

Planning Reference No:	09/2083C
Application Address:	Albion Inorganic Chemicals, Booth Lane, Moston, Sandbach, Cheshire, CW11 3PZ
Proposal:	Outline application for comprehensive redevelopment comprising of up to 375 residential units (Class 3); 12,000 sqm of office floorspace (Class B1); 3810 sqm of general industrial (Class B2), warehousing (Class B8), car dealerships and petrol stations (Sui Generis) and fast food restaurant (Class A5) uses; 2600 sqm of commercial leisure uses incorporating hotel (Class C1), restaurant/pub uses (Class A3/A4) and health club (Class D2); retention and change of use of Yew Tree Farm Complex for residential use (Classes C3); public open space; together with access and associated infrastructure
Applicant:	Countryside Properties (Northern) Ltd
Application Type:	Outline
Grid Reference:	373132 362923
Ward:	Congleton Rural
Earliest Determination Date:	10 th September 2009
Expiry Dated:	14 th October 2009

BACKGROUND.

Members will recall that this application was deferred at the meeting of the Strategic Planning Board on 16th February 2011 in order for

1. further discussions to take place in respect of the percentage of affordable housing being offered by the developer,
2. further information to be submitted in respect of the contamination of the land
3. consideration of the possibility of relocating the housing element to the Greenfield part of the site and the commercial use to the brownfield part of the site.

(A copy of the original report and the update are appended to this report.)

ADDITIONAL REPRESENTATIONS.

Sandbach Town Council

The Council has raised the following points:

- i. Concern about contamination on this site. This was a CEEMAH site and Members would require cast iron assurances that development in any form was safe.
- ii. Concern about the loss of Greenfield, and in this case playing field for any kind of development.
- iii. Concern at the effect this and other, current and approved, applications will have on the traffic flow through Sandbach. The Council cannot see any remedial measures mitigating this increase in traffic.

- iv. The sites isolated position would result in a dependency on cars for all necessary travel.
- v. The rail line running to the rear of the site has great potential and should be made use of.
- vi. This proposed site is equidistant to at least three Sandbach primary schools – There should be a higher contribution to education which should be divided equally between the local primary and secondary schools.
- vii. Concern that this development will greatly impact the already overburdened Sandbach infrastructure.
- viii. A dedicated cycle way should be included in the proposals to allow residents safe travel to local facilities without the need for a car journey.

Middlewich Town Council

The Town Council supports the request for a contribution from the developer towards the cost of the completion of the Middlewich Eastern Bypass should the planning application for the development of the Albion Chemical Works site be approved.

Pochin Developments

The Council will be aware of the commitment which Pochin has made over the years to deliver the bypass for the local community and the employment opportunities which will flow from its completion. The principle has always been that the bypass needs the maximum amount of development based private sector funding to allow it to be built. Pochin have worked with the Highway Authority jointly on this premise for over ten years. All but the last section has been funded entirely by private sector contribution.

The Council should acknowledge the traffic impact of this unexpected proposed redevelopment in just the same way as that planned through the local allocation and seek fair and reasonable ways of generating financial contributions towards the cost of this much needed infrastructure.

They would ask that the Council review these opportunities on behalf for the community and ensure that a proper contribution is made should this application be granted and implemented. They are soon to meet with Council officers to set out the details of how all contributions should be collected and used properly.

Harris Lamb on behalf of Bovale Ltd.

Bovale has been working closely with Pochin to fund the construction of the bypass. Due to the significant cost associated with the construction of the bypass Bovale have suggested the development of an enabling residential scheme known as Glebe Farm.

Bovale owns a significant parcel of land, known as Glebe Farm, on Booth Lane at the southern edge of Middlewich. This parcel of land has been the subject of a number of meetings with Council officers over the course of the last three years. It is proposed that this site could be developed for housing as part of an enabling

development to help deliver the Midpoint 18 employment site and the Middlewich bypass. They have, however, been advised by Council Officers on a number of occasions that houses cannot be developed at Glebe Farm until the Middlewich bypass is complete. This is due to the significant traffic problems within Middlewich town. They were, therefore somewhat surprised that Council Officers have sought to recommend the approval of a substantial development that will significantly increase the amount of traffic in Middlewich without seeking any form of contribution towards the development of the Middlewich bypass.

The applicants Planning Supporting Statement advises at paragraph 5.7 that off site highways works will be required. These works include improvements to the A54 / A 533 junction in the centre of Middlewich. Given that the development is for 375 dwellings, over 17,00sqm of B use class floorspace, a hotel and retail it will obviously result in significant traffic generation and place more pressure on the roads of Middlewich. A contribution from the development of this site should, therefore be sought for the Middlewich bypass.

Given the scale of the development proposed compared to Midpoint Phase 3 and Glebe Farm and the contribution that these developments are expected to make towards the bypass, they would suggest that a contribution of between £5.5m and £6m should be made towards the bypass from the Albion Works site. They would suggest that the Councils start negotiations immediately with the applicants to ensure an appropriate contribution towards the bypass.

On a related note, they note that this application is being recommended for approval despite a direct conflict with the Councils Interim Planning Guidance. Again, they are surprised given that they have been advised by officers on a number of occasions that the Glebe Farm proposals are contrary to the interim policy statement as currently drafted and will be resisted on these grounds in the short term. A consistent policy with the Albion works should now be applied to Glebe Farm.

APPLICANT'S ADDITIONAL SUPPORTING INFORMATION

Letter from WSP Environment & Energy Ltd

A letter has been received from the applicant's contaminated land consultant (WSP Environment & Energy Ltd) setting out in detail the remedial works that have been carried out on site to date and the works which remain to be carried out. The contents of the letter are summarised as follows:

- Various stages of investigation and remediation have been carried out at the site to manage 'statutory' liabilities associated with historical contamination. Throughout these works consultation with the regulators has been carried out at appropriate stages. The Environment Agency has provided their view of the site in relation to the planning application for a mixed used development.
- The EA has requested in their letter dated 3 September 2009 that four key stages of work related to contaminated land are completed as follows:
 - o A preliminary risk assessment (PRA).
 - o A detailed site investigation.
 - o An options appraisal followed by a remediation strategy.
 - o A verification plan.

- Elements of the above have been completed to date as part of the IPPC works and the works required as part of the environmental deed. In monetary terms, over the course of BSL involvement at the site, they have instructed various stages of investigations and remedial works to the sum just over £1 Million.
- In line with the EA's view of the further works required at the site, once the master plan for the site is confirmed further phase of detailed ground investigation will be undertaken. Dependent upon the findings of the further characterisation exercise, appropriate remediation / mitigation will be completed. The close regulatory consultation will continue in order to meet the requirements of the planning conditions for the site.
- At this stage, it is anticipated that a further £60,000 to £130,000 could be spent on further ground investigation at the site prior to finalising the remediation strategy to facilitate development. This figure does not take into account the costs of further remediation works at the site. The finalized remediation strategy will be submitted for scrutiny / approval of all relevant regulatory bodies prior to implementation.

Letter from BNP Parabis

A letter has been received from the applicant's economic viability consultant (BNP Parabis) setting out in detail the remedial works that have been carried out on site to date and the works which remain to be carried out. The contents of the letter are summarised as follows:

- At the recent planning committee a request was made as to the impact on viability and the ability of the site to maximise affordable housing of switching the residential element so that it sits primarily on the greenfield element of the site rather than the brownfield element.
- An additional viability assessment to model the outcome of this switch has been undertaken.
- The residential area for 375 units is currently 7.9ha; the greenfield part of the site is 4.8ha, or approximately 60% of the total residential land area.
- The viability assessments carried out and submitted to the Council in autumn 2010 demonstrated that given the necessary remediation and the current poor market conditions the provision of any affordable housing was challenging.
- However from discussions with the Council's appointed professional advisor, Roger Hannah and Co., it was possible to produce a model based on enhanced sales receipts that showed an 8% provision – 31 affordable units out of 375 – and this proposal was put to the Council.
- The switch to predominantly greenfield residential development will produce savings in remediation costs as well as benefits to the development process.
- Using advice from WSP in terms of remediation costs, they have identified total savings from reduced remediation costs of £690,000 – this figure includes reductions in direct remediation costs, gas venting measures, services protection and foundation design. In addition the building design fees have been reduced from 10% to 8.5% to reflect the more straightforward nature of the development. Finally the development and sales programme has been brought forward by 3 months as there will be a less complex pre-development phase. In line with the previous appraisal this does not consider

the impact on the commercial element – where remediation works will still be required.

- In addition to the base remediation savings they have considered what other impacts the change would have on the development appraisal carried out.
- It is not considered that there will be a change in the end value of the completed residential units; the completed scheme would change the character of the area whether it was on brownfield or greenfield and the micro environment would also not be significantly different by a move 400 metres south.
- However the process of developing on greenfield land is more straightforward and, as indicated above, this will create time and site preparation cost savings and they have factored this into the revised appraisal. All other elements and assumptions of the previous submitted Viability Report remain unchanged.
- The market picture since the October 2010 report remains unsettled and the residential market in the UK (outside of London and the south east) is still very challenging especially in terms of mortgage availability. The Land Registry reports a fall of 2.3% in values in the last quarter in Cheshire East. The Nationwide reported a 0.3 % rise in national house prices in March, the Halifax a 0.9% fall.
- The outcome of the appraisal shows that, in using the greenfield area for residential, a residual outcome of £3.242m is reached, this is just below the viability threshold of £3.3m. Thus there is a case to make that it becomes viable to provide 60 affordable units out of 375 (16%) if the residential is switched to the predominantly greenfield part of the site, this increase is mainly due to the savings made on remediation costs.

Amended Plan

A Revised Parameter/Zone Plan (Reference 6059/004 Rev.C) showing the land uses re-arranged so that the residential use is predominantly on the Greenfield part of the site.

OFFICER COMMENT

As stated above, the application was deferred at the Strategic Planning Board meeting of 16 February in order for further discussions to take place in respect of the percentage of affordable housing being offered by the developer, to allow further information to be submitted in respect of the contamination of the land and to consider the possibility of relocating the housing element to the Greenfield part of the site and the commercial use to the brownfield part of the site. This addendum report will detail the outcome of the negotiations in respect of each of those three issues.

Contaminated Land

A number of Members raised questions about contamination on the site and remediation either carried out to date or proposed for the site. WSP Environmental Ltd. have been employed by Bluefield (Sandbach) Ltd (BSL) since they acquired the

site in 2006, and have provided consultancy services, site investigation and supervised the remediation works completed by third parties. They have submitted a letter which, is summarised above and goes into considerable detail regarding the contamination of the site resulting from the historic chemical manufacturing processes, the remediation work carried out to date, and what is likely to be necessary in order to implement the proposed development. The letter identifies the fact that on acquisition, BSL and the former owners of the site entered into an Environmental Deed which transferred the environmental liabilities to BSL. This required BSL to place in an Escrow account £1M to fund specified remedial works including the Mercury Plant decontamination and the remediation of the waste sludge lagoon. Those works have now been completed in accordance with statutory regulatory approval. Both the Environment Agency and the Council's Contaminated Land Officer, have confirmed that they are satisfied with the works that have been carried out to date.

There remains additional remediation works that must be carried out in order to accommodate the proposed development. The exact form of remediation has yet to be defined and will be dependent upon the final land use mix and detailed layout of the site in accordance with normal planning and regulatory controls. This can be secured by planning condition and the Council's Contaminated Land Officer and the Environment Agency have indicated that they are happy with this approach and would be consulted prior to signing off any information submitted in order to discharge those conditions.

Relocation of Housing to Greenfield Site.

Following the resolution by Strategic Planning Board, the developer has agreed to relocate the proposed residential development to the Greenfield part of the site and a revised zoning plan has been submitted accordingly. It should be noted, however, that the Greenfield part of the site is 4.8 hectares compared to the 7.9 hectares of residential development that has been proposed from the outset, and therefore as identified on the revised Zoning/Parameters Plan, it would be possible to accommodate approximately 60% of the total residential on the Greenfield part of the site.

It is considered that this modification to the arrangement of the proposed land uses, coupled with the additional information provided by WSP are sufficient to address any outstanding concerns relating to the potential impact of land contamination on future residential occupants of the site.

As set out in the main report, the proposed employment development on the Greenfield part of the site, was considered to be a departure from the development plan. However, the relocation of the housing element to the Greenfield part of the site, creates a greater conflict with policy, in that it conflicts with advice in PPS.3 which suggests that housing development should be directed primarily towards brownfield sites. The proposal also contravenes the Council's Interim Planning Policy on the Release of Housing Land which states that when it is demonstrated through the Annual Monitoring Report that there is not a five year supply of housing land as defined by PPS3, subject to other saved policies of the relevant Local Plan being satisfied, the Council will allow the release of appropriate greenfield sites for

new housing development on the edge of the principal town of Crewe and encourages the redevelopment for mixed uses, including housing, of previously developed land within settlements.

The previous scheme, which involved residential development on the brownfield land within the settlement boundary would have complied with this policy. However, in this case, there are a number of other unique material considerations which must be taken into account, when considering the planning policy implications of the revised scheme.

The proposal will not result in the loss of any greater area of greenfield land, that the previous layout, it is merely that the land uses within the site have been re-arranged. The previous scheme involved some housing on the Greenfield site, albeit a small percentage. Similarly, the current proposal, as detailed above, still involves a small amount of housing on the brownfield site, due to that land forming the greater proportion of the site. As with the previous layout, it is considered that allowing the release of a small area of open countryside, will enable the remediation and regeneration of one of the most contaminated vacant brownfield sites in the Borough. This is considered to be a unique material consideration to outweigh the provisions of the development plan.

The most recent Government advice carries a presumption in favour of sustainable development and development for future economic growth. An important aspect of sustainable development is the regeneration and re-use of derelict and contaminated sites. Furthermore, the proposal will provide over 17,000sqm of quality employment space alone, which will contribute significantly to the economic growth of Sandbach and Middlewich as well as the surrounding areas.

More significant, however, is the impact of the switching of the land-uses upon the viability of the scheme, and as a result the percentage of affordable housing that can be provided. This is discussed in more detail below.

Percentage of Affordable Housing

The letter from BNP Paribas essentially makes the point that the development as shown on the original the Parameter/Zone Plan from October 2010, can only afford to make an affordable housing provision of 8%, or 30 units out of 375. The 8% figure has been tested by the Council's own consultants and the original report to the 16 February Strategic Planning Board details the remaining areas of difference between the Council's Consultants and BNP in respect of the calculation of this figure. BNP make the point in their most recent letter that the housing market picture since their original work was undertaken remains unsettled and is very challenging especially in terms of mortgage availability. BNP identified that the Land Registry have recorded a fall of 2.3% in values in the last quarter in Cheshire East alone. For these reasons, the applicants remain of the opinion that their 8% affordable housing offer is the maximum that they can afford to provide based on the original land use arrangement. It should be pointed out, however, that should the position substantially improve once development has been permitted, the Council's claw back clause which would be put into the Section 106 Agreement would ensure that there would be an increase in affordable housing provision.

However, WSP have identified that if the residential development was relocated in part to occupy the undeveloped part of site (the greenfield land), with commercial and employment uses built on the brownfield part of the site, there is likely to be a saving of £690,000 in remediation costs. BNP have modelled this in terms of financial viability and, taking account of the remediation cost savings and additional savings, have identified that with this arrangement, it would be possible to make an affordable housing provision of 16%. This is double the original level of affordable housing that would have been provided, and is considered to be a significant material consideration to outweigh the policy concerns outlined above.

CONCLUSION.

It is considered that the applicant has adequately addressed all three of the reasons for deferral. Further information has been provided in respect of the decontamination of the site. The land uses within the site have been switched around in accordance with Member's suggestions to ensure that the majority of the residential development will take place on the Greenfield part of the site. This has resulted in a reduction in the remediation costs which has improved the viability of the scheme and doubled the amount of affordable housing which can be provided. On this basis the scheme, as amended, is recommended for approval.

AMENDED RECOMMENDATION

APPROVE subject to completion of Section 106 legal agreement to secure the following:-

1. a) Affordable housing provision of 16% - to be provided on site. The housing is to be provided based on 33% social rented and 67% intermediate/shared ownership, and to be provided in a variety of unit sizes to meet local requirements, in accordance with the scheme to be agreed at the Reserved Matters stage. The affordable housing to be 'tenure blind' and pepper potted throughout the site, subject to RSL operational requirements.

1. b) An overage clause which provides for the current viability calculations to be reviewed at appropriate intervals before completion of the development and for the figure of 8% to be increased if the economics of provision improve either by increased on site provision or by financial contribution in lieu.

2. The following contributions:-

- **A533/A54 Leadsmithy St, Middlewich:- £170,000**
- **A533/A534 The Hill/High St/Old Mill Rd/Brookhouse Rd roundabout, Sandbach £197,000**
- **Junction 17 – M6:- £190,000**
- **Quality partnership bus shelters £25,000**
- **Real Time Information facility, Sandbach Rail Station £20,000**

- Travel Plan facilities and targets £38,000
- Education contribution - £100,000

3. Provision for public open space to serve the whole of the development to be agreed with the Council when details of layout are submitted for approval. This must secure the provision and future management of children's play areas and amenity greenspace in accordance with quantitative and qualitative standards contained in the Council's policy documents including the Congleton Borough Local Plan First Review SPG1 and it's Interim Policy Note for the Provision of Public Open Space 2008. Submitted details must include the location, grading, drainage, layout, landscape, fencing, seeding and planting of the proposed public open space, transfer to and future maintenance by a private management company.

And the following conditions

1. Standard outline
2. Submission of reserved matters
3. Approved Plans – location and zoning
4. Notwithstanding detail shown – no approval of indicative residential masterplan.
5. Submission of Landscape Design principles
6. Submission of Landscape framework
7. Submission of Landscape and ecological management plan
8. Retention of trees and hedgerows
9. Submission of Arboricultural Impact Assessment
10. Submission of Arboricultural Method Statement
11. Submission of Comprehensive tree protection measures
12. Submission of assessments under the Hedgerow Regulations with each reserved matters application, for any hedgerows to be removed as part of that phase of development.
13. Submission of topographical survey as part of reserved matters.
14. Use of farmhouse as site office
15. geophysical survey in order to establish the need, if any, for further archaeological mitigation and submission / implementation of mitigation.
16. Submission of travel plan with each reserved matters application
17. Contaminated land assessment
18. A scheme for the provision and implementation of a surface water regulation system
19. A scheme for the management of overland flow
20. A scheme to be agreed to compensate for the impact of the proposed development on the two drainage ditches within the development boundary.
21. A scheme for the provision and management of compensatory habitat creation
22. Wetland creation, for example ponds and swales.

- 23. A scheme to dispose of foul and surface water**
- 24. Submission of contaminated land investigation / mitigation**
- 25. Submission of revised air quality impact assessment / mitigation**
- 26. South west facing facades of dwellings to be attenuated by close-boarded wooden fencing along the south west site boundary in order to provide a 5 dB reduction.**
- 27. The north western boundary shall be attenuated by a landscaped buffer zone which shall be 2m high and a minimum surface density of 15/20 kg/m³. Along the top of the bund shall be a 2m acoustic fence in order to provide further attenuation.**
- 28. Submission of scheme for protecting the proposed dwellings from railway noise and vibration**
- 29. Submission of a scheme for protecting housing from noise from all the commercial and industrial activities**
- 30. Each reserved matters application for commercial activities to be accompanied by submission and approval of proposed hours of operation**
- 31. Each reserved matters application for commercial activities to be accompanied by a noise impact assessment has been submitted to and approved by the Local Planning Authority. The noise impact assessment shall address;**
 - All hours of operation;**
 - noise from moving and stationary vehicles;**
 - impact noise from working activities;**
 - noise from vehicles moving to and from the site in terms of volume increase; and**
 - current background levels of noise.**

Any recommendations within the report shall be implemented prior to the development being brought into first use.
- 32. Prior to commencement of development of any commercial building scheme for the acoustic enclosure of any fans, compressors or other equipment with the potential to create noise, to be submitted**
- 33. Prior to commencement of development of any commercial building details of any external lighting shall be submitted to and approved**
- 34. Prior to commencement of development of any commercial building details of security for the car parks to prevent congregations of vehicles late at night to be submitted**
- 35. Prior to commencement of development of any commercial building details of the specification and design of equipment to extract and disperse cooking odours, fumes or vapours**
- 36. The hours of construction (and associated deliveries to the site) of the development shall be restricted to 08:00 to 18:00 hours on Monday to Friday, 08:00 to 13:00 hours on Saturday, with no work at any other time including Sundays and Public Holidays**

- 37. Details of the method, timing and duration of any pile driving operations to be approved**
- 38. Details of the method, timing and duration of any floor floating operations connected with the construction of the development hereby approved to be approved**