

2nd June 2021

Nicola Hopkins
Director of Economic Development and Planning
Ribble Valley Borough Council
Council Offices
Church Walk
Clitheroe
Lancashire
BB7 2RA

Dear Nicola,

**Prospect Homes – Proposed Residential Re-development at Mitton Road (3/2021/0076)
Additional Evidence of Compliance with Policy DMG2 & Other Material Considerations**

We are writing in response to your email dated 17th May and our meeting on 20th May which confirmed the additional information and justification you require to demonstrate compliance with policy DMG2 for the above scheme, which proposes the demolition of 34 existing dwellings and the erection of 50 new dwellings with vehicular accesses, landscaping and other associated works, on land at Mitton Road, Whalley.

We provide additional information on policy DMG2 below, along with more detail on the other material considerations that weigh in favour of the development.

Compliance with Policy DMG2 – Local Social and Economic Benefits

This policy requires one of six listed criteria to be satisfied, and it is our strong view that the proposed development will meet criteria 1, which states that:

- 1. The development should be essential to the local economy or social well-being of the area.*

This development is directly linked to both the local economy and social well-being of the area, as it involves land owned by the Mersey Care NHS Foundation Trust ("MCFT"), who employ circa 400 staff at the 'Whalley Site' within Calderstones and urgently require a capital receipt from this development to support both the Whalley site and the NHS's wider operations across Lancashire and the north west, in respect of specialist learning disabilities and mental health services, as explained in more detail below.

The application site itself, which was originally built as residential accommodation for hospital staff, is considered surplus to requirements for the MCFT, as demand for staff to live 'on site' has diminished significantly in recent years, with only one staff member living on site; and given it is not the NHS's core business to let and manage residential accommodation, it was made available for sale.

NHS Operation in Calderstones / Lancashire

The 'Whalley site' currently has specialist learning disability services for the people of Lancashire and the north west. As noted, there are currently circa 400 staff, the majority of whom live in the local area making it the largest employer in Calderstones and a significant employer across the wider borough.

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NHS England policy is that this site can no longer be used for this purpose so MCFT is in the process of moving these services from Whalley.

Discussions about the future use of the main Whalley site are being held with Lancashire and South Cumbria NHS Foundation Trust ("LSCFT") who want to maintain and develop the site for mental health services.

Accordingly, the receipt from the sale of the Mitton Road site (subject of this application) will contribute towards the capital programme for MCFT, and the future operation of the site by the LSCFT, by:

- Contributing to the repayment of a £20m COVID loan taken by the MCFT to enable the medium secure service for people with learning disabilities in Lancashire and the north west to be re-located away from Whalley as per NHS England policy;
- Assisting the MCFT in relocating other services for people with learning disabilities in Lancashire and the north west away from Whalley in accordance with NHS England policy;
- Allowing the adaptation and refurbishment of the Whalley site to future proof its operation by LSCFT as a fit for purpose mental health facility for the residents of Lancashire, in line with NHS England policy. This would mean safeguarding the main Whalley site and using it for its original intended purpose as well as allowing patients who are currently treated out of area (i.e. outside the county) to be moved back into Lancashire for treatment and closer to their home. This will also enable LSCFT to eradicate dormitory wards across their services and provide single en-suite bedrooms for their Lancashire patients providing dignity to patients as well as a safer more therapeutic environment.

Should the sale not proceed then MCFT will be left with no other option other than to review the use of the main site and look to sell off other elements of the land to generate income to meet their capital programme requirements.

It is also pertinent that the existing vacant properties on site were broken into on the weekend of 15/16 May 2021, with pipework taken. This will require additional security measures to be put in place until the site is redeveloped, generating additional costs for the MCFT on dilapidated empty properties which have no further benefit to them and directing money away from front line services.

Therefore, it is clear that the capital receipt from the sale of these properties to Prospect Homes is fundamental in terms of safeguarding the wider NHS use of the Whalley site. MCFT is obliged under 'NHS Estatecode' to secure 'best value' from the sale of its surplus assets. Following an open and transparent marketing campaign, Prospect Homes were selected to secure a planning application to enhance the development potential of the Mitton Road site and to deliver a capital receipt for the NHS. The capital receipt is in itself a community benefit as it will help fund the improvements to the wider estate to provide a safe fit for purpose facility that meets national standards.

Without this money, the future of the wider 'Whalley site' is at risk, both through reduced funding for the Trust's capital programme and the fact that other operational parts of the site may need to be sold off instead.

It seems logical that a peripheral (i.e. non-operational) disposal from the Whalley site, as proposed, is the better outcome here for all concerned as it will deliver more housing; generate a capital receipt, which two local Lancashire based NHS Trusts will directly benefit from, and in turn will improve the patient experience for the residents of Lancashire. The patient experience will be

enhanced in two ways, firstly through better quality and fit for purpose accommodation and secondly to allow Lancashire residents to be treated in Lancashire.

So the money generated will directly benefit both mental health patients and those with learning disabilities within Calderstones, Lancashire and the north west as a whole.

It is important to note, that whilst the National Government has sought to invest into the healthcare estate across England and Wales via the Health Infrastructure Program ("HIP"), which is welcomed, this source of funding is going towards the acute sector. Indeed, Mental Health Trusts have not benefited from any of the HIP funding. This is why Mental Health Trusts have had to look at their estate and see how it can be used as a source of funding to help modernise and meet ever increasing compliance requirements. MCFT is without exception and with all other avenues closed to them land disposal is the only method to raise capital, making this sale even more vital.

Summary of NHS Related Benefits

The above clearly demonstrates that the proposed development will generate direct benefits for the local economy, by generating funds that will safeguard 400 jobs within the Whalley site (i.e. Calderstones) and associated spending by staff. Given the majority of staff live locally, this level of spending will be significant, as will capture a high proportion of their general household expenditure (which ONS estimates at £27,550 per annum per household); whilst even those that commute from further afield will still spend some money in local shops and services (lunches, etc). This spending helps support other jobs and businesses in the local area and supply chain (support services, taxis, food and beverage, etc).

Futureproofing the site through refurbished and upgraded facilities will also have obvious benefits for the social well-being of patients, staff and local residents; by safeguarding its continued use and making it a more modern, attractive environment that is fit for purpose.

So the delivery of this development will have a significant and direct impact on the local economy and social well-being.

This is considered essential at the current time, given the pandemic and unprecedented funding challenges faced by the NHS and the economy as a whole.

Indeed the NHS as a whole is facing extra costs of around £40bn a year in 2021/22, a further £6.1bn for social care, and is likely to require funding increases of £10bn per year by 2023/24 to meet the backlog and extra demand generated in the last 15 months, particularly in respect of mental health, which is not a funding priority as noted above (with funding prioritised towards the acute sector at the current time).

Put simply, refusing this application will deprive the NHS of much needed funds, in the middle of a unprecedented, once in a generation, health crisis.

Other Economic and Social Benefits

Our planning statement also sets out further local (and wider) economic benefits that the development will generate, summarised below:

- The proposed development could support up to 144 temporary jobs both on-site and in the wider economy, during the estimated 12-month build phase.

- The development could also generate over £8.4million in economic output (measured in gross value added) for the regional economy during the construction phase.
- Once built and fully occupied, the households are estimated to generate expenditure in the region of £1.34million per annum. While not all of this spend will be in the local area, it is reasonable to assume that a substantial proportion will be retained within Ribble Valley. Additional residents in the village will certainly help to maintain the vitality viability of Calderstones and nearby Whalley, by supporting local business and service providers.
- The dwellings are also estimated to generate £250,000 in first occupation expenditure over an 18- month period and over £93,000 per annum in additional Council Tax revenue for Ribble Valley Borough Council.

In respect of social well-being the development will provide:

- A mix of 3 and 4 bed houses, including elderly housing and affordable units, in line with the Housing Officer's requirements (as confirmed by email on 2nd June 2021) to meet a range of local needs and provide a vibrant new community. This will improve social well-being for the new residents and wider community, by revitalising an underused and dilapidated site.
- The development is highly accessible to local services, public transport, and recreation opportunities (including designated areas of open space directly adjacent to the south west and north of the site - as addressed in more detail below) which will contribute to the social well-being of the new residents.
- A financial contribution towards recreation and leisure in the local area (equating to £9,977.40) which will have obvious benefits for social well-being in the wider community (albeit the Council have yet to confirm which project or facility this will be put toward).
- A financial contribution towards local secondary education (equating to £46,123.50) which will contribute to the social well-being of local children.

In short, the proposed development is essential to the local economy at the current time as will generate a significant capital receipt for the NHS to reinvest in the Whalley site and wider operation, along with S106 contributions, construction jobs and increased local spending; in the midst of an economic and health crisis. The proposals will also improve social well-being, for future residents of the proposed development and the wider community, including NHS staff and patients.

Other Material Considerations

Even if the above benefits are not considered essential to the economy and well-being at the local (Calderstones) level, they undoubtedly are at a wider Lancashire level to support the continued operations of both the MCFT and LSCFT, for all the reasons set out. This is a significant material consideration that clearly outweighs any perceived conflict with this policy, particularly in the context of the pandemic and associated health and economic crisis.

We go on to highlight further material considerations below.

Site Sustainability

We have argued in our submissions that Calderstones is effectively a suburb of Whalley given its proximity to the train station and services within Whalley. We also note how over 300 additional

houses have been built in Calderstones in the last 20 years, through the redevelopment of the former hospital, with the defined settlement now containing approximately 480 houses which is clearly of a scale associated with a larger and more sustainable settlement. We also note there are a further 150 dwellings in the gap between the defined boundaries of Whalley and Calderstones, effectively generating one continuous urban area.

This position seems to have been wholly endorsed by your policy team in their response dated 25th March which considers the site as part of Whalley, and therefore supports the development as it will consolidate the built up area. Even if this was considered an error on their part it proves that this location is difficult to distinguish from Whalley. We also note that the NHS operations in Calderstones are known as the 'Whalley site'.

However, the Council are now disputing this position and previous policy response by stating that the policy is not out of date and that the site is not within Whalley.

Firstly we would stress that even if the policy itself is not considered out of date the evidence base for it certainly is, with the Settlement Hierarchy paper dating back to December 2008.

This significantly underplays Calderstones population which has increased significantly in recent years as we note. Indeed, the 2008 paper suggests a population of 585, which ranked it seventh largest of the 23 tier 2 villages (and well above the average of 460), and higher than one tier 1 village (Mellor Brook at 547).

The Council have not published more recent data on this for comparison (with census and other more recent data looking at a wider ward level), however based on the known number of houses in the settlement (circa 480) we can assume a population of at least 1,100 (based on the Ribble Valley average household size of 2.3) an increase of 88% in 13 years.

This is backed up by ward level data for the Whalley Nethertown ward, where the population increased from 863 in the 2001 census to 1,783 in the 2011 census, with a 2019 mid-year estimate of 1,977 (an increase of 129% in 18 years).¹

In addition, we would question the methodology of the settlement hierarchy paper, as its scoring only includes for amenities (stations, shops etc) that are within the settlement itself; and ignores amenities in adjacent settlements regardless of how close they are.

This is a particular flaw in Ribble Valley, as it includes a number of smaller (tier 1 and tier 2) settlements located in close proximity (walking distance) to stations and services in larger settlements. This is evident around Whalley, with Calderstones, Billington and Barrow all within walking distance of the Whalley train station and the defined Town Centre.

Accordingly, we have undertaken our own sustainability analysis looking at the proximity of each settlement to a train station, Clitheroe Principal Town Centre and any other defined centre (i.e. Longridge or Whalley). This analysis is attached at **Appendix 1** including notes on the approach taken.

In summary, out of 35 defined settlements Calderstones scores as follows:

- 5th out of 35 for distance to a train station (higher than Longridge and 7 (of 9) Tier 1 villages);

¹ https://www.citypopulation.de/en/uk/northwestengland/wards/ribble_valley/E05012023___whalley_nethertown/

- 15th out of 35 for distance to Clitheroe TC (higher than Longridge and 7 Tier 1 villages);
- 5/6th highest for distance to any defined centre (depending on if measured from our site or the settlement boundary) (which is still higher than 7 tier 1 villages)
- 7th out of 35 in combined score (adding the 3 distances together) (again higher than Longridge and 7 Tier 1 villages);

So this settlement ranks consistently highly for access to a train station and to a defined retail centre, and generally higher than Longridge and several of the Tier 1 villages.

Even in higher order settlements, some parts of settlement are further from a town centre or train station than this site (which is a 0.85 km walk from the train station and 1.2 km walk from the town centre). For comparison, parts of Whalley are over 1.4km from the station and parts of Clitheroe over 2km from the station and Town Centre; whilst Longridge is over 12km from a station.

Furthermore, in terms of access to schools, there are 10 Primary Schools and 4 Secondary Schools within a 3 mile radius and a number of these are rated Outstanding by Ofsted. There are also school bus services (routes 625 and 626) which stop outside the site which serve Billington, Whalley, Longridge and Bowland High School.

In terms of wider bus provision, the stops outside the site are served by various routes (5, 740, 876 and 995) with the number 5 route linking the site the site with all three principal settlements (Whalley, Longridge and Clitheroe) and Barrow Business Park. This service operated 12 times throughout the day every hour starting at 06.42 from the site.

Overall it is clear that this site, and Calderstones as a whole is a sustainable location as it is well served by public transport, schools and shops; which is not properly accounted for within the settlement hierarchy due to its age and flaws in the methodology of scoring settlements.

This is important in the context of policy DMG2, as for tier 2 villages, this was clearly intended to restrict growth to small scale development to meet very localised needs on the basis of these settlements being isolated rural locations with low sustainability; where any larger scale growth would increase car journeys and lead to unsustainable growth and commuting patterns.

This is demonstrably not the case with this site and Calderstones as a whole, which is a sustainable settlement which has already accommodated significant growth in the last 20 years. This clearly limits the harm that any further growth would have within the settlement boundary, and this must be considered a further, and significant, material consideration in support of the scheme.

Effective Use of Land / Status of undeveloped land within site

The Council have also questioned the status of the small triangular area of undeveloped land within the current site, and whether its development would comprise an effective use of land in line with the NPPF.

To be clear this land is wholly within the settlement boundary and is not designated open space, and is therefore considered white land within the urban area with no formal policy protection (beyond policy DMG2 as addressed above). This undeveloped land also covers just 22% of the site (0.5 Ha) and therefore the site is still predominantly brownfield.

More pertinently, this is private land, with no public rights of way or other access rights over it, other than to the existing residents of Bridge Terrace. Indeed, it is fenced off from Taylor Wimpey Estate to the west, and only accessible by private unadopted road to the south and an alleyway to the north east. There is signage on land that confirms this, which has been in place for several years.

As such, the only current amenity value of this undeveloped land is to the existing residents of Bridge Terrace, and when these are demolished it will serve no amenity function, and therefore its loss will not generate any amenity harm. The proposed development includes areas of amenity space and landscaping, combined with off-site contribution to open space and recreation, in line with the policy requirement, and this position has been agreed with Officers.

As such, the loss of the undeveloped land on the site will not generate an amenity impact and will be off-set by the new development and associated contribution, and should not be weighed against the proposals.

On this basis, the redevelopment of the whole site for additional dwellings will not generate any harm, and thus clearly constitutes an effective use of land in line with paragraph 117 of the NPPF, which is another material consideration weighing in favour of the proposals.

Compliance with Policy DS1 – Regeneration Benefits

Finally, we would reiterate that the proposals will provide regeneration benefits in line with Policy DS1 (as set out in our planning statement). The redevelopment of this site will replace the existing terraced properties which are predominantly vacant and in an extremely dated and dilapidated state, with modern new build dwellings in a more attractive configuration (with a mix of detached and semi-detached house types replacing the existing terraces). New access points will replace the existing unadopted rear access which will also improve safety and accessibility.

Conclusions

It is our strong view that the proposed development is essential to the local economy and social well-being in compliance with criteria 1 of policy DMG2, as the capital receipt that it will generate will safeguard the future of the NHS operation in Calderstones (both directly and indirectly) which is the largest employer in the settlement and supports a wider supply chain; with associated social well-being benefits for staff, patients, existing residents of Calderstones and future residents of the development. This is considered essential given the current pandemic and acute pressure that the NHS is under. The proposals will also deliver regeneration benefits in line with Policy DS1.

Even if the above arguments are not considered to demonstrate an essential benefit at the local level, they undoubtedly will at a wider Lancashire and north west level, by supporting mental health and learning disability services across the region at a time of unprecedented and growing demand, which is a significant material consideration that clearly outweighs any perceived conflict with this policy.

Other material considerations that weigh in favour of the development include the sites high level of sustainability, with excellent public transport links and a number of shops and services within walking distance; and the fact that it represents a more efficient use of land, increasing the net number of dwellings on site by 16, without any harm to amenity.

Therefore the reasons outlined above, we respectfully request that these proposals be recommended for approval at the earliest opportunity in time for 1st July planning committee.

Yours sincerely

A handwritten signature in black ink, appearing to read "G Lamb".

Graham Lamb

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A handwritten signature in black ink, appearing to read "Elaine Darbyshire".

Elaine Darbyshire

Executive Director of

Communications and Governance

Mersey Care NHS Foundation Trust

APPENDIX 1 – SETTLEMENT SUSTAINABILITY ANALYSIS

Rank	Nearest Edge of Settlement (Minimum Distance in km)	Nearest Station	Dist	Dist to Clitheroe TC (km)	Nearest Town Centre	Dist (km)	Combined dist
1	Clitheroe	Clitheroe	0	0	Clitheroe	0	0
2	Whalley	Whalley	0	4.5	Whalley	0	4.5
3	Chatburn	Clitheroe	3.8	1.3	Clitheroe	1.3	6.4
4	Waddington	Clitheroe	2.2	2.3	Clitheroe	2.3	6.8
5	Wiswell	Whalley	1.8	3.8	Whalley	1.4	7
6	Barrow	Whalley	1.6	4.2	Whalley	1.2	7
7	Calderstones (nearest edge)	Whalley	0.65	7.1	Whalley	1	8.75
7	Calderstones (Mitton Rd site)	Whalley	0.85	7.1	Whalley	1.2	9.15
8	Billington	Whalley	1.3	7.8	Whalley	0.45	9.55
9	Pendleton	Clitheroe	3.7	3	Clitheroe	3	9.7
10	Worston	Clitheroe	3.9	3	Clitheroe	3	9.9
11	West Bradford	Clitheroe	3.6	3.2	Clitheroe	3.2	10
12	Langho	Langho	0	9.5	Whalley	3.2	12.7
13	Grindleton	Clitheroe	5.2	5	Clitheroe	5	15.2
14	Downham	Clitheroe	5.4	4.9	Clitheroe	4.9	15.2
15	Sabden	Whalley	5.4	6	Whalley	3.9	15.3
16	Brockhall	Langho	2.9	10.3	Whalley	4	17.2
17	Wilpshire	Ramsgr'e & Wilp	0	11.4	Whalley	6	17.4
18	Sawley	Clitheroe	6.6	5.4	Clitheroe	5.4	17.4
19	Read & Simonstone	Whalley	5.4	9.8	Whalley	3.8	19
20	Rimington	Clitheroe	7.8	5.9	Clitheroe	5.9	19.6
21	Copster	Ramsgr'e & Wilp	3.3	12.2	Whalley	7	22.5
22	Hurst Green	Whalley	7.1	8.7	Whalley	7	22.8
23	Longridge	Langho	12.1	15	Longridge	0	27.1
24	Ribchester	Ramsgr'e & Wilp	7	14.5	Longridge	5.7	27.2
25	Mellor	Ramsgr'e & Wilp	3.6	16.3	Whalley	10	29.9
26	Holden	Clitheroe	10.7	9.7	Clitheroe	9.7	30.1
27	Bolton by Bowland	Clitheroe	10.8	10	Clitheroe	10	30.8
28	Osbaldeston	Ramsgr'e & Wilp	5.6	16.2	Whalley	10	31.8
29	Newton	Clitheroe	10.9	10.7	Clitheroe	10.7	32.3
30	Mellor Brook	Ramsgr'e & Wilp	5.1	17	Whalley	10.9	33
31	Gisburn	Clitheroe	11.8	11.6	Clitheroe	11.6	35
32	Chipping	Clitheroe	13.7	13.7	Longridge	8.2	35.6
33	Slaidburn	Clitheroe	13.5	13.9	Clitheroe	13.9	41.3
34	Dunsop Bridge	Clitheroe	15.2	15	Clitheroe	15	45.2
35	Tosside	Clitheroe	18.3	16	Clitheroe	16	50.3

Key/ Methodology

- All distances measured as actual walking distances (not as crow flies);
- All distances measured from nearest edge of settlement boundary (so minimum distances), except those with a train station or defined centre within the settlement, which are assumed at 0km.
- Supporting tables also include maximum distances from the edge of the 5 settlements with a train station or defined centre within.

Principal Settlements x 3

Tier 1 Villages x 9

Tier 2 Villages x 23