued use of the building as a whole and would ensure that the existing building is refurbished in an appropriate manner. This will help to enhance the character and appearance of the listed building and conservation area.

However, the proposal does not satisfy the normal requirements in terms of affordable housing and the contribution to infrastructure requirements through contributions. These omissions are themselves contrary to Development Plan Policy (H7 and OS3 respectively) and NPPF objectives.

Accordingly, it is considered that a conflict exists and the determination requires a balanced judgement between the conservation interests and affordable housing/infrastructure contributions set out above. An independent Viability Assessment commissioned previously confirmed that the proposed residential development was not viable on the basis of the affordable housing and s106 contributions requested. Further information has also been provided to demonstrate the non-viability of these two units with contributions and also that retail uses are unlikely to be successful.

Accordingly, it is considered that in this instance, given the outcome of the previous viability assessment, and the costings submitted for the additional 2 units, along with the individual circumstances of this application in terms of its benefit to conservation interests and the significance applied to them by both legislation and policy, that there is justification for the development to be approved without a requirement for affordable housing or the requested developer contributions. Furthermore, the changes proposed respect the appearance and historic fabric of the listed building.

RECOMMENDATION: That both 15/00238/COU and 15/00239/LBC are approved subject to the following conditions:-

15/00238/COU:

1. The development shall be begun before the expiration of three years from the date of this permission.
2. The development should be built strictly in accordance with the plans entitled Unit 1- Ground Floor – The George Hotel – High Street – Melton Mowbray and Proposed ground Floor – The George Hotel – High Street – Melton Mowbray both at a scale of 1;100 that were received by the Local Authority on 1 August 2014.
3. All works in making good the historic fabric of the building shall be undertaken using reclaimed materials that match the existing in size, colour and texture and shall be bonded in the manner prevailing in the building.

The reasons for the conditions are:-

1. To comply with the requirements of Section 91 of the Town and Country Planning Act 1990.
2. For the avoidance of doubt
3. To preserve the historic character of the building.

15/00239/LBC:

1. The works to which this consent relates shall begin not later than the expiration of three years from the date of this consent.
2. The development should be built strictly in accordance with the plans entitled Unit 1- Ground Floor – The George Hotel – High Street – Melton Mowbray and Proposed ground Floor – The George Hotel – High Street – Melton Mowbray both at a scale of 1;100 that were received by the Local Authority on 1 August 2014.
3. All works in making good the historic fabric of the building shall be undertaken using reclaimed materials that match the existing in size, colour and texture and shall be bonded in the manner prevailing in the building.
4. Any important architectural features and detailing (i.e. skirting, architraves and other such joinery) uncovered during the course of the works shall be retained/re-used as appropriate in accordance with a scheme to be submitted and approved by the Local Planning Authority prior to the first occupation of any unit. The works shall be carried out in accordance with the approved details.

5. Where original plaster of historic specification is found, this shall be retained with patching in a similar specification in accordance with details to be submitted and approved by the Local Planning Authority prior to the works being carried out.

The reasons for the conditions are:-

1. To comply with the requirements of Section 91 of the Town and Country Planning Act 1990.
2. For the avoidance of doubt
- 3 To preserve the historic character of the building.
4. To preserve the historic character of the building
5. To preserve the historic character of the building

Officer to contact: **Joe Mitson**

30.7.16