

Agenda Item 09/00747/RCN	Committee Date 28 September 2009	Application Number A8
Application Site Hazelwood Hall, Hollins Lane, Silverdale	Proposal Removal of condition no.3 on application 03/01547/CU relating to use as holiday accommodation or as a second home only	
Name of Applicant Pringle Homes	Name of Agent Barden Planning Consultants	
Decision Target Date 17 September 2009	Reason For Delay Awaiting consultation replies.	
Case Officer	Peter Rivet	
Departure	No	
Summary of Recommendation	Refusal	

1.0 The Site and its Surroundings

- 1.1 Hazelwood Hall is a large detached property in wooded countryside on the south side of Silverdale. The site is within the Arnside/Silverdale Area of Outstanding Natural Beauty (AONB). The house was built during the first half of the nineteenth century and is believed to be the work of the Kendal architect, George Webster. It is not listed, but is of some architectural interest. The gardens, laid out in the early twentieth century to the design of Thomas Mawson, have recently been restored.
- 1.2 It was built as a country house, but in recent times it has been successively a nunnery and a nursing home. It has now been converted into holiday apartments. At the time that the planning application for this use was proposed, an argument put forward was that it would meet a demand in Silverdale village for second homes. The restoration of the Mawson gardens was part of this scheme.

2.0 The Proposal

- 2.1 The consent granted in 2003 for the conversion of Hazelwood Hall to flats restricted occupation to holiday accommodation or second home use only. The applicants wish to have this restriction removed, to allow the accommodation to be used for a sole or main residence.
- 2.2 The arguments put forward in support of the application may be summarised, very briefly, as follows:
- The consent was granted when the property market was buoyant and such accommodation was much easier to sell; and these conditions no longer apply;
 - Many prospective buyers are looking for a future retirement home as well as a holiday home;
 - The occupancy restriction makes it very difficult for purchasers to obtain a mortgage;
 - The site is on the edge of a village which is identified in the Core Strategy as offering a full range of local services;
 - The site is more readily accessible by public transport than the report on the 2003 application suggested.

2.3 The letter accompanying the statement makes it clear that the applicants are seeking to have the condition removed in its entirety, rather than modified, on the grounds that: "it draws an unwarranted and artificial distinction in respect of who may occupy the properties which is in serious conflict with the advice given in Circular 11/95 on planning conditions".

3.0 Site History

3.1 The consent relevant to the present application is as follows:

Application Number	Proposal	Decision
03/01547/CU	Change of use of nursing home to 21 holiday apartments	Approved

4.0 Consultation Responses

4.1 The following responses have been received from statutory consultees:

Consultees	Response
Silverdale Parish Council	Support the proposal. Having second homes at Hazelwood Hall has not proved viable financially, nor has it benefitted the local economy. Holiday homes only increase traffic within Silverdale; residents are more circumspect about using vehicles. The Hall is not far from the centre of the village, albeit further by road than on foot, and is in fact closer to it than Cove Road or The Row.
Housing Policy Officer	If the dwellings are changed to general needs housing, this would effectively be 21 new dwellings and should be determined in that context. Developers will need to demonstrate how proposals contribute towards the creation of sustainable communities, address local housing market imbalances, local needs and affordable housing. The scheme is not considered to be well related to the village of Silverdale and as such offers limited opportunity to contribute to the creation sustainable communities. In view of this and given the nature of the scheme it is considered that removal of condition 3 would only be acceptable if the scheme made a contribution towards local needs. That local need could require 40% of the accommodation to be affordable housing, or for a financial contribution to cover the cost of providing equivalent affordable accommodation elsewhere. This suggestion has been referred to the applicants' agent for his comments - see below.
County Council Highways	They have no highway observations on this proposal to make.

5.0 Neighbour Representations

5.1 The applicant has provided three letters from residents of Silverdale who say that they considered buying apartments at Hazelwood Hall, but were put off by the terms of the occupancy restriction. Another letter comes from a mortgage broker in Warrington. This confirms that obtaining finance for accommodation with an occupancy restriction is difficult, as mainstream lenders will not lend for this purpose; it is necessary to go to specialist lenders who charge higher interest rates.

5.2 Any further representations received will be reported orally at Committee.

6.0 Principal Development Plan Policies

6.1 The Core Strategy seeks to locate 90% of new housing within the main urban areas of Lancaster, Morecambe, Heysham and Carnforth. Policy **SC3** states that an allowance of 10% will be made for housing outside this area, mainly in the larger villages with a full range of services (of which Silverdale is one)

6.2 Of the "saved" policies in the Lancaster District Local Plan, the most relevant are:

- **H8**, which deals with housing in the countryside outside villages; and,
- **E3**, which deals with development in and adjoining designated AONBs.

7.0 Comment and Analysis

- 7.1 When the scheme for the conversion of Hazelwood Hall was first put forward it was clearly understood that the proposal was specifically for holiday accommodation. It is evident that the main factor which has led to the submission of the application is the current recession. The developer has found it difficult to market holiday accommodation in the present difficult financial climate and is therefore seeking to make the accommodation available on an unrestricted basis.
- 7.2 At that time, the provision of new housing in the district was subject to restrictions as regional policy was to concentrate it in North West England's regeneration areas. This was one of the factors which led to the conversion of the accommodation to holiday homes rather than those intended for general occupation, though the remoteness of the site in relation to the village was another relevant factor. Restoration of the Mawson designed gardens was a further significant benefit of the development.
- 7.3 From the ownership certificate submitted with the application it appears that 12 of the 21 apartments have been sold. Most are the property of individuals but one has been purchased by a company (Silverdale Investments Ltd). The remainder are still for sale.
- 7.4 While the financial climate has changed, the location of Hazelwood Hall in relation to Silverdale has not. Although there is a more or less direct footpath through woodland to the centre of the village, it is not suitable for use in bad weather or indeed after dark and the route by road is an indirect one. Officers consider that the site cannot be regarded as being within easy walking distance of the village's shops and community facilities. There is no bus service along Hollins Lane - the nearest one is along Stankelt Road. It is true that there is a railway station in Silverdale, but it too involves a walk of approximately 1 kilometre along the side of a narrow road with no footway.
- 7.5 The applicant's agent counters this by arguing that the site is close to Silverdale and that it adjoins a recognised cycle route. It is perfectly true that the site is not remote in the sense that it would be if it was (for example) in Lowgill or Roeburndale, but it is still clearly outside the recognised extent of the village.
- 7.6 A similar situation arose some 15 years ago with a similar but smaller development at Challan Hall, on the north side of Silverdale. Like Hazelwood Hall, the property is some way outside the village and had been converted into holiday units. The developers, Improvement Investments Ltd, found it difficult to market the units. They attempted to have the holiday use restriction set aside (Ref: 94/00146/FUL) but this was refused, and a subsequent appeal was dismissed. A copy of the decision letter appears as an appendix at the end of this report. While the circumstances are not identical, as the accommodation at Hazelwood Hall is much more generously laid out, they are sufficiently similar to be relevant to the present case. One point of similarity is that both sites are served by access drives which are below the standard normally required for the number of dwellings served.
- 7.7 Reference is made in the planning application to Government Circular 11/95, which relates to the use of planning conditions attached to planning permissions. Paragraph 92 of the Circular reads as follows: *"Since planning controls are concerned with the use of land rather than the identity of the user, the question of who is to occupy premises for which permission is to be granted will normally be irrelevant. Conditions restricting occupancy to a particular occupier or class of occupier should only be used when special planning grounds can be demonstrated, and where the alternative would normally be refusal of permission."*
- 7.8 However later on in the Circular, paragraph 116 makes it clear that holiday occupancy is one of the possible categories to which such restrictions can be applied. It says that *"...Conversions of redundant buildings into holiday accommodation where conversions to residential dwellings would not be permitted would seem more appropriate in these circumstances than a seasonal occupancy condition."* While restrictions on the period of occupation should be used to control accommodation which is unsuitable for year round occupation, a condition of the kind used at Hazelwood Hall is also considered acceptable in appropriate cases.

- 7.9 Members will wish to take account of the views expressed by Silverdale Parish Council in support of the application. Members will also recall previous Committee debate regarding the definition of "local need", and they are currently awaiting the report of the Head of Planning Services in relation to this issue. Despite this, the effect of the proposal would be to add a further 21 homes in the AONB for people moving into the area. It is difficult to reconcile this with the stated objective of the Core Strategy to allow additional housing in the larger villages to meet "local" needs.
- 7.10 The Housing Policy Officer has pointed out that it is at present normal to require that 40% of new residential developments of this size in the rural area should be made up of affordable housing. If the conversion of the Hall from a nursing home to dwellings were to be considered now, it would be expected of the developers that they would make a contribution to the identified housing needs of the local community. In this case the site is some way outside the village and there is a significant service charge to cover the maintenance of the gardens, so a financial contribution to cover the provision of affordable housing elsewhere would be a more realistic alternative than reserving some of them for use as part of the affordable housing stock.
- 7.11 This point has been put to the applicants' agent. He argues that an affordable housing contribution is not appropriate, for the following reasons:
- The 40% target is not set out in the Core Strategy or one of the "saved" policies in the Lancaster District Local Plan;
 - The dwellings concerned are not new ones, as they already exist;
 - They are high quality accommodation which could not readily be made "affordable", because of the service charge associated with the development; and
 - At present, the occupancy restriction means that the accommodation cannot contribute to local needs but if it is removed, they will become part of the local housing stock and help to build a sustainable community.
- 7.12 Finally, he states that the applicants bought the site at a time when economic conditions were much more favourable. The cost of providing the dwelling units and the works to the grounds proved more expensive than anticipated, so there is quite simply no money available to provide affordable housing even if a suitable site for it could be found.
- 7.13 If the applicants have been unable to sell roughly half the units they are unlikely, at present, to have the resources to fund the quantity of affordable housing required by the City Council in line with the 40% requirement identified in the 2007 Housing Needs Survey Update Report. It is probably fair to recognise that the 40% figure is not, in this case, a reasonable objective. However neither have the applicants been prepared to suggest any alternative way in which they could contribute to the need for affordable housing within the District.
- 7.14 In the circumstances it is considered that this provides a second reason for refusal of the present application.

8.0 Conclusions

- 8.1 The conversion scheme at Hazelwood Hall was approved on the basis that was to meet the needs of a particular niche market. The decline in demand is a function of the recession, and of the price asked for the accommodation; it may well be a temporary rather than a long term phenomenon.

Recommendation

That Planning Permission **BE REFUSED** for the following reasons:

1. The site is in a relatively isolated rural location within the Arnside/Silverdale Area of Outstanding Natural Beauty and the use of the properties for year round occupation would be contrary to Policy SC3 of the adopted Core Strategy which seeks to provide housing in villages to meet local needs.
2. No contribution has been offered by the developers towards meeting the affordable housing needs of the District.

Human Rights Act

This recommendation has been reached after consideration of the provisions of The Human Rights Act. Unless otherwise stated in this report, the issues arising do not appear to be of such magnitude to override the responsibility of the City Council to regulate land use for the benefit of the community as a whole, in accordance with national law.

Background Papers

1. Appeal decision in respect of application 94/00146/FUL at Challan Hall, Ford Lane, Silverdale