

Planning Statement



Proposal:-	Renewal of outline consent for partial demolition of hotel building and construction of apartment block to finance upgrading of hotel
Site:-	Curraghmore Hotel, 22 Hope Road, Shanklin, Isle of Wight PO37 6EA
For:-	Mr & Mrs B Lazenby
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1.0 INTRODUCTION

- 1.1 Planning permission was granted on 20 December 2018 (LPA ref P/01285/17) for an application comprising:

“Demolition of extensions; refurbishment of the existing premises to provide an 8 bedroom boutique hotel; outline for a 2/3 storey block of 8 apartments with parking.”

- 1.2 Condition No 4 of the outline consent reads as follows:

“Construction of the apartment block/dwellings hereby permitted and refurbishment of the hotel shall not begin until a scheme of refurbishment works to the existing hotel, to include specifications and a timetable for the works comprised in the submitted scheme, has been submitted to and approved in writing by the Local Planning Authority. The approved refurbishment works shall be carried and completed in accordance with the agreed scheme and timetable.”

- 1.3 The stated reason for the above condition reads as follows:

“To ensure the existing hotel accommodation offer would be enhanced in according with the aims of policy SP4 (Tourism) of the Island Plan Core Strategy.”

- 1.4 The outline consent was also subject to a S106 planning obligation covering three specific covenants:

- 1 Habitat Mitigation Contribution;
- 2 Affordable Housing Contribution;
- 3 Hotel Refurbishment;

- 1.5 The Approval of Reserved Matters application (appearance of apartment building and landscaping of the site) was granted on 10 October 2019 (LPA ref 19/00814/ARM).

- 1.6 The Condition Compliance application relating to condition 4 (hotel refurbishment works) (detailed above) was approved on 6 August 2020 (LPA ref 20/00906/DIS).

- 1.7 The outline consent expires on 10 October 2021. The consent has not been implemented for reasons that are explained in detail in Chapter 9 of this statement.

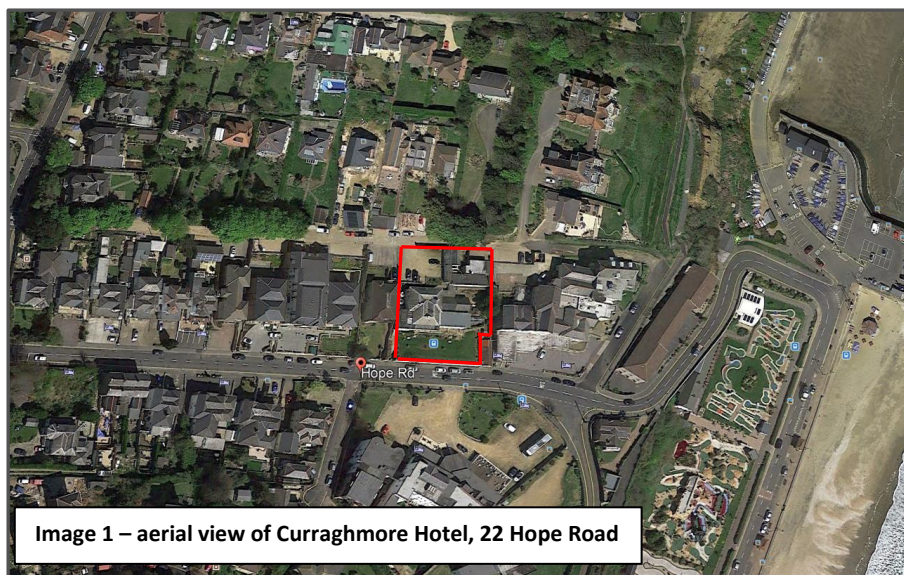
1.8 Accordingly, this application seeks to establish a new outline consent. The proposed development remains as per the previously approved plans listed below:

006-17.2	Rev 1.25	Proposed Site Plan
006-17.3	Rev 1.25	Block and Location Plans
006-17.4	Rev 1.25	Proposed Floor Plans (retained hotel)
006-17.5	Rev 1.25	Flats: ground floor plans
006-17.6	Rev 1.25	Flats: first floor plans
006-17.7	Rev 1.25	Flats: second floor & roof plan
06-17.8	Rev 1.25	Street scene
06-17.9	Rev 1.25	Elevations – south & east
06.17.10	Rev 1.25	Elevations – north & west

2.0 SITE AND LOCATION

2.1 The application relates to the Curraghmore Hotel located on the northern side of Hope Road with rear access onto Beatrice Avenue. The hotel car park is accessed off this road.

2.2 An aerial view of the site is included below:



2.3 The original two storey Victorian building has a two storey flat roofed extension on the eastern side which is, in turn, connected to a single storey building to the north comprising the function room. From here there is a further link to an additional flat roofed block at the rear of the site containing additional bedrooms at a higher ground level. The overall layout of the hotel is haphazard and highly

inconvenient with the various blocks being interlinked by a maze of corridors which have to deal with the various changes in levels via flights of stairs. There is no lift in the building. The rooms in the rear part of the building can only be assessed by passing through the dining room, function room and bar.

- 2.4 In all, the hotel currently comprises of 18 en-suite bedrooms, a reception area, dining room, function room and kitchen. Additional rooms (not considered suitable for letting) are used for storage purposes or as owners' private accommodation.
- 2.5 The hotel is elevated above road level with its main entrance in Hope Road having to be accessed via a flight of steps. The hotel is entirely non-accessible in its present layout.

3.0 OUTLINE OF THE PROPOSED DEVELOPMENT

- 3.1 The application is submitted in outline with layout, scale and access to be considered and appearance and landscaping to be reserved for future determination. The scheme is identical to the application approved in 2018.
- 3.2 The scheme comprises partial demolition and consolidation of the existing hotel building reducing the number of lettable bedrooms from 18 to 8. These 8 bedrooms are to be enlarged, refurbished and improved.
- 3.3 The consolidation and improvements to the hotel accommodation will be funded through the demolition of the existing substandard later additions to the hotel building and replacement with a part two and part three storey building to comprise of 8 x two bedroom residential apartments.
- 3.4 Parking will be retained for the hotel and owners' accommodation and additional parking will be provided for the proposed residential units. All parking will be accessed from Beatrice Avenue at the rear of the site as currently exists.

4.0 CONDITION OF THE EXISTING BUILDING

- 4.1 The hotel has a two star rating. Customer reviews posted on www.tripadvisor.com were extremely complimentary about the service and the welcome provided but there were some negative reviews about the standard of the accommodation.
- 4.2 In 2017 the owners conceded the hotel was no longer fit to meet the demands of the modern tourism market and it is fair to say that the overall standard of

amenity throughout the building is poor. Over the years, the incremental provision of improvements, such as en-suite facilities and corridors etc., have reduced the room sizes leaving many limited in size, oddly proportioned and poorly laid out. Internally, service pipes etc. are unattractively surface mounted and exposed; ceilings are damaged. Some rooms (mainly those located in the unsympathetic flat roofed addition at the rear) are virtually unusable due to the poor standard of construction with little insulation and dampness caused by water ingress. At least seven rooms have a very poor outlook. The function room has a leaking corrugated roof; which is partly covered with asbestos sheets and partly glass reinforced plastic (GRP).

4.3 During the 17 years of their ownership, the current owners have replaced the roof to the eastern two storey portion of the building. They have carpeted all of the rooms and all the halls, stairs and landings. Furniture and beds have been replaced. Some of the old wooden windows have been replaced with UPVC double glazed units but timber framed windows still exist therefore compromising the environmental performance of the building.

4.4 Notwithstanding the above, the hotel requires the following urgent works:-

- New roof
- Re-wiring throughout
- Complete redecoration throughout
- New bathroom suites
- New soft furnishings
- New front of house/reception
- Refurbishment of dining room

4.5 The estimated cost for the above was calculated in 2017 to be in the region of £250,000. However, the cost of materials has soared in the past year with data released by the Department for Business, Energy and Industrial Strategy (BEIS) recording that the cost of construction materials has risen to 5.2 per cent above 2020 levels. A conservative estimate is that the works are now likely to cost in the region of an additional £13,000 to £15,000, at a time when turnover during 2020 and 2021 has been almost non-existent owing to the pandemic. It is important to note that even if the above works were carried out the fundamental problems associated with the poor design and layout of the hotel would not be solved and the establishment would still be left with narrow corridors, inconvenient changes in levels etc. Furthermore, it would be necessary to reduce the number of lettable rooms to accommodate en-suite facilities to modern day standards. In short, the outlay would not result in a fit for purpose hotel which meets current visitor expectations.

5.0 EXISTING OPERATIONS

- 5.1 The current owners purchased the hotel 17 years ago. From 2014 onwards, the profitability of the business relied heavily on school party trips (UK and foreign, the latter being mainly from France where the trips are linked in with a drama course held at the local theatre). The school party business allowed the hotel to trade for 10 months of the year. However, only 10 weeks of the trading year (coinciding with the peak holiday season) saw the hotel operating in a conventional hotel capacity for adult guests. This is because the school party business takes over the whole hotel from October through to March and from the end of April to early July. During these periods it becomes necessary for the majority of the bedrooms to be set up specifically for children (with bunk beds etc.) and for the provision of full board catering, including packed lunches.
- 5.2 Outside of the school party business the hotel reverts back to general tourism use. This requires the bunk beds etc. to be dismantled and stored away until they are next required. However, the owners have no alternative other than to store the beds in two of the bedrooms meaning that there are only 16 lettable rooms for general members of the public.
- 5.3 The Covid-19 pandemic resulted in the suspension of all school party trips and severe disruption to the non-school party bookings.

6.0 THE VISION FOR CURRAGHMORE HOTEL

- 6.1 Despite the setbacks of Covid-19, the owners still wish to transform their hotel into a higher quality offer. They are fully aware of the level of investment this will require as well as the additional training they will need to undertake to provide the enhanced level of service which would be required for such an establishment.
- 6.2 The above business model has been determined to address the decline in school trip numbers and the lack of demand for half board/bar facilities associated with the general tourism business.
- 6.3 The works required to deliver the owners' aspiration will require a considerable level of investment. The proposal is for eight spacious and well-appointed bedrooms, each with its own character. The accommodation is to be consolidated into the original two storey Victorian portion of the building. To create the necessary spaciousness and sympathetic room layout, the internal accommodation will be reconfigured absorbing surplus corridors etc. The existing kitchen and dining room will be retained (with the latter being upgraded). The owners' private quarters will be retained. A total of 9 parking

spaces will be retained at the rear for the hotel guests and the owners in accordance with the requirements of the IWC's Guidelines for Parking Provision SPD (Tourist Accommodation). The unsympathetic extensions to the building will be swept away in order to create a plot suitable for a block of flatted development (residential) alongside.

- 6.4 The proposal for the residential element of the scheme will comprise an articulated three storey building aligned with the existing front elevation of the hotel providing a total of 8 x two bedroom apartments with external amenity space at the front and rear. 8 Parking spaces will be provided at the rear in accordance with the requirements of the IWC's Guidelines for Parking Provision SPD.
- 6.5 The profits from the redevelopment of the site with the proposed residential development will pump prime the refurbishment and upgrading of the hotel.

7.0 PLANNING POLICY CONTEXT

- 7.1 It is important to emphasise that in approving the outline consent in 2018 the LPA confirmed the proposed development complied with both the National Planning Policy Framework and the Island Plan Core Strategy.
- 7.2 In terms of the NPPF and the development plan policies, the planning officer's report confirmed the following:

“Given the location and nature of the existing site, it is considered that the proposal can be supported, in principle, in line with the strategic spatial and housing delivery aims of policies SP1 and SP2 of the CS.”

“Provided a programme of refurbishment works for the remaining hotel to achieve minimum 4 standard accommodation is secured by a planning condition and planning obligation, it is considered that the proposal would result in enhance visitor accommodation at this site in line with the aims of policy SP4.”*

“Subject to conditions to agree the appearance of the residential building, landscaping of the development and the external materials to be used, it is considered that the proposal would maintain and enhance the character and appearance of the surrounding area in accordance with the aims of policy DM2 of the CS and the NPPF.”

“...it is considered that the privacy and amenities of neighbouring residents and the neighbouring hotel would be maintained in accordance with the aims of policy DM2 of the CS and the NPPF.”

“...it is considered that the proposal would not have a negative impact on the safe use and capacity of the highway network and would comply with the Council’s parking guidelines in accordance with the aims of policy SP7, DM2 and DM17 of the CS and the NPPF.”

“The applicants have agreed to the financial contributions required the Council’s Solent SPA and Affordable Housing Contributions SPD. Therefore, it is considered that any potential adverse impacts on the Solent SPA site would be mitigated for and that the requirements of policy DM4 in terms of contributions towards off-site affordable housing provision would have been met.”

7.3 Having regard to the above, at this current point in time the proposed development must still be said to comply with both the NPPF and the Island Plan Core Strategy as the latter document remains the current development plan. However, to bring the policy situation completely up to date, the Isle of Wight Council cannot demonstrate a five year supply of housing land and has a persistently low Housing Delivery Test measurement at only 54%. Its most relevant strategic policies relating to the provision of housing across the Island (ie SP1 and SP2) are out of date. In such circumstances the requirements of paragraph 11d)ii of the NPPF apply with a presumption in favour of sustainable development.

7.4 Along with refurbishing the hotel to provide a minimum of 4* accommodation, the development will deliver 8 additional residential units. The Council’s most recent Housing Needs Assessment (HNA) from 2018 confirms at Table 71 (see below) that the greatest need and demand for the sub-market area (in this case The Bay) is for 2 and 3 bed roomed units. This scheme will deliver 8 additional housing units with two bedrooms.

Table 71: Estimated size mix of dwellings required by sub-area – market housing

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Bay	4%	36%	46%	14%
Medina Valley	6%	40%	40%	14%
<i>Medina Valley – East</i>	8%	40%	37%	15%
<i>Medina Valley – West</i>	5%	40%	42%	14%
Ryde	5%	37%	40%	18%
West Wight	7%	33%	44%	16%
Total	5%	37%	43%	15%

Source: Housing Market Model

8.0 ASSESSMENT OF THE PROPOSED DEVELOPMENT

- 8.1 In granting outline planning permission in 2018, the planning officer's report confirmed, having regard to the relevant planning policies (see previous chapter of this statement), that the proposed development could be supported in principle.
- 8.2 In terms of its impact on tourism, the LPA acknowledged the evidence put forward by the applicants in terms of their marketing strategy (which had resulted in no interest despite price reductions) along with the letters of support for the proposal from Visit IW and the IW Chamber of Commerce. Furthermore, the Council's Economic Development Project Officer also supported the proposal in terms of it generating investment which would be ploughed back into the business with the end result boutique B&B being very much in keeping with aspirations of the Council's broader tourism strategy.
- 8.3 The planning officer visited the hotel and confirmed that the arrangement of the accommodation, its condition and appearance as well as the challenges resulting from the topography of the site in terms of access, did not promote a high quality visitor experience. The LPA confirmed that the application had demonstrated the proposal would allow the hotel to rationalise and reposition, to significantly upgrade the accommodation on offer and enable the applicants to promote and market the business to a different clientele in line with the Council's aspirations for the tourism industry. Therefore, whilst the proposal would result in a loss of bedspaces, this would be offset by the improvements and enhancement of the tourism experience and improved viability that would be facilitated by the proposal overall.
- 8.4 The LPA noted that the proposed development would see the later additions to the site and rear of the hotel being removed while the main Victorian part of the building would be retained and refurbished to a high quality tourism accommodation offer. The LPA recognised the aspiration of the applicants to achieve higher quality accommodation.
- 8.5 The removed elements of the hotel would be replaced by a new 3 storey building to the side of the hotel comprising a block of 8 residential apartments. The LPA confirmed the scale and size of the new building would be in keeping with and compliment the size and scale of other buildings in Hope Road. It was also confirmed that the separation distances between the development and the adjacent properties as well as its set back position from both Hope Road and Beatrice Avenue would ensure that the spacious feel of the street scene would be maintained.

- 8.6 Whilst appearance of the new building was a reserved matter, the LPA confirmed that the submitted plans indicated a simple form and appearance with the use of slate, cladding and render complimenting the materials used on buildings within the locality. The balconies, fenestration arrangement, central gable, splayed walls at ground and first floor level and mix of exterior materials would break up the width of the building giving it vertical emphasis and a balanced and modern appearance. Furthermore, it was acknowledged that given the later additions to the hotel that the proposed new building would replace, and the variety of architectural styles locally, the new building would integrate well into the existing streetscene and the character and appearance of the surrounding area.
- 8.7 In terms of the impact of the proposed development on the neighbouring properties, the LPA noted the existing boundaries would be largely maintained. The Victorian part of the existing hotel building would be retained and the alterations proposed to this part of the building and the indicative layout and landscaping would not result in any significant changes to the relations with Magnolia Court or have any serious impacts on the privacy and amenities of the residents of this building.
- 8.8 In terms of the impact on the side of the neighbouring Channel View Hotel, the LPA noted the proposed new residential block of apartments would be 4.5m from the site of said hotel. However, consideration was given to the existing level of intervisibility and the measures incorporated into the design to ensure that the privacy and amenities of the neighbouring hotel would be maintained.
- 8.9 The application included revised plans to make provision for internal and external lifts which addressed the LPA's concerns about access for the less abled. The level of car parking provision for both the hotel and the new apartment block was confirmed to be compliant with the Council's parking guidelines SPD and space for cycle parking provision was indicated on the submitted plans.
- 8.10 In terms of the proposed use of Beatrice Avenue off to serve access to the development, the LPA was of the opinion that whilst the road was in a relatively poor condition and had a public footpath passing along it, it was nevertheless a road used by a considerable number of existing properties and tourism accommodation sites including the existing 18 bedroom Curraghmore Hotel. The increased use of the road as a result of the proposed development was not therefore considered to be significant and would not have a serious negative impact upon the safe use and condition of the road or public footpath or the highway network in general.
- 8.11 Overall, the LPA concluded the following:

“For the above reasons, it is concluded that the proposal, subject to the recommended conditions and legal agreement (to secure improvements of the retained hotel), would comply with the provisions of the development plan and the aims of the NPPF.”

- 8.12 In seeking to establish a new outline consent, given that the scheme is identical to that approved in 2018 and the same development plan remains in place, we would contend the acceptability of the principle for the proposed development is already established and this is the threshold from which this latest application should be assessed.

9.0 CURRENT SITUATION

- 9.1 As indicated in paragraph 1.7 of this statement, the development has not been implemented and the consent will expire in the autumn.

- 9.2 Since gaining approval, the applicants have been attempting to sell off the development site in order to raise funds to refurbish the hotel. However, because of the requirements of the S106 they have been unable to secure a purchaser.

- 9.3 Condition No 4 of the extant consent reads:

“Construction of the apartment block/dwellings hereby permitted and refurbishment of the hotel shall not begin until a scheme of refurbishment works to the existing hotel, to include specifications and a timetable for the works comprised in the submitted scheme, has been submitted to and approved in writing by the Local Planning Authority. The approved refurbishment works shall be carried and completed in accordance with the agreed scheme and timetable.”

- 9.4 The stated reason for the above condition reads as follows:

“To ensure the existing hotel accommodation offer would be enhanced in according with the aims of policy SP4 (Tourism) of the Island Plan Core Strategy.”

- 9.5 In respect of the hotel refurbishment, the wording of the S106 states the following:

3. Hotel Refurbishment

- 3.1 *Prior to the Commencement of the Development Date to submit to the Council and obtain the written approval of the Council to a Scheme of Refurbishment Works to include details of the proposed works, specifications and a timetable for implementation and completion of the Refurbishment Works*
- 3.2 *To carry out and complete the Refurbishment Works strictly in accordance with the approved Scheme of Refurbishment Works and timetable for those works*
- 3.3 *Not to cause or permit the occupation of the sixth Dwelling before the Refurbishment Works have been completed to the satisfaction of the Council.*

- 9.6 In approving the outline consent back in 2018 the LPA took on board the fact that the residential element of the scheme would pump prime the refurbishment of the hotel and condition No 4 provides the necessary control to ensure this will occur. However, the way the S106 is worded imposes a greater level of control and is stymying the overall outcome of the proposed development, which is and always has been to secure funding to turn around a tired, dated and unattractive hotel by bringing it up to a higher standard which meets the overall aspirations of the IW Council's tourism strategy and improves the holiday accommodation offer in this popular tourism town.
- 9.7 As currently worded, clauses 3.1 to 3.3 of the S106 mean that the residential development cannot be fully completed until the refurbishment works to the hotel are completed. The applicants are not property developers and the intention is to sell off the development site. The funds realised for this will then allow the applicants to carry out the required works to the hotel. No developer is prepared to take on the new build project when it is tied into the timing of the works to the hotel which is not within their control. This is causing a major stumbling block to finding a purchaser for the development site. To date, any interest in the development project element of the consent has rapidly expired due to the restrictive covenants of the S106 which cannot accommodate the situation where the hotel and the adjacent development site become separate titles under different ownership.
- 9.8 As it stands, the applicants find themselves in a catch 22 situation. They have no funds available to carry out the necessary demolitions and refurbish the hotel to the required standard without the sale of the adjoining development site. However, they are unable to sell the development site because of the situation

detailed above. The overall result of this stalemate is that the hotel remains in its current unattractive, unappealing and unlettable state which is frankly damaging to the overall tourist offer of this part of Shanklin.

- 9.9 The applicants fully appreciate and accept the need for some form of planning control to ensure that the works to the hotel are delivered. However, we believe this can be achieved through the imposition of a suitably worded condition which does not require the back up of a S106.
- 9.10 The NPPF paragraph 54 makes it quite clear that planning obligations should only be used where it is not possible to address unacceptable impacts through a planning condition. Moreover, paragraph 56 states that planning obligations must only be sought where they meet all of the following tests:
- (a) Necessary to make the development acceptable in planning terms
 - (b) Directly related to the development; and
 - (c) Fairly and reasonably related in scale and kind to the development.
- 9.11 Condition No 4 as currently worded is a pre-commencement condition and gives the flexibility for the applicants to put forward their scheme of hotel refurbishment. For example, the completion dates of the refurbishment works could be tied into a specified period (ideally 12 months) from the date of the sale of the development site. This would remove any obligation on the part of the purchaser in terms of commitment to works on the hotel but would provide certainty for the LPA in terms of the works being undertaken and completed and, if necessary, taking further action to ensure the condition is complied with.
- 9.12 We also believe that the wording of clause 3.3 lacks precision. “*To the satisfaction of the Council*” is not wording which is generally regarded as acceptable for use in planning conditions and planning obligations.
- 9.12 In the light of the above, we would question the necessity of a planning obligation which is to all intents and purposes simply doubling up on a planning condition. It should certainly not, in our opinion, be more extensive in its requirements than that of the planning condition, as in the current case.

10.0 CONCLUSION

- 10.1 The extant consent has not been implemented and will shortly expire. The owners of the hotel are committed to delivering a higher quality B&B establishment in keeping with aspirations of the Council’s broader tourism strategy. To achieve these aims, a significant level of investment is required

and this can only be realised through residential development alongside the existing hotel which the applicants need to sell on to a developer.

- 10.2 The applicants have been unable to find a buyer for the development land due to the constraints imposed by the S106 in terms of the hotel refurbishment. Without the sale of the land, the hotel cannot be refurbished and as a consequence remains in its tired, unappealing and unlettable state which is damaging to the overall tourist offer of this part of Shanklin.
- 10.3 The applicants are seeking to establish a new outline consent for a further period. The proposed development remains the same as was approved in 2018 under the current development plan. Consequently, as the principle of the proposed development has already been established and there have been no significant changes to planning policies in the ensuing years to now render this development unacceptable, we would hope that the application can be approved without delay.
- 10.4 The S106 as currently worded in respect of the hotel refurbishment has created an insurmountable obstacle to the sale of the development land thus preventing the overall development scheme to move forward. Accordingly, we would ask that the outline consent be renewed but with an amended version of the S106 to cover mitigation and affordable housing contributions only.