

Waste Infrastructure Safeguarding Statement

Land at SRC Recycling, Fontwell Avenue, Eastergate, Chichester

- 1.1 This Waste Infrastructure Safeguarding Statement ('WISS') has been prepared on behalf of SRC Recycling Ltd ('the Applicant') to support the submission of the Full Planning Application which has been submitted to Arun District Council ('ADC') in relation to Land at SRC Recycling, Fontwell Avenue, Eastergate, Chichester ('the Site'). The planning application pertains to a comprehensive redevelopment of the existing car salvage and recycling facility to provide 80 new homes and co-working hub.
- 1.2 The supplementary statement demonstrates how the proposed development would accord with Policy W2 in West Sussex County Councils ('WSCC') adopted West Sussex Waste Local Plan ('WSWLP') 2014, therefore according with the development plan for the area in this context. The development accords with specific exceptions under this policy, demonstrating that the loss of the waste use on the site is justified in the circumstances. This WISS explicitly addresses the requirements of W2 but should also be read in conjunction with other supporting documents in the application, including the Planning Statement (prepared by Boyer) and the Employment Report (prepared by Jackson Pelling Ltd).

SRC Recycling and the need for change

- 1.3 SRC Recycling Ltd is a local waste and recycling business that has operated from the site at Fontwell Avenue for over 30 years. The business started as a small recovery firm, but has since expanded their services to include vehicle breaking and recycling, and the storage and sale of vehicle parts. The operation serviced from the site has been successful, profitable and a committed local employer.
- 1.4 Operations relating to salvage and scrapping of vehicles are strictly licensed and subject to environmental, COSHH (Control of Substances Hazardous to Health) and DVLA regulations. SRC Recycling Ltd comply with the Environmental Permitting Regulations and are an Authorised Treatment Facility (ATF) for End of Life Vehicles (ELV). Additionally the operations on site involve heavy machinery which requires stringent health and safety controls.
- 1.5 However, over recent years, the site has become increasingly unfit to undertake this use. As set out in detail in the Employment Report, when SRC Recycling was first established, the business model for car breakers and scrap was very different to today, as environmental controls and health and safety regulations were much less stringent. Scrapped vehicles were stored on site and parts were removed to order. Customers visiting the site would then 'scavenge' the components they needed from the stored vehicles. The business does not operate like this now and operations are becoming increasingly inefficient due to the constraints of the Site and increased demands required by environmental regulations. Current operational requirements would require more indoor storage for stripped components and ideally with a trade counter type, front of house operation for customers to collect items without any health and safety conflict. Increasing capacity for the throughput of ELV's with multiple depollution and dismantling stations would further improve the operational efficiency and viability of the business.

- 1.6 In addition, it is not only the current operations which are constrained. The site doesn't have the capacity to expand or accommodate the new technologies required to support the business to evolve into the future. In particular, new facilities and technologies to respond to the rapidly changing consumer shift from the purchase of Internal Combustion Engine ('ICE') vehicles to Zero Emission Vehicles ('ZEV'). The ZEV market is growing at incredible pace with over 44 models already on sale and 1 in 10 cars on sale in the UK being a ZEV. From 2019 to 2020, there was a 184% increase in electric battery vehicle registrations, and this will only continue to rise as the Government moves towards the ban of new ICE vehicles being sold after 2030 and all new vehicles to be ZEV by 2035¹. SRC are already noticing more and more ELV's that are not traditional ICE vehicles starting to require processing and this will inevitably only start to increase over the next few years. SRC ultimately now need a facility that can meet these demands and ensure the sustainability and viability of the business well into the future.
- 1.7 In this context, recycling Electric Vehicles (EV's) is a complex process, meaning many traditional car breakers have now started to shut down as they ultimately don't have the means, facilities or staff to deal with this type of vehicle. This is largely due to the complexities of recycling the EV's large batteries, which contain precious minerals and hazardous chemicals. Dismantling and processing the batteries is a complicated and labour-intensive process that requires sterile buildings. This is because the electrolyte in the battery cells is flammable, explosive and highly toxic. It is very sensitive to water forming hydrofluoric acid (HF) on contact and these hazards must be dealt with in any recycling process before the rest of the cell components can be recycled.
- 1.8 Therefore, the future for recycling vehicles will require large covered industrial buildings, which the Site and also traditional car breakers yards in general, typically do not have. As more and more EV's come into circulation, the pressure on this need will inevitably increase, pushing operators to find alternative premises, as is the case here.
- 1.9 The pressures on SRC from both the current inefficient facilities and constraints of the site, as well as the need to adapt in preparation for the ZEV future, are reflected in SRC financial accounts. As set out in the Employment Report, the business is experiencing a steady decline in turnover and profits which cannot be sustained. The Employment Report, in assessing the viability of the site, is clear it would not be viable to redevelop the site for an alternative industrial or commercial use. It would also not be viable to refurbish the site (to meet current and future demands) as the costs of upgrading the premises would not generate sufficient rental uplift to warrant carrying out the works. The only viable long term option for the business in this context is to relocate (which is discussed later in this statement).

Policy and Guidance

- 1.10 It is recognised that WSCC is responsible for the preparation of local plans for minerals and waste planning in the area. The adopted WSWLP forms part of ADC's development plan for the area, thus is material to considering the redevelopment of existing waste sites.
- 1.11 WSWLP Policy W2 — Safeguarding Waste Management Sites and Infrastructure — is a material consideration. This states:

¹ HM Government – Transitioning to zero emissions cars and vans: 2035 delivery plan

“Development that would prevent or prejudice the use of existing waste management sites or infrastructure that make an important contribution to the transfer of waste will not be permitted unless:

(a) the current use is temporary and the site or infrastructure is unsuitable for continued waste use;

(b) continued use of the site or infrastructure for waste management purposes would be unacceptable in terms of its impact on local communities and/or the environment;

(c) redevelopment of the site or loss of the infrastructure would form part of a strategy or scheme that has wider social and/or economic benefits that clearly outweigh the retention of the site or the infrastructure for waste use; or

(d) a suitable replacement site or infrastructure has been identified and permitted.”

- 1.8 WSCC’s Minerals and Waste Safeguarding Guidance (March 2020) notes that ‘safeguarded’ waste sites to which Policy W2 applies, are updated in the Annual Monitoring Report (‘AMR’). The latest published AMR (2019/2020) identifies the Site to be ‘safeguarded’ with an estimated operational capacity of an estimated 6,000 tonnes per annum of vehicle metal recycling.

Assessment against Policy W2

- 1.9 WSWLP Policy W2 seeks to protect safeguarded sites, unless one of the exceptions (a to d) apply. The first exception is not relevant (a), given the long-standing lawful use of the site.
- 1.10 In this particular case, criterion (b) is relevant. It is clear that the surrounding context of the site has recently changed, given the recent planning permission and development of 268 homes and retirement complex on land directly adjacent to the site’s western boundary (application refs: AL/61/13/OUT and AL/102/17/RES). This has fundamentally and significantly changed the spatial and environmental context around the site, extending the Built-Up Area to the north of the settlement. Where the Site was once detached from the residential Built-Up Area (surrounded by fields to the south, west and north), it is now ultimately read as part of the settlement (albeit still abutting the defined boundary), surrounded to the south and west by new homes and connected to the ribbon of housing extending to the North.
- 1.11 As a result, a significant portion of the site is now surrounded by noise-sensitive residential uses which will potentially give rise to noise nuisance complaints and will inevitably have some impact on the new local communities’ amenity. Whilst when this surrounding development application was submitted the noise assessment found no unacceptable levels of industrial noise from the Site boundary, this was undertaken in 2013 and did not account for future development needs or intensification of the business/recycling use. As such, the new housing development (‘The Hedgerows’) constrains the potential of the business and the Site to adapt under its current use. For example, the majority of the site’s activity is undertaken in the eastern portion of the Site and given the new permitted housing, it would make it difficult to expand operations to the west (even it were viable) without having an adverse impact on their amenity.
- 1.12 It is therefore no longer appropriate for the waste facility to be located at this Site, so close to residential homes and it is clear that the proposed residential development would be a far more compatible land use from both a spatial and environmental context, given this change. Therefore, the development would accord with criterion (b), given the continued use of the site as waste facility will likely to have an unacceptable impact on the new neighbouring community in the long term, particularly have regard to the future needs of the business.

- 1.13 Regarding criterion (c), it is very clear that the proposed development will have significant social benefits, that will outweigh the retention of the waste use. The proposed development will provide 80 new homes and community co-working hub, with 24 of the homes comprising affordable housing tenures. Given that ADC cannot demonstrate a five-year housing land supply (only 2.42 years), this is a very important social benefit that attracts significant weight. The Council's planning policies that control the provision of housing must be considered out-of-date (para. 11(d) of the NPPF), with the planning balance 'tilted' in favour of supporting new housing in District. This is a significant supply shortfall; therefore, it is very clear that the District is in desperate need of new housing, which this proposal will make a meaningful contribution towards. It will also provide much needed affordable housing for the local area and with the proposed co-working hub, opportunity for people both to live and work locally, which all in turn makes a contribution to the local economy.
- 1.14 There is also the social benefit (and ultimately also an environmental benefit), of making a much more effective and efficient use of the land in this context, creating a well-designed development, which will improve the local areas sense of place. With proposed green spaces and play areas, the development will foster local and accessible facilities, not only for new residents, but existing residents. This will contribute to social cohesion, in contrast to the exiting use, which does not offer the same social benefits
- 1.14 These important benefits also need to be considered against the backdrop that it is not viable to refurbish the site to create a sustainable business in the long term, nor is it viable to redevelop the site for other commercial uses (as evidenced in the Employment Report). Whilst the existing use has some economic benefits (employs 12 people and as a local business, makes a contribution to the local economy), the consistent decline in the business financials are only going to increase, resulting in the economic benefits slowly diminishing. Providing 80 homes and a community hub will create longer term economic benefits on the site and in the local area (through local spending and attracting people with small businesses who may benefit from working from the community hub).
- 1.15 Therefore, overall the redevelopment of the Site certainly has wider social and economic benefits that would outweigh the retention of the Site in its current waste use, particularly given that it is evident that this use on the Site does not have a viable or sustainable future.
- 1.16 In terms of criterion (d), whilst there has not been a formal resolution or agreement, the Applicant is actively seeking to relocate to a new site, with the priority being to relocate within ADC, where it will have the capacity to accommodate the future needs of the business. Discussions are ongoing with the appropriate landowners, but it is hoped this will be progressed (subject to planning permission) in due course.

Summary and Conclusion

- 1.16 As set out in this statement, the proposed development would accord with Policy W2 in the WSWLP. It is only necessary for the development to comply with one of the exceptions set out under this policy; however, it is clear that both criterion (b) and (c) apply in this case.
- 1.17 Given the spatial and contextual change around the Site, it is evident that it is no longer appropriate for the waste facility to be located on this Site. The Site is now bounded by residential uses, which will likely constrain how the business will be able to operate and adapt to changes in the automotive industry, which the business needs to respond to. In particular, the increasing pressure to have the appropriate facilities to process EV batteries, which is increasing year on year towards 2030 and also the need to operate more efficiently. The Site's opportunity to expand is extremely limited and not viable in it's current location.

- 1.19 There are also the significant social and ultimately environmental benefits that would demonstrably outweigh any harm identified through the loss of the waste use on this Site. The proposed development would make a much more efficient use of the land and make a very important contribution to the substantial housing supply deficit in ADC. The development would bring forward 80 high quality homes (with 24 of those being affordable housing tenures) and create a strong sense of place and community with green spaces and play areas. These social benefits must weigh heavily in the 'tilted' balance, given ADC can only demonstrate a 2.42 year supply of housing and clearly outweigh the retention of the site (even if it was a viable project, which the Employment Report demonstrates it is not).