

**'High Towers', 14 Portsdown Hill Road,
Bedhampton.**

PLANNING STATEMENT

October 2014

Ref. HAPL / 978

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1. Introduction

- 1.1 This statement has been drafted to accompany an application for a change of use from the B&B, known as High Towers, 14 Portsdown Hill Road, Bedhampton, to a single residential dwelling. This application is submitted on behalf of the owner Mrs Una May Boulton and follows a pre-application enquiry to Havant Borough Council.
- 1.2 The need for the application follows attempts by the owner to sell the property, without success, over a period of nearly a year and a half. Feedback received from potential purchasers has highlighted the difficulties they face and their reasons for not proceeding and making an offer.
- 1.3 The application is accompanied by details of efforts made to sell the property and marketing appraisals from both Henry Adams and Fleurets who have been joint agents for the sale. Each of these reports was originally produced for the pre-application enquiry in August 2014 and is accompanied by a summary of what has happened since August. It is also accompanied by a Viability Report to provide background information in respect to the finances of the business.
- 1.4 It is hoped that this statement and additional information accompanying the application demonstrate that despite best efforts there is no demand in the market for guest accommodation of this nature and that the property is more suited to the residential use, for which it was originally intended.

2. Proposal

- 2.1 This application is for a change of use of High Towers, 14 Portsdown Hill Road, Bedhampton, to a single residential dwelling. The alterations required to do so are minor and limited to internal alterations including the reinstatement of two internal doors and the removal of stud walls and the blocking up of three external doors.
- 2.2 No other external alterations are proposed.

3. Planning Policy

- 3.1 The application site is situated in the countryside outside the development boundary and is located within an undeveloped gap between settlements.
- 3.2 The development plan for Havant is the Havant Borough Core Strategy. This is the principal document in the Council's Local Plan. It was adopted on 1 March 2011 and sets out the spatial planning strategy for the area up to 2026. The National Planning Policy Framework (NPPF) details a presumption in favour of sustainable development and confirms the development plan as the starting point for decision making. As such, developments that accord with an up-to-date Local Plan should be approved (para. 12).
- 3.3 The most relevant policies contained in the Core Strategy are as follows:
 - CS5 Tourism – This policy seeks to safeguard existing tourist facilities, hotels, holiday centres and caravan parks.

- CS11 Protecting and Enhancing the Special Environment and Heritage - This policy seeks to protect key landscape features and historic assets from inappropriate development. Of particular significance to the assessment of this application this policy seeks to maintain undeveloped gaps between the settlements of Havant/Waterlooville and Havant/Portsmouth
- DM3 Protection of Existing Employment and Tourism Sites – This policy resists change of use or development of land or premises currently or last used for tourism purposes to non-tourism uses unless it has been demonstrated that the land or premises are not fit for purpose and financially unviable for any tourism use. In support of such application this policy requires the applicant to demonstrate an active and exhaustive marketing process covering at least 12 months for sites such as this. As a minimum the marketing process requires (i) confirmation from the agent that the premises were appropriately and extensively marketed for the required length of time, (ii) dated photographs of marketing boards of an appropriate quantity, size, scale, location and number, during this time, on the premises, (iii) an enquiry log, how it was followed up and why it was unsuccessful, (iv) a copy of all advertisements in the local press and trade journals (should be at least four weeks' worth spread across a six month period), and (v) evidence of marketing via the internet.

4.0 Relevant Planning History

- 4.1 2002 planning permission was granted for use of 4 bedrooms as B&B accommodation with minor alterations (92/54574/004)
- 4.2 2007 planning permission was granted for extensions to facilitating increasing the number of B&B rooms from 4 to 8 (07/54574/007)

5.0 Development Assessment

- 5.1 **Background** - The owner, Mrs Boulton, has built up the B&B business over a number of years having purchased the property shortly after it was built in 1986. The B&B business was expanded following the grant of planning permission in 2007 in order to increase earnings ahead of her retirement. Mrs Boulton is a number of years past retirement age and suffers chronic osteoarthritis. Although she has the fulltime assistance of her husband he has recently endured open heart surgery. However, in order to retire they need to sell High Towers and release the capital tied up in the property. Unfortunately, under the recent economic climate, this has proven impossible despite best efforts over an extended period of 1.5 years.
- 5.2 **Principle of change of use** - The proposed change of use involving no external alterations to the building, apart from doors being blocked up, would not fall foul of Core Strategy policy CS11 as there would be no change to its impact on the undeveloped gap between settlements.
- 5.3 The principle of change of use from B&B accommodation to a single dwellinghouse is difficult to establish under current policies in the Core Strategy without a number of tests being met as tourist facilities, including hotels, are protected under policy CS5. Additionally, policy DM3 resists change of use of premises currently or last used for tourism purposes unless they are unfit for purpose and financially unviable for any tourism use. To that end it transpires that the applicant has met these tests through their extensive efforts to sell their property.

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- 5.4 High Towers was originally built as a private house but has been converted into a B&B. As such it has the character and external appearance of a house and would not readily lend itself to any alternative tourism uses.
- 5.5 Policy CS5 seeks to "safeguard existing tourist facilities, hotels, holiday centres and caravan parks". Although this policy seeks to retain tourist facilities, including hotels, it is not considered that High Towers is a tourist facility given that the majority of the guests are from the corporate and contractors' markets seeking accommodation during the week while working away from home.
- 5.6 Paragraph 3.59 of the Core Strategy confirms that the Havant Hotel Futures report identifies a strong demand for budget hotel accommodation in the Havant area. High Towers struggles to compete with this type of accommodation. Significant approvals for large and expanding budget hotels, such as Premier Inn and Travel Lodge, means these chains are better placed to meet the demand for budget accommodation. In June 2013 planning permission was granted for a two-storey extension to the Premier Inn located just down the road from High Towers to create a hotel with 58 bedrooms (ref APP/13/00311). These national chains are competing directly with small local businesses and have the economies of scale to easily undercut them. Although the Havant Hotel Futures report focuses mainly on the hotel trade, rather than B&Bs/guesthouses, it recognises that there is high demand for budget accommodation with reduced demand for 3/4 star mid week and less demand at weekends.
- 5.7 **Marketing** – High Towers was placed on the market in May 2013 with Henry Adams LLP. Henry Adams' Emsworth office has largely been involved in this marketing but details have also been made available across Henry Adams' regional office network of 13 offices. The marketing of the property has been ongoing since Henry Adams took instruction with extensive use of internet, mailshots, SMS text alerts and press advertising.
- 5.8 In addition, due to the lack of initial interest for B&B accommodation through Henry Adams, the assistance of commercial property agents Fleurets of Brighton was also sought in Autumn 2013. Fleurets were chosen to assist as they are national agents with offices in London and Brighton who specialise in hotel, guesthouse and B&B sales and advertise nationally. As with Henry Adams, Fleurets have been marketing the property continuously and continue to do so.
- 5.9 In accordance with the requirements of Core Strategy policy DM3 the marketing has been ongoing for more than 12 months. In accordance with Criterion (i) of DM3 this application is accompanied by reports from both of the agents to demonstrate that the property has been appropriately and extensively marketed for the more than the required length of time.
- 5.10 Policy DM3 (ii) requires details of marketing boards to be displayed at the premises. However, a marketing board was not placed outside the property as it was firmly considered that the regional and national advertising being done by the joint agents would be more successful and a marketing board outside could have an adverse impact on the ongoing business as it may not be clear to passing trade that it continues to operate. High Towers has two principal sources of guests (1) passing trade and (2) regular business customers from around the UK. Regular customers often stay for several weeks or even months since they work in the area during the week. The applicant firmly believes that a sale board at the premises would indicate that the business was about to close and this would be highly

detrimental to both sectors of trade, particularly regular customers who would immediately seek alternative long term accommodation. This type of trade takes years to build and the applicant did not want to risk losing it by displaying a marketing board.

- 5.11 At the pre-application advice stage the Council considered the absence of a marketing board at the premises to be "understandable".
- 5.12 Policy DM3 (iii) requires an enquiry log to be kept and details of how enquiries were followed up and why unsuccessful, to be provided. This application is accompanied by detailed marketing reports from both agents. These reports detail the enquiries received, the follow up made and the outcome for every enquiry and interest in the property.
- 5.13 The marketing of this property for sale has been extensive and included full marketing on Rightmove.co.uk, Fleurets.com and Businessesforsale.com. Marketing commenced with an asking price of £750,000 with a price reduction last October to £699,950 in response to the limited interest received.
- 5.14 At the time the applicant was looking for an agent to sell the property the value of the property was considered and asking prices proposed by each agent.
- Henry Adams Emsworth – Originally suggested marketing at £750,000 in April 2013 and recommended reducing it to £699,950 in October 2013.
 - Fleurets – suggested marketing at £699,500
 - Commercial agents UK Pub and Restaurant Sales estimated £700,000 in February 2010 and quoted again in July 2013 a price of £675,000 to £700,000.
 - Pearsons Estate Agents Havant valued the property at between £700,000 and £750,000
- 5.15 Henry Adams has had 32 viewings since May 2013 and the feedback has been varied from those who plainly disliked the property to 7 offers being made from people wanting to buy it as a residential home. A summary of the feedback received following each viewing is contained in Henry Adams' marketing report accompanying this application. Of the offers received no party was able to proceed as they were unable to secure a mortgage on these business premises.
- 5.16 Details of the marketing undertaken by Fleurets are also provided with this application. Fleurets operate from London as well as Brighton and both offices, particularly the London office have been involved in the marketing. Their advertising on Fleurets.com and businessesforsale.com resulted in email notifications to 5,165 registered parties, 207 separate parties downloading the particulars directly from their website at the time of the initial marketing report in July 2014. With the additional marketing ongoing since the pre-application advice request in August there has now been a total of 9,453 e-marketing notifications and 338 direct website linked enquiries. Three parties undertook viewings. Feedback from the viewings is summarised in the accompanying report from Fleurets but in short no offers were received.
- 5.17 Policy DM3 (iv) requires details of any advertising which has been undertaken in local press and/or trade journals including at least four weeks' worth spread across a six month period. During the course of the last year and a half the property has been advertised for sale by

Henry Adams in the Chichester Observer on four separate occasions. Details of these dates are provided in Henry Adams' marketing report.

- 5.18 Policy DM3 (v) requires evidence of marketing via the internet. This is also provided in the marketing report by Henry Adams and Fleurets. Given that the internet has represented the most significant element of the marketing to date it is considered that the requirements of this criterion can be met.
- 5.19 **Local Accommodation Market** – In the pre-application response Havant Borough Council recommended that this application be submitted with an assessment of the local accommodation market. It is not entirely clear what exact detail is being sought and as such enquiries were made with Debbie Vodden - Senior Economic Development Officer at Havant Borough Council. Ms Vodden confirmed that the Council has not undertaken any occupancy surveys for some years as current resources are being directed towards promoting tourist facilities in the Borough.
- 5.20 However, Ms Vodden did recognise the strong competition which High Towers faces locally from large budget hotel chains and the efforts being made by the applicant to compete. In addition, she felt that it would be more challenging for any new operator to develop their business to compete.
- 5.21 Although there is no up-to-date occupancy survey in Havant an assessment was made in 2008 of tourist accommodation in the Borough. "Havant Hotel Futures", prepared by Havant Borough Council, Hampshire County Council and Tourism South East, dated July 2008, offers some understanding of the difficulties being faced by accommodation such as High Towers. In terms of demand this report concludes that "the 3/4 star hotel market in the Havant area is relatively weak in terms of occupancy, and particularly achieved room rate performance, certainly compared to Portsmouth. Weekend demand is especially weak. Midweek corporate demand is stronger but the area's 3/4 star hotels are not achieving particularly high midweek occupancies or denying much business during the week. Achieved room rate performance varies significantly between hotels. There is however strong demand for budget hotel accommodation in the Havant area, with budget hotels here achieving very high occupancy levels Monday to Saturday and denying significant levels of business during the week and on Saturday nights".
- 5.22 **Amenity** – It was recognised at the pre-application stage that "in terms of other general development control criteria such as traffic movements, activity and impact on neighbours that a change of use to a single residential premises is likely to have less impact on neighbours than the existing use".
- 5.23 **Housing demand** – The Havant Borough Council annual Monitoring Report 2013 notes that "since 2006 1,671 net new dwellings have been completed. This is 534 dwellings below the cumulative annualised target (annualised target formulated from the overall target divided by the number of years in the plan". This proposed change of use of High Towers back to residential accommodation would provide a suitable additional property at a time when windfall houses are needed in the Borough and there is demonstrably no demand for a small guesthouse/B&B in this location.

6.0 Conclusions

- 6.1 This application for change of use to a single dwellinghouse follows considerable efforts on to sell the property as a going concern, without success. The applicant is past retirement age and in poor health and needs to sell the property in order to release funds to support her retirement.
- 6.2 In an attempt to sell the property the applicant has placed the marketing in the hands of two agents, Henry Adams Emsworth and Fleurets, the latter being specialists in selling hotels and guest houses based. Marketing commenced in May 2013 and has been ongoing continuously since. As such, advertising of the property has been extensive with both agents employing the internet, mailshots, SMS text notifications and press adverts to promote the property. Property portals such as Rightmove, Primelocation, Zoopla, Findaproperty and Globrix.com have all been used to market High Towers. These efforts have resulted in more than 30 viewing and 7 offers, although none of the offers have been able to proceed.
- 6.3 The relevant Core Strategy policy DM3 requires very specific efforts to be made to demonstrate an active and exhaustive marketing process covering at least 12 months for sites such as this. The supporting information demonstrates that these requirements have been met and exceeded.
- 6.4 There is a recognised shortage in demand for 3/4 Star hotels in Havant with demand being relatively weak, especially at weekends. The demand is stronger for budget hotels which achieve high occupancy levels Monday to Saturday thereby making it difficult for small guest accommodation such as High Towers to compete.
- 6.5 This application is also accompanied by a 'private and confidential' Viability Report which details the finance behind the existing business and the investment needed in the near future. It is also accompanied by a report from Davies Keig, an Independent Financial Advisor. Both of these documents provide evidence to support the case for change of use to residential.
- 6.6 The change of use of these premises back to a single dwellinghouse would not adversely impact on neighbour amenity or the Strategic Gap between settlements as the building will not be extended and all alterations are limited to the interior. The level of activity on site will reduce on site and thereby reduce impact on neighbours and highways.
- 6.7 This application has demonstrated how the requirements of Core Strategy policy DM3 has been met and exceeded and it is respectfully requested that planning permission is granted.