

Rhif y Cais: **46C427K/TR/EIA/ECON** Application Number

Ymgeisydd Applicant

Land and Lakes (Anglesey) Ltd
c/o HOW Planning LLP
40 Peter Street
Manchester
M2 5GP

Cais cynllunio hybrid sy'n cynnig: Amlinellol gyda'r holl faterion wedi eu cadw'n ôl ac eithrio dull mynediad, ar gyfer : Pentref Hamdden ym Mharc Arfordirol Penrhos, Ffordd Llundain, Caergybi yn cynnwys: Hyd at 500 o unedau hamdden newydd gan gynnwys porthdai a bythynnod newydd; Adeilad canolbwynt canolog newydd gan gynnwys derbynfa gyda chyfleusterau hamdden gan gynnwys parc dwr isdrofannol dan do, neuadd chwaraeon dan do, caffis, bariau, bwytai ac adwerthu; Adeilad canolog newydd ar gyfer Marchnad Ffermwyr; Adeilad hamdden a sba canolog newydd; Canolfan chwaraeon dwr a chaffi newydd ar safle'r hen Dy Cwch; Dymchwel y Baddondy ac adeiladu bwyty ar ei safle; Dymchwel adeiladau eraill gan gynnwys tair ysgubor amaethyddol a thair annedd; Darparu a chynnal 29 hectar o ardaloedd cyhoeddus gyda maes parcio i'r cyhoedd a gwelliannau i'r llwybr arfordirol gan gynnwys: Rhodfeydd a reolir o fewn 15 hectar i goetir, cadw a gwella Pwll Grace, Pwll Lili, Pwll Sgowtiaid gyda llwyfannau gweld, y Fynwent Anifeiliaid Anwes, y Gofeb, y Ty Pwmp a maes picnic gyda gorsafoedd bwydo adar a chuddfannau gwylio adar, gydag arwyddion dehongli addysgiadol a dwyieithog trwy'r cyfan; Creu trywydd cerfluniau newydd trwy goetir a llwybrau pren a gwell cysylltiad gyda Llwybr yr Arfordir; Bydd y traeth yn parhau i fod yn hygyrch i'r cyhoedd gan ddarparu mynediad diogel i'r dwr bas; Canolfan Bwer a Gwres gyfun. Tir yn Cae Glas - Codi llety a chyfleusterau pentref hamdden sydd wedi eu dylunio i'w defnyddio yn y lle cyntaf fel llety dros dro i weithwyr adeiladu ar gyfer Wylfa B ar dir Cae Glas, Parc Cybi, Caergybi yn cynnwys: Hyd at 315 o borthdai i'w hisrannu yn y lle cyntaf fel llety ar gyfer gweithwyr niwclear; Adeilad canolbwynt canolog gan gynnwys derbynfa a chantîn ar gyfer y llety; Cyfleuster Parcio a Theithio gyda hyd at 700 o lecynnau parcio ceir; Gwesty newydd; Adeilad canolbwynt wrth ochr llyn yn cynnwys bwyty, caffi, adwerthu a bar; Cae pêl-droed glaswellt newydd a chae criced; a Canolfan Bwer a Gwres Gyfun. I'w haddasu wedyn (ar ôl adeiladu Wylfa B) i fod yn estyniad i Bentref Hamdden Parc Arfordirol Penrhos gan gynnwys: Porthdai ac adeiladau cyfleusterau wedi eu hadnewyddu i greu llety gwyliu o safon uchel (hyd at 315 o borthdai i

A hybrid planning application proposing: Outline with all matters reserved except for means of access, for: A leisure village at Penrhos Coastal Park, London Road, Holyhead comprising: up to 500 new leisure units including new lodges and cottages; Central new hub building comprising reception with leisure facilities including indoor sub-tropical water park, indoor sports hall, and cafes, bars, restaurants and retail; Central new Farmer's Market building; Central new spa and leisure building; A new café and watersports centre at the site of the former Boathouse; Demolition of the Bathing House and the construction of a restaurant at its former location; Demolition of other existing buildings including three agricultural barns and three residential dwellings; Providing and maintaining 29 hectares of publicly accessible areas with public car parking and enhancements to the Coastal Path, including: Managed walkways within 15 hectares of woodland, the retention and enhancement of Grace's pond, Lily Pond, Scout's pond with viewing platforms, the Pet Cemetery, War Memorial, the Pump House and picnic area with bird feeding stations and hides with educational and bilingual interpretation signage created throughout; Creation of a new woodland sculpture trail and boardwalks and enhanced connection to the Coastal Path; The beach will continue to be accessible to the public providing safe access to the shallow shelving water; A Combined Heat and Power Centre Land at Cae Glas: The erection of leisure village accommodation and facilities which have been designed to be used initially as a temporary construction workers accommodation complex for Wylfa B at land at Cae Glas, Parc Cybi, Holyhead comprising: Up to 315 lodges which will be initially sub divided for nuclear workers accommodation; Central hub building providing reception and canteen ancillary to accommodation; A Park and Ride facility comprising up to 700 car parking spaces; A new hotel; A lakeside hub comprising restaurant, café, retail and bar; New grass football pitch and cricket pitch; and a Combined Heat and Power Centre. To be subsequently converted (post Wylfa B construction) into an extension to the Penrhos Coastal Park Leisure Village comprising: Refurbished lodges and facility buildings to create high quality holiday accommodation (up to 315 family lodges); A Visitor Centre and Nature Reserve allowing controlled

public access; and Heritage Centre with visitor parking. Land at Kingsland: The erection of a residential development which has been designed to be used initially as temporary construction workers accommodation at land at Kingsland, Kingsland Road, Holyhead comprising: Up to 360 new houses to be initially used as temporary construction workers accommodation. To be subsequently converted (post Wylfa B construction) into a residential development comprising: Up to 360 residential dwellings set in high quality landscaping and open spaces. Each phase of development will have ancillary development comprising car parking, servicing areas, open spaces and plant. Full detail for the change of use of the existing Estate buildings at Penrhos Coastal Park, London Road, Holyhead including the change of use for: The Bailiffs Tower and outbuildings at Penrhos Home Farm from a cricket clubhouse to a visitors information centre, restaurant, café, bars and retail; Home Farm Barn and Cart Buildings from farm buildings to cycle and sports hire centre; The Tower from residential to a Managers accommodation and ancillary office; and Beddmanarch House from residential to a visitors centre.

The map shows the Penrhyn area in North Wales, with the River A65 flowing through it. Key features include the Aluminium Smelting Works, Penrhyn Coast Park, and the A65 road. A red line highlights a specific route or boundary. The map is labeled with numerous place names and geographical features.

Report of Head of Planning Service (DPJ)

Recommendation:

Permit

Reason for Reporting to Committee:

On 2nd October 2013, Members resolved to refuse the application contrary to Officer recommendation. In accordance with paragraph 4.6.12 of the Constitution, the application is being again presented to Members so they can consider their resolution.

In this regard the report to the 2nd October Committee is attached at Appendix 1 (the Original Report). This fully explains the application and the relevant policies and considerations in relation to the application.

Appendix 2 contains an update of the information and representations raised since the application was presented to Committee on 2nd October. Issues of particular note, in so far as they relate to the particular grounds of refusal, are highlighted below.

Appendices 3, 4 & 5 contain representations from the Applicant received since the 2nd October Committee and which the Applicant has asked us to circulate. In particular page 4 of the letter from HOW Planning dated 24th October lists a range of benefits which the Applicant has requested are summarised.

1. The Application

Full details of the application are contained in the Original Report. However, it is not a straightforward application and it is worth summarising the components here.

It is a single application for three sites: Penrhos, Cae Glas and Kingsland. The Penrhos site is proposed as a leisure village with up to 500 lodges and cottages and associated facilities. The business case requires a coastal location to create a leisure destination which can compete with other inland leisure destinations in the UK. Cae Glas would provide an extension to the Penrhos leisure facility providing up to 315 lodges (and will depend upon Penrhos for its facilities and coastal access). Cae Glas will provide the replacement open space, replacement sports facilities and ecological provision. Kingsland will now provide up to 320 residential dwellings as opposed to the original figure of 360. However, permission is being sought for both Cae Glas and Kingsland to first be used for accommodating construction workers in association with the proposed new nuclear development at Wylfa. In this respect, Cae Glas will provide the hub (i.e. the central facilities for both Cae Glas and Kingsland). It is key to note that if Cae Glas and Kingsland are not first used for construction worker accommodation, they will not be developed at all. It is on the above basis that the sites are linked and are to be considered as one proposal.

2. Members Reasons for Refusal

At the 2nd October Committee, Members gave two reasons for refusal:

- (a) The proposals would constitute overdevelopment in the countryside;
- (b) The proposals would adversely impact the Area of Outstanding Natural Beauty.

The Officer's response to those reasons for refusal is dealt with in section 3.

3. Officers Response to the Reasons for Refusal

In order to respond to the reasons for refusal it is necessary to examine the reasons given, look at the evidence available to substantiate each reason and consider the reasons in the context of the development plan and other material considerations.

Members should have regard to the additional information contained within the Appendices.

Reason 1: Overdevelopment in the countryside

It is unclear whether this reason is designed to cover scale of the development, or aspects of it, or is simply a refusal on the basis that the proposals involve building in the countryside and therefore the application is objectionable.

Either would be a genuine reason for refusal in the planning decision making context, however, they need to be viewed in the light of the development plan and material considerations.

As outlined in the Original Report, a significant part of the land the subject to the three sites lies within countryside in planning policy terms (i.e. it is outside of the settlement boundary of the statutory development plans- the adopted Ynys Mon Local Plan and the Gwynedd Structure Plan). That, however, does not apply to all the land. A substantial part of the Cae Glas site is allocated in the Local Plan for employment purposes and part of Kingsland is allocated for recreation and community facilities. As such, development would, in statutory development plan terms, be acceptable on those parts of the sites. What is proposed is intended as a high class, exemplar development with high levels of mitigation in landscaping terms. Whereas, in relation to Cae Glas in particular, given the development plan allocation, a different form of development could legitimately be put forward, such as an industrial development, which would likely to result in larger, more prominent buildings in the landscape and which is unlikely to deliver the range and depth of mitigation offered here.

As explained on page 67 of the Original Report, it is the Officer's view that more weight should be attached to the Stopped UDP (the weight to be given to plans is dealt with in policy and the Officer's approach is in accordance with this). In this regard, the Penrhos site would be considered to be edge of settlement, the Cae Glas site falls partly within the settlement as an employment allocation and partly adjoining Holyhead settlement and Kingsland, similarly, contains substantially land falling within the settlement as allocated for leisure uses and partly adjoining the settlement. It is important that Members take this planning policy position into account.

In relation to scale, Officers do not consider the proposal to represent overdevelopment. The extent and size of the units of accommodation (both leisure and residential) are controlled through the use of parameter plans accompanying the application which will need to be adhered to in submitting reserved matters applications and carrying out any development. A number of issues were raised by Natural Resource Wales and the Applicant has addressed those issues, such as a reduction in the heights of some of the buildings.

The Applicant maintains that the proposals do not exceed the technical or environmental capacity for the site (with none of the technical consultees raising any objection). The Applicant has undertaken an exercise to identify the extent of the new buildings, roads and pathways which would be created if planning permission were granted and have concluded that the total surfaced area is 17% (ie 83% of the sites will be enhanced through active, long term management and stewardship). The Applicant therefore contends that there is no evidence that the site would be overdeveloped.

"Notwithstanding the above, in an effort to allay Members' concerns, the Applicant is proposing an amendment to the application which will reduce its scale (see Appendix 5). This will result in less development at Kingsland and it will reduce the impact on the countryside as the proposed areas to be omitted from the application are, save for the area required for access, those which fall outside of the settlement allocation."

Having regard to the planning policy position and relationship of the sites to the development boundary, the Officer does not consider that the scale of the development is such that it would result in overdevelopment in the countryside.

Reason 2: Adverse impact on the AONB

This, again, is a genuine planning reason for refusal. However, the approach to development in an AONB needs to be approached properly. There is a statutory requirement for such areas to be conserved and enhanced. It is also national policy that major developments should not take place except in exceptional circumstances. What amounts to exceptional circumstances is outlined in paragraph 5.5.6 of PPW (and is considered in detail in the Original Report). Essentially, this requires an examination of (i) the need for the development, in terms of national considerations, and the impact of permitting or refusing it on the local economy; (ii) the cost of and scope for providing the development outside the designated area or meeting the need for it in some other way; and (iii) assessing any detrimental effect on the environment and the landscape, and the extent to which that could be moderated. It is the third limb of this test that appears to

relate directly to the reason for refusal.

There are two very relevant considerations here. The first are the views of the professional officers and the statutory consultees. The second is what benefits the proposal brings in terms of the AONB and what mitigation is offered to mitigate/moderate any adverse impact.

So far as consultees are concerned, NRW, as acknowledged in the Original Report, raised concerns on the overall impact of the proposals. However, it will be seen from the consultation section of the Original Report, NRW have recommended a number of measures to minimise impact (including design changes and woodland and planting management) and the scheme reflects those requirements. NRW has withdrawn its objection. Given NRW's position (i.e. that it does not consider that there is sufficient impact on the AONB to recommend withholding permission), Officers' consider it would be difficult for Members' to take the opposite position without highlighting specifically what impacts they are concerned about and the evidence for these.

It will be noted that the Council's Landscape Officer, again whilst identifying that there will be impacts, has evaluated the Landscape and Visual Impact Assessment accompanying the application which recognises that the immediate impact will be adverse whilst planting and mitigation measures are carried out and they mature. However, impacts will then reduce.

The mitigation offered and the benefits the scheme brings in relation to the AONB are considered highly material. One of these is public access to Penrhos Coastal Park and Coastal footpath. At the moment public access is permissive (and maintenance costs are approximately £250,000 per annum of which the applicant contributes £100,000 per annum). With the withdrawal of the landowner, Anglesey Aluminium Metals, from the area, public access and ongoing maintenance is under threat. The proposals ensure the future access and maintenance of the AONB, which would be made the subject of a legally binding agreement with the Local Planning Authority as part of any permission granted. Specifically, public access will be made available free of charge to the Penrhos Coastal Park which is proposed to comprise (see Applicant's Q&A document at Appendix [4]) 7kms of walks, 73 acres of public amenity (including 37 acres of woodland), a new visitor centre at Beddymynach House, car park and toilets. There will also be a new 100 acre nature Reserve at Cae Glas. There will be compensatory habitat and species enhancement areas and measures, monitoring and future management and provision of appropriate funds in this respect. There will be a conservation management plan and the Applicant has agreed to establish a conservation management board for considering and implementing this plan.

It is the Officer's view, with the extensive mitigation offered in relation to the AONB, that any detrimental effect on the AONB will be suitably mitigated and that the Applicant has therefore satisfied the national policy requirements in this regard.

Consideration of the two reasons for refusal in the context of the development plan and other material considerations.

The above examines the reasons for refusal individually and the evidence available which relates to those reasons. However, it is important to examine the reasons for refusal in the context of relevant development plan policies and other material considerations as a whole, on the basis that this is the approach which would be taken on appeal and, without such analysis, it is very difficult to give a view as to how the reasons for refusal might be viewed.

The Original Report undertakes this exercise and Members' attention is, in particular, drawn to pages 90 to 92 of the Original Report which provides a summary and conclusion of the relevant considerations. It is the Officer's view that two of the most significant considerations in this context are need and the economic benefits.

It is considered that there is a national need case in relation to tourism development (as evidenced by the Tourism Partnership North Wales which considers the project to be of national significance in terms of tourism development and promotion as well as the Destination Anglesey Partnership (DAP) Board which was formed by the Authority in response to and as a requirement of the Destination Management Plan 2012-2016 strategy. The importance of Land and Lakes is explicit in the adopted strategy. As such Land and Lakes is the only specifically named private sector investment relative to objectives 2 and 3. For example: Section 2.1.5 Support the development of a new holiday village. "... would help raise the profile of the Island and transform the accommodation stock in quantitative and qualitative terms; it would be a 'game-changer'. There is also considered to be a national need for the nuclear workers accommodation (as outlined in national policy). These are significant considerations in relation to allowing major developments to proceed in an AONB- see test (i) above. It is considered that this need should weigh very heavily in favour of granting

permission and, on any appeal, would be highly likely to outweigh the putative reasons for refusal. In fact the only element where an immediate need is not demonstrated is the legacy use of Kingsland as housing, but that use will not take place unless the site is first used for nuclear workers accommodation and it is accepted by officers that some legacy development, making use of the nuclear workers accommodation, is needed. Turning the existing buildings on the site to housing (with 50% of that as affordable) is considered acceptable in the context of a legacy use of the site.

The economic benefits are also considered to be of significance (and are relevant to the AONB tests in 5.5.6 PPW above) and Officers consider should be given considerable weight. PPW was revised in October 2012 with the aim of trying to ensure that the planning system in Wales facilitates economic renewal more effectively. Economic development considerations are dealt with on pages 79 and 80 of the report. Essentially, the estimated full time equivalent (FTE) jobs which will be created by the proposals amount to:

- 420 FTE jobs per year in the construction sector;
- 465 FTE operational jobs (rising to 615 FTE once multiplier effects are considered, that is to say indirect employment).

Therefore significant employment is envisaged for both the construction and operational phases of the development.

The kind of jobs which are envisaged to be available and how they relate to demand for employment in Anglesey is outlined in the Applicant's Q&A document (Appendix 4)

It is acknowledged by Officers that the proposals represent a 'step change' in the economy of Anglesey. Section 106 obligations are also relevant here. It will be noted that the Applicant has offered to enter into binding commitments in relation to local employment and training and working with local businesses. It will also fund apprentices during construction and operation of the development. Welsh language measures will be put in place in this regard to ensure the promotion and protection of the language is secured and legal obligations are also to be secured to ensure that suitable collaboration takes place with the existing tourism industry and local businesses to promote and protect those businesses from the impacts of the development to integrate the development appropriately.

Members' attention is also drawn to the proposed conditions and section 106 obligations. These are outlined in detail on pages 92 to 101 of the Original Report. In respect of the obligations, there are thirty-two different heads which have been agreed with the Applicant. They are wide ranging and provide significant benefits and mitigation measures.

It is therefore the Officer's view that, taken on their own and in the context of the development plan and other material considerations, the reasons for refusal, although genuine, are unlikely to be sufficient to prevent permission being granted on appeal.

4. Appeal and Costs Issues

If Members decide to maintain their refusal, the Appellants have a right to appeal to Welsh Government. This brings into consideration the issue of costs. Paragraph 4.6.12.1 of the Constitution states that, where deciding the matter contrary to the recommendation may risk costs on appeal, the Committee will take a recorded vote.

There is always a risk of costs on appeal when a refusal is made and it is fair to say that this remains a very real risk when the refusal is against Officers advice. In this regard, the costs circular (Circular 23/93) notes that a local planning authority runs the risk of a cost award against it where it has unreasonably refused planning permission. The circular advises that *"a planning authority should not prevent, inhibit or delay development which could reasonably be permitted, in the light of the development plan, so far as it is material to the application, and any other material considerations."* It further advises that *"reasons for refusal should be complete, precise, specific and relevant to the application. In any appeal proceedings, the authority will be expected to produce evidence to substantiate each reason for refusal, by reference to the development plan and all other material considerations. If they cannot do so, costs may be awarded against a planning authority. Each reason for refusal will be examined for evidence that the provisions of the development plan, and relevant advice.... were properly taken into account.... In any such proceedings, authorities will be expected to produce evidence to show clearly why the development cannot be permitted."*

In so far as a refusal against Officers recommendation is concerned, the advice states *"planning authorities*

are not bound to adopt, or include as part of their case, the professional or technical advice given by their own Officers, or received from statutory bodies or consultees. But they will be expected to show that they had reasonable planning grounds for taking a decision contrary to such advice; and they were able to produce relevant evidence to support their decision in all respects. If they fail to do so, costs may be awarded against the authority." In particular, the circular states that planning authorities are expected thoroughly to consider relevant advice from a statutory consultee before determining a planning application.

Planning authorities are expected to consider the impact of development on existing buildings and the landscape and townscape and particular weight should be given to the impact of development on environmentally sensitive areas (such as Area of Outstanding Natural Beauty).

Planning authorities will be expected to show they have considered the possibility of imposing relevant planning conditions which would allow the development to proceed and they have considered any conditions proposed to them before refusing permission. Where an applicant offers to enter into a planning obligation which is relevant to his application, this will be a material consideration which the authority should take into account. In this regard, Regulation 122 of the Community Infrastructure Levy Regulations is relevant (see below).

Given the Original Report by Officers and the recommendation to grant permission, the response to the reasons for refusal, the fact that the Officers believe that the development, with the imposition of conditions and the section 106 obligations, is acceptable and should be granted permission, and the advice in circular 23/93, there is a risk of costs being awarded in connection with any appeal against a refusal on the above grounds and therefore it is considered that, if Members remain of the view that permission should be refused, a recorded vote should be taken.

5. Implications of the Decision

If Members decide to refuse permission notwithstanding the response by Officers outlined in this report, the applicants may decide to appeal the refusal to the Planning Inspectorate. In this regard the issues raised in Section 4 regarding appeal costs will be relevant.

There are also potential implications for the section 106 obligations which are outlined in the Original Report. It is a requirement that such obligations are necessary to make the development acceptable in planning terms, directly related to the development and reasonably related in scale and kind to the development (Regulation 122, Community Infrastructure Regulations). Although Officers consider that the obligations meet the required tests, there is a very real possibility that on any appeal the Planning Inspectorate/Welsh Government could take a different view and that a number of the obligations contained in the resolution might be lost.

It should be noted that Welsh Government may decide to call in the application at any time before a decision is issued. It can do this if it considers that it raises issues of more than local importance. If Members decide to grant planning permission subject to the conditions and section 106 obligations outlined, notification of such a resolution will be made to Welsh Government and a 21 day period given before any permission can be issued. If Welsh Government considers it appropriate to call-in the application, then this will give it an opportunity to do so, effectively recovering jurisdiction of the application from the Council.

6. Recommendation

On the basis of the Original Report to Committee of 2nd October and this Report, Members are requested to reconsider their resolution to refuse the application and are requested to grant planning permission for the development the subject of the Application in accordance with the recommendation contained in Section 9 of the Original Report. Namely:

That the application is referred to the Welsh Government for a period of 21 days in accordance with The Town and Country Planning (Notification) (Wales) Direction 2012 with a recommendation that the local planning authority are minded to permit the planning application subject to:

- (a) the applicant entering into a section 106 Agreement the draft heads of terms of which are set out in the Original Report; and
- (b) planning conditions covering the matters set out in the Original Report;

That the Head of Planning Services be granted delegated authority to negotiate the terms of the section 106

Agreement and deal with the matters in a) and b) above by condition or section 106 as is considered appropriate by the Head of Planning Services.

Background Papers:

1. Report to committee of 2 October 2013 (Appendix 1);
2. Update of Committee Report (Appendix 2);
3. Update papers

Correspondence dated 22nd October, 2013 from HOW Planning on behalf of Land and Lakes (Appendix 3)

Correspondence dated 24th October, 2013 from HOW Planning on behalf of Land and Lakes (Appendix 4)

Correspondence dated 30th October, 2013 from HOW Planning on behalf of Land and Lakes (Appendix 5)