

## **SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL**

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**REPORT TO:** Planning Committee

4<sup>th</sup> March 2009

**AUTHOR/S:** Executive Director / Corporate Manager - Planning and Sustainable Communities

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**S/1862/08/F - DUXFORD**  
**Erection of 70 Bedroom Hotel with Associated Car Parking and Landscaping**  
**Following Demolition of WWII Air Raid Shelter**  
**Red Lion Hotel, 42 Station Road East**

**Recommendation: Refusal**

**Date for Determination: 16<sup>th</sup> January 2009 (Major)**

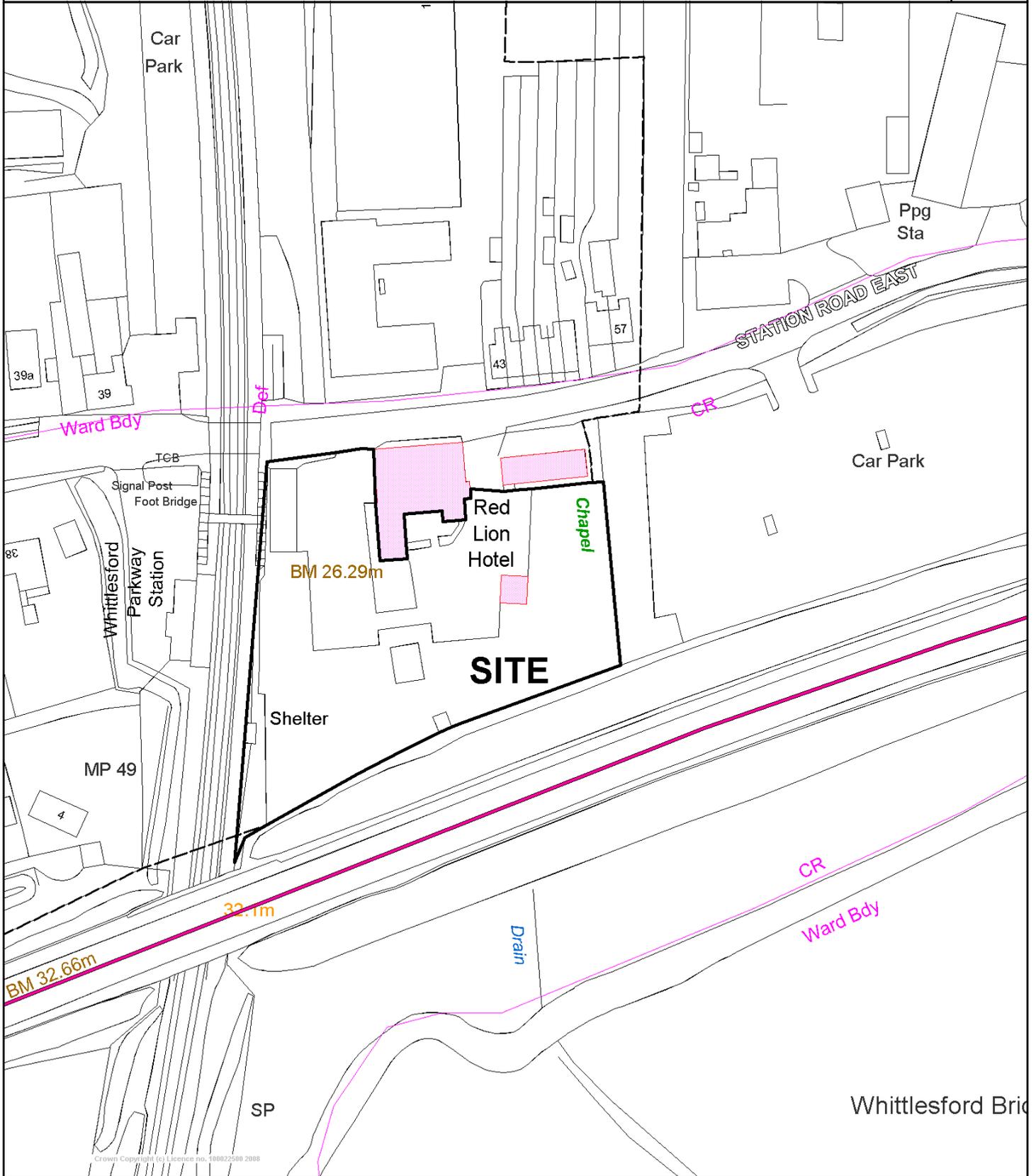
**Notes:**

**This application has been reported to the Planning Committee for determination because the Head of Development Control considers that the application should be presented to Committee for decision.**

**Members will visit the site on 4<sup>th</sup> March 2009**

**Site and Proposal**

1. The proposal relates to the grounds of The Red Lion Hotel, a grade II Listed building and Duxford Chapel, a grade II\* Listed building and a scheduled ancient monument. The chapel is also an Historic Property in the care of English Heritage and which is open to the public. The site lies within the village framework for Whittlesford Bridge (Inset Map 107 of the Adopted Proposals Map), adjacent to the railway line and Whittlesford Station, and an elevated section of the A505. To the east the site is adjoined by the railway station car park.
2. The full application, dated 17<sup>th</sup> October 2008, is to erect a new hotel accommodation block in two to four storeys to provide 70 bedrooms. The scheme is to be part of the Holiday Inn Express franchise, to be operated with the existing hotel as a single complex and by the same owner.
3. The proposal shows the four-storey block located to the south of the existing hotel along the western boundary of the site adjacent to the railway line, through to its boundary with the A505. The length of the building is 50.2 m, its width for the most part is 15.5 m, except at the entrance where the width is 17.1 m. The gross internal floor area over the four storeys is 2480 sqm. The height of the building is 12.0 m. The southern part of the site is shown to be surfaced to provide parking and circulation for 70 cars, including 4 disabled spaces nearest to the entrance of the hotel. The existing outbuilding at the north-west corner of the site is to be retained and converted for garaging. The area adjacent to the chapel is shown to be provided with a memorial garden with suitable landscaping.
4. The design shows a building of contemporary appearance, with three tiers of clad roofs, the lowest tier being closest to the listed building. The architect states that the non-regular and asymmetric elevational treatment of the design has been chosen to



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reflect and complement the nature of the existing Red Lion building. The elevations will be clad with timber rainscreen cladding and zinc, together with elements of white render, blue facing brick, louvered panels and glazing.

5. The new hotel building will create an additional 8 full-time jobs.
6. In comparison with the previously refused scheme, the hotel has been lowered by approximately 1.0 m by setting the building further into the ground and by lowering the height of parapet walls. The roofline nearest to the existing hotel is now shown to be lower than the ridge height of the hotel building, although it still above its eaves level. In the refused scheme, this roof level was at the same height as the existing hotel ridgeline.
7. The application is supported by a Planning Statement, a Design and Access Statement, a Business Plan, a Historic Buildings Assessment, a Heritage Statement, an Assessment of the Proposed Development on the Heritage Significance Within Views, a Habitat Survey, Condition Report, Sustainable Design and Construction Statement, Archaeological Study, Archaeological Evaluation, and a Travel Assessment Report. Together these provide a comprehensive description of the proposals, the site and the surrounding area.
8. In the Planning Statement, and Business Plan, the applicant states that the proposed development would provide modern facilities for both business and leisure travellers. It is intended that clients would use the existing pub/restaurant facilities for all cooked food, private dining and meetings. The two buildings are intended to provide complementary uses. The new hotel facility would only provide a net increase of 52 bedrooms on the site, as the existing 18 bedrooms in the main Red Lion building would become staff accommodation. Research conducted on behalf of the applicants has confirmed that a branded hotel is the best and most appropriate solution for this site. In order for the business to survive the applicant states that it needs to expand and diversify. The agent states: " the business could not continue in its current form as it does not generate sufficient income for the applicants and would have to close at some point in the near future." The proposals will secure the long term use of the site as a hotel, and will also secure the investment and refurbishment of the Red Lion. The current rooms are very difficult to upgrade to meet modern hotel room standards.
9. The agent states that a phase 2 application will follow in the near future for alterations and improvement works to the Red Lion. Basic repair works needed to the building had been identified in the Condition Survey. The Condition Report indicates that repairs costing in the order of £18,000 will be necessary over the next five years, the majority of expenditure needed to mitigate dampness at a low level, roof repair and chimney stack repair. The applicant is willing to accept a condition which ties the repair works to the Red Lion to the development of the additional accommodation block.
10. In the Design and Access Statement, the agent considers a design solution suggested by officers in negotiations. This is a tiered development in an " L "-shaped form, with a lower wing running along the boundary with the A505. The agent considers that the solution would result in more harm to the setting of the historic structures on the site, and would result in a larger footprint on the site, together with the highest element exceeding the height of the current proposal. The agent concluded that this was not a successful solution for the development.

11. The Sustainable Design and Construction Statement indicates the following:
- (a) The roof design makes the proposal suitable for photovoltaics and solar hot water systems. The assessment concludes that photovoltaics would be insufficient to meet the target energy offset, however solar hot water panels would provide 10% energy offset. This would require the provision of 112 m<sup>2</sup> of SHW panels, amounting to 1/3 of the available roof space.
  - (b) Energy efficiency measures include high levels of thermal insulation; 50% of internal light fittings throughout the development to be dedicated energy efficient fittings; local control of heating systems to be provided through the use of thermostatic radiator valves and time controls; variable speed pumps and high efficiency, variable speed, ventilation fans will be used; external lighting will be fitted with daylight cut-off devices.
  - (c) Water conservation measures include water metering and monitoring, taps to have aeration to reduce water consumption; dual flush controls will be specified on all toilets; opportunities will be sought for the inclusion of SuDS measures on the site; a Water Conservation Strategy will be prepared for submission to the LPA.
12. The results of a public exhibition held at the Red Lion Hotel on 15<sup>th</sup> May 2008 are set out in the Planning Statement. 11 participants considered the proposal to be acceptable, 7 participants considered the proposal to be unacceptable, and one participant had no view.

### **Planning History**

13. The proposal has been the subject of several pre-application meetings involving conservation and planning officers.
14. **S/1161/08/F** - Erection of 70 bedroom hotel with associated car parking and landscaping. This was refused 29<sup>th</sup> September 2008 on the grounds of 1) harm to the setting of the listed building and scheduled ancient monument; 2) harm to the landscaped setting of the village, and; 3) absence of physical measures to prevent vehicles turning right from Station Road East onto the A505, to the detriment of highway safety.
15. A written representations appeal against this refusal of planning permission was lodged on 3<sup>rd</sup> November 2008. The decision on the appeal is not expected to be issued prior to the consideration of the current application by the Planning Committee.
16. **S/1231/08/LB** – total demolition of air raid shelter – approved 9<sup>th</sup> September 2008.
17. **S/0417/79/F** and **S/0418/79/LB** – extensions to the rear of the hotel were approved in 1979 but not implemented.
18. **SC/0535/72/O** - outline planning permission for a 20-room freestanding block was granted in 1973 but was not implemented.

## **Planning Policy**

19. *Department for Communities and Local Government:*

**Planning Policy Statement 1:** Delivering Sustainable Development (2005)  
Good Practice Guide on Planning for Tourism (2006)  
**PPG 15** Planning and the Historic Environment (1994)

20. *East of England Plan 2008:*

**Policy E6** (Tourism)  
**Policy T1** (Regional Transport Strategy Objectives and Outcomes)  
**Policy ENV6** (The Historic Environment)  
**Policy ENV7** (Quality in the Built Environment)  
**Policy CSR1** (Strategy for the Sub-Region)

21. *South Cambridgeshire Local Development Framework Core Strategy 2007:*

**Policy ST/6** (Group Villages)

22. *South Cambridgeshire Local Development Framework Development Control Policies DPD 2007:*

**DP/1** (Sustainable Development)  
**DP/2** (Design of New Development)  
**DP/3** (Development Criteria)  
**DP/4** (Infrastructure and New Developments)  
**DP/7** (Development Frameworks)  
**Objective ET/c** (Expansion of Existing Firm)  
**Objective ET/f** (Growth of Tourism)  
**ET/4** (New Employment Development in Villages)  
**ET/5** (Development for the Expansion of Firms)  
**ET/ 6** (Expansion of Existing Firms)  
**ET/10** (Tourist Facilities and Visitor Accommodation)  
**Objective SF/a** (Services and Facilities)  
**SF/1** (Protection of Village Services and Facilities)  
**SF/6** (Public Art and New Development)  
**NE/1** (Energy Efficiency)  
**NE/3** (Renewable Energy Technologies in New Development)  
**NE/6** (Biodiversity)  
**NE/12** (Water Conservation)  
**NE/14** (Lighting Proposals)  
**NE/15** (Noise Pollution)  
**CH/2** (Archaeological Sites)  
**CH/3** (Listed Buildings)  
**CH/4** (Development Within the Curtilage or Setting of a Listed Building)  
**TR/1** (Planning for More Sustainable Travel)  
**TR/2** (Car and Cycle Parking Standards)  
**TR/3** (Mitigating Travel Impact)

## **Consultations**

23. **Duxford Parish Council** - approval, with a request that the application be referred to Planning Committee in the event of planning officers recommending refusal.

24. **Whittlesford Parish Council** - approval, with no additional comments.
25. **Council's Conservation Officer** - recommendation of refusal. The Conservation Officer comments:

*Setting and Significant Views*

26. The embankment of the A505 and the Station platform both form backdrops to the site from the south and east. Views of the immediate setting of the group of Listed buildings towards these backdrops show it surrounded by trees and greenery. Considering the historic settlement and otherwise rural setting of the village, retention of this green backdrop and providing additional planting would be important to preserve the setting. (It is therefore regrettable that the planting along the Station platform would be lost).
27. Whilst these significant historic viewpoints of the group of Listed buildings are from the north (front elevation) and the east and west (side elevations), the setting of the Listed buildings from the A505 is also significant as it is currently the first view on the approach to the site. When travelling along the A505, the enclosure formed by the woodland each side opens up on the approach to reveal the buildings below. Whilst this is not a historic view, or the setting in which the buildings were designed, it will remain a significant view as any screening within the site cannot in practice entirely obscure the group of buildings from the A505.

*Enabling Development.*

28. The proposal would not qualify as 'enabling development' as defined by the relevant guidance by English Heritage, 'Enabling Development and the Conservation of Places', as follows:
29. A Condition Report has been submitted as part of the current application in support of a case put forward for this scheme as 'enabling development'. This report describes works that are normal maintenance issues or investigation, rather than restoration of the heritage asset.
30. The Condition Report identifies works that are minimal and desirable but not essential for the future of the Listed building. The work identified as having top priority for the repair of the Listed building has only a total value of £100. Overall the budget cost totals £17,930 including investigation and desirable items. This cost of saving the heritage asset is minimal and not proportional to the value of the proposed development; and would therefore not justify any deviation from policy.
31. The proposal is not a last resort to allow a use to be found for the building. Instead the building is capable of use as is, and any upgrading to improve facilities within the Listed building itself may be possible (it just has not been identified).
32. The proposal is not a last resort where there is a conservation deficit and funds would be unobtainable by any other means, such as grants. There is no evidence submitted of grants having been applied for in order to repair or upgrade the Listed building. The proposal therefore could not be enabling development.
33. The new hotel would also not qualify as enabling development as enabling development is by definition contrary to the statutory plan. The principle of the hotel development is in accordance with the development plan, being within the village

framework, and therefore could not be securely and enforceably linked to benefit the Listed building; and any benefit to the Listed building would depend on the goodwill of the owner.

*Design and Access Statement*

34. The process indicated in the statement during the feasibility options acknowledges that there were concerns from the beginning of the process about the massing and scale of the development.
35. It also identifies that the bulk of the building determined by the necessity for 80 bedrooms was 'a given' and therefore inflexible. This was identified at the start of the negotiations as being the cause of the massing and bulk that was of concern. Whilst the process of negotiation could reasonably have been ceased at this point, it was finally justified because ultimately the numbers of rooms were reduced to 70, potentially reducing the bulk. The early negotiations also identified potential for reducing the bulk by reducing ground levels. Contrary to Mr Scott Wilson's statement received dated 15<sup>th</sup> January, the English Heritage letter of 19<sup>th</sup> December 2008 regarding lowering the building significantly into the ground is consistent with suggestions made at the first meeting (3<sup>rd</sup> March 2008).
36. On the basis that the bulk itself was possibly inflexible, various officers made suggestions regarding means of reducing the impact of that bulk. The submitted proposals worked up some of these suggestions, but so far, have not overcome the issues of bulk, height and proximity of the proposed building, including the proposal in the current application.
37. Item 5.0 of the Design and Access Statement gives an example of suggestions made by the Local Authority and English Heritage to indicate ways in which the bulk could be reduced, suggesting that the mass is broken down and the room layout is redesigned to reduce the span of the building. The suggestions of that date were never worked up into a scheme and therefore the actual impact cannot be determined. The specific drawing referred to in the Appellant's Statement takes one of these drawings out of context and omits the letter that accompanied the suggestions which said 'The ideas put forward are not intended as a design solution, simply as suggestions to further investigate'. The explanatory note on the drawings also clarifies that the extent of development indicated may not be acceptable. There are also significant differences between the sketch and the Appellant's three-dimensional drawing of this scheme in items 6.0 & 8.0, including the proportions and shape of the tallest element and the adjacent element adjacent the A505. Another drawing in the same group of that date shows how the floor span could be reduced which has been omitted from items 6.0 & 8.0. The identification and criticism of a single sketch out of context from the series of suggestions offered by the Local Authority and English Heritage over many months to try to overcome the overall problems of bulk and mass, without working it up to a practical scheme with its accompanying sketches, is not representative of the time and efforts spent by English Heritage and the Local Authority on this matter.
38. The minimal reduction of ground levels and shifting of upper roof position would not significantly overcome the previous concerns about bulk and mass, as shown on the three-dimension drawings and visual height comparison.

39. The Council's Conservation Officer has responded to the comments set out by Scott Wilson, agent, (summarised below), as follows:

*Setting and Significant Views*

40. The Council's Landscape officer has expressed concerns about the proposed landscape scheme and the loss of the trees along the embankment and her response will cover this point. My concerns related to the loss of perimeter trees and of views of perimeter trees which provide a backdrop to the Listed building group. English Heritage welcomed the proposed memorial garden rather than the rest of the proposed landscaping (letter 19 December 2008).
41. The views from the A505 are significant and noticeable even when travelling at speed because, on the approach from both directions, the views are initially blocked and enclosed by trees and then open up to expose the Listed building group and adjacent car park. These trees to west and east along the A505 are what were previously described as 'woodland'. Whilst unaffected by the proposals, they frame the site and draw attention to the buildings and their setting.

*Enabling Development*

42. At the meeting of 20 August 2008, the agent then noted that they did not wish to pursue the enabling development route due to funding. The agent has only introduced this enabling development approach at a very late stage in the submission of the appeal to S/1161/08/F. It therefore post-dates discussions about phasing or type of development and fails to follow the procedures described as necessary in the relevant English Heritage guidance, *Enabling Development and the Conservation of Significant Places*, 2008. (This guidance is also the basis of the following comments).
43. In discussion with the applicant it appears that the required works will include level access throughout for wheelchairs, a toilet suitable for wheelchairs, a full flue extraction system to the kitchen, a general upgrade of decorations and finishes and more accommodation for diners. This would almost certainly require extension to the existing Listed building as there is no space for a disabled persons toilet and an extension for a new kitchen would deal with the lack of scope for upgrading the existing. Although called Phase 2, this would have to be done prior to occupation of the hotel.
43. For any enabling development, the proposal needs to be read in conjunction with a Listed building application containing sufficient information about the works necessary for the Listed building enabled by the development, especially as refurbishment is noted as required in the terms of the franchise (3.3.1). Whilst phasing the development may be possible, phasing the consents with later Listed building application is unsatisfactory as the extent of enabling works cannot be fully determined; and some proposals required by the hotel franchise may be further damaging to the interests of the Listed building.
44. An enabling development is a form of public subsidy and therefore assessments need to be transparent and accountable. Therefore the necessary value of the enabling development to cover the shortfall needs to be known, in order to determine whether the extent and type of enabling development is appropriate. The submission fails to do this.
45. Enabling development is development that contravenes other local, regional or national planning policy objectives, such as Green Belt. The reasons for refusal were

the harm to the setting of the Listed buildings and Scheduled Ancient Monument, together with harm to the setting of the village and traffic. This harm to the heritage assets is therefore the case put forward for enabling development.

46. The criteria for enabling development policy requires that all the following are met:

- (a) *It will not materially harm the heritage values of the place or its setting.*  
The development by means of its scale, height, design and proximity would materially harm the setting of the Listed buildings.
- (b) *It avoids detrimental fragmentation of management of the place.*  
The uses in the existing building would be replicated in the proposed hotel, potentially leading to competition with the Listed building.  
The block plan shows there is potential to separate the two buildings in future.
- (c) *It will secure the long-term future of the place, and where applicable, its continued use for a sympathetic purpose.*  
There would be potential for competition with the uses of the Listed building. A continuation of the existing low key use is possible as the existing building does not require major repair (5.6.5) and the existing business is viable.
- (d) *It is necessary to resolve problems arising from the inherent needs of the place, rather than the circumstances of the present owner, or the purchase price paid.*  
The needs of the place are minimal repair (general maintenance); and a long term use which may remain low-key. It has not been demonstrated that the hotel development is the only method of resolving problems arising from these needs.
- (e) *Sufficient subsidy is not available from any other sources.*  
There is insufficient evidence of investigation of other sources.
- (f) *It is demonstrated that the amount of enabling development is the minimum necessary to secure the future of the place, and that its form minimises harm to other public interests.*  
There was no preliminary appraisal of other uses.  
The proposed type of hotel is likely to be more intensive than necessary (5.5.5).  
Much of the work to the Listed building is maintenance and the extent of proposed development is not justified considering the submitted low costs for its repairs.  
Incidental costs and maintenance are part of the owners' responsibility (5.15.5).  
The form of development also harms the setting of the Chapel (Listed building and Scheduled Ancient Monument).
- (g) *The public benefit of securing the future of the significant place through such enabling development decisively outweighs the disbenefits of breaching other public policies.*  
There is insufficient demonstration that securing of the future of the Listed building is impossible without this form of hotel development.  
The wider public benefits accrued from retaining the current public house use would not be lost by more sympathetic low-key development.

47. The case put forward to justify enabling development is in part that the development fails to comply with policy to avoid harm to the heritage assets. This fails to comply with the aim and criteria of enabling development, which is to avoid harm to the heritage assets.
48. Subject to the above, the procedure for dealing with the proposal as enabling development has not been complied with (4.1.6). For instance, there has been no evidence of market testing, investigation of grants, feasibility studies of other uses, feasibility studies of other types of hotels, no development appraisal costings and no Section 106 submission to link the development with benefit to the Listed building.
49. The criteria for enabling development have not been met and the harm to the heritage assets by means of the bulk, scale, design and proximity of the proposed hotel has not been justified.

*Design and Access Statement*

50. Throughout the preliminary discussions, the bulk of the building was identified as an issue and suggestions were made to attempt to mitigate that impact. They included digging down, making the building narrower and breaking down the bulk of the building into separate linked elements. The meeting of 11<sup>th</sup> September 2008 is no exception and the subsequent letter from Richard Donoyou of 2<sup>nd</sup> October 2008, incorporating comments from Philip Walker and further suggestions to reduce the bulk of the building, clarifies that an application based on the scheme presented on 11<sup>th</sup> September was not likely to receive favourable responses.
51. **Corporate Manager (Health and Environmental Services)** - No objection, recommended conditions.
52. **Council's Landscape Officer** - The application still involves the loss of the tree screen that contributes to the enclosure of the west of the site and provides a leafy backdrop to the station platform and contributes to the setting of the entrance to the village. Sitting between two major transport corridors, changes to the site should aim to retain the existing positive features and if possible mitigate the intrusion of the road and railway to achieve an appropriate setting for the Listed building. The proposed line of small trees between the platform and new building are not realistic in this limited space. Another solution needs to be found for softening this boundary given the loss of the current line of planting.
53. The car park layout leaves awkward shaped pieces for planting. The improved setting to the chapel is welcomed. There are two trees on the south side of the proposed building which are the only ones with any potential to screen this elevation from the A505. The parts of the rooting areas that lie within the site need to be protected. If this application does receive approval she recommends a condition be attached for both hard and soft landscape details so that the submitted landscape plan can be modified.
54. Had the building been resited along the southern boundary this would have provided an opportunity to shield the site from the busy A505 and create a calm outdoor space across which the two parts of the hotel could relate. A second option would be to provide tall planting along the embankment with the A505 to isolate the site.
55. **Council's Ecology Officer** - No objection. Recommended condition.

56. **Council's Economic Development Officer** - A protectionist approach based on conservation could restrict inward investment into the District. The proposed development will create employment. Pubs are a central point for villages and the hotel development would support the viability of the Red Lion pub and support the rural economy. The new hotel could service the business parks in South Cambridgeshire, for example Hinxton, Duxford, Granta Park and Babraham. The development is supported by EEDA and EETB, and in the Fleurets assessment.
57. **Council's Strategic Sustainability Officer** - Queries on the main benchmark figure for the heating load of the building. The required area of roofing for solar hot water systems may accordingly be larger. He considers that the potential for biomass has not been fully explored. He comments that passive cooling and air circulation measures could reduce the potential air conditioning load. In respect of water conservation, showers should be provided with a maximum flow rate of 8 L per minute and baths with a capacity of 140 L. Information on sustainable drainage measures should be submitted at a later stage.
58. **English Heritage** – Recommendation of refusal. The mass of the proposed new building and its height (in part to four storeys) would have an adverse visual impact of the setting of the chapel of the hospital of St John. The Inspector of Ancient Monuments states: 'We are not opposed in principle to new build in the area proposed, but feel that this particular scheme is inappropriate. It is desirable that any new hotel should as a minimum have a third-floor parapet wall height no higher than the eaves height of the adjacent wing of the Red Lion, where views from the area just to the south of the chapel are concerned. The current scheme involves lowering the building into the ground to some extent, lowering the parapet height and lowering the proposed roofline of the higher sections. We do not however feel that these amendments significantly address our concerns regarding the adverse impact of the bulk, height and scale of the proposed building on the setting of the chapel. The proposal for a memorial garden to the south of the chapel, commemorating the link between the Red Lion Hotel and the Duxford air base, is welcome. We have no objection to the proposed demolition of the proposed World War Two air raid shelter.'
- The Inspector concludes that he would welcome the opportunity of advising further on any subsequent proposals for a redesigned hotel in the area of the current application.
59. **Disability Forum** – No objection, but comments that provision of five disabled parking spaces would be expected.
60. **Local Highway Authority (LHA)** is seeking provision of an island at the junction of Station Road East and the A505 to physically prevent vehicles from turning right. Negotiations with the applicants' agent have continued and your officers are advised that a resolution is achievable. If the planning application is approved, the LHA recommends the requirement for the provision of the traffic island be the subject of a section 106 agreement. If approved, the highway authority recommends conditions relating to the retention of parking and manoeuvring space, a method statement relating to the process of demolition and the control of contractors' parking, the resurfacing of the existing access, and the final details of motorcycle and bicycle parking facilities.
61. **Highways Agency** – In respect of the previous application S/1161/06/F no objection.
62. **Network Rail** - In respect of the previous application S/1161/06/F no objection. Standard comments.

63. **Cambridgeshire Archaeology** - In respect of the previous application S/1161/06F recommended a condition for a programme of archaeological work to be prepared and submitted for approval.
64. **East of England Development Agency** – Broad support for the application. Whittlesford is within the Cambridge Engine of Growth as defined in the Regional Economic Strategy 2008. As such, the RES states that Cambridge and its hinterland will disproportionately drive the growth given the concentration of its assets. In addition, the Cambridge Sub region contained significant heritage, leisure and cultural assets that provide guidance for the tourism economy. There is a need to support business accommodation. EEDA would ask the Council in its consideration of this proposal to balance the economic benefits of this development against its environmental impact.
65. **East of England Tourism** - Prospects for domestic tourism in the current economic climate are positive. The UK short break market in particular looks likely to benefit. The availability of high-quality, good value accommodation is critical if destinations are to take advantage of the improved demand and projects such as being developed adjacent to the Whittlesford Station will ensure that South Cambridgeshire does not lose out to other regions who are competing for this growing market. Not only is this location attractive for its proximity to Cambridge in itself, but also it plays an important role in supporting the Imperial War Museum Duxford. A recognisable quality hotel brand with an effective distribution network would assist in establishing any business of this kind by attracting higher spending visitors into the local area. The higher the number of rooms available the more the local economy could benefit. There is a balance of maximising economic and social benefits while trying to minimise the impacts on the environment and, providing these have been addressed, EET feel that projects such as being proposed are to be welcomed.
66. Summary of **Fleurets Expert Witness Report** on the business case:

Officers have commissioned Fleurets Ltd, surveyors with a specialism in valuations of public houses, restaurants and hotels, to review the business case put forward in support of the application. The summary findings and conclusions are as follows:

- (a) The location of the Red Lion Hotel has limited aesthetic appeal, and is unlikely to attract significant levels of leisure related custom. It is likely to be largely reliant upon business-related custom associated with nearby businesses or as a result of its proximity to good transport links.
- (b) Generally the main hotel building appears to be in good repair internally and externally. The Condition Report prepared for the Applicant by Savills LLP raises concern about possible decay of the timber frame. In the event that major repairs were to be found necessary, this would impair the viability of the business. The Dovecot building was observed to be in need of external redecoration and repair is required to window frames.
- (c) Overall, an operator would consider some capital investment by way of refurbishment and modernisation is essential if trading levels are to be sustained and potentially improved. However, Fleurets does not believe that scope exists for significant growth of the business in general terms. The standard of bedroom accommodation and related facilities offered by the Red Lion is dated and the room sizes and facilities are not uniform. The hotel does not carry a recognised star rating.

- (d) Further growth in the budget branded sector is anticipated. Recent operating statistics for the UK chain hotel market demonstrate declines in occupancy levels and average room rates achieved in the latter months of 2008. Rising costs have also placed margins under pressure resulting in declining profits levels. Whilst it is expected that the branded project sector will benefit from corporate business down trading, profit margins can be expected to remain under pressure. Smaller hotels, such as the Red Lion, are increasingly subject to competitive pressures of corporately run budget lodge style accommodation, which offers stated fixed rates and widely understood specification of room facilities. In consequence, the pricing structure and standards offered by smaller hotels must be carefully considered against others in the locality in order to compete successfully. Unless a unique selling point or superior facilities can be offered, it is often necessary for such businesses to undercut room rates of their competitors in order to attract sufficient custom.
- (e) The principal sources of business for the Red Lion Hotel are derived from accommodation, food and beverage sales. It is a public house and restaurant with 17 letting bedrooms. Accommodation sales are primarily drawn from business contract workers during weekdays with occasional weekend bookings being from visitors attending local functions either at the premises or nearby. The characterful and historic nature of the building add to its appeal which is likely to be limited to small indoor functions and business meetings.
- (f) The most notable and immediate competition to the Red Lion Hotel is that provided by the branded budget operators, these particularly being the Travelodge Hotels at Fourwentways, (3 miles) and Cambridge Leisure Park (6.5 miles) and the Holiday Inn Express at Coldhams Park (7 miles). In addition there is a 154-bedroom Premier Inn under construction adjacent to Junction 33 of the A14 at Arbury Park to the north of Cambridge.
- (g) The current level of turnover generated by the business would be considered by operators in the market as sufficient to make a living. However this is a business that appears to have become increasingly subject to competitive pressures and turnover in recent years has declined in real terms. This would give cause for an operator to be concerned about future viability. If proposed further hotel developments in the area proceed, Fleurets would expect accommodation sales to come under increasing threat with the risk that the business could become borderline viable.
- (h) Fleurets has considered the contents of the business plan prepared by King Sturge and concurs with their general view that a budget hotel adjacent to the Red Lion Hotel can be expected to enhance the prospects of the business for food and beverage trade. Fleurets would also anticipate that the level of corporate business attracted to the hotel and its accessibility both by road and rail would result in increased demand for conferencing facilities. Of course the presence of the new hotel would result in the loss of any accommodation sales from the business of the Red Lion Hotel, but Fleurets considers it reasonable to expect that this would be counterbalanced by improved levels of food and beverage and business conferencing.
- (i) Assuming the new hotel is able to generate the occupancy levels anticipated by King Sturge, this would generate significant customer traffic from which the Red Lion Hotel can be expected to benefit, subject to appropriate investment in the facilities to cater for such custom. Fleurets would expect the

prominence and general profile of the site to be enhanced by the presence of the hotel block and this too may be expected to enhance the prospects for promotion of the business of the Red Lion Hotel, providing opportunity for the business to attract to a broader destination market and possibly some passing trade by virtue of the improved profile.

### **Conclusions**

- (a) The business is operating profitably to a level sufficient to enable an operator to make a living. The business is currently viable.
- (b) There are various factors that Fleurets indicate that could cause a business to become unviable. It is evident that competition from the budget hotel market in Cambridge has increased in recent years. By virtue of current and possible future development, competition may be expected to continue to increase. This would be considered by operators as placing the hotel driven turnover and, as a consequence, the viability of the business at risk.
- (c) In the short term, competitive pressures are likely to be exacerbated by the current economic recession. Increasing downward pressure upon business and consumer spending may be expected to result in declining levels of turnover and to place profit margins under increasing strain.
- (d) The Red Lion is a Grade II Listed building understood, in parts, to be over 600 hundred years old. The Condition Report prepared for the Applicant by Savills LLP raises concern about possible decay of the timber frame. In the event that major repairs were to be found necessary, this would impair the viability of the business.
- (e) Fleurets considers that the development of a 70-bedroom hotel accommodation block as described in the would provide opportunity to develop the Red Lion as a sustainable food and beverage, conference and functions business catering primarily to guests of the new hotel. It would also provide the opportunity for the business to appeal to a broader destination market and possibly some passing trade by virtue of the improved profile of the site that is likely to result.

67. This report is included at Appendix 1.

### **Representations from the applicants' agents**

68. Summary of Scott Wilson response to English Heritage comments:

- (a) The Heritage Impact Analysis has illustrated that the impact of the proposed development on the setting of either the chapel or the hotel will be minimal and none of the identified 'key views' will be harmed.
- (b) English Heritage makes reference to viewpoints from the different corners of the site. It should be stressed that the 'public realm' is only Station Road East and any viewing of the chapel from the Red Lion or station car park areas is on private land. The principal elevation of the chapel is to the road frontage and this will be unaffected by the development.
- (c) English Heritage's comments failed to take into account the following factors:

- a) The proposed development is sited at the greatest possible distance from the chapel and hotel;
  - b) Visually, there will be a break in the building form between the rear of the hotel and the new hotel structure. This break in the building would be viewed from the area to the rear of the chapel;
  - c) The presence of the new hotel has been minimised as far as possible by compacting the building footprint, reducing the height of the building to bring it more in line with the existing ridgeline of the Red Lion Hotel, lowering the level of the site and removing the roof terrace and lowering the parapet height;
  - d) The area must be viewed within the wider context of the site which is semi urban/industrial in nature.
- (d) The application proposals will significantly improve the setting of the heritage assets by relocating the car parking adjacent to the southern boundary with the A505 embankment. The hard and soft landscaping proposed will emphasise the relationship between the buildings and creates a far more appropriate and safe setting with which to view the buildings. These improvements will not be implemented without the new hotel development which facilitates them.
- (e) The reduction in height required by English Heritage is impossible to achieve without significantly digging the building into the ground by at least one storey. This would significantly raise costs and also affect issues such as archaeology, disability access and drainage of the site.
- (f) The alternative building proposed by South Cambridgeshire District Council and English Heritage is far greater in scale and mass than the building presented in the revised planning application.
- (g) The proposal will benefit the local economy and tourist facilities. The development will allow the applicants' to secure the future of their business and to invest in and improve those historic buildings on the site and the wider landscape setting of the historic assets.

69. This response is included at Appendix 2.

70. Summary of Scott Wilson response to comments of the Council's Conservation Officer:

*Setting and Significant Views*

- a) The existing vegetation to the embankment to the A505 will not be removed as this is outside the application site. The trees within the application site are generally poor quality fruit trees which will be replaced with a higher quality landscaping scheme.
- b) The vegetation on the western side adjacent to the platform is largely shrubs and plants rather than mature trees, and is of limited value. Network Rail is fully supportive of the removal of the trees and shrubs to this boundary due to the maintenance and safety issues they raise.
- c) The enhancement works will remove vehicles from the immediate setting of the buildings and create a high-quality landscaped area in which the group of buildings can be viewed and appreciated safely.

- d) The weight attributed by the Local Planning Authority of the views from the A505 is in question given that there is no pedestrian pavement or cycle track here and thus the main receptors are people in vehicles travelling at speed and thus their views are only fleeting ones.
- e) Existing trees outside the boundaries of the site on the eastern and western sides will remain as a backdrop to the site.
- f) When travelling from the west it is the parapet wall of the railway bridge which immediately comes into view before passing the site. When travelling by train north toward Cambridge the railway bridge also forms the distinct break from the open countryside to the south and the industrial and built-up area of Whittlesford Bridge. The development would form part of the existing built settlement and not be visually incongruous with its setting.

### *Enabling Development*

- a) These proposals are part of a 2, possibly 3, phase development for the site. As a small family run business finance cannot be secured to undertake the works as one package. Phase 1 has been submitted with the Red Lion Hotel excluded. The notion that the Red Lion Hotel will not be invested in or will be sold off separately is totally ill-founded. The site shares parking and servicing and it would be extremely difficult to separate the units. The hotel will provide the majority of food and beverage and meeting room facilities. The franchise will require that the Red Lion Hotel be run at a required standard to complement the new hotel. This will require refurbishment of the Listed building. Phase 2 is likely to entail some alterations to the current building to accommodate the staff quarters, meeting rooms, improved kitchen and dining facilities. However, this stage cannot be contemplated unless Phase 1 is secured.
- b) The costs of providing detailed plans and supporting information with regard to the Listed building simply cannot be entertained until consent is achieved for the new build. The applicant has undertaken in both a Historic Building Analysis and a Condition Survey of the existing building which will form the basis for any future works. The Condition Survey is an assessment of areas of repair for the existing fabric. It is not a scheme for the restoration of the building. It is argued that it is unreasonable to seek any further detailed information at this stage.
- c) The new build is the only realistic viable means of retaining the present business and current food/hotel and drink use of the site. But the option of retaining the building as it is not realistic. The applicant has been refused funding to upgrade the building as it stands. The new build scheme brings with it high guaranteed occupancy rates and a higher constant level of people needing food and beverage to ensure the future of the Red Lion Hotel.
- d) The scheme has the full support of the East of England Tourist Board and East of England Economic Development Agency. The proposals meet a particular gap in the market for the area. It is maintained that there is no other viable option which would retain it as a pub/inn facility serving both the local community and providing quality budget accommodation to visiting guests.
- e) In refusing the first application, the local planning authority has been of the opinion that the scheme is not in accordance with the development plan. It is

argued that the proposal complies with all the criteria in the guidance issued by English Heritage entitled 'Enabling Development and the Conservation of Significant Places' (2008).

#### *Design and Access Statement*

- a) The franchise company has indicated that no further reduction in the number of rooms could be entertained for the scheme to remain viable.
- b) To lower the building any further would raise issues with disabled access, the general circulation on the site, parking arrangements, access to rooms and to the construction costs.
- c) To design a building with a reduced width comprising a single room and corridor would result in a longer structure which would then impose upon the street scene of Station Road East or run parallel to the A505, resulting in far more harm and intrusion to the setting of the Listed buildings.

71. Summary of agents' responses to the Fleurets assessment of the business case:

#### *Repair and Maintenance*

- a) In the agent's experience, the refurbishment cost of the hotel rooms alone would be £180,000. The agent believes that a budget of £300,000 would more accurately reflect the total costs involved in modernising the existing facilities. As the business stands it is not viable to undertake these modernisations.

#### *Competition*

- a) Levels of competition in the budget hotel market are growing in the area, with customers increasingly seeking branded accommodation. Hotels with established brands are in a better position to withstand the pressures of the downturn as opposed to smaller, independent hotels such as the Red Lion Hotel. It is noted that the assessment describes the physical setting as having a limited aesthetic appeal.

#### *Additional Factors*

- a) The pub trade has seen a significant decline in recent years. Latest data from the British Beer and Pubs Association suggests that 39 pubs a week are closing in Britain at a time of deepening recession and rising unemployment. This is due to changes in consumer behaviour. The agent is confident that the Holiday Inn Express will complement the pub business already on site and will allow guests staying at the hotel access to food and beverage available at the pub, thereby enhancing the pub's growth and economic sustainability.
- b) The agent's financial projections indicate that the Holiday Inn Express is expected to achieve an occupancy rate of 77.5% and an average achieved room rate of £63 in the third year of operation. The agent also foresees an increased demand for the Red Lion pub's conferencing facilities due to the hotel's vicinity. This can only be achieved with an internationally branded hotel with a minimum of 70 rooms.

- c) There is encouragement in planning policy to foster economic development - ET/c, ET/4 ET/5, ET/10, Regional Policy E6, and PPS1.

72. These documents (2) are attached at Appendix 4.

**Third party representations:**

73. Three letters of support have been received from an occupier of a unit on the adjacent Lion Technology Park, and 2 residents of Sawston who is a life member of the Cambridge Preservation Society. These state that:

- a) The development would enhance the area;
- b) The development would provide much-needed accommodation for the facilities at Duxford War Museum;
- c) No concern over the increasing traffic expected during the construction period and when the hotel is operating;
- d) A welcome upgrade to the facilities at the hotel.

A further letter of support from the Red Lion Folk Club has been provided via the agent.

**Planning Comments**

***Principle of development***

74. The site lies within the village framework. Policy DP/7 sets out a presumption in favour of development on unallocated land subject to criteria which take into account local character, landscape, historic importance, and the amenities of neighbours, and includes a requirement that development would not result in loss of local employment. In this case, I consider the main issues to be the impact on conservation interests and landscape of the development, and the economic benefits to the existing business, which is a local service, and the tourist the benefits to local area. I do not consider there to be any significant impact on residential amenity in this location.

75. The site lies in a sustainable location with ready access by road, bus services, and rail.

***Benefits to the tourist economy and local business***

76. Policy objectives ET/c and ET/f support the expansion of firms and growth of the tourist industry in South Cambridgeshire. Policy ET/10 (supporting text) states that the focus for new visitor accommodation should be the villages, and development must be of a type in keeping with the settlement size, scale and form. The supporting text envisages such development to be in the larger villages on the grounds of a more sustainable location.

77. The case put forward by the applicant is that the proposal would be a significant benefit to businesses and tourist facilities in the area. This case is supported by the by the Council's Economic Development Officer, by EEDA and by EET.

78. The applicant's case is that the proposed development is essential to ensure the viability of the business. A key finding of the Fleurets assessment is that there is 'the risk that the business could become borderline viable' (Expert Report p21) if proposed further hotel developments in the area proceed. There is only limited scope to improve the existing facilities in the hotel, and repairs to the timber frame may be a possible expense. The proposed development would provide an opportunity to

develop the Red Lion as a sustainable food and beverage, conference and functions business catering primarily to guests of the new hotel. A second key finding is that 'the business is operating profitably to a level sufficient to enable an operator to make a living. The business is currently viable' (Expert Report p 25).

79. I conclude that a reasonable case has been put forward to indicate that the proposed development would be important in ensuring the future viability of the Red Lion Hotel, but that the risk to the business lies in the future and depends upon competition developing in the vicinity.

### ***Conservation and landscape***

80. The previous application S/1161/08/F was refused on grounds of harm to the heritage assets and to the landscaped setting of the village. The proposal has been amended to take account of these concerns. In terms of conservation, the consistent advice of the Council's Conservation Manager and the Inspector for English Heritage is that the revised proposal is insufficient to overcome these concerns. This is a balanced view, for on the one hand there is harm to the setting of these listed buildings from the new development, and on the other there is enhancement of the setting of the chapel from the proposed landscaping works including a memorial garden. A further aspect is the expected future benefits for the refurbishment and maintenance of the Red Lion Hotel arising from funds generated by the new development. This would usually be considered as 'enabling development', but this phrase has a specific meaning in guidance issued by English Heritage, and it is the officer view that the proposal does not conform to this definition (for which seven criteria would have to be met). However, the applicants have indicated that they have every intention to divert funds from this Phase 1 development to a Phase 2 refurbishment of the hotel fabric. This might be secured by a Section 106 Agreement. I acknowledge that the applicant is reluctant to undertake extensive survey work in this regard prior to securing approval for the proposed development. The evidence for essential repairs to maintain the Listed hotel and dovecot is not strong, and I am not convinced that this is a sufficient reason to outweigh the perceived harm of the proposal.
81. Given the advice received from the Council's Conservation Officer and English Heritage, and notwithstanding the points of conservation merit in the application, I conclude that the proposal fails to satisfy the requirements of conservation policies CH/4 of the Local Development Framework and ENV6 of the East of England Plan 2008.
82. With regard to the landscaped setting of the village, there is little difference between this scheme and the previously refused scheme. The development would still occupy a prominent position close to the carriageway when viewed from the A505 from either direction of approach, compared with the current view from east to west across the site towards trees on the western boundary of the site and on the western boundary of the railway station. Although viewed mostly by motorists from vehicles in motion, this is a main exposed view of the village, the hotel and chapel, for passing traffic and I accord it due significance for that reason.
83. An alternative approach to the development of a freestanding hotel within the site which would result in less harm to the setting of the Listed buildings and chapel has been raised with the applicants and agent, as discussed above in the Conservation Officer's comments and the response of the agent. This approach has not been accepted by the applicant or agent on the grounds of viability, and disagreement on the conservation impact that would arise. Notwithstanding this failure to agree,

Officers remain of the view that, in principle, a less harmful scheme could be devised for the site.

### ***Other matters***

84. Previous concerns relating to be highway safety of the proposal are capable of resolution by way of a section 106 agreement. I am satisfied that the scheme is adequate in terms of car parking provision, subject to further details of cycle parking and a Travel Plan being agreed.

### ***Conclusion***

85. The assessment of the proposal requires the benefits to the local economy, tourism, and the securing of future viability for the existing business to be balanced against the harm to the setting of the Listed buildings and scheduled ancient monument, and setting of the village.
86. Regional and local policies support the expansion of existing businesses and the promotion of tourism in our District (E6, ET/f, ET/5, ET/10). They also encourage the retention of village facilities, including pubs (SF/a, SF/1). Some of these policies make a proviso that harm should not result to the environment as a result of such development (E6, ET/f, ET/5, ET/10). Central Government guidance also emphasises the advantages of protecting and respecting the historic interest in of surrounding buildings and areas to ensure that 'proposals did not adversely affect the historic environment that people value' (CLG- 'Good Practice Guide on Planning for Tourism' (2006) para 5.11). Policy SF/1 emphasises the need to explore alternatives when considering the protection of village services and facilities, which may include marketing for a period of 12 months at a realistic price. Conservation policies (ENV6, CH/4), on the other hand, are clear in stating that, where harm to the setting of a listed building would result from a development, planning permission should not be granted. Policy DP/2 requires new development 'to be compatible with its location and appropriate in terms of scale, mass, form, siting, design, proportion, materials, texture and colour in relation to the surrounding area'.
87. The motive for the application is the perceived need to secure future viability for the existing public house. The independent financial appraisal has assessed the existing business as a viable enterprise. To this extent, the proposal is speculative, anticipating future market conditions. This does not amount to an immediate threat to the existing village facility. I am not convinced that there is an overriding need for such a facility at this time, or that possible alternatives have been fully explored. On the other hand, there is clear guidance from conservation advisers that the proposed development is harmful to the setting of the heritage asset on the site, and that an adverse landscape impact would also result. In the context of policy, the Local Planning Authority has a duty to consider this impact in its own right, notwithstanding any other benefits arising from the scheme. I conclude that the conservation aspects of the proposal outweigh the potential economic benefits in this case, and that therefore the application is unacceptable for these reasons.

### **Recommendation**

1. The proposed hotel building, by virtue of its scale, height and proximity to Red Lion Hotel, a Grade II Listed building, and Duxford Chapel, a grade II Listed building and Scheduled Ancient Monument, would be harmful to the setting of these heritage assets, and would not comply with the provisions of the development plan that aim the ensure that the setting of heritage assets is

protected, and in particular Policy ENV6 of the East of England Plan 2008 (The Historic Environment) and Policy CH/4 (Development Within the Curtilage or Setting of a Listed Building) of the South Cambridgeshire Local Development Framework Development Control Policies DPD 2007.

2. The proposed development, by virtue of its bulk height and proximity to the edge of the village when viewed from the A505, would appear incongruous and harmful to the landscaped setting of the village, and would not comply with Policies DP/2 (Design of New Development), DP/3 (Development Criteria) and DP/7 (Development Frameworks) of the South Cambridgeshire Local Development Framework Development Control Policies DPD 2007.

**Background Papers:** the following background papers were used in the preparation of this report:

- Department for Communities and Local Government: PPS1, PPG15, Good Practice Guide on Planning for Tourism (2006)
- East of England Plan (2008)
- South Cambridgeshire Local Development Framework Core Strategy Development Plan Document (2007)
- South Cambridgeshire Development Control Policies Development Plan Document (2007)
- Planning Files ref S/1161/08/F and S/1862/08/F

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