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PREMIER INN

HAVANT

PLANNING APPLICATION BY

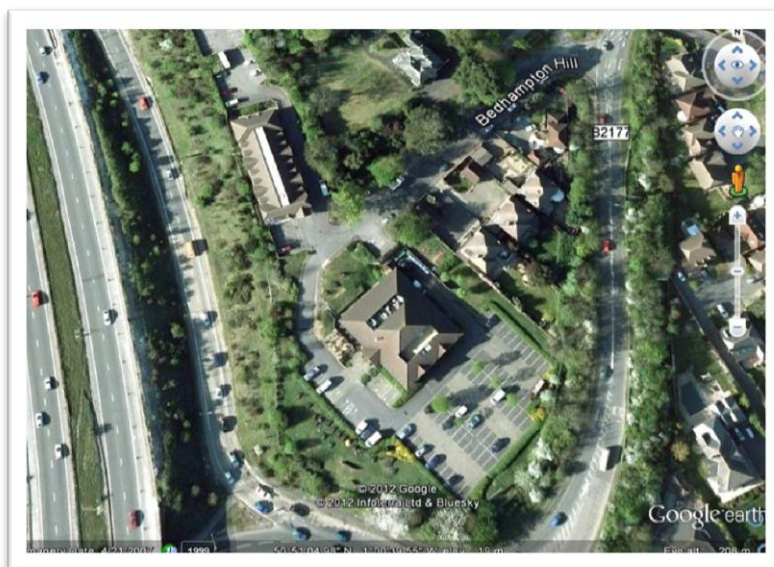
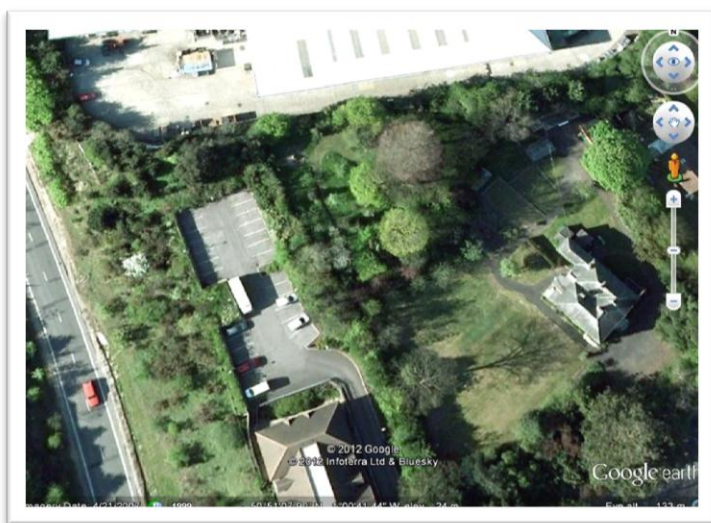
PREMIER INN LIMITED

PLANNING STATEMENT

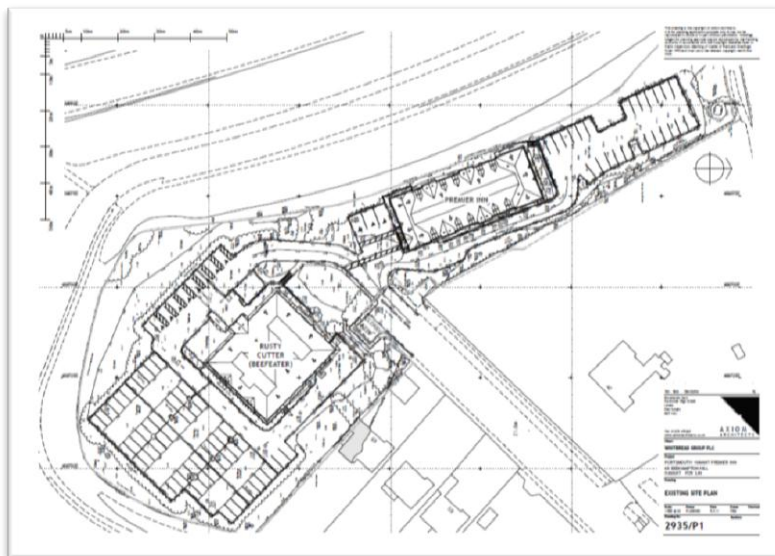
MARCH 2013

1.0 Site and Surroundings

- 1.1 The Havant premier Inn is located close to the junction of the A3 and the A27 at Bedhampton and is associated with the Rusty Cutter Beefeater Restaurant. It is accessed from a cul-de-sac part of Bedhampton Hill Road which in turn gives direct access onto the principal road network. The site is aligned north-south parallel to the A3, north of junction 5. To the north is the Havant Retail Park and to the east is housing on either side of the cul-de-sac.



- 1.2 The immediately adjoining property, 42 Bedhampton Hill Road, is a grade II Listed Building situated on a large plot which includes a number of protected trees.



Existing Site Plan

- 1.3 The Beefeater restaurant occupies the southern part of the sloping site, with car parking to the SW and SE. The Premier Inn occupies the narrower part of the site to the north. It is a two-storey structure with the upper floor in the roofspace. Access is on the east side, abutting No. 42, to a car park at the rear of the hotel block.



- 1.4 The existing hotel contains 37 bedrooms and the combined car parks provide parking for 100 vehicles, including parking bays for disabled drivers at the entrance of each building. Servicing takes place wholly within the site.
- 1.5 The buildings are not listed and nor is the site within a conservation area. There are two tree preservation orders, one relating to the site and another relating to 42 Bedhampton Hill Road. A third TPO relates to trees on the boundary between 42 and 40a and so does not relate to the application site.



2.0 Proposal

- 2.1 Premier Inn has recognized a requirement for additional rooms in the Havant area. The operation at Havant is one of the group's best performing facilities in the region, as measured by occupancy and turn-away data. The group is looking to expand the number of rooms on the basis of 400+ new rooms per annum added to existing facilities and major growth in target areas through the acquisition of new sites. The "budget" hotel market, which accounts for about one third of hotel rooms in the country, is a growth area in which Premier Inn is the leading provider.
- 2.2 It is proposed to further extend the Rusty Cutter Premier Inn through the addition of 22 rooms (not gain 21) to make a total of 58 bedrooms. The restaurant would not be extended, maintaining its current level of 216 covers. The car park would be rearranged, so as to provide space for 110 vehicles.
- 2.3 The new accommodation would be located to the north of the existing block, on land currently forming part of the car park. As the site slopes upwards from south to north the new block would be stepped up above the existing block meaning that the corridor link between the two would leave the existing building at first floor level and join the new-build at ground floor level. One bedroom in the existing building would be lost to provide the link between the two blocks. The new linked block would follow the existing pattern, that of rooms on either side of a central corridor. A separate Design & Access Statement considers the layout and appearance of the building.
- 2.4 In order to provide for the replacement/additional car parking, the currently tapering site will be squared off through the acquisition of a sliver of land from the adjoining site. This is considered in the Design & Access Statement in the context of both trees and car parking.
- 2.5 The future of the adjacent site is also in a state of change, with proposals for care home facilities at pre-application stage with the local planning authority. The two site owners have liaised over the preparation of the two projects.



Proposed Site Plan



Proposed Floor Plans & Elevations



3.0 National Planning Policy

3.1 Planning Policy Statement 4 (PPS4) was introduced, along with associated guidance notes, on 29 December 2009, superseding PPS6 and others. It introduced policies which related to land use and economic activity within town centres and smaller centres. PPS4 has, of course, itself been superseded by the NPPF, but the essence of the PPS remains in the NPPF, despite the original proposal to remove tourist development from the sequential analysis. Given that the NPPF is so recent and that previous guidance remains in a state of flux, pending Lord Taylor's review, this analysis considers the scheme in the context of the current national policy and the guidance which it is replacing, given that the supporting documents are still, for now, in place.

3.2 The policies rely upon an understanding of what is meant by the term "economic development" and this is noted in Annex 2 of the NPPF as being:

"Development, including those within the B Use Classes, public and community uses and main town centre uses".

3.3 Under former policy EC5.1, LPAs were to "identify an appropriate range of sites to accommodate the identified need", and, under policy EC5.2, sites for main town centre uses were to be identified by the LPA through a sequential approach, with sites being assessed for suitability, availability and viability in the following order:-

- a) locations in appropriate existing centres where sites or buildings are available within the plan period,
- b) edge-of-centre locations, preferably well-connected to the centre,
- c) out-of-centre sites well-served by public transport with links to the centre.

3.4 The onus of site identification under the NPPF lies with the local planning authorities (LPA), through the LDF process in which an identified need for such uses has been established. This will, of course, take some time, and LPAs will meanwhile be called upon to determine planning applications for town centre uses. In such cases the

burden shifts to the applicants who are required, in certain circumstances, previously policy EC14, to undertake a sequential assessment for main town centre uses that would not be in an existing centre and not in accordance with an up-to-date development plan.

- 3.5 In the context of the current application, therefore, the proposal relates to a use identified as “main town centre uses”, namely a budget hotel, to a site that is not within the area identified in the Havant Core Strategy (HCS) as an existing centre and on land which is not specifically designated for any specific use in that local plan. There is, however, provision within NPPF which indicates that a sequential analysis is not required when the proposed development would be in accordance with an up-to-date Development Plan (para 24). In this case, there is nothing to actually indicate that the proposal would be in conflict with the Development Plan, and, if it is not in conflict with it, then it is, by definition, in accordance with it. No sites are specifically allocated for hotel use and, while there is a policy, C35, which promotes growth in the tourism industry, the policy does not direct hotel developments to specific sites in central locations. The LPA has identified no sequentially preferable sites for non-major hotel accommodation. The site has a long history of Use Class C1 use, insofar as planning permission was granted for the use as a hotel in 1985 and there has been no other use since then. It must fairly be assumed that there would be no objection, in the context of the Core Strategy, to the site’s use for similar C1 purposes and that, under the NPPF, a sequential test may not be required. Emerging policies or guidance are, nonetheless, factors to be taken into account.
- 3.6 The applicants conclude that a sequential analysis should not be necessary for a net 21-room extension on a long-established hotel. There is, in addition to the NPPF, other guidance statements that may still temper that requirement, particularly in the case of hotels, so this needs to be touched upon first, notably the Good Practice Guide on Planning for Tourism (GPGPT) – see below.

GOOD PRACTICE GUIDE ON PLANNING FOR TOURISM

- 3.7 Until September 2006 PPG21 dealt with tourism. At that time it was replaced by the Good Practice Guide on Planning for Tourism (GPGPT). Despite the change in its name, this is national guidance and carries due weight. It opens with the dramatic

statement that **“tourism is of crucial importance to this country”** (2.1) and a **“vital component in the make-up of the national economy”** (2.2). In its introduction, the GPGPT makes clear that tourism is a major employer in this country and that **it is not restricted to town centres.**

- 3.8 The location of development is to be located is identified as the first of the key planning considerations for tourism development in Chapter 5 of the GPGPT. **“Developments need to be located where they are accessible to visitors”**. The guidance acknowledges that there are some types of tourism development where the principal means of access will be by private car, even when other modes of transport are available. The best locations are those which are accessible to visitors (5.2), where visitors can readily and conveniently enjoy the facilities, where congestion is minimised and where particular sectors of the population are not discouraged from using it. While these objectives may suggest a town centre location for a hotel and while LPAs may make appropriate provision in line with the NPPF, the guidance states that **“planners will need to recognise that the wide variety of developments that are inherent in the tourism industry means that there are some developments that are car-dependent”**. Such developments should, nonetheless, be located close to public transport interchanges and bus routes.
- 3.9 Annex A of the GPGPT deals with tourist accommodation and therefore, specialising in the subject, deals with it in greater detail than the NPPF. It recognises that **“tourist accommodation takes many different forms and caters for a variety of tastes and budgets”**. LPAs and operators are advised to liaise over a range of locations needed to meet existing and future needs **“This is particularly important for major hotels – for example, those with business, conference or banqueting facilities or large hotels catering for tourists – where preference should be to identify town centre sites wherever possible, in line with national policies”**.
- 3.10 The NPPF has not yet replaced guidance notes such as the GPGPT, so it has now re-assumed greater status. The GPGPT expands upon what the government means when it defines hotels as main town centre uses. It means **“major hotels”** and by this it means those which **a) have a range of facilities which go beyond simply providing overnight accommodation, and b) those which cater for tourists**. This last word implies persons who are visiting for the purpose of leisure tourism,

probably for a long stay (7 days or more, maybe), visits that might better be described as a holiday or a leisure break. Para. 1 of Annex A notes that all forms of tourist accommodation **“are capable of bringing economic benefits to the areas in which they are located”**, a strong indication that areas other than town centres will share in these benefits.

- 3.11 Para 3 of Annex A continues **“where proposals for major hotel facilities (my emphasis) come forward outside the development plan process, their location should be assessed in line with the policies (in PPS6(4)) and the sequential approach to site selection”**. This could not be clearer. **Major hotel facilities**, as defined in Annex A, are to be the subject of a sequential test if they are proposed on sites outside a centre and not allocated or permitted for such use in the development plan. By strong implication, **not all hotels are “major hotel facilities”**, and, as such, a sequential approach is not needed for all hotel developments. Some hotels do not require a town centre location in order to meet the needs of their customers. The GPGPT was not withdrawn or amended following the demise of PPS4, so it can be concluded that, in the light of the NPPF, it too supersedes it.
- 3.12 There is a specific section in Annex A dealing with budget hotels, motels and travel lodges. Even in this part of the wide hotel market, there can be a range of locational requirements, and once more the guidance is led jointly by the NPPF and by the needs of the visitors for whom the accommodation is intended. Where budget hotels are designed to cater for longer stays at a destination, their location should be considered in the light of the NPPF. This is understandable, but only where visitors are tourists, as in holiday-makers, or where they are visiting for a specific purpose over a period of several days, e.g. a conference. Then they will wish to stay close to the facility or purpose which brought them to a place, even if they choose to stay in what might be termed budget accommodation. The Whitbread Group/Premier Inn recognises this market and makes provision accordingly. There are Premier Inns in most major town centres in the country. They are generally large, having more than 100 bedrooms, and, even though they lack the facilities to class them as “major hotel facilities”, their customer base will be tourism-related and the average length of stay will be of several days duration. They are located in town centres, partly due to PPS4/NPPF but mostly because that is where their customers want them to be.

- 3.13 There are, however, **“other types of budget hotels and similar types of development such as motels and travel lodges”**, and these **“cater more for car-born travellers, often a single overnight stay, e.g. business travellers en route to a destination”**. In these cases the preference will be for locations on major traffic routes outside the centre of large towns or tourist centres. In such circumstances the aim of the LPA should be to make the development as sustainable as possible and to keep such development away from open countryside sites. **“Edge of town centre locations, for example on a ring road or on a major route out of the town centre, will usually be the most appropriate location if a town centre location is not suitable, available or viable” (para. 1.4)**. Most Premier Inn developments are of this motel type, located outside of centres on main routes, by-passes or ring roads, as is the case in Havant.

NATIONAL POLICY CONCLUSIONS

- 3.14 The government's intention with regard to the most appropriate locations for hotel accommodation is clear. It is not government policy or advice to say that all hotels are main town centre uses and that all hotels should therefore be located following the due process of a sequential site analysis. PPS4 no longer exists, but, even before the NPPF, it could not be read in isolation, and it would be wholly inappropriate to judge a hotel development proposal in the context of the NPPF without full reference to the Good Practice Guide on Planning for Tourism. This detailed guidance explains and qualifies more general guidance, making it clear that there are hotels properly to be located in town centres and there are those which, by reference to their scale, purpose, range of facilities, accessibility to public transport, employment-generating potential and, most importantly, to the needs of their users, do not need to be in town centres. In such cases a central location may well be inappropriate and unsustainable and in such cases a sequential test is inappropriate and unnecessary as the means by which to ensure that the best location is chosen.
- 3.15 The application therefore satisfies national planning policy, and the need for a sequential analysis will depend upon whether it is also in accordance with an up to date development plan. If it is, then a sequential test is not necessary.

4.0 Local Planning Policy

CORE STRATEGY

- 4.1 The Havant Core Strategy (HCS) was adopted in 2011, so it is an up to date development plan to which full weight must be given. Development that is in accordance with the HCS will not, in terms of the NPPF, require sequential analysis. The HCS does predate the NPPF but is assumed to be in line with its policies and principles.
- 4.2 Dealing first with policies relating directly to the provision of hotel accommodation, policy CS5 allows that:-
“Planning provision will be granted for appropriate development proposals around the borough that
- provide sustainable and small-scale recreational opportunities;
 - provide hotel and other types of tourist accommodation;
 - safeguard existing tourist facilities, hotels, holiday centres and caravan parks;
 - improve existing tourist facilities, hotels, holiday centres and caravan parks.
- 4.3 The proposal provides new hotel accommodation and improves upon existing facilities, so it satisfies CS5, as acknowledged in the planning authority’s pre-app response dated 8 March 2012 (ref. EN/12/00018). The policy is not site specific, nor is it directed to a particular type of accommodation or to an area of the borough. Indeed, para 3.55, supporting the policy, notes that “Policy CS5 supports the disposal of tourism development around the borough.”
- 4.4 Para 3.60 of the HCS notes that “Hotels are defined as a main town centre use in PPS4. Town centre locations will be favoured for new hotels in order to promote their vitality and viability, whilst recognizing that market demand will influence hotel locations.” Bearing in mind the expense involved in a sequential analysis, especially for a land use that has not yet been analysed through the Development Delivery (Allocations) Plan, it is important to know where this statement leaves proposals to extend existing hotel facilities. 3.55 supports the disposal of such development

around the borough, and 3.60 states a preference for town centre locations for new hotels. Neither would appear to preclude the extension of an existing facility outside a defined town centre and, in this, the HCS follows the lead set by the GPGPT.

- 4.5 Notwithstanding the above, para 3.60 concludes that “Proposals to develop a hotel outside a designated centre will need to carry out a thorough sequential test to ensure that there are no suitable sites in the centres identified in Policy CS4.” This is ambiguous in the context of hotel extensions but, reading the paragraph in its entirety, it is reasonable to conclude that “develop a hotel” relates to the provision of “new hotels” and not the schemes which improve upon existing facilities. This might be reaffirmed in para 3.62 which deals with bed and breakfast accommodation. Whilst a Premier Inn might not be viewed in the light of a traditional “B&B”, that is essentially what it is, in providing those two services and none of the others which the GPGPT associates with “major hotels.” 3.62 notes that “Bed and breakfast accommodation will be encouraged throughout the borough.”
- 4.6 The proposed development satisfies DS5 and is precluded from sequential analysis by the text which underlies that policy. The proposed extension of the Premier Inn, outside a designated centre is, nonetheless, in accordance with the tourism policies of the HCS.
- 4.7 Policy CS4 does not preclude hotel development in locations outside of designated centres. Its first purpose is to identify a need for 13,000 square metres of new comparison goods retail floorspace within town and district centres. Its second is to provide appropriate town centre development proposals which enhance identified centres, enhance the evening economy in those centres, retain local markets, support small businesses and encourage high quality, mixed use developments.
- 4.8 Neither of those objectives propose that developments outside such centres will not be supported and neither statement specifically directs such proposals exclusively to the centres. At no point does the word “hotel” appear in the policy or supporting text (paras 3.39-3.54), nor is any consideration given to use Class C1 in the document on which the policy is based, “Town Centre, Retail and Leisure Study” (Nathaniel Lichfield and Partners for HBC, 2009).

- 4.9 In the pre-application advice the LPA's officers indicated that "the proposed hotel is a man town centre use" and that "a sequential test would therefore be required." The applicants, having particular regard to the GPGPT and to Policy CS5 of the HCS, doubt whether either statement is actually correct.

BOROUGH LOCAL PLAN

- 4.10 Saved policy TC1, from the local plan, covers much the same ground as CS4 in that it defines the town and district centre hierarchy without actually precluding development outside those areas. It does not stipulate that hotels will only be permitted in those centres.
- 4.11 Saved policy TO1, on the other hand, affords deliberate advice as to what will be permitted and where:-

"Planning permission will be granted for the development and improvement of tourist attractions and facilities, providing

- it is appropriate in scale, siting design and layout to its surroundings, and
- it does not adversely affect the character and amenity of the area."

LOCAL POLICY CONCLUSIONS

- 4.12 Whether or not development is in accordance with the development plan is fundamental to any scheme, not only because of a presumption in favour of such development but also because this is the factor which determines the extent to which a sequential analysis as set out in the NPPF, applies. In this case compliance with the HCS comes down to two policies. CS5, dealing with specific uses including hotels, and CS4, dealing in general terms without reference to hotels and without precluding hotel development outside of town centres. In the applicants' submission the proposal satisfies CS5 and does not conflict with CS4, with the former carrying the greater weight.
- 4.13 This might leave an applicant with a dilemma when there is no apparent conflict with planning policy and yet pre-application advice suggests the need for a sequential test, undertaking an analysis which he feels to be unnecessary and unjustified or risking a delay in the processing of the application, or even a refusal, by not

undertaking that analysis. The latter course runs contrary to the Government's wish to see a proactive response to development proposals, as set out in the NPPF, while the former rather undermines the recent policy statements aimed at reducing the amount of paperwork and the level of detail required to make a planning application. Premier Inn Hotels Limited have, nonetheless, undertaken a sequential analysis, albeit that on the balance of probability, it should not be necessary.

5.0 Sequential Test Methodology

- 5.1 In the event that a sequential test is still required, despite the arguments to the contrary set out in the preceding sections of this report, it is necessary to establish the parameters by which a site might be judged sequentially preferable to the application site, or not, as the case may be. It should be made clear that, in a borough of the size of Havant, and having regard to the wide area around the town which also attracts visitors, this is not a case of winner takes all. It has been shown in The Tourism and Leisure Plan (2008), Havant Food Futures (2008) and the Hotel Futures Study, that there is a need in the area for a number of new hotels and a wide range of tourist accommodation. This is not an instance in which a single site needs to be found for "X" hotel rooms, with the most sequentially preferable location taking the one and only prize. The need for hotel accommodation is going to require many sites to come forward, and tourism is not, as noted in the GPGPT, a "one-size-fits-all" product.
- 5.2 The first parameter is therefore the area of the study. In Havant this is relatively straightforward. The outer area of the study is defined by the borough boundary or, where the boundary includes greenfield land, by the outermost extent of the settlement area. The inner areas are the town centre of Havant and Waterlooville, as defined in the local plan. The grey area is the town centre fringe, which is not defined in the local plan. For the purpose of the exercise, therefore, the widest definition used is taken from PPS4 (para 6.5 of the Guidance Note), that is within 300 metres of a town centre boundary. In practice such a distance would be impractical for hotel users using public transport, given their need to carry luggage and having regard to the location of the train and bus station within the town centres. The search

area is further extended by the presence of district centres at Cowplain and Leigh Park. The principal sites are those identified in the Nathaniel Lichfield Study of 2009.

- 5.3 There are three other parameters, as defined in PPS4 in para 3.19 - availability, suitability and viability. Each is open to interpretation, depending upon the nature of the proposed development, so it is necessary to explain how, in the case of the extension of an existing budget hotel block, with no integral features or services, these three factors have been defined.

AVAILABILITY

- 5.4 The availability of a site depends to some degree upon the time period that is deemed to be reasonable. A site that is allocated in the local plan as being suitable for hotel use is not necessarily available. PPS4 does not define what is reasonable and the LPA has not yet considered the matter. It is left to the applicant, therefore, to explain how sites have been assessed as to their availability and what length of time ought to be considered in this context. Bearing in mind that Whitbread's interest in Havant as a Premier Inn location began some time ago and that it is the applicants' wish and intention to develop out any planning permission immediately, the length of time over which availability is deemed to be reasonable is a short one. Any site that has not the reasonable prospect of being developed, with planning permission in place, by the winter of 2013 is held to be unavailable. Given a lead-in to commencement of a three months and a building programme of perhaps 24 weeks, this would envisage the opening of the development in spring 2014. This is deemed to be reasonable. Sites which cannot or are not expected to satisfy this target are given a negative score in the sequential analysis. Any longer timescale would be out of line with the government's intention to reinvestigate the economy through development.
- 5.5 Account is also taken of site ownership. Whitbread's Premier Inn estate is based on properties of which the Group is the freehold owner or where there is a long lease. While this touches on matters of suitability and viability, the analysis holds that sites which could not be secured on the above basis by Whitbread in the designated period are found to be unavailable. This is particularly pertinent in two areas. Firstly, given that no available sites are specifically identified for budget hotel development by the LPA, any town centre sites that might be suitable for hotel use would be mixed

use developments, in which C1 uses might be appropriate alongside any number of other uses, e.g. A1, A3, A4, B1 or housing. Unless an application is now determined, submitted or imminent, it is held unlikely that such sites, or parts of them, can be compiled and acquired within a reasonable time period, and they are considered unavailable. Secondly, the applicants have considered other pub and restaurant sites where there might be scope to introduce new hotel rooms, on the scale proposed for the application site. In such cases Whitbread-owned sites are clearly available. Other sites, owned by different operators, might be available, but it is not reasonable to have to seek views from that many pub/restaurant owners to ascertain their willingness to join in a venture with Premier Inn. Sites outside the town centre or fringe are not considered because such sites are not better, sequentially, than the application site. Other sites of this nature are given a neutral count on availability, as their status in this regard is uncertain. Sites that are within areas liable to flood are deemed not to be available for that reason. Sites which are designated for other uses, e.g. housing, or sites in areas where existing uses are protected, e.g. schools, playing fields, public open space, business land, are also deemed unavailable, for planning reasons.

SUITABILITY

- 5.6 Suitability requires that there be evidence of a degree of flexibility. In this instance it would not be sufficiently flexible to discount sites as unsuitable simply because they were not owned by Whitbread, did not have an existing A3/A4/C1 use on the site and did not satisfy Premier Inn's location profile, though each of these factors is pertinent. A town centre site, for example, could be suitable without an A3/A4/C1 presence on the site because it is one of the purposes behind the NPPF that town centre uses feed off one another, in this case literally. Town centre sites are generally within reasonable walking distance of a restaurant or cafe at which a breakfast and/or evening meal can be taken, so they can receive a positive count on suitability, though viability is a separate concern. Fringe centre sites, being by definition up to 300m away from the edge of the town centre, are less likely to be suitable. It is considered unreasonable for a hotel guest to have to walk any distance at all for his/her breakfast, so such sites, unless they are very close to the centre (a neutral score) would get a negative assessment. Existing pub/restaurant sites outside the centre would, by definition, be suitable.

- 5.7 The size of the site is a factor in suitability. While Premier Inn would prefer to build a unit on land for which the Group has full ownership and responsibility, the requirement in the NPPF to exhibit flexibility demands that existing buildings be considered as possibilities for conversion to hotel use. A twenty-bed Premier Inn requires a gross floor area of about 600 sq m. Any existing buildings which do not realise this level of accommodation are held to be unsuitable. The same figure applied to a new build scenario presumes that the building would be of two storeys, thereby having a footprint of at least 300 sq m. Outside of the town centre this site would need to have an existing A3/A4 outlet on or adjacent to it, this area having about the same footprint. It would also need space for landscaping, circulation, servicing, access, an outdoor dining area and parking, meaning that the optimum space available for the development would need to be around 3000 sq m. Any cleared or potentially cleared site which does not reach this threshold is found to be unsuitable, allowing also for the fact that, as national guidance advises, the developer must also be prepared to be flexible in defining his requirements and the scope of the development.
- 5.8 As noted above in the context of availability, there will be occasions when a site will be deemed unsuitable by reason of a planning policy. For example, sites within designated employment areas are reserved by policy for employment use and would not in principle be appropriate for hotel use, even though the NPPF now allows that all main town centre uses are employment uses. In the current case, the LPA has already allowed a hotel use within a residential area, perhaps because it is a complementary use, maybe because it has employment-generating potential, probably because of its ready access to the road network, or, indeed, all three. Because main town centre uses are employment uses, hotels may in due course be appropriate adjuncts to B Class uses on business parks. Premier Inns are already prominently located in such areas. Indeed upwards of 70% of the estate would be outside a defined centre. It is the nature of their business.

VIABILITY

- 5.9 Viability includes a number of factors. The greater the number of rooms that a hotel provides and the more additional facilities that it offers to guests, the more viable it is likely to be as an independent entity. For example, it is not viable for a 20-bed PI to incorporate a food and drink operation of its own. This is true even of the well-known 40-bed model. A 60-bed Premier Inn requires on site dining in order to be viable and to justify the expense of building, fitting out and staffing a kitchen and a dining room. A site that does not have an on-site dining operation or space to provide one, or one that is close-by in the town centre, is therefore unviable and receives a negative assessment. A Premier Inn is also less viable if the income from the food and beverage outlet is not available to subsidise the cost of the hotel accommodation. This places a negative or at best neutral count against a site which does not offer the means by which the budget price of the rooms can be held artificially low by the “food and drink supplement”. It follows that a mixed use operation which is not wholly within Whitbread control is less viable, even if the food and drink profits from hotel guests are shared, than one which is wholly in the control of the Whitbread Group. This is the difference between a positive and a neutral assessment.
- 5.10 Location also has an effect on viability. One of the most costly elements of development is land acquisition. It follows, therefore, that a site which the developer already owns and which he/she can develop with the land costs of zero is likely to realise a more viable development than one where the site has to be acquired. This is all the more true when the development is a hotel of the type generally known as budget accommodation, which broad description includes Premier Inn. The reasons that room costs can be kept lower at such places – the cost of a Premier Inn room per night starts at £29.00 – are a) land costs are low or non-existent, b) there is an element of cross-subsidy from the food, as described above, c) there are continually high occupancy rates, and d) there are no additional costs devoted to expensive items such as banqueting or conference suites. Any site which includes in its development costs the cost of the land therefore reduces the viability of a budget hotel development. A 4*, 5*, apart-hotel or boutique hotel, charging perhaps £200 per night can remain viable when absorbing town centre land purchase costs. A budget hotel cannot, and sites which can only be developed on this basis will receive a negative assessment in terms of viability. When looking at a relatively modest increase in the number of rooms, as in this case, it is clearly a more viable

proposition to add those rooms to an existing facility where there are no additional costs involved in acquiring land or in providing the food and drink offer.

- 5.11 The last element that might affect a site's viability is its existing state. Any developer's preference is for a cleared and uncontaminated site. Any potential site that has either existing buildings on it or a history of industrial use is likely to bring with it unacceptable development costs involved in site clearance and decontamination. Such sites make the project unviable

6.0 Sequential Analysis

- 6.1 The sites identified in the Nathaniel Lichfield study have been considered in the light of the criteria set out in the NPPF, PPS4 guidance and the preceding section of this report. The area of study has been agreed with officers of the LLPA as being Havant town centre, Waterlooville town Centre, Leigh Park district centre and Cowplain district centre. Each area has been visited and assessed. Sites not identified in the Lichfield study have been added as appropriate.
- 6.2 The sites are assessed on their own merits and not against the application site. That said, potential alternative sites, unless they already contain A4 use, will tend to be suited for a new hotel and not, inevitably, for the extension of an existing facility, as proposed on the application site.
- 6.3 Each site is assessed for suitability, viability and availability in that order. The order is significant in that a site which is unsuitable, being too small or having a planning policy objection to hotel use, is easier to identify than a site which is unviable or unavailable. A site which fails the test of suitability is not then assessed against the subsequent criteria. A site which satisfies that test can then be assessed on the basis of viability, and, failing that test, does not have to be assessed against its availability. Availability is probably the most prone of the three tests to uncertainty, the lack of surety as to timescales and the uncertainties involved in securing a

planning permission. Land which is not being actively marketed on site is deemed to be unavailable.

- 6.4 Each site can be scored on a positive, neutral or negative basis. Either of the first two assessments progresses the analysis to the next stage, but it is a case of “one strike and you’re out”. This is not to say that the site in question could not be developed for hotel use, but not by Whitbread, not viably as a budget hotel and not now.
- 6.5 The results of the search are set out in tabular form, with ✓ for successful test, X for a negative assessment and 0 for an inconclusive or neutral result. After this summary, a more detailed explanation is given to explain if and why a site has been rejected.
- 6.6 It bears repeating that this is not a competition between sites in which only one will be judged worthy of development for C1 use. There can, and maybe should, be any number of such opportunities in Havant and Waterlooville, some for “major hotels” and others for budget facilities and B&Bs. None of the research or the planning policies set a target for new hotel rooms or a timescale for improving the existing hotel stock. There is no requirement in national or local policy for an analysis of either need or impact in this regard, so the best judges of both are the hotel operators themselves, none of them more experienced than Whitbread/Premier Inn.
- 6.7 Twenty-one sites have been considered, as set out below. Each site receives a fuller appraisal in Appendix 1.

No	Site	S	V	A
1	Park Road South, Havant	✓	0	X
2	42-54 West Street, Havant	X		
3	North Street, Havant	0	0	✓
4	North Street Arcade, Havant	X		
5	Market Parade, Havant	✓	X	
6	Brockhampton Lane, Havant	0	0	✓
7	Solent Road Trade Park, Havant	0	0	X

8	Solent Road, Havant	0	0	X
9	Havant Park	X		
10	Car Park Site, George Street, Havant	X		
11	Railway Car Park, Havant	X		
12	308-312 London Road, Waterloooville	0	X	
13	Maurepas Way allotments, Waterloooville	0	0	✓
14	Asda, Waterloooville	0	X	
15	Caetano, Hambledon Road, Waterloooville	X		
16	Household Waste Site, Waterloooville	X		
17	Stockheath Road, Leigh Park	✓	0	X
18	Lidl car park, Somborne Drive, Leigh Park	X		
19	Car park, Somborne Drive, Leigh Park	✓	0	X
20	Lidl car park, Cowplain	X		
21	Public car park, Cowplain	X		

- 6.8 The sites have been visited and assessed, and, while some might be suitable in theory for development which might, under the right circumstances, include a hotel element, none fully satisfy the tests of suitability, viability and availability. Premier Inn Limited therefore concludes that there are no sequentially preferable locations that might meet the identified requirements for hotel expansion in Havant and Waterloooville. The expansion of the existing facility at The Rusty Cutter is, therefore, acceptable and satisfies any reasonable interpretation of national and local policies.

7.0 Planning Policy - Conclusions

- 7.1 National and local planning policy recognizes the importance of tourism to the economy, and, within that field, business tourism and budget hotel accommodation are growth areas. Premier Inn Limited are the leading provider in both areas.
- 7.2 National policy and guidance recognizes that there are a number of types of tourism and a range of hotel types and sizes, some of them major and many of them not. Although the NPPF includes hotels as being one of the main town centre uses, to be tested sequentially, the GPGPT makes it clear that this should apply only to major hotels. Premier Inn, wishing to extend the facility at Bedhampton, have conducted a sequential test but do not believe government guidance requires it to be done for the extension of an existing budget or motel facility.
- 7.3 Notwithstanding this belief, the test shows that there are no sites sequentially preferable for this type and scale of hotel accommodation. While there are sites that might, in time, be comprehensively developed in a manner which might include hotel accommodation, none are suitable, viable and available in the way in which the application site is.
- 7.4 The Development Delivery (Allocations) Plan has not been prepared and the background research by Lichfield and others indicates scope for additional tourist accommodation without specifying sites. While new hotels will be directed to town centre locations, this does not preclude the expansion of existing hotels which, by definition, can only be enlarged in situ. The enlargement of an existing facility is a sustainable form of development which should be considered ahead of the release of greenfield sites for new development.
- 7.5 The development has economic benefits through additional employment and tourist spend. It accords with national and local policy. As such it is commended to Havant Borough Council.