



		<b>Committee Date: 9<sup>th</sup> September 2020</b>
<b>Dunkeswell And Otterhead (Monkton)</b>	<b>20/1049/FUL</b>	<b>Target Date: 22.07.2020</b>
<b>Applicant:</b>	<b>Colin and Jenny Brown and Wheatley-Brown</b>	
<b>Location:</b>	<b>Court Hall Monkton</b>	
<b>Proposal:</b>	<b>Conversion of an existing hotel/guest house (C1) to form a single, independent dwellinghouse (C3)</b>	

**RECOMMENDATION: APPROVE subject to conditions**

#### **EXECUTIVE SUMMARY**

The application is before Members as the applicant is a district councillor and one of the ward members.

The proposal would result in the loss of the existing guesthouse/hotel use and conversion of the building to residential use. It is advised that the applicant's already reside in the building in an owner's flat and therefore the proposal would not result in any additional residential units, in what is considered to be an unsustainable location. This being the case, no objection is raised in relation to the proposed residential use with regards to accessibility to services or facilities.

It is also recognised that a recent high court decision has determined that policy E18 of the Local Plan, which deals with the loss of tourist accommodation, would not apply in circumstances/locations such as this.

The lawful use of the site is of a type which is considered to be a 'main town centre use' and as such is classified as an employment generating use under Strategy 32 of the Local Plan. This policy seeks to resist the loss of such uses, where it would harm business and employment opportunities, unless one of 4 listed circumstances are met. The policy does not define what might constitute 'harm' and whilst the property is considered to represent an employment use any employment provision has historically been limited to primarily the applicants themselves, with assistance from casual staff as required. Whilst the application is not supported by up to date marketing evidence, evidence from a previous marketing campaign has indicated a lack of interest in the site as an ongoing concern with concerns over size (of both site and building), location and competition being cited. There remains ongoing uncertainty over any future route changes to the A30 around Monkton which is likely to be of specific concern to investors. Whilst this marketing exercise is not up to date, given the constraints

on and issues affecting the site, it is not considered that any further marketing in the current climate in relation to this proposal would be likely to produce any different result. It is also acknowledged that in terms of alternative provision there are a range of larger chain hotels operating in the area as well as other boutique hotels and smaller guesthouses.

On the basis of the above, whilst the loss of the business use of the premises would be regrettable it is not considered that in this instance it would be reasonable to resist such loss and that the proposal would not result in harm to either social or community gathering or business and employment opportunities in the area and as such would not be contrary to Strategy 32.

The proposal is otherwise considered to be acceptable and as such the application is recommended for approval.

## **CONSULTATIONS**

### **Local Consultations**

#### **Dunkeswell And Otterhead - Cllr David Key**

I fully support the application as usage as a bed and breakfast property has declined considerably and so can see no reason why this should not become a private house.

#### **Clerk To Monkton Parish Council**

Court Hall was historically the Manor House of Monkton - a private dwelling house. In its early days it was the Vicarage for Monkton Church. Therefore the Parish Council has no objection to this application.

### **Technical Consultations**

#### **Highways England**

Referring to the application referenced above, seeking permission for the conversion of an existing hotel/guest house (C1) to form a single, independent dwellinghouse (C3), at Court Hall, Monkton, Honiton, Devon, EX14 9QH, notice is hereby given that Highways England's formal recommendation is that we:

a) offer no objection.

Highways Act Section 175B is not relevant to this application.

This represents Highways England formal recommendation and is copied to the Department for Transport as per the terms of our Licence.

Should you disagree with this recommendation you should consult the Secretary of State for Transport, as per the Town and Country Planning (Development Affecting Trunk Roads) Direction 2018, via [transportplanning@dft.gsi.gov.uk](mailto:transportplanning@dft.gsi.gov.uk).

#### Devon County Highway Authority

We have received the attached consultation, but Devon County Council is not the Highway Authority for the connecting highway, A30 (Trunk), therefore consultation should be sought from Highways England for this application.

#### Economic Development Officer

I have reviewed the submitted documents associated with this application. As a service, we have previously supported new visitor accommodation and hotel development within the district. Whereas we acknowledge the observations around increased competition from national chains and online home sharing sites, no new information is provided in relation to the overall shortfall in guest accommodation in East Devon being resolved.

The proposed loss of employment use to residential appears to bring Strategy 32 of the Local Plan into consideration. It doesn't seem that a marketing exercise has been carried out to more fully explore options for retention of the site for its current or similar use. Nor has a surplus of hotel accommodation with the district been specifically evidenced.

We are conscious that room occupancy rates (a clear measure of demand) are strongest in Exeter and immediately East of the city. Demand can often outstrip supply when large scale visitor events happen simultaneously. The position of this hotel, right on the A30 may make it especially attractive to established hotel businesses who have approached East Devon seeking sites next to main roads with a minimum 40,000 vehicle movements per day.

Further comments:

Additional letters noted – they're saying the same thing.

On the one hand, a marketing exercise for a property which was conducted 7 yrs ago is wholly unacceptable as a basis for presuming current market demand. On the other, you're right, in that a renewed marketing exercise in the midst of a global pandemic and economic recession without an end in sight would also be flawed in its ability to capture 'normal' market demand.

To be clear, the application is not meeting the requirements of Strategy 32 or the published marketing strategy guidance and there is no economic development basis to support the proposed loss of employment generating use. However, we accept the limitations of any further marketing exercise and that we are not reviewing this application during a period of normal market conditions.

#### Other Representations

No comments received.

## **PLANNING HISTORY**

<b>Reference</b>	<b>Description</b>	<b>Decision</b>	<b>Date</b>
09/1698/FUL	Extensions to hotel to create additional letting bedrooms, functions room, ancillary storage and kitchen facilities and revised parking and access arrangements.	Approval with conditions	20.10.2009
12/2086/FUL	Proposed extension to form foyer to hotel	Approval with conditions	08.03.2013
12/2288/FUL	Replacement of extant planning permission 09/1698/FUL- extensions to hotel to create additional letting bedrooms, function room, ancillary storage and kitchen facilities and revised parking and access.	Approval with conditions	28.11.2012
15/2170/FUL	Proposed garage	Approval - standard time limit	11.12.2015
16/2532/FUL	Change of use and conversion of garages and stores to create 7 hotel bedrooms	Approval with conditions	08.02.2017

## **POLICIES**

Adopted East Devon Local Plan 2013-2031 Policies  
Strategy 3 (Sustainable Development)

Strategy 5B (Sustainable Transport)

Strategy 7 (Development in the Countryside)

Strategy 46 (Landscape Conservation and Enhancement and AONBs)

Strategy 32 (Resisting Loss of Employment, Retail and Community Sites and Buildings)

TC2 (Accessibility of New Development)

TC7 (Adequacy of Road Network and Site Access)

TC9 (Parking Provision in New Development)

E18 (Loss of Holiday Accommodation)

Monkton Neighbourhood Plan (In Preparation)

Government Planning Documents

NPPF (National Planning Policy Framework 2019)

National Planning Practice Guidance

### **Site Location and Description**

Court Hall is a large detached two storey property dating from the early 19<sup>th</sup> century. It is constructed from local random stone, with dressed stone detailing under a pitched slate roof. The property is accessed direct from the A30, from which it is separated by a driveway/parking area and low stone wall. The site currently operates as a hotel/guesthouse, although its occupation has become limited over recent years as the applicants have scaled back the business.

There are neighbouring residential properties to the northeast, 'Monkton Court House' and southwest, 'Court House'. A separate fenced parking area associated with the use of the site is located adjacent to the highway, north of the entrance to Monkton Court House. To the southwest of the site on the opposite side of the A30 is St Mary Magdalene's church (grade II\* listed). The village pump, located roadside opposite the church, is separately listed (grade II).

Monkton is a small settlement with no defined built-up area boundary. It is located in open countryside approximately 3km northeast of Honiton and falls within the designated Blackdown Hills Area of Outstanding Natural Beauty.

### **Proposed development**

Court Hall is described variously in the supporting documents as a guesthouse and as a (boutique) hotel. In planning terms both fall within a C1 use class of The Town and Country Planning (Use Classes) Order 1987 (as amended) and where a change of use is required to change to a dwellinghouse (C3) use.

The application proposes no external or internal changes to the building or site layout other than the removal of an existing extract flue on the northeast elevation of the building. This currently serves a commercial kitchen and would no longer be required.

### **ANALYSIS**

The main issues in the determination of the application relate to the loss of tourism accommodation/employment use and the location of the site with regards to accessibility to services and facilities in relation to the proposed residential use.

## **Principle of development**

The development plan for the area consists of the East Devon Local Plan 2013-2031 (EDLP). Monkton Parish has been designated as a Neighbourhood Area and a pre-submission draft of a Neighbourhood Plan has been produced but this carries less weight given the stage of its preparation.

The site lies outside any designated built up area boundary, or specific site allocation and as such is defined as open countryside under Strategy 7 of the EDLP. Strategy 7 states that development will only be permitted where it is in accordance with another policy of the Local or Neighbourhood Plan that explicitly permits such development. In this instance, policy D8 of the Local Plan potentially offers support for the proposed residential use subject to all of its listed criteria being met. Those criteria require, amongst other things, that the new use would not substantively add to the need to travel by car; that the building is structurally sound and capable of conversion, without the need for substantial alteration; there would be no harm caused by parking storage etc. associated with the proposed use and that the conversion could be undertaken in an appropriate manner with regard to local building styles and materials. In this case, the building is already in a tourism/employment generating use and no operational development is proposed/required to enable the change of use. It is also not considered that the proposal would cause any particular harm through parking or external storage, given the existing use. Consideration of traffic movements and need for car travel is considered separately below.

In relation to proposals for residential conversions a further three criteria need to be met to satisfy the requirements of policy D8. The first of these is not applicable as it relates to agricultural diversification. The second criteria requires that the conversion would enhance its setting through the removal of modern extensions and materials, outside storage, landscaping etc. In this respect the application proposes the removal of a large extract flue that runs up the northeast elevation of the building. The supporting statement considers the removal of this flue would, '*...lead to a significant improvement to the building's immediate setting.*' This view is considered to overstate any resulting benefits but the removal of the flue would have some benefit.

The location of the site in relation to a range of accessible service and facilities is considered below.

## **Site location and accessibility**

The draft Monkton Neighbourhood Plan lists the services and facilities within the parish. In terms of transport provision it refers to a weekly bus service to Taunton, it states that there are no health services provided within the parish, there is also no primary school but there is a village hall. A limited number of businesses are listed which include the application site. It is not considered that Monkton provides a range of services and facilities to meet the everyday needs of residents. This view was shared by the planning inspector in dismissing an appeal for the residential conversion of a number of redundant agricultural buildings and farm shop/café at Oaklands farm, just to the northeast of the site (APP/U1105/W/19/3243903). In that case the inspector formed the view that,

*“Given the limited range of goods and services available in Monkton and the highway conditions and infrequent bus service limiting the means of accessing surrounding towns, neither would it be located close to a range of accessible services which would meet the everyday needs of residents.”*

Given the above, it is considered that future residents of new residential units are likely to be almost entirely reliant on private transport for the vast majority of their journeys. The location of the development is therefore considered to be unsustainable for new residential uses and would lead to a reliance on the use of private transport and as such would be contrary to the provisions of Strategy 7 and policies D8 and TC2 of the Local Plan.

Nevertheless, whilst Monkton and this site in particular are not considered to represent a sustainable location for new residential development it is recognised that the applicant's already reside on site, as confirmed at para. 2.5 of the supporting statement. Additional information provided indicates that the applicants already occupy a residential flat within the building on which they pay council tax and have done so for a number of years. This being the case, there is already a residential use occurring, albeit ancillary to the hotel/guesthouse use. There appear to be no conditions restricting such residential occupation and therefore no reason why this could not continue to occur even when the hotel/guesthouse use is not operating. On this basis, the proposal would effectively represent an expansion of the existing residential use to encompass the whole building as opposed to the establishment of an entirely new residential use. This situation distinguishes the proposal from the recent decision at Oaklands Farm and leads to the view that whilst the residential use of the entire building has the potential to result in increased 'residential' journeys, it would not lead to an increase in the number of residential units operating from the site.

Taking the above into account it is considered that there is no basis on which to resist the proposal in relation to accessibility to services and facilities to meet every day needs. The planning agent has also sought to distinguish the proposal from the Oaklands Farm decision in that, they consider the hotel use to be a destination use as opposed to relying on passing trade. This is on the basis that the hotel operated on a pre-booking basis only and therefore could not serve passing trade. This view is not entirely shared as it is considered likely that at least a proportion of the users of the hotel would 'pre-book' on the basis that they would be passing perhaps to break a journey to or from the southwest. Nevertheless, this does not alter the view that the proposal would not in effect result in an additional residential unit and that therefore refusal, on accessibility grounds, would be unwarranted.

### **Loss of tourism/employment use**

Policy E18 of the EDLP deals specifically with applications that propose the loss of, or redevelopment, of hotels or other holiday accommodation and specifically looks to resist such changes unless the use is no longer viable and/or the new use will overcome clear social, economic or environmental problems associated with the use.

The policy requires demonstration that the use has been appropriately marketed for at least 12 months at a realistic price and without interest. The policy makes specific



reference to the seaside resorts of Exmouth, Budleigh Salterton, Seaton and Sidmouth and a recent High Court Judgement, *Mills v The Secretary of State for Housing Communities and Local Government* [2019] EWHC 3476 (Admin) (the “Mills judgement”) has confirmed that policy E18 does not apply to areas outside of those four principal seaside resorts. This being the case that policy is not applicable in the determination of the current application.

There is also a need to consider the loss of the existing use against the requirements of Strategy 32 of the EDLP which seeks to resist the loss of employment, retail and community sites and buildings. The strategy states that permission for the change of use of such facilities will not be permitted where it would harm social or community gathering and/or business and employment opportunities in the area unless one of the listed circumstances are met.

The applicant’s agent has argued that Strategy 32 should not apply to this case as the proposal does not represent one of the specified Class B or related sui generis type uses referred to in the policy. They further suggest that as the use has ceased, following the decision to close the business in March, that it would not result in the loss of current or allocated employment land, or result in the loss of an employment use. Finally, it is suggested that there are a plethora of existing businesses and employment opportunities available nearby, Honiton being specifically referred to, such that the loss of this site would have an inconsequential impact on employment /business opportunities.

In the application of Strategy 32, it first needs to be established whether the proposal would result in any ‘harm’ to social or community facilities and/or business and employment opportunities. Where this is the case it is necessary to go on to consider the proposal against the listed criteria. Employment uses are stated to include ‘main town centre uses’ and the National Planning Policy Framework (NPPF) defines tourism developments (including hotels) as main town centre uses. It is therefore considered that the policy applies to the proposal and that it is necessary to consider the application against this policy.

The hotel/guesthouse is currently not operating but when it was it is understood that this was on the basis of pre-booking only, both for guests and non-residents use of the dining room. As such, its benefits to the local community as a social or community gathering place are likely to have been limited. In terms of employment use, it is advised that the applicants themselves were the only full-time employees in the business and it is their intention to now retire. Other employees were limited to 2 no. casual workers who assisted during peak periods. The closure of the business would therefore not result in any direct significant job losses, although it would remove the site from an employment type use and therefore the potential for an alternative employment use of the building.

Where harm is considered to result, one of the circumstances listed under criteria 1-4 of Strategy 32 must be met. Criteria 1,2 & 4 relate to where the continued use of the site would significantly harm the quality of a locality; where the new use would safeguard a listed building where current uses are detrimental to it; or where the proposal would result in the provision or restoration of retail facilities in a settlement otherwise bereft of shops, none of which apply. Criteria 3 requires options for the

retention of the site, or premises, for its current or similar uses to have been fully explored, without success, for a minimum of 12 months. It is understood that no marketing of the business has been undertaken recently and therefore criteria 3, were it to apply would not be met.

Further supporting information has been received in the form of letters from 2 different property specialists. The first of these refers to a marketing campaign held between February 2013 and May 2014 which failed to generate any offers for the business with feedback referencing: concerns over the limited number of letting bedrooms; the site being unsuitable for redevelopment for a larger hotel; impact of other chain hotels in the area and of the potential re-routing of the A30 around Monkton. The letter also makes reference to other large hotel developments that have been granted since the time of the earlier marketing campaign. The second letter also refers to direct competition from established chain hotels and site constraints affecting the attractiveness of the site for continued hotel use or suitability for other similar uses. The additional evidence has been discussed with the Council's Economic Development Officer who considers the length of time since the marketing campaign to be ineffective at establishing current market demand but also acknowledges that a renewed marketing exercise for this property in the current circumstances is unlikely to reflect 'normal' demand. Overall the view expressed by the Economic Development Manager is that the evidence fails to meet the requirements of Strategy 32 or the Council's published marketing guidance but recognises the limited value in doing this in current times for this proposal.

In other regards, the application is supported by some limited financial information which indicates that the viability of the business is in decline and that losses have been incurred for the past two financial years and that the last year in which the business was in profit was 2013-2014. This information, whilst providing some support in favour of the application is limited in its extent. Furthermore, it does not necessarily indicate that another similar business, or changes in the operational model of the business might not result in an upturn in fortunes.

The applicant's point to the opening of other larger hotels in the area as a contributing factor in the decline of the business. The Hampton by Hilton at Exeter Airport and the Premier Inns in Honiton and Seaton are specifically mentioned as having an adverse impact on the business and providing an offer with which it cannot compete. The competition provided by these businesses is noted, and whilst they are likely to compete for a slightly different market it is also acknowledged that there are other boutique/smaller country hotels, such as 'The Pig' at Gittisham which supply other areas of the market.

To conclude on this issue, the loss of the existing business in itself is not considered to result in harm to employment opportunities in the area. Whilst the loss of the site could in theory harm business and employment opportunities in the area, it is recognised that there are external factors at play in this instance that are likely to impact on the attractiveness of the site to prospective purchasers including: potential works to upgrade the A30 north of Honiton; the size of the site and limited opportunities to expand, and; competition from other accommodation providers. Whilst the marketing evidence submitted is outdated, it is not considered, given the proposal and specific circumstances, that in the current circumstances any further marketing

evidence would be likely to result in further interest of the site for hotel, or similar employment generating uses. On this basis, the employment use of the site whilst regrettable is considered to be acceptable in this instance and the lack of up-to-date marketing is not critical as the evidence suggest that the circumstances of the proposal means that the proposal would not harm social or community gathering and/or business and employment opportunities such that criteria 3 to Strategy 32 is not engaged.

### **Other Issues**

The proposal is likely to result in a reduction in the number of traffic movements associated with the lawful use of the site and Highways England has raised no objection to the proposals. It is not considered that the proposal would give rise to any highway safety concerns or be detrimental to the operation of the wider highway network and that the requirements of policy TC7 of the EDLP would be met. Similarly, sufficient car parking provision is available to serve the proposed residential use as required by policy TC9 of the EDLP.

Given the nature of the change of use and the very limited external changes proposed (removal of external flue) the proposal is considered to have a negligible impact on the character and appearance of the area or the setting of the grade II\* listed church opposite and would satisfy the requirements of policies D1 and not engage those of policy EN9 of the EDLP.

### **CONCLUSION**

The application proposes to change the use of the existing hotel/guesthouse to form a single residential unit.

The site is not considered to be in a sustainable location where future residents could easily access a range of services to meet their everyday needs. Nonetheless, it is recognised that the applicants already live on site and as the proposal only seeks permission for a single dwelling in effect there would be no increase in the number of residential units on site.

The proposal would result in the loss of the existing C1 (Hotel/guesthouse) use which is a main town centre use and therefore covered by the requirements of Strategy 32 of the Local Plan. The existing/former operation of the business has employed limited numbers – only the applicants full-time and they are retiring – and appears to have proved unviable in recent years and whilst the marketing evidence provided is out of date it does highlight constraint on the site which would effect potential for alternative similar uses and which remain unchanged. Whilst, it is not possible to say for certain that an alternative employment/tourism use of the site would not prove more successful, given the identified constraints and alternative provision available in the wider area, it is not considered that the loss in this instance would result in harm to social or community gathering and/or business and employment opportunities and therefore the proposal accords with Strategy 32 without the need for any further marketing.

In light of the proposal according with Strategy 32 and causing no other harm, the proposal is recommended for approval.

## **RECOMMENDATION**

APPROVE subject to the following conditions:

1. The development hereby permitted shall be begun before the expiration of three years from the date of this permission and shall be carried out as approved.  
(Reason - To comply with section 91 of the Town and Country Planning Act 1990 as amended by Section 51 of the Planning and Compulsory Purchase Act 2004).
2. The development hereby permitted shall be carried out in accordance with the approved plans listed at the end of this decision notice.  
(Reason - For the avoidance of doubt.)
3. Within two months of the commencement of the use hereby permitted the external extract flue and supporting infrastructure on the northeast elevation of the building (as shown on the submitted floor plans and annotated photographs, received 29th May 2020) shall have been removed any making good carried out in matching materials, and photographic evidence submitted to the Local Planning Authority.  
(Reason - In the interests of the character and appearance of the area and enhancement to the setting of the building, in accordance with policies D1 (Design and Local Distinctiveness), D8 (Re-use of Redundant Rural Buildings Outside of Settlements) and Strategy 46 (Landscape Conservation and Enhancement and AONBs) of the East Devon Local Plan 2013-2031.)

### Plans relating to this application:

extraction flue	Other Plans	27.05.20
	Location Plan	22.05.20

### List of Background Papers

Application file, consultations and policy documents referred to in the report.