Marketing and Viability Statement

Change of Use from Hotel (C1) to Flats (C3)

28 Crescent Road, Bognor Regis, PO21 1QG

Vine Works Ltd

April 2018

Martin Critchley,
Critchley Architecture And Design,
The Old Brewery,
15E South Street,
Havant, PO9 1BU

ARUN DISTRICT COUNCIL BR/273/18/PL

0.0 Contents

1.0 Generally

2.0 Physical Context

3.0 Social and Economic Context

4.0 Involvement of Local Interests

5.0 Marketing and Employment

6.0 Viability of the Proposals

7.0 Summary

Appendix A: MouseHut Marketing Information

Appendix B: Parsons Son and Basley Marketing Information

Appendix C: Hotel Advertisement and Listing UK Coast Guide

ARUN DISTRICT COUNCIL BR/273/18/PL

1.0 Generally

1.1 This Viability and Marketing Statement forms part of a full Planning application to Arun District Council for 4 No. new 1 bedroom flats and at 28 Crescent Road, Bognor Regis, PO21 1QG.

1.2 No other purpose is anticipated or accepted. Copyright of this report remains with Martin Critchley, Chartered Architect.

1.3 Reference should be made to the planning submission drawings for details of the proposals, re:

17085_	101	Location and Block Plan
	201	Existing Floor Plans
	202	Existing Floor Plans
	301	Existing Elevations
	420	Proposed Floor Plans
	421	Proposed Floor Plans
	520	Proposed Elevations

ARUN DISTRICT COUNCIL BR/273/18/PL

2.0 Physical Context

2.1 In 1910. Crescent Road was a main road connecting Argyle Road (now known as B2166) with Station Road. Crescent Road was shaped as a crescent and purposefully built as a residential road with close proximity to the town centre and transport links.

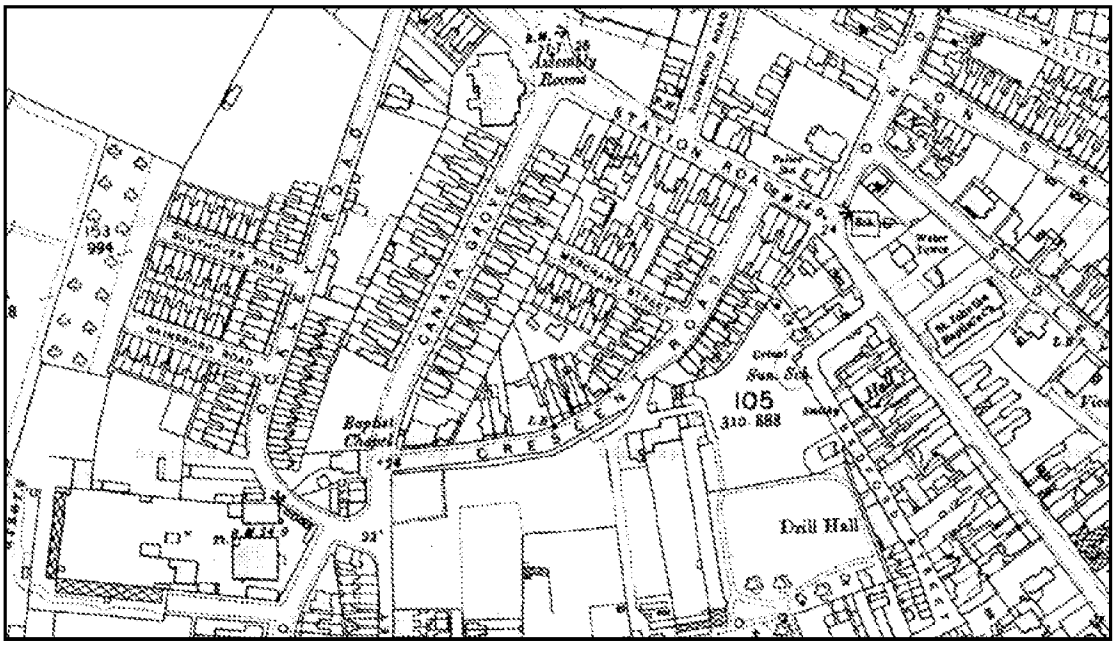

Figure 1: 1910 Map of Crescent Road, Bognor Regis

2.2 28 Crescent Road was built as a 2 ½ storey white rendered Edwardian detached house. The core house was extended to the north-east in the 1930's. The extension is two storey with a flat roof and a parapet wall fronting Crescent Road. The extension is abutted up to 26 Crescent Road forming a terrace.

2.3 Crescent Road was much altered in the 1960's and 1970's because of the development of Queensway. Today, Crescent Road is half the size of it was when originally built. There is unlimited on-street parking with no parking on site due to the close proximity of transport links.

2.4 The subject site is located on the northern side of Crescent Road. Crescent Road is a fully metalled road which runs south to north-east, connecting Queensway with Station Road.

2.5 The subject site is within the Economic Growth Area of Bognor Regis, and adjacent to the Bognor Regis Town Centre.

2.6 Crescent Road remains as primarily residential use (C3).

ARUN DISTRICT COUNCIL BR/273/18/PL

3.0 Social and Economic Context

3.1 Bognor Regis was once a major destination for seaside holidays and has been known as a 'seaside resort' since 1784 when Sir Richard Hotham, British property developer, started building large terraced houses and hotels to attract the wealthy to holiday the area.

3.2 Sir Richard Hotham built a large hotel on the seafront which burnt down in 1829 and was replaced by The Norfolk Hotel. Since this date, other large hotels have been built in the area. These are located here due to the close proximity to the seaside and Bognor Pier.

3.3 Billy Butlin opened Butlins Holiday Camp on 2nd July 1960. The rise of Butlin's Holiday Resort (which received around 3,000 weekly visitors) has seen a lot of smaller guest houses and hotels close because tourists are looking for larger resort holiday packages.

3.4 In the 1970's the area started to decline as a seaside holiday destination because of the increase in package holiday deals abroad.

3.5 Today, there are several large hotels along The Esplanade, including The Norfolk Hotel which still remains to this date. Butlin's holiday resort continues to thrive and there has been a decline of the smaller hotels and guest houses, especially those located further in land.

4.0 Involvement of Local Interests

4.1 Pre-Application Advice (PAA/9/18/) was received from Arun District Council on 16th March 2018 regarding the conversion of 28 Crescent Road to No.5 1 bedroom flats.

4.2 The following advice was received:

'Based on the above comments I conclude that were an application for planning permission to be submitted it would likely be refused owing to the loss of valuable tourism use in conflict with emerging policy TOU SP1 and saved Arun Local Plan DEV36 and insufficient internal living space provision for flats A and B contrary to emerging policy DDM2 and 'Technical housing standards 'nationally described space standard' March 2015.'

4.3 Since Pre-Application advice has been sought, evidence has been gathered to prove the case that the proposals are not a loss of valuable tourism and to ensure they are not in conflict with emerging policy TOU SP1. TOU SP1 states:

ARUN DISTRICT COUNCIL BR/273/18/PL

'Sustainable tourism development will be encouraged where it protects alongside promoting the main tourism assets of:

a) the waterfronts – the coast, rivers and estuaries'

4.4 28 Crescent Road is based adjacent to the town centre and is not located on 'the waterfront'. As explained in section 3 above, the majority of the tourism is attracted to the seafront, the pier and Butlin's holiday resort as this gives holiday goers the full 'seaside holiday' experience.

The Bognor Regis Neighbourhood Development Plan 2015-2030 explains that there are significant investments planned for the future that aim to increase hotel capacity and improve Butlin's relationship with the seafront. These investments will take more tourists away from smaller guest houses into the larger resort.

4.5 The proposals therefore meet the requirements of TOU SP1 as there is no loss of valuable tourism to the waterfront.

5.0 Marketing and Employment

5.1 28 Crescent Road has been used as The Gables Hotel from the 1930's. The Gables Hotel is an 8 bedroom guest house with its own manager's accommodation.

5.2 28 Crescent Road was marketed for sale early in 2016 because the guest house was vacant and no longer viable. The owner/occupier could not generate enough income from the guest house in order to sustain it, at the time of marketing there were no employees as they could not be afforded. The property was described by the estate agents as following:

'It is considered the property would be suitable for conversion or full re-development for residential use subject to the necessary planning consents being obtained...'

Agents Note. It is considered the property would be suitable for conversion or full re-development for residential use subject to the necessary planning consents being obtained. Interest parties should make their own enquiries with the local authority.

ARUN DISTRICT COUNCIL BR/273/18/PL

See Appendix A for the full page of information.

5.3 The current owners bought the property on 1st July 2016 from estate agents Parsons Son and Basley, who on 20th April 2018 confirmed:

'I have not had any further Hotels of guest houses on the market in the area since then, the majority of smaller ones have now been converted in the area...when sold, the owner employed ZERO staff and the reason for this was it wasn't viable to employ anyone due to the level of occupancy being so low.'

Hi David,

The property was not on the market for long due to the level of interest, we took it on, on 4th April and sale was agreed by 28th April so there was limited marketing.

I have not had any further Hotels or guest houses on the market in the area since then, the majority of smaller ones have now been converted in the area.

The auctions dept sold one a year or so prior which was down on the seafront by the pier which is now a café and residennal above.

If it helps when sold, the owner employed ZERO staff and the reason for this was it wasn't viable to employ anyone due to level of occupancy being so low.

Let know if you need anything further.

KR

[redacted]

See Appendix B for the full email document.

5.4 28 Crescent Road was bought as 'The Gables Hotel' and has been advertised as such since purchase. The property has been marketed on websites such as Yelp, Facebook, UK Coast Guide, Citikey and Portsmouth Guide. The company is also registered with Companies House.

See Appendix C for an example of the hotel listings online.

5.5 The owners confirm there have been no bookings at The Gables Hotel since the purchase. The owners have been using the guest house privately for the previous year to house employees who travel in from abroad on a short term basis; however there is no financial profit made from this.

ARUN DISTRICT COUNCIL BR/273/18/PL

6.0 Viability of The Proposals

6.1 The subject site is situated in a highly sustainable location with close proximity to transport links and Bognor Regis Town Centre.

6.2 There are minimal alterations needed to the exterior of the building to undertake the works, keeping in line with Policy GEN7(ii) which requires new developments to respond positively to the identified characteristics of a particular site.

6.3 The 'Fixing Our Broken Housing Market' White Paper issued by The Department for Communities and Local Government (DCLG) in February 2017. This document confirms that the country is in a *'Housing Crisis'* and councils *'should have a clear strategy to maximise the use of suitable land in their area...'*

The proposed flats are sustainable development making the maximum use of the available land. The Paper continues to say that we must *'make efficient use of land and avoid building homes at low densities...'* and that *'The Government will review the Nationally Described Space Standard to ensure greater local housing choice'.*

The proposed flats by the current National Space Standards are for:

Flat A: 42m² 1 bedroom 1 person
Flat B: 60m² 1 bedroom, 2 people
Flat C: 40m² 1 bedroom, 1 person
Flat D: 43m² 1 bedroom, 1 person

Taking the advice in to account given by the DCLG to *'avoid building homes at low densities'* and *'to make efficient use of land'* as well as the upcoming review of the National Space Standards. It is deemed that Flat A and Flat C are both of appropriate size for 1 bedroom, 2 person flats without compromising the quality of living for the occupants.

6.4 The Arun Local Plan 2011 -2031 Publication Policy SD SP2 states that *'Development will be permitted within the area defined as the Built-Up Area Boundary on the Policies Maps...'.* The policies map confirms that the subject site is within the Built-Up Area Boundary.

6.5 The Arun Local Plan 2011 – 2031 Publication Policy H SP1 shows in Table 12.1 that Bognor Regis is allocated to provide a minimum of 300 homes. The Strategic Housing Market Assessment (SHMA) indicated a district wide requirement for 8,026 additional dwellings over the plan period, 29% of which need to be one bedroom homes (approximately 2300 one bed dwellings).

6.6 Section 12.1 and 12.2.1 of The Arun Local Plan state *'Plan and deliver a range of housing mix and types in locations with good access to employment, services and*

ARUN DISTRICT COUNCIL BR/273/18/PL

facilities to meet the District's housing requirements...' and *'the balance and mix of household and dwelling types together with community and social facilities strongly influences the way a community develops'.*

Given the location of the subject site, the proposals create a mix of households in the area as the existing housing in the area is two and three bedroom dwellings. The local also provides for a close proximity to community and social facilities to develop a strong community.

6.7 The Sussex Coast Housing Marketing Assessment (HMA) *'Assessment of Housing Development Needs'* confirms that Arun District Council experienced a *'degree of under-delivery against planning housing targets between 2006 and 2011...'* and that *'Arun requires a housing growth of 0.8-0.9% growth per annum.'*

6.8 The Bognor Regis average household earnings is below the average for England and West Sussex. The 2011 Ward Census results show that the majority of properties within Bognor Regis are either rented or owned with a mortgage.

Tenure	Hotham	Orchard	Bognor Regis	District	England
Owned Outright	796 29.0%	654 26%	2695 26%	28,581 42.8%	6,745,584 30.64%
Owned with a Mortgage/ Loan	612 22.3%	842 33.5%	2674 26%	20, 673 31%	7,229,440 32.8%
Social or Private Rented (Agency/ Letting Agency)	1154 42%	725 28.9%	3942 38%	12,872 19.3%	5,539,696 25.1%

The Bognor Regis Neighbourhood Development Plan explains that *'a mix of tenure for new homes could have a positive impact on greater local housing choice, particularly in the town centre...'.*

Given the nature of the proposed 4 No.Flats and the town centre proximity, there is a high chance that these flats will be marketed as a mixture of sale and rental flats.

6.9 Policy 4 of the Bognor Regis Neighbourhood Development Plan is the support of Reducing Underuse of Property in the Town Centre:

The Neighbourhood Development Plan intends to support the reuse of currently empty and/or underused properties to make more space for local people to work and live in our highly accessible wider town centre area.

The proposed 4 No.Flats are for the reuse of a currently underused building within the wider town centre area.

ARUN DISTRICT COUNCIL BR/273/18/PL

7.0 Summary

7.1 28 Crescent Road was purpose built for residential use (C3).

7.2 The subject site is within a sustainable town centre location.

7.3 Tourism is now focused more towards Butlins and larger Seafront Hotels.

7.4 The Gables Hotel has been unviable for over two years and is not a loss of valuable tourism.

7.5 Local estate agent advice is to convert the building back to residential use (C3).

7.6 The country is in a housing crisis and Bognor Regis is currently under-delivering on housing.

7.7 The proposals meet the advice of the DCLG's White Paper to provide more sustainable higher density housing.

7.8 The proposals meet the policies set out in The Arun Local Plan 2011-2031.

7.9 The proposals meet the policies set out in the Bognor Regis Neighbourhood Development Plan.

ARUN DISTRICT COUNCIL BR/273/18/PL