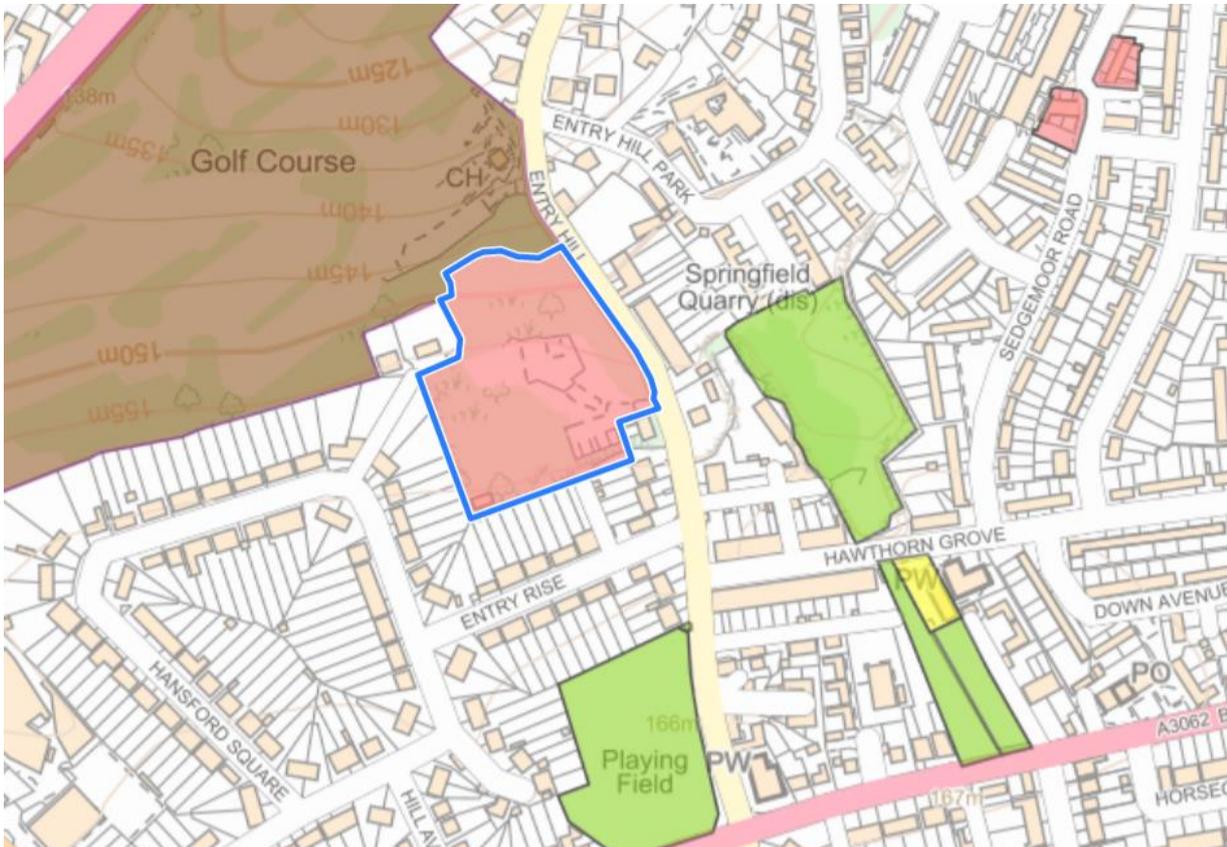


Bath & North East Somerset Council

TITLE: The Future of Entry Hill Depot



BACKGROUND

A local employer approached the Council some time ago to either rent or preferably purchase Entry Hill depot. Their current site is at capacity and their options are limited due to the limited availability of industrial land in Bath. Their options are either move out of Bath or alternatively acquire land close to the current site, Entry Hill Depot.

Heads of terms were agreed to reflect Officers and Councillor input. The proposed structure of the deal was to grant a short-term lease (to generate a revenue stream) with an option to purchase. The purchase price is supported by external independent valuation. The lease term to be for a period of 4 years. It also included a provision that if the interested party fail to obtain planning permission, the site will revert to the Council, enabling it to decide upon its alternative future.

The length of the lease terms of 4 years, is at the insistence of the planning agents for the interested party who are concerned that three years is insufficient to take this through planning, in the event the matter needs to go to appeal.

In addition, the lease provides for the landlord to serve notice to break the lease two months prior to the expiry of the end of the third year of the term.

THE ISSUE

Councillors are concerned the site could be used for residential or part residential. Further advice was requested concerning industrial development versus residential development, or part residential development at Entry Hill Depot.

Commentary

Turning to the question of industrial development as opposed to residential development of the site, the material point to note is the planning position. The site is designated as employment land. It also has environmental restrictions which require addressing in turn.

Planning

An application for residential development on industrial land will be met with strong opposition from the Economic Development department who will insist that the site be marketed for 12 months and only if there is no demand for industrial or storage uses can residential be considered. This is supported by the case of the Regency Laundry decision, whereby residential was refused. There is however, contrary evidence of a residential scheme being permitted on employment land, but this scheme (Argyle Works) was solely for affordable housing. If the site was for this purpose alone the planners may look on a residential scheme more favourably. With regard to Entry Hill, the planners have advised given there is strong demand for industrial or storage uses, planning for residential is likely to be refused. Any loss of industrial land would be resisted. This will be their stance even if the proposal is for both industrial and residential use as there would still be a loss of industrial space.

Environmental

A. Bats - This is a foraging site for Greater and Lesser Horseshoe bats, a protected species. Bats fly/hunt over foliage of trees and hedges where there is most insect life. There will be a requirement to maintain the trees and ground cover all around the site to a considerable depth from the boundary. This significantly reduces the size of the developable area.

Bats are disturbed by light pollution and housing development with lighted windows and street lights will have a negative impact which the ecologists will say should be avoided.

Industrial users can limit this effect with specially designed lighting, much of it under cover, minimal light spill from roof lights and windows and also by not working at night in the darkest months.

Light pollution is difficult to control and mitigate with a residential or mixed use scheme.

B. Biodiversity - One of the key planks of the Planning Policy update is net biodiversity gain.

As can be seen from the illustration below the interested party do not intend to develop the whole site. The intend to build two units (3,200 sq. metres), plus roads, outside storage and parking. Their scheme allows for enhancing the biodiversity by keeping half of the ground cover and enhancing the tree health. The badger set in the steep bank at the south end can be left undisturbed, without interference. Enhancement can be achieved by off-setting against the land which is left undeveloped. To satisfy the planners they require the whole site to do this.



Enhancing the biodiversity for residential and a mixed-use site is more difficult, as more of the land will need to be developed, leaving less land as the off-set.

C Tree and shrubs - The need to maintain trees and shrubs and the steep bank at the south end means that the effective site area for development is less than 8,000 sq. metres of a 17,280 sq. metre site.

Contamination

The whole site is 5m deep with infill, mainly fuel ash from the coal fired power station that once stood in Southgate. There will be pathways for contamination in a residential development in the gardens and verges/open spaces that will involve costly remediation, possible digging out and removing a large amount of the fill. ADL's assessment of the site for residential concluded that it was uneconomic to develop. Any residential scheme even a single block of flats will need to be subsidized by the local authority.

Industrial uses general can limit the amount of site that is developed and then by use of hard site cover eliminate the pathways to human receptors. The land fill does not necessarily need to leave site.

Foundations

These will have to be engineer designed to negotiate 5m of fill, even if it is removed. This will substantially increase the cost of foundations and is another reason why ADL dismissed the site for residential. The type of foundations required makes residential units uneconomic.

Highways

The established depot use with lorries means that for a new factory there is a precedent in place already. Highways may require improvement to the sight lines for the entrance but nothing more.

A housing site with more movement by car, pedestrians and cyclists will involve more design input and is more difficult to achieve.

A mix-use with joint access off Entry Hill is unlikely to gain planning approval due to the mix of cars, pedestrians and lorries in a restricted area.

To try and resolve this issue an additional access via the Entry Hill golf club entrance has been investigated to see whether it is feasible. From the main gates of the golf club a hardstanding track provides access across the club's land. A retaining wall runs alongside the track, supporting the steeply sloped land leading up to the subject depot site.

The slope up to the depot land is extremely steep and only dissipates further along the track when it reaches the rear gardens of residential housing. Therefore, the area bordering the depot land is inaccessible from this route and as such there is not an option for an additional entrance at this point.

Neighbours

The site is bordered by 17 houses, many of which are high up on the top of the quarry face. None have a right to a view but some will object to any development. A factory can be designed to minimise its visual impact. There will be no overlooking and much less light pollution. The electricity substation at the entrance to the depot is unattractive and has vans and lorries, sometimes large items of plant outside and alongside. It will need effective separation from the main access to the site and for housing this separation will have to be more carefully designed/may be off-putting.

RECOMMENDATION

The planning policy objection is the main obstacle to a residential or mixed-use development. Second is contamination / made up ground and third the difficulty of showing biodiversity net gain.

The development of additional business use on site by the interested party maintains and indeed will increase skilled jobs in Bath and enhance the local economy in line with the Council's Core Strategy.

Due to biodiversity net gain the interested party has advised that they can only proceed if they can acquire the whole site. The view being any employment use will not obtain

planning consent without off-set, so the whole is required. This means if they cannot acquire the whole site, it will look to relocate outside of Bath and not necessarily within BANES district.

If the Council retains part or all the land for a potential residential scheme it risks not gaining planning consent. Any scheme will need to be fully affordable housing to stand any chance of consent. This scheme will be unviable to develop so will require substantial Council funding, to overcome the major issues of contamination, access and biodiversity. The Council also risks being liable for the on-going management/holding costs of any retained land.

In summary due to the constraints and risks of the site, it is recommended not to pursue a residential scheme on part or all the land.

In terms of options going forward there are a few considerations. Earlier in the year the Council's intention was to secure a short-term revenue stream with a capital receipt in four years' time. If this is still the case, the Council can continue to do this. If, however, the Council's intention has changed this could be re-visited. The Council could either put the property up for sale on the open market or alternatively, given the interest from the local interested party, get an up-to-date independent valuation and sell now. The benefits to the latter method of disposal are that the local party is familiar with the site and its conditions. They are less likely to negotiate at the last minute and although not guaranteed, the Council is more likely to receive the capital receipt this financial year. If the property is placed on the open market it is unlikely that a capital receipt will be achieved this financial year, given the site conditions and planning complexities.