



Planning Statement

Applicant: South Holland District Council

Proposal: Outline Planning Application for Proposed Extra Care Housing Facility and Associated Infrastructure

Site: Castle Sports Centre & Swimming Pool, Albion Street, Spalding PE11 2AJ

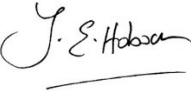
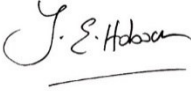
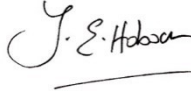
Date: June 2024

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Planning Statement

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Planning Statement

Contents.

1.0	Introduction	3
2.0	Background and Context	9
3.0	The Site and Surroundings	11
4.0	Pre application Planning Advice	16
5.0	Public Consultation.....	20
6.0	Overview of the Development	22
7.0	Planning Policy Context	26
8.0	Planning Assessment	37
9.0	Applying the Presumption in Favour of Sustainable Development.....	51
10.0	Phasing and Delivery	69
11.0	Conclusions and Overall Planning Balance	71

Figures

Fig 1	Site Location Plan.....	10
Fig 2	SE Lincolnshire Local Plan Proposal Map Extract.....	12/13

Appendices

Appendix 1 - Detailed schedule of the existing and proposed future sports and recreation facilities

Appendix 2 - Economic Case Technical Prepared by AMION Consulting July 2022

Planning Statement

1.0 Introduction.

- 1.1 This Planning Statement has been prepared by JEH Planning Ltd on behalf of South Holland District Council hereafter referred to as 'SHDC' or 'the Applicant'.
- 1.2 The Applicant has submitted an outline planning application, with all matters reserved for future determination, for the replacement of the existing swimming pool at the Castle Sports and Leisure Complex in Spalding with the erection of an extra care housing facility. The provision of supporting infrastructure including additional car parking and, landscaped areas would also be provided.
- 1.3 It should be noted that the applicant has submitted a separate but related full application for the demolition of the existing Castle Swimming Pool building and the construction of a two storey extension including basement area to the existing Castle Sports Complex building to provide new and upgrade indoor leisure and health related facilities including two new swimming pools, plant area and changing rooms. The proposal also relates to the reconfiguration of the existing leisure building to provide upgraded sports facilities and related supporting services. Within the grounds of the Castle Leisure Centre there will be provision of a new 3G artificial turf pitch (ATP), an Informal Outdoor Games Area (IOGA), other outdoor play areas, an informal running trial/ track, a health and wellbeing garden and an outdoor splash pad relating to the new swimming pool.
- 1.4 There is an interrelationship between the two applications which is due to the success of achieving a Levelling Up (LUF) Grant issued by the Department of Levelling Up, Housing and Communities (DLUHC) for the package of measures and benefits that form the basis of these proposed developments.
- 1.5 The submission of this outline application aligns with the Government's aim of providing housing, building a strong economy and creating healthy communities as set out within the National Planning Policy Framework (NPPF) (2023). The proposed development will provide a high quality scheme delivering much need specialist housing accommodation to Spalding in a well-connected and highly accessible location. The scheme will result in environmental, social and economic benefits through the creation of a housing provision, an increase in jobs, biodiversity net gain, and creating a development with sustainable transport links.

Planning Statement

- 1.6 This statement describes the site and its surrounding context; sets out details of the application proposals; identifies relevant planning policy and guidance; and goes on to appraise the suitability of the proposals having regard to these policies.
- 1.7 The purpose of this Planning Statement is to provide the Local Planning Authority (LPA) and other interested parties with the information necessary to appraise the application proposal against the wide range of established policies and guidance. Section 11 includes detail a summary of the benefits that will be delivered by the scheme and judgments about the 'planning balance'.
- 1.8 Following the submission of an Environmental Impact Assessment (EIA) Screening letter (8th April 2024) relating to both application sites, the LPA responded on 9th May 2024 agreeing that an Environmental Statement (ES) would not be necessary. However relevant environmental disciplines have been undertaken to enable a robust assessment of the impacts of the scheme prior to the determination of the planning application. This assessment work also helps to inform the LPA's determination of the application by ensuring that any likely environmental effects are understood, together with the measures taken to mitigate them and to maximise any environmental benefits.
- 1.9 The application has been informed by extensive pre-application discussions with the LPA and other consultees such as Sport England, the County Highways, and the Environment Agency.
- 1.10 Through design mitigation measures as identified within the various plans and documents submitted, the application seeks to strike an appropriate balance between the need to provide economic and social opportunities with the need to protect and, where possible, enhance the surrounding environment. This statement explains how this is achieved and how the proposals accord with the adopted development plan and the relevant national planning policy guidance.
- 1.11 The application is accompanied by a suite of supporting information as detailed below, the scope of which was agreed with the LPA during pre-application discussions:

Application	Author
Cover Letter dated 4 th June 2024	JEH Planning

Planning Statement

Completed Full Application forms and Certificates A dated 4 th June 2024	JEH Planning
Outline Planning Application Fee for the sum of £6,240 based on a site area of 0.94 Ha	Applicant to paid direct to LPA

Drawings	Ref No
Existing Location Site Plan – Extra Care	2066-SBA-XX-00-DR-A-0101
Existing Topographical Site Survey	2066-SBA-XX-00-DR-A-0102
Indicative Proposed Site Plan	2066-SBA-XX-00-DR-A-0503(F)
Indicative Ground Floor	2066-SBA-XX-00-DR-A-0504(C)
Indicative First Floor	2066-SBA-XX-01-DR-A-0505(C)
Indicative First Floor	2066-SBA-XX-01-DR-A-0505(C)
Indicative Second Floor	2066-SBA-XX-02-DR-A-0506(C)
Indicative Third Floor	2066-SBA-XX-03-DR-A-0507(C)
Indicative Roof Plan	2066-SBA-XX-RF-DR-A-0508(A)
Indicative Masterplan	M00514-SBA-00-00-DR-A-0103 (P03)
Indicative Building Heights Parameter Plan	2066-SBA-XX-ZZ-DR-A-0509
Site Sections - Sheet 01	2066-SBA-XX-ZZ-DR-A-0519
Site Sections - Sheet 02	2066-SBA-XX-ZZ-DR-A-0520
Indicative Site Elevations	2066-SBA-XX-ZZ-DR-A-0521(A)
Indicative Site View – Pinchbeck Road	2066-SBA-XX-ZZ-DR-A-0522(A)
Indicative Site View – Eastern Corner	2066-SBA-XX-ZZ-DR-A-0523
Site Phasing Plan	M00514-SBA-00-00-DR-A-0105 (P03)
Illustrative Landscaping Plan	N1491-ONE-ZZ-XX-D-L-0801 P02
Drainage Strategy Plan	M00514 ENG-ZZ-ZZ-DR-C-3200 P01

Reports	Ref No /Date	Author
Planning Statement	JEH 085/ Rev 2 June 2024	JEH Planning

Planning Statement

Reports	Ref No /Date	Author
Statement of Community Involvement	JEH/085 Rev 3	JEH Planning
Design and Access Statement	2066 Rev B May 2024	Saunders Boston
Recreation and Sports Assessment	Report V3 – 04.06.2024.	Max Associates
Sequential Test/ Exception Test Assessment	JEH0085/2 Rev 2 June 2024	JEH Planning
Flood Risk Assessment i	M00514-ENG-XX-ZZ-RP-C-0004 Rev P03 30 May 2024	Engenuiti
Drainage Strategy	M00514-ENG-ZZ-XX-RP-C-0005 Rev P02 30th May 2024	Engenuiti
Preliminary Ecological Assessment	SQ-1167 Issue 3 14 th May 2024	Estrada
Biodiversity Net Gain Report	SQ-1167.1 Issue 2 24 th May 2024	Estrada
BNG Metric	No Reference	Estrada
Desk Based Archaeological Assessment	AAL Site Code: SPAS 23 November 2023	Allen Archaeology
Built Heritage Assessment	2520887.1 May 2024	Marrons
Ground Investigation Report	AG3565-23-AR81 May 2024 Issue 2	Applied Geology
Transport Statement (Inc Parking Strategy)	SHH-BWB-GEN-XX-RP-TR-0004 P03 30 May 2024	BWB Consulting
Travel Plan	SHH-BWB-GEN-XX-RP-TR-0006 P03 30 May 2024	BWB Consulting
Air Quality Assessment	SHH-BWB-XX-ZZ-RP-LA-0002_AQA Rev 1.0 29 May 2024	BWB Consulting
Preliminary Arboricultural Assessment	RT-MME-160845-01 Oct 2023	Middlemarch

Planning Statement

- 1.12 As can be seen from the above tables, a full package of drawings has been submitted to not only demonstrate how the proposed development could be developed but also an illustrative masterplan has been proposed of the whole site to show how this application integrates with the related Health and Wellbeing Hub proposal on the adjoining site to ensure a joined up and coordinated approach is achieved especially in relation to connections, design and layout, biodiversity considerations and infrastructure provision such as the overall drainage strategy.
- 1.13 To clarify, the whole site forms part of a separate full application whereas the site of the existing Castle Swimming Pool is the area relating to the Extra Care home proposal which forms part of this outline application.
- 1.14 This report is structured as follows:
- **Section 2** sets out the context and background behind the proposals.
 - **Section 3** provides information on the physical characteristics of the site and other factual details.
 - **Section 4** outlines the pre-application approach and feedback from the LPA and other key statutory consultees and bodies.
 - **Section 5** sets out the community engagement undertaken to date.
 - **Section 6** outlines the nature and scale of the proposed development.
 - **Section 7** identifies the relevant National and Local Plan Policies explaining the weight that should be attached to the relevant policies.
 - **Section 8** provides the planning assessment relating to establishing the principle of development included an understanding of other material considerations such as the need for the development.
 - **Section 9** assesses the three pillars of sustainability and the technical considerations in the context of compliance with the relevant policies, taking into account other material considerations to demonstrating the proposal achieves sustainable development.
 - **Section 10** provides an outline of the proposed phasing and delivery strategy for the development which is dependent on adhering to the conditions of the LUF Funding that has been awarded to the applicant.

Planning Statement

- **Section 11** provides a summary and conclusion of the planning benefits whilst applying the planning balance.

Planning Statement

2.0 Background and Context

- 2.1 The existing site of the Castle Sport Complex and Swimming Pool facilities are owned by the Council and managed by Parkwood Leisure on a short-term contract. The complex was opened in 1974 and due to the age and deteriorating state of the existing site, the applicant instigated a review of the leisure provision initially in 2019. The South Holland Sports Facilities Strategy 2019 identified the need for improvements to Castle Sports Centre and highlighted the following:

“The pools at the Castle Sports Complex were built in 1974 and are therefore nearing the end of their planned life. As a result, the quality of provision of many elements of the facilities is poor. Many users are highly critical, and it is evident from the responses to the local community survey that many people are travelling outside the district to access better quality facilities elsewhere.”

“One of the pools is a diving pit, with a depth of 5m. This has very little use for its primary purpose, its dimensions are not well suited to other forms of swimming for which there is higher demand, such as swimming lessons and the volume of water is expensive to run in terms of utilities costs.”

“The location of the pools in a standalone building separate from the dryside facilities at the Castle Sports Complex creates additional operational complexity and extra management costs.”

- 2.2 The condition survey for both Castle Sports Complex and Swimming Pool highlighted maintenance, repair and redecorating costs required, which included refurbishment works to the ceilings, floors, stairs, external walls, windows for the castle Sport Complex. For the existing swimming pool this would require the installation of an external DDA compliant lift together with re-surfacing and decorating the existing ramp. The swimming pool also required overall improvements to the mechanical and electrical works in the plant room.
- 2.3 During this initial feasibility work, it was recognised that these refurbishment costs are further exacerbated by the fact that the site is split across two sites, making overheads, and staffing more costly. Advice was also provided by leisure consultants, and it was concluded that the Castle Sports Complex building itself is inflexible in terms of changes to current leisure trends and sports provision.

Planning Statement

- 2.4 Against this background, the applicant considered options of replacing or re-developing the Complex. As part of a thorough design process, which involved consulting a wide team of specialists, a brief was developed to suit both community and specialist feedback. The preferred option that was considered related to incorporating an extension to the existing leisure centre and the construction of a new building to provide further sport, activity, and wellbeing facilities as well as relocated the swimming pool.
- 2.5 The 2022 Round 2 Levelling Up Fund presented the applicant with an opportunity to consider the entire site more holistically and the concept of a district-wide Health and Wellbeing Hub was developed further through ongoing consultation. It was at this stage through the preparation of this LUF submission bid that the opportunity to progress the proposed extra care facility to replace the existing swimming pool building was promoted. In January 2023 the Levelling up Funding was awarded to the scheme that included the extra care facility as well as the wider sporting and leisure initiatives which has then triggered the preparation of this planning application.
- 2.6 The funding is provided to form part of the necessary capital investment required for delivery of the LUF proposal. The description of the LUF bid proposals states that:
- ‘This regeneration and cultural investment project is a Health and Wellbeing (“Hub”) in Spalding, Lincolnshire. The total capital cost is £26 million, of which South Holland District Council is applying for £20 million LUF funding. The transformational scheme will inspire residents of Spalding and the district to be active and healthy, enabling them to live longer healthy lives, tackling longstanding health inequalities. The Hub integrates new and significantly redeveloped swimming pools, and other indoor and outdoor leisure facilities, with health provision, community spaces and Extra Care accommodation. The Masterplan includes new cycleways and pedestrian routes, linking the site to the town centre.’
- 2.7 The proposal that forms this planning application is consistent with delivering the LUF fund that has been awarded to the Council.

Planning Statement

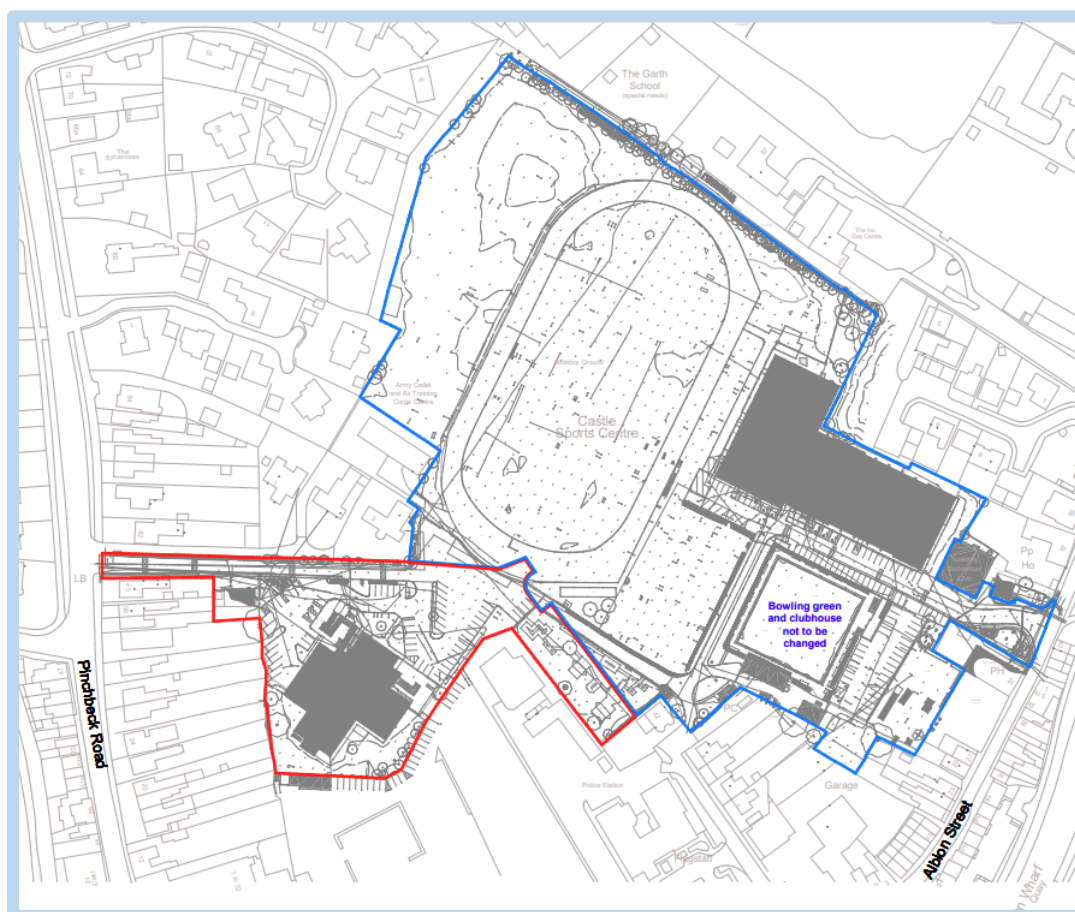
3.0 The Site and Surroundings

Site Context

- 3.1 The site comprises land and buildings immediately situated to the North of the town centre of the settlement of Spalding which is identified as a Sub Regional Centre South Holland District with the adopted Local Plan.
- 3.2 Spalding town lies on the River Welland and is situated ca. 22km to the north-east of Peterborough, with nearby towns including Bourne ca. 15km to the west and Boston ca. 22km to the north-east.

Character and Use of the Site

- 3.3 The site accommodates the existing Castle Sports Leisure Complex and is irregular in shape covering a total area of approximately 0.94 hectares.



Fig

1 : Site Location Plan (Application boundary in red)

Planning Statement

- 3.4 The site area includes the existing Castle Swimming Pool building which ranges in height between 2 to 4 stories, car parking, and part of a children's outdoor play area.
- 3.5 Within the western part of the site is a single store timber framed hut which is used by the Swimming Club which is proposed to be retained.

Existing Site Levels

- 3.6 The topography plan shows the site to be generally flat with a slight fall from northwest to southeast. The highest point of the site is at the northwest corner on the unnamed private access road with a level of 3.90m. The existing swimming pool building has an external level of approximately 3m. The lowest point of the site is within the existing car park at 2.84m.

Site Boundaries and Surrounding Uses

- 3.7 The Project Site is located on the northern edge of the town centre, ca. 550m north-east of Spalding Railway Station. It is located to the east of Pinchbeck Road, a key thoroughfare within the town.
- 3.8 Site is surrounded by built development to the north and west. The Castle Sports ground lies to the north-east and the private Westlode surface car park lies immediately to the south. The adjoining built development is primarily residential in nature to the north and west with commercial buildings to the south, reflecting the Site's position at the northern periphery of the town centre.
- 3.9 The eastern edge of the site wraps around the back of the Police Station; which has a secure fenced enclosure.
- 3.10 There are a number of established trees along the southern and south eastern boundaries of the proposed site.

Existing Access Arrangements

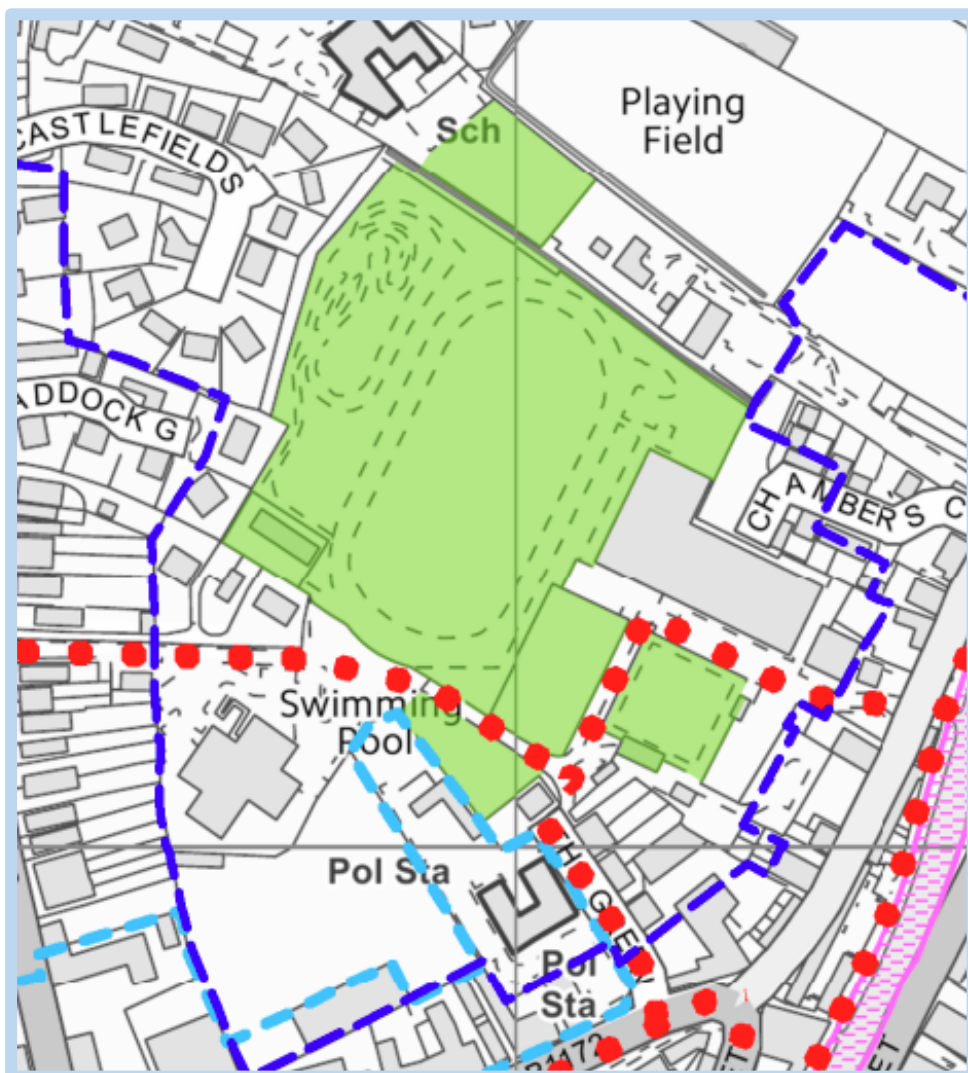
- 3.11 The main access to the site is from Pinchbeck Road to the west via an unnamed road adjoining Forge Close which is a private vehicular access. This access arrangement serves the existing Castle Swimming Pool drop off and car parking areas. Beyond the site to the east there are existing pedestrian and cycle links which provide connections to Albion Street and The Green.

Planning Statement

Statutory and Non-Statutory Designations

Local Plan Allocation

3.12 The South East Lincolnshire Local Plan 2011-2036 was adopted on 8th March 2019 and these policies will be the starting point in the planning determination process. Below is the relevant extract from the Policies Map relating to the site.



Planning Statement

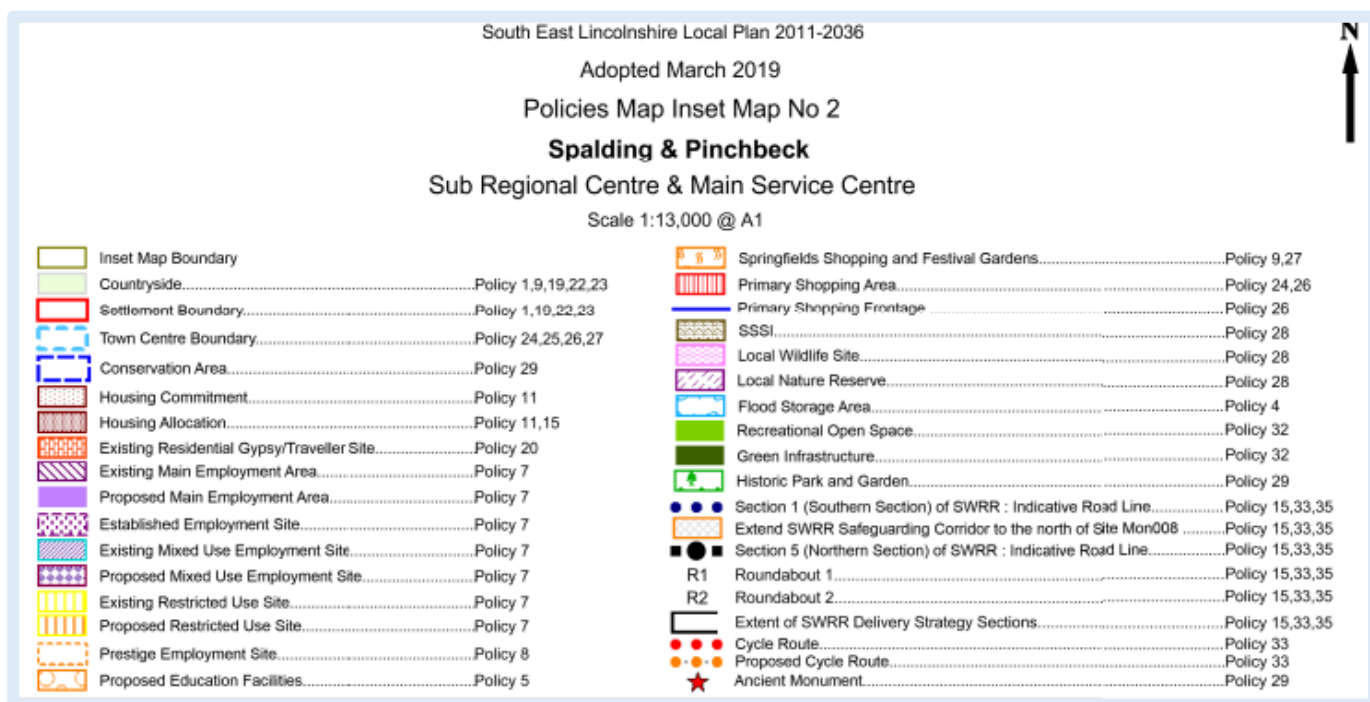


Fig 2 SE Lincolnshire Local Plan Proposal Map

Planning Statement

- 3.13 The Swimming Pool Building together with its associated parking areas are shown on the Proposal Map without any designation. It is noted that the eastern part of the site where the children's play area is located is designated Green which relates to Policy 32 – Recreational Open Space/ Community, Health and Well Being.
- 3.14 The policy seeks to guard against the loss of existing, valued community facilities. Such losses will be permitted only if it can be demonstrated that in the case of sport or recreational facilities and the redevelopment will retain the facility in sport or recreational use, albeit of a different type.
- 3.15 The notation on the Proposal Map also identifies cycle routes linkages between Pinchbeck Road, Albion Street and The Green. Policy 33 seeks to protecting existing footpaths, cycle routes and public rights of way from development.

Other Designations

- 3.16 The EA's Flood Map for Planning shows that the site is in Flood Zone 3 (high risk) where land is defined as land having a 1 in 100 (1%) or greater annual probability of river flooding or 1 in 200 (0.5%) or greater annual probability of tidal flooding. These EA flood maps assume no flooding defences exist, but existing fluvial defences are in place along Coronation Channel and the River Welland, which combined with the sluices to the north of Spalding, protect the area from tidal surges.
- 3.17 The majority of the site is not located within a designated Conservation Area. However, Spalding Conservation Area immediately abuts the western site boundary and there is modest encroachment into the site at the access point and the inclusion of the existing timber framed building (see blue dashed line on figure 2 above)..
- 3.18 There are no locally or statutorily listed structures or Scheduled Monuments on the site but there are seven listed buildings located in close proximity within the Conservation area.
- 3.19 The site does not fall within any statutory environmental designations. The nearest statutory designated ecological site is Vernatt Local Nature Reserve located approximately 0.85 kms from the application site.

Recent/Relevant Planning History

- 3.20 There have been no recent planning applications/permissions relating to the site.

Planning Statement

4.0 Pre application Planning Advice

- 4.1 In Paragraphs 39-46, the NPPF highlights the value of pre-application engagement with decision-making authorities and other key stakeholders. The following section summaries the consultation which has been undertaken to date.

Consultation with the LPA

- 4.2 The Applicant has engaged positively and proactively in a programme of pre-application advice with the LPA, structured around a formal Planning Performance Agreement and regular feedback and discussions with the case officer, the Head of Planning and other relevant officers from various disciplines within the Council dating back to Summer of 2022.
- 4.3 We submitted a formal pre-application enquiry on 23th February and we received a detailed response from the LPA on 11th April 2024 and we have been guided by these comments which provide consideration of the following key issues:
- Principle of the Development
 - Layout and Design
 - Residential Amenity
 - Highway Safety and Parking
 - Flood Risk and Drainage
 - Biodiversity Net Gain
 - Planning Obligations

Planning Statement

- 4.4 The pre-application advice also confirmed the validation requirements for the full planning application submission.
- 4.5 We address each of the above matters within Sections 8 and 9 of this Planning Statement together with reference to the supporting documentation and drawings that have been prepared. However, as a matter of seeking to establish the planning suitability of the principle of development, the initial advice is both positive and supportive. The conclusion of the LPA's advice confirms the following:

'The development will support Spalding's role as a sub-regional centre and therefore will comply with Policy 1 (A1) of the SELLP.....The redevelopment of the swimming pool as an extra care unit is supported by policy 17.

Whilst it would be preferred that the development came forward in hybrid form, it is recommended that both applications are submitted at the same time, as the extra care facility submitted in solus would be contrary to the policy of the SELLP as there is a loss of community service.

The proposed development will need to carefully address design considerations due to the proximity of the Conservation Area which abuts the boundary of the wider site. Additionally, as stated in the aforementioned sections of this report, as the site falls within Flood Zone 3 a sufficiently robust sequential test would be required to ensure the suitability of the residential development within the area.'

- 4.6 During the pre-application stage we also engaged with the LPA with a request for an EIA Screening Opinion on 8th April 2024 and received a response on 9TH May 2024. The LPA have agreed that the application does not need to be considered under the EIA regulations.

Planning Statement

Consultation with Sport England

- 4.7 The applicant has entered into constructive pre-application discussions with Sport England. We initially had a meeting with Sport England on 8th November 2023. We subsequently submitted a formal pre application to them on 13th March 2024 which included a pack of drawings and a version of our Playing field Exceptions Assessment prepared by Max Associates relating to the Health and Wellbeing application which demonstrated that the benefits of an alternative sports facility outweigh the loss of an area of playing field.
- 4.8 Sport England responded with detailed comments in an email dated 5th April 2024. Whilst there were details to address, SE confirmed that subject to the satisfactory submission of the detail at formal application stage, they considered a re-designed proposal appears capable of complying with the requirements in Exception 5 (and Paragraph 103c of the NPPF).
- 4.9 Specifically in relation to extra care home element of the proposal SE stated:

‘This part of the proposal would form part of a non-statutory consultation with Sport England. The loss of sports facilities should be assessed against Section 8 of the National Planning Policy Framework (NPPF) (2023) which seeks to protect these facilities from being built on under paragraph 103 of the NPPF unless one of the three exceptions in this paragraph apply. The development proposal should also be assessed against Sport England’s planning objectives which are to protect, enhance and provide opportunities for sport as follows:

Protect - To protect the right opportunities in the right places;

Enhance - To enhance opportunities through better use of existing provision;

Provide - To provide new opportunities to meet the needs of current and future generations.’

- 4.10 These matters are addressed within a report prepared by Max Associates that accompanies this application.

Planning Statement

Summary

- 4.11 Detailed consultation has been undertaken with key stakeholders through the design and pre-application process. The points raised to date by each party have been carefully addressed within the proposals which forms the submission.

Planning Statement

5.0 Public Consultation

- 5.1 A central theme of current planning legislation and guidance is placing increased importance on community involvement as the planning system operates in the public interest to make sure that the development results in a better place for people to live. The approach to community involvement has had due regard to the Localism Act 2011, the Town and Country Planning Act 1990 (as amended), NPPF along with the LPA's Statement of Community Involvement adopted in 2020.
- 5.2 The NPPF is central to encouraging engagement with the local community. Paragraph 39 confirms that early engagement has significant potential to improve the efficiency and effectiveness of the planning application system for all parties. Good quality pre-application discussions enable better coordination between public and private resources and improved outcomes for the community.
- 5.3 The applicant is committed to public engagement and specifically commissioned JEH Planning to oversee and coordinate the consultation strategy with key stakeholders and the local community.
- 5.4 Prior to the preparation of this application, the proposal has already evolved through a comprehensive programme of consultation through the initial work in connection with the successful Levelling Up bid. There is significant strategic support for the scheme from the Leader of the Council, Sir John Hayes MP, and others.
- 5.5 The overall composition of the proposal is the result of ongoing community, stakeholder engagement and in-depth partnership work that initially took place from 2019 to 2022 that has gained a full understanding of the needs and requirements of the local community. The emergence of shared strategic and organisational partnership goals has been forged and consulted on to agree delivery roles and endorsed through council briefings with their total support.
- 5.6 A full pre-application consultation process was agreed with the LPA at the beginning of 2024 and undertaken in advance of a planning application being submitted. Residents and stakeholders were given the opportunity to provide feedback regarding the proposals at all stages of our public consultation via a consultation website (including the exhibition boards and material held between 14th March until 5th April 2024) and a number of physical exhibitions held during this time.

Planning Statement

- 5.7 A questionnaire form and email address were also made available throughout the course of the pre-application consultation, for interested parties to enable them to provide their feedback to the project team.
- 5.8 The applicant and their project team have reviewed all the feedback received to date, and the main comments raised by the local community have been addressed with the introduction of changes and appropriate levels of mitigation that have been informed by technical evidence. Details of the feedback received and how these matters have been addressed are set out in the Statement of Community Involvement report which accompanies this submission.

Planning Statement

6.0 Overview of the Development

Description of Development

- 6.1 The Proposed Development comprises an outline application with all matters reserved for future approval and the formal description on the planning application states as follows:

“Outline application for the replacement of the existing swimming pool building with the erection of an extra care housing facility of up to 70 units together with related support infrastructure including substation, car parking and landscaping areas (All matters reserved for future approval).”

- 6.2 The Design and Access Statement (DAS) sets out the key design and layout principles that have influenced the development proposal. It should be noted that the design details and drawings that form part of the planning submission are indicative only and so could be subject to change at the reserved matters application stage.
- 6.3 Whilst the proposed development is not fixed, the drawings nevertheless are based on an operational and design-led approach, analysing and enhancing the existing environment in terms of green infrastructure and utilising these natural assets.

Scale, Nature and Composition of the Proposal

- 6.4 The scale, nature and composition of the proposal is as a direct response to the operational requirements of a likely end operator that align with the future housing needs identified the local community.
- 6.5 The indicative Proposed Development comprises of a single block which is roughly T-shaped and set over three to four storeys, The main entrances into the building would be provided at street level on the north elevation off the access road adjacent to Forge Close.
- 6.6 The proposed indicative drawings show a scheme which would accommodates 62 units which comprise 50 one bed apartments and 12 two bed apartments. To allow a certain level of flexibility and tolerance in the final composition of the formal development the description of the development provides an overall upper limit of 70 units.

Planning Statement

- 6.7 The indicative layout of the building has been designed to positively address the access road to the north of the site, which leads from Pinchbeck Road, and look outwards towards the new wider redeveloped leisure centre and gardens located to the north east of the site.
- 6.8 The scale and arrangement of the building has also been carefully considered in relation to the existing houses along Pinchbeck Road and to avoid any encroachment into the root protection areas of the existing mature trees on the western and south eastern boundary.

Proposed Vehicular Access and Parking

- 6.9 The proposed point of vehicular access will continue to be from Pinchbeck Road.
- 6.10 In terms of car parking, the eastern area of the site shows capacity for 38 car parking spaces with a further 4 disabled spaces located off the access road adjacent to Forge Close to the north of the proposed building. The development is also proposing 5 cycle parking stands for staff use located close to the main entrance.
- 6.11 The layout of the proposal has also had regard to the existing access arrangements to the Air Cadets building from the access road adjacent to Forge Close and the proposed drop off and servicing arrangement for the new Health and Wellbeing facility as both of these uses fall outside of the planning application.

The Wider Masterplan

- 6.12 The proposed development relates specifically to delivering a key component of the successful Levelling Up bid where grant funding has been awarded to the applicant to address and improve health and wellbeing outcomes in South Holland, through the provision of upgraded sport, recreation and leisure facilities, alongside the close integration of this specialist housing facility.
- 6.13 The submitted illustrative masterplan drawing demonstrates how the proposal integrates with the proposed Health and Wellbeing facility that forms part of a separate but related full application in relation to the wider area of the Castle Sport Complex. Table 2 prepared by Max Associates in Appendix 1 provides a detailed schedule of the existing and proposed future sports and recreation facilities provision relating to the adjoining site and separate planning application.

Planning Statement

6.14 In summary the key elements of the overall masterplan principles derived from the LUF proposal are as follows:

- Health and Wellbeing Hub Building – This will be the main feature of the site comprising Health, Wellbeing, Sport and Leisure facilities all under one roof including the relocation of the swimming pool.
- Outdoor Sports Facilities – An Artificial Turf Pitch and an Informal Outdoor Games Area provide opportunities for football, netball, tennis, hockey and basketball, activities that appeal to a wide range of the community.
- Outdoor Wellbeing Facilities – These include a play park and community and sensory gardens and an allotment. The Community Garden is a place of tranquillity and relaxation in the landscaped surrounding and links the H&WH with the proposed Extra Care Housing within the site.
- Infrastructure – The overall scheme will see a network of cycle and pedestrian routes created across the site that will join up with the existing Town Centre.
- Extra Care Housing – The existing swimming pool will be demolished once the new one is operational and this will release the site for Extra Care housing. The Extra Care Housing would form a gateway into the park, and provide a close connection and links with the serenity garden and the facilities within the Health and Wellbeing Hub which can support both mental and physical fitness.

Planning Statement

- 6.15 It is evident that the extra care facility as part of the wider masterplan proposal forms an integral part of achieving the overall aims and objectives of the health and wellbeing package of measures that as a whole successfully contributed to the decision by Government to award the LUF grant.

Sustainable Construction

- 6.16 The Extra Care Proposal will, where feasible, incorporate best practice sustainable building principles, to develop public facilities that minimise their impact on the environment.
- 6.17 It is likely that the building will utilise the latest technology to reduce the reliance on fossil fuels. The use of renewable technology could also feature on this building with the opportunity to locate photovoltaic cells mounted on the roof.

Planning Statement

7.0 Planning Policy Context

- 7.1 The whole purpose and intention of the planning system is to enable the development of appropriate sites which are sustainable, as defined by the National Planning Policy Framework (the Framework or NPPF) and, in particular, paragraph 8.
- 7.2 The purpose of the planning system is to positively promote the spatial organisation of land in order to achieve long-term sustainable development. In the Planning Acts, 'sustainable development' means managing the use, development and protection of land, the built environment and natural resources. Indeed, planning is a vital means of securing the long-term wellbeing of our communities. It enables the efficient use of resources and infrastructure, with multiple benefits to society, the environment and the economy.
- 7.3 Section 38 (6) of the Planning and Compulsory Purchase Act 2004 requires that all planning applications must be determined in accordance with the Development Plan unless material considerations indicate otherwise. Paragraph 2 of the Framework recognises the provisions of Section 38(6) stating:

“Planning law requires that applications for planning permission be determined in accordance with the development plan, unless material considerations indicate otherwise. The National Planning Policy Framework must be taken into account when preparing the development plan and is material consideration in planning decisions. Planning policies and decisions must also reflect relevant international obligations and statutory requirements”

- 7.4 In this instance the Development Plan comprises:
- The South East Lincolnshire Local Plan 2011-2036 (SELLP) was adopted by South Holland District Council on 8 March 2019.

Planning Statement

- 7.5 The site is not subject to any made Neighbourhood Plans.
- 7.6 The revised NPPF confirms, at Paragraph 225, that existing policy should not be considered out of date simply because they were adopted or made prior to the publication of this revised Framework. Due weight can be given to policies according to their degree of consistency with the Framework (i.e. the closer the policies in the Development Plan to the policies in the Framework, the greater the weight that may be given.)
- 7.7 The correct approach to determining whether a proposal is in compliance with a Development Plan is uncontroversial:
- All the relevant policies should be identified.
 - An assessment should be made as to whether the proposal complies or not with each of those policies and the weight to be given to these;
 - The development plan must be read as a whole;
 - It must be recognised that separate policies within the same development plan can pull in different directions; and,
 - A development can conflict with one individual policy and still comply with the development plan as a whole.

Planning Statement

The Development Plan

The South East Lincolnshire Local Plan

- 7.8 The SE Lincolnshire Local Plan was adopted in March 2019 and in the context of the proposal, reference is made to the following Strategic Priorities set out in the Local Plan which are relevant:

Strategic Priority 1: To deliver sustainable development in South East Lincolnshire that seeks to meet the social and economic needs of the area, whilst protecting and enhancing its environment for the enjoyment of future generations.

Strategic Priority 3: To ensure that development contributes to the provision of necessary physical, social and green infrastructure to deliver planned levels of growth at the right time and to mitigate its impacts on existing communities and the environment.

Strategic Priority 6:: To provide enough choice of land for housing to ensure that the housing stock better meets local housing needs and aspirations, including for older people, first time buyers and those in need of affordable and starter housing.

Strategic Priority 10: To provide equal opportunities for everyone who lives, visits, works and invests in South East Lincolnshire by helping to create more sustainable communities, reduce locational disadvantage and upgrade a range of community facilities recognising that these all contribute to the fulfilment, health and well-being of residents and visitors alike.

- 7.9 The relevant Local Plan policies for the purposes of assessing this application are as follows:

Policy 1 Spatial Strategy – sets out where development is to be directed (A) and where there are areas of limited development opportunity (B) , restraint (C) and the Countryside (D).

Policy 2 Development Management – requires proposals to demonstrate sustainable development considerations have been met through a number of criteria.

Planning Statement

Policy 3 Design of New Development – requires development to create distinctive places through the use of high quality and inclusive design, demonstrating compliance with a number of considerations.

Policy 4 Approach to Flood Risk – developments must satisfy the sequential test and be supported by a site-specific flood risk assessment covering risk from all sources of flooding including the impacts of climate change. It must be demonstrated that surface water from the development can be managed and will not increase the risk of flooding to third parties.

Policy 5 – Meeting Physical Infrastructure and Service Needs - Planning permission will be granted for new development provided that developers can demonstrate that there is or will be sufficient physical infrastructure and service needs capacity to support and meet the needs of the proposed development. A planning condition and/or legal agreement may be required to help secure the arising need.

Policy 6 Developer Contributions - Non-residential development of 1,000sqm gross floorspace or more will be expected to mitigate their impacts upon infrastructure, services and the environment to ensure that such developments are acceptable in planning terms. Contributions will be secured through section 106 (legal) agreements.

Policy 10: Meeting Assessed Housing Requirements, confirms provision will be made for a net increase of at least 19,425 dwellings in South East Lincolnshire. 11,681 at 467 per annum, are proposed for South Holland Local Authority area.

Policy 11: Distribution of New Housing, details new housing site allocations to meet approximate housing numbers. This is set at 5,510 in the sub-regional centre of Spalding.

Planning Statement

Policy 17: Providing a Mix of Housing, seeks to meet the long term needs of the plan area in order to maintain and provide mixed, inclusive and sustainable communities. Policy 17 underlines there is a growing ageing population with the increasing likelihood of mobility and disability needs to be met also make up over 10% of housing needs over the Plan period. These should be met through provision of homes capable of adaption and also through specialist care home provision, and should be provided in the most sustainable settlements, in Sub-Regional Centres and Main Service Centres.

Policy 18: Affordable Housing, highlights there is a need for affordable housing in the borough, including in South Holland, where there is a need of 282 new affordable dwellings per annum across the plan period. Affordable housing is sought on housing sites of 11 or more dwellings, sites proposed by developers specifically for affordable housing and rural exception sites.

Policy 28 The Natural Environment – Requires the protection, enhancement and management of natural assets, by ensuring all development proposals provide an overall net gain in biodiversity.

Policy 29 The Historic Environment - Distinctive elements of the South East Lincolnshire historic environment will be conserved and, where appropriate, enhanced.

Policy 30 'Pollution' – Supports development which do not result in unacceptable adverse impacts, taking account of mitigation measures.

Policy 31 Climate Change and Renewable and Low Carbon Energy - All development proposals will be required to demonstrate that the consequences of current climate change has been addressed, minimised and mitigated.

Policy 32 Community, Health and Wellbeing- There are two relevant strands to this policy:

First, development shall contribute to the creation of socially-cohesive and inclusive communities; reducing health inequalities; and improving the community's health and well-being.

Planning Statement

Second the redevelopment of an existing community facility will be permitted only if the facility is. not economically viable; or. unfit for purpose; and in the case of recreational open space, does not make an important contribution in amenity, visual or nature conservation terms; or the loss resulting from the proposed redevelopment will be replaced by equivalent or better provision (in terms of quantity and quality) in a suitable nearby location; or in the case of sports facilities or recreational open space the redevelopment is for alternative sports or recreational provision, the need for which clearly outweighs the loss.

Policy 33: Delivering a More Sustainable Transport Network - Protecting existing footpaths, cycle routes and public rights of way from development; and improving connectivity to create a more coherent walking and cycling network through the provision of new multi-user routes.

Policy 36: Vehicle and Cycle Parking, sets out the requirements for vehicle and cycle parking for new developments, in line with the minimum Parking Standards adopted by the Local Planning Authorities set out in Appendix 6 of the Local Plan.

Other Material Policy Considerations

Revised National Planning Policy Framework (2023)

- 7.10 The Revised National Planning Policy Framework (NPPF) was published in December 2023 and Paragraph 224 confirms that these policies are material considerations that should be taken into account when dealing with applications from the day of its publication.
- 7.11 There are three objectives (Para 8) of sustainable development comprising the economic, social and environmental roles.
- 7.12 So that sustainable development is pursued in a positive way, at the heart of the Framework is a presumption in favour of sustainable development. Paragraph 11 of the Framework identifies how this presumption is to be applied in making decisions on individual applications stating:
- 7.13 Paragraph 11 of the Framework identifies how this presumption is to be applied in making decisions on individual applications stating:-

Planning Statement

“For decision-taking this means:

c) approving development proposals that accord with an up-to-date development plan without delay; or

d) where there are no relevant development plan policies, or the policies which are most important for determining the application are out-of-date , granting permission unless:

i. the application of policies in this Framework that protect areas or assets of particular importance provides a clear reason for refusing the development proposed ; or

ii. any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole”.

7.14 Beyond Chapter 4 of the Framework there are 13 topic areas (as well as Annex 1 and 2) which form the Framework document; those topic areas considered of relevance to this planning application are set out below:

Delivering a Sufficient Supply of Homes

7.15 Paragraph 60 states that to support the Government’s objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay.

7.16 Paragraph 63 underlines within this context, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes).

Planning Statement

Section 6 – Building a Strong, Competitive Economy

- 7.17 Paragraph 85 sets out that ‘significant weight’ should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. Support for employment generating development is a strong theme within the NPPF.

Section 8 – Promoting healthy and Safe Communities

- 7.18 Paragraph 96 confirms that planning policies and decisions should aim to achieve healthy, inclusive and safe places and beautiful buildings which promote social interaction, are safe and accessible and enable and support healthy lifestyles.
- 7.19 Paragraph 103 deals with the loss of existing open space, sports and recreational buildings and land and states that it should not be built on unless:

- ‘a) an assessment has been undertaken which has clearly shown the open space, buildings or land to be surplus to requirements; or
- b) the loss resulting from the proposed development would be replaced by equivalent or better provision in terms of quantity and quality in a suitable location; or
- c) the development is for alternative sports and recreational provision, the benefits of which clearly outweigh the loss of the current or former use.’

Section 9 – Promoting Sustainable Transport

- 7.20 Paragraph 108 of the NPPF states that opportunities to promote walking, cycling and public transport use should be pursued by development proposals. Paragraph 105 adds to this by encouraging development in locations which are or can be made sustainable, through limiting the need to travel whilst offering a genuine choice of transport modes.

Section 11 – Making Effective Use of Land

- 7.21 Paragraph 124 states that planning policies and decisions should promote an effective use of land in meeting the need for homes and other uses, while safeguarding and improving the environment and ensuring safe and healthy living conditions.

Planning Statement

Section 12 - Achieving well-designed and beautiful places

7.22 Paragraph 135 states that planning decisions should ensure that developments:

- will function well and add to the overall quality of the area, not just for the short term but over the lifetime of the development;
- are visually attractive as a result of good architecture, layout and appropriate and effective landscaping;
- are sympathetic to local character and history, including the surrounding built environment and landscape setting, while not preventing or discouraging appropriate innovation or change (such as increased densities);
- establish or maintain a strong sense of place, using the arrangement of streets, spaces, building types and materials to create attractive, welcoming and distinctive places to live, work and visit;
- optimise the potential of the site to accommodate and sustain an appropriate amount and mix of development (including green and other public space) and support local facilities and transport networks; and
- create places that are safe, inclusive and accessible and which promote health and wellbeing, with a high standard of amenity for existing and future users; and where crime and disorder, and the fear of crime, do not undermine the quality of life or community cohesion and resilience.

Planning Statement

Section 14 – Meeting the Challenge of Climate Change, Flooding and Coastal Change

- 7.23 Chapter 14 of the NPPF states that plans should take a proactive approach to mitigating and adapting to climate change, taking into account the long term implications for flood risk, coastal change, water supply, biodiversity and landscapes, and the risk of overheating from rising temperatures.
- 7.24 Paragraph 165 states inappropriate development in areas at risk of flooding should be avoided by directing development away from areas at highest risk (whether existing or future). Where development is necessary in such areas, the development should be made safe for its lifetime without increasing flood risk elsewhere.
- 7.25 Paragraph 168 states the aim of the sequential test is to steer new development to areas with the lowest risk of flooding from any source. Development should not be allocated or permitted if there are reasonably available sites appropriate for the proposed development in areas with a lower risk of flooding. The strategic flood risk assessment will provide the basis for applying this test. The sequential approach should be used in areas known to be at risk now or in the future from any form of flooding.

Section 15 – Conserving and Enhancing the Natural Environment

- 7.26 Paragraph 186 states that in order to protect and enhance biodiversity and geodiversity, plans should promote the conservation, restoration and enhancement of priority habitats, ecological networks and the protection and recovery of priority species; and identify and pursue opportunities for securing measurable net gains for biodiversity.

Section 16 – Conserving and Enhancing the Historic Environment

- 7.27 Paragraph 200 sets out the strategy to take towards proposals affecting heritage assets. In determining applications, local planning authorities should require an applicant to describe the significance of any heritage assets affected, including any contribution made by their setting.

Planning Statement

7.28 The level of detail should be proportionate to the assets' importance and no more than is sufficient to understand the potential impact of the proposal on their significance. As a minimum the relevant historic environment record should have been consulted and the heritage assets assessed using appropriate expertise where necessary. Where a site on which development is proposed includes, or has the potential to include, heritage assets with archaeological interest, local planning authorities should require developers to submit an appropriate desk-based assessment and, where necessary, a field evaluation.

NPPF Summary

7.29 The overriding message from the Framework is that planning authorities should plan positively for new development and approve all individual proposals wherever possible. In particular, they should approve proposals that accord with statutory plans without delay. The Framework proposes that planning permission should be granted where the plan is absent, silent, or where relevant policies are out of date.

Supplementary Planning Guidance

7.30 The LPA has adopted a series of Supplementary Planning Documents which provide supporting guidance and specific local policies and are a material consideration in the decision-making process. The relevant adopted SPDs are as follows:

- The South East Lincolnshire Strategic Flood Risk Assessment (SFRA)
- Cycling considerations for planning applications SPD

Planning Statement

8.0 Planning Assessment

- 8.1 Section 38 (6) of the Planning and Compulsory Purchase Act 2004 provides that planning applications are to be determined in accordance with the policies in the Development Plan unless other material considerations indicate otherwise. This section demonstrates that having regard to the key issues, the proposal represents a sustainable form of development which is generally in accordance with the relevant policies found within the Development Plan as a whole. It shows there are also other material considerations, and these would create significant benefits that should be given weight in the overall planning balance.
- 8.2 This section of the report identifies the main planning considerations relating to the principle of the development and provides an assessment of the planning merits of the case in support of the proposed development.

Principle of Development - Overview

- 8.3 The proposals seek to provide a specialist form of housing known as 'extra care' accommodation for those with increasing care needs. The site is previously developed land which is well-located within the settlement of Spalding, identified within the development plan as a Sub-Regional Centre, with convenient access to public transport links, local services and facilities and the wider transport network.
- 8.4 Policy 1 (A1) of the Local Plan gives priority to development in Sub Regional centres within the district which includes Spalding and encourages development in these specific locations to ensure the spatial strategy and objectives for the district are achieved.
- 8.5 Spalding is a focus for future growth and housing delivery and through Policy 1 the Council are seeking to direct development to it which supports its role as a centre. The Site is therefore sustainably located and a suitable place in which to provide residential accommodation in accordance with Policy 1 of the Local Plan.
- 8.6 With regard to housing need, Policy 10 seeks to secure the provision of a net increase of at least 19,425 dwellings in South East Lincolnshire, of which 11,681 are proposed for the District of South Holland. Policy 17 of the Local Plan acknowledges the need for specialist forms of accommodation to be brought forward within that total, and states:

Planning Statement

“A growing ageing population with the increasing likelihood of mobility and disability needs to be met also make up over 10% of housing needs over the Plan period and these should be met through provision of homes capable of adaption and also through specialist care home provision. With a decreasing ability to access everyday facilities independently and an increasing need for healthcare, specialist care home provision should be located in the most sustainable settlements e.g. SubRegional Centres and Main Service Centres’

- 8.7 Spalding has a larger than average number of over 65s and projections would indicate an immediate need for one to one extra care accommodation places, rising to 136 by 2039. Discussions with the local authority reveal that there is no extra care housing available in Spalding, and as such the need is currently unmet.
- 8.8 The first strand of Policy 32 of the Local Plan seeks to ensure development contributes to the creation of socially-cohesive and inclusive communities, and improving the community’s health and well-being. The focus of this policy is to ensure that the impacts of development proposals on people’s health and well-being are considered, and that proposals contribute towards ensuring access to services and facilities to support active and healthy lifestyles.
- 8.9 The provision of extra care accommodation within this location would contribute towards achieving the aim of provide for socially cohesive and inclusive communities, through the introduction of a specialist form of housing within an area where there are a range of uses, services and facilities within convenient reach.
- 8.10 In view of the above, the principle of the Proposed Development is considered acceptable in accordance with adopted planning policies 1, 17 and 32 of the South East Lincolnshire Local Plan (2019).

Planning Statement

Redevelopment of Existing Community Facilities

- 8.11 Given the proposed extra care facility would entail the redevelopment of the existing swimming pool facility as well as part of an children's play area designated as open space on the Proposals Map of the Local Plan, it is relevant to assess the application against the strand of Policy 32 relating to the redevelopment of existing community facilities. This policy objective is also generally aligned with paragraph 103 of the NPPF which seeks to protect existing open spaces and sports and recreational buildings unless various circumstances can be met.
- 8.12 Whilst the extra care proposal application relates to a separate outline planning application, it should be seen in the context of the Health and Wellbeing Hub application on the adjoining site that is being determined concurrently and therefore there is a strong link between the two proposals. Overall, both developments would lead to the upgrading of existing sporting and leisure facilities and would improve community's health and well-being. Therefore, the underlying objectives of this policy would be satisfied.
- 8.13 It is accepted that the redevelopment of the swimming pool with the extra care facility would remove the opportunity to reuse the site for other community uses. However, Policy 32 allows for the redevelopment of an existing community facility where the loss resulting from the proposed redevelopment will be replaced by equivalent or better provision (in terms of quantity and quality) in a suitable nearby location.
- 8.14 As justified in the report prepared by Max Associates, which compares the existing and proposed swimming pool facilities, the related development proposes on the adjoining site would create a new and improved swimming and teaching pool facilities which are supported by the relevant swimming organisations and it would be in a suitable nearby location. The Health and Wellbeing application would also facilitate other upgraded indoor and outdoor sport and recreation provision and so in overall terms the delivery of these facilities would be better in quantity and quality terms compared to the current swimming pool and recreation provision that would be lost as a result of the proposed extra care facility. As part of our Health and Wellbeing application submission we have also demonstrated that the proposed alternative types and range of sport and recreation provision would help address identified local deficiencies and needs.

Planning Statement

- 8.15 Indeed, through a comprehensive masterplan approach for the whole site, which incorporates both planning applications, a clear and well thought out design process has been followed to ensure all the different components that comprise the Health and Wellbeing Hub proposals as well as the extra care facility have been carefully arranged across the site in the most efficient and rational manner. This approach allows the maximum amount of sporting and leisure facilities to be available for the local community.
- 8.16 Policy 32 also allows an assessment to be made of whether the existing facility is surplus to requirement, not economically viable or fit for purpose. Having regard to the proposed phasing strategy, the new swimming pool will be open prior to the removal of the existing swimming pool and in these circumstances the existing facility will naturally become surplus to requirement prior to the subsequent delivery of the extra care facility.
- 8.17 Furthermore, it should be acknowledged from the background and context provided in section 2 above, the initial feasibility work and condition survey of the existing swimming pool building which supported the LUF bid concluded that the building is not fit for purpose and the cost of refurbishment work to bring the standard of the building to meet modern day requirements would be economically unviable.
- 8.18 At the time as undertaking the feasibility work, it was also acknowledged that the situation was further exacerbated by the fact that the Sports Complex is currently split across two buildings, making overheads, and staffing more costly with additional operational complexity. It was therefore concluded that continuing with a standalone swimming pool building was not appropriate hence the proposal to relocate the facility and incorporate an extension to the existing leisure centre building.
- 8.19 Finally in the context of Policy 32, whilst the redevelopment of the swimming pool site for the extra care facility would not directly provide alternative sports or recreation provision, the related application will nevertheless satisfy this requirement. The evidence submitted to support the related Health and Wellbeing application has demonstrated that the need for these new sports and recreation facilities would clearly outweigh any loss of the existing swimming pool site and the children's play area.

Planning Statement

- 8.20 At the pre application stage, Sport England commented on the loss of the existing swimming pool and Max Associates have assessed the proposal against SE's planning objectives which are to protect, enhance and provide opportunities for sport. Max Associates conclude that the development of the new swimming pool would meet SE's planning objectives 'Provide' as it would provide new opportunities to meet the needs of current and future generations'.
- 8.21 It is evident that the loss of community facility development can be justified against the objectives of Policy 32 of the SELLP and the NPPF.

Other Material Considerations

- 8.22 We have assessed 'other material consideration' associated with the development in the context of Section 38 of the Act, that should be given significant weight in the planning 'balance' assessment when considering the principle of this development proposal. We have therefore submitted evidence that focuses on the following key factors:

1. Need for Extra Care Housing

Overview

- 8.23 The South Holland District Council has designated the provision of extra care housing as a fundamental housing priority within the district to address the demonstrable need.
- 8.24 In terms of establishing the definition and purpose of extra care housing, it is a type of housing not a care home. One of the primary benefits of extra care housing is the opportunity for residents to receive both physical care and day-to-day support services within the comfort of their own homes, while also being part of a supportive communal environment. This setup promotes autonomy and dignity while ensuring that residents' care needs are met effectively.
- 8.25 It typically consists of self-contained apartments, often featuring communal facilities such as a shop and restaurant within the development. These apartments are designed to offer residents a sense of independence while also providing access to necessary support services.

Planning Statement

- 8.26 Some developments may offer specialised care services tailored to residents living with conditions such as dementia or severe and lifelong disabilities. The range of care needs accommodated within Extra care housing spans from lower-level support to more intensive and specialised care requirements.
- 8.27 In summary, extra care housing provides a holistic approach to meeting the housing and care needs of individuals, offering a range of housing options, support services, and communal facilities to promote independence, social interaction, and overall well-being within a secure and supportive environment.
- 8.28 Policy 17 of the Local Plan stipulates that adequate provisions must be made to address the needs of the growing ageing population, particularly those with heightened probabilities of disabilities and mobility issues. This entails ensuring accessibility to healthcare and specialised care homes, strategically located in the most sustainable settlements such as sub-regional centres and main service centres.
- 8.29 The rationale behind this policy develops from the evident growth of the ageing population in South Lincolnshire, which is expected to require increased support throughout the Plan period. Consequently, any development aimed at catering to these specialized housing needs should be situated in areas with optimal accessibility, including reliable public transportation, proximity to local amenities, and compatibility with the character of the locality, primarily in sub-regional centres and main service centres.
- 8.30 By prioritizing the delivery of Extra care housing, the council aims to proactively address this demand and ensure the availability of suitable accommodation options for residents.

Greater Lincolnshire Partnership Planning for and Delivering to Meet the Housing Needs of an Ageing Population (Housing LIN)

- 8.31 Research commissioned by Greater Lincolnshire's Housing Authorities in October 2018 and prepared by Housing LIN, identified that the ageing population within the district of South Holland is generating considerable demand for suitable housing and accommodation.

Planning Statement

- 8.32 There is no one defined mechanism for estimating the future needs amongst local populations for housing with extra care. However, Housing LIN produced a tool based on their extensive research in Lincolnshire which based a need for 25 units per 1000 population.
- 8.33 Spalding has a population of 31,588 (2011 census) which would equate to a need for around 787 units of Housing with Extra Care within the town alone based on the Housing LIN formula. It is expected that people will move further for Housing with Extra Care than they would for general needs housing and so a Housing with Extra Care Scheme within Spalding could be expected to meet the needs of the town and surrounding areas.

Housing Need Assessment (2021)

- 8.34 The Housing Needs Assessment (HNA) dated 2021 prepared by SHDC provides an overview of the demand for specialized housing options, such as Housing with Care (e.g., Extra-care housing), revealing a projected shortfall of 700 units by the year 2036, 58% of this deficit is within the market sector. This shortfall is primarily attributed to the demographic profile of the population, which demonstrates a concentration of older age groups within household compositions. As of 2011, data indicates that 27% of all households in the district consisted of individuals aged 65 and over.
- 8.35 South Holland is projected to see a notable increase in the older person population, with a forecasted 35% increase in individuals aged 65 and over leading up to 2036. This compares with overall population growth of 15% and a modest increase in the Under 65 population of 9%.
- 8.36 The analysis further estimates a demand for an additional 570 residential/nursing care bed spaces by 2036, accounting for the current shortfall of nearly 300-bed spaces.

Population changes 2020 to 2036 by broad age bands – South Holland (linked to the delivery of 536 dwellings per annum)				
	Population 2020	Population 2023	Change in Population	% change from 2020
Under 16	17,041	17,958	917	5.4%
16-64	55,973	61,505	5,532	9.9%
65 and over	23,347	31,403	8,056	34.5%
Total	96,361	110,866	14,505	15.1%

Planning Statement

8.37 Combining the categories of housing with support and housing with care, the analysis indicates a demand for 1,507 dwellings between 2020 and 2036, averaging approximately 94 units per year. This figure corresponds to roughly 18% of the overall housing requirement as depicted by demographic projections, aligning with the residual needs outlined in the Local Plan, which amounts to 536 dwellings annually.

8.38 To break down the data specifically to Spalding: In 2019, the older persons' age group (65+) comprised 19.6% of the area's population. Additionally, individuals facing long-term health challenges or disabilities constitute 50.8% of the population, which totals more than half of the population.

8.39 For the period from 2020 to 2036, the estimated demand for accommodation tailored for older individuals (encompassing housing with support and housing with care) in the sub-area of Spalding is 453 units. This figure represents 15.5% of the total housing requirement for the area. The detailed breakdown is as follows:

Estimated need for older persons' accommodation (housing with support and housing with care) by sub-area (2020-36)					
Housing with support		Housing with care		Need for older persons' housing	% of All Housing
Market	Affordable	Market	Affordable		
298	-53	120	88	453	15.5%

8.40 As of March 2024, the Housing Register indicates that there are 918 individuals aged 55 and above who need one-bedroom accommodations for one person. Among these individuals, 155 have specified their preference for accommodations in Spalding.

South Holland Position Statement on Extra Care 2015 -2018

8.41 In terms of the Applicant's vision for extra care housing, the Council's Position Statement on extra care housing 2015-18 states that South Holland envisions a straightforward approach to the type of extra care housing it aims to see in the district. The Statement outlines that extra care housing should be:

- Located in sustainable locations within the district, well positioned in terms of access to services, transport and the wider community
- Mixed tenure, meeting the needs of those who can afford to buy in part or outright, along with those whose only option is to rent

Planning Statement

- Good quality and well-designed, with communal facilities that support independent living.
- Provided by a good quality and reputable provider.
- Designed to meet the needs of those with dementia.
- Prioritised for local people, ensuring that such a provision meets local needs.
- Provide benefit to the surrounding community, in addition to providing benefit to the scheme residents.

Planning Statement

- 8.42 The position articulated in the Statements remains consistent with South Holland District Council's vision, now reaffirmed by the Local Plan and Housing Need Assessment. In essence, the council pledges its backing for extra care developments that foster vibrant communities, enabling individuals to age gracefully within a supportive and inclusive setting. Central to this vision is the council's commitment to nurturing a sense of belonging and community, encouraging social interaction, and enhancing the overall well-being of residents. Furthermore, the vision underscores the significance of collaborating with stakeholders, such as housing providers, healthcare experts, and community organizations, to unlock the full potential and enrich the lives of residents.
- 8.43 To accomplish this, the applicant is investigating the utilization of council-owned assets to facilitate the provision of extra care housing, alongside accessing diverse funding sources to support this initiative. Opportunities to secure funding facilitating the delivery of extra care housing are actively being pursued. Moreover, collaboration with key strategic partners and providers involved in supporting extra care housing delivery is closely coordinated.

Summary of Need

- 8.44 Based on this evidence of need we consider it is an important material consideration that should be given substantial weight in the decision making process. In addition, the development would comply with the objectives of Policy 17 of the Local Plan in that it would deliver a specialist form of housing that is encouraged in the most sustainable settlement.

2. Affordable Housing

- 8.45 Policy 18: Affordable Housing of Local Plan is the relevant to this proposal It states that the affordable housing need will be sought on market housing sites of 11 or more dwellings.

Planning Statement

8.46 Whilst there is currently no end user for the proposed extra care facility, the applicant has taken the upfront decision to confirm that the likely operator would be either a Housing Association Company or Registered Provider both of which would offer either low-cost rental, shared equity, or shared ownership arrangements. This approach ensures that the intention of the applicant is that the whole development would be delivered as affordable housing. They would be willing to enter into a Planning Obligation to deal with the types of affordable housing proposed as well as a cascade mechanism arrangement to allow a fallback clause which would enable the affordable housing to revert to a developer for sale on the open market if all other affordable options had been exhausted.

8.47 Policy 18 highlights there is a need for affordable housing in South Holland, where there is a need of 282 new affordable dwellings per annum across the plan period. As such the proposed development will contribute towards ensure that the objectives of this policy are achieved.

3. Levelling Up Funding and the Relationship with the Health and Wellbeing Hub Proposal

8.48 The 2022 Round 2 Levelling Up Fund presented the Council with an opportunity to consider the entire Castle Sports Complex more holistically and the concept of a district-wide Health and Wellbeing Hub was developed through further consultation. The needs evidence referred to above and for the sport and leisure facilities, which is presented as part of the full planning application, formed a key part of the Council's bid and in January 2023, the Levelling up Funding was successfully awarded by the Government for the development that relates to this planning submission and the related Health and Wellbeing application.

8.49 The Government clearly supports and agrees with the applicant that the proposal will create a new and improved offer for the district focused on health, wellbeing, leisure, sport, recreation and community spaces, and the extra care facility. The Levelling Up Fund is specifically designed to secure capital investment in infrastructure that has the potential to improve lives and give people pride in their communities. And so, to be able to deliver the benefits of this development through the LUF funding initiative is a material consideration that should be given substantial weight in assessing the planning balance.

Planning Statement

- 8.50 The council has secured £20m LUF of the overall £26m capital cost required for the project. It is committed to provide match funding but is also seeking partner support from other bodies such as the Football Foundational and Sport England. Therefore, there is a strong level of support and commitment to deliver all aspects of the project.
- 8.51 The Extra Care element is an important part of the all-encompassing Health and Wellbeing Hub which will support transformational social and economic benefits for the area. When built, this will provide the only extra Care provision in South Holland district, located in an ideal position close to the town centre and the Hub's physical and mental health support services.
- 8.52 The proximity of the proposed Extra care housing facility to the Health & Wellbeing Hub provides an 'on the doorstep' readily accessible range of health and wellbeing facilities and services that will be of direct benefit to the residents of the Extra Care Centre. The Hub's design includes for easy access, flow through and parking for mobility scooters, including charging points. The facilities available to the Extra Care community through the Health and Wellbeing Hub will greatly enhance and complement those available within the Extra Care Centre itself.
- 8.53 As mentioned above, this philosophy fully accords with the objectives of Policy 32 which seeks to ensure that the impacts of development proposals on people's health and well-being are considered, and that proposals contribute towards ensuring access to services and facilities to support active and healthy lifestyles.
- 8.54 To comply with various requirements, the Department for Levelling Up, Housing and Communities (DLUHC), the applicant have entered into a Memorandum of Understanding which was signed on 19th July 2023. Whilst the MOU is not legally enforceable it describes the understanding between both parties for the use of the LUF fund. It also sets out agreed outputs and outcomes to be delivered as part of the Health and Wellbeing project.
- 8.55 Annex A, Table E in the MoU summarises the outputs which includes the requirement to provide new residential units (extra care) as part of the scheme. The quarterly monitoring and evaluation of project progress also outlines the forecast delivery as being complete and delivered in financial year 2028/29.

Planning Statement

- 8.56 Whilst there is no specific capital funding allocated for the extra care facility through the LUF fund, the Health and Wellbeing Hub proposal provides an important facilitating role through the enabling costs and works associated with providing an unconstrained serviced site as a result of undertaking the proposed demolition of the existing swimming pool site, its subsequent remediation and also proactively preparing an outline planning application to secure planning consent for this use. This approach will remove any uncertainty regarding the site's deliverability thereby maximising the chances of achieving best value whilst meeting the needs of the local community and the benefits associated with the Health and Wellbeing masterplan.
- 8.57 All these factors are key material consideration to demonstrate a close relationship between the extra care proposal and the Health and Wellbeing Hub in terms of the highly complementary offer and how they will be delivered.

Conclusions on the Principle of Development

- 8.58 We have demonstrated that Spalding is identified as a Sub Regional Centre where growth and services should be directed and therefore the proposed extra care facility would be in accordance with Policy 1 (A1).
- 8.59 There is strong support through Policy 17 and the NPPF to a scheme that delivers specialist housing accommodation for an aging population. Indeed, a compelling needs case has been presented to justify the proposal is required in this location based on the current use of the site. Clarifying that the applicant's intention is to offer the scheme to a Registered Provider in the first instance to deliver an affordable housing scheme which would also be a planning benefit that should be given substantial weight.
- 8.60 In terms of assessing the proposal against Policy 32 of the Local Plan and the potential 'loss' of both existing swimming pool building and the children's outdoor playground, we have demonstrated that in overall terms the wider and interrelated proposal on the adjoining site will deliver in overall terms a higher standard and value of leisure and sports facilities for the local community when compared to the facilities that would be lost.

Planning Statement

8.61 Through the LUF funding initiative and a masterplan approach to the whole site, a strong link and complementary relationship between the extra care home application and the Health and Wellbeing application exists which has been fostered and demonstrated by the applicant.

Planning Statement

9.0 Applying the Presumption in Favour of Sustainable Development

- 9.1 At the heart of the Framework is the presumption in favour of sustainable development, which should be at the heart of the plan-making and decision taking. This is the overarching consideration laid out in Government policy. The Framework confirms the presumption in favour of sustainable development applies when determining development proposals and this is a final 'other material consideration' in the decision making process.
- 9.2 There are three dimensions to sustainable development: economic, social and environmental. Planning policies and decisions should play an active role in guiding development towards sustainable solutions, but in doing so should take local circumstances into account, to reflect the character, needs and opportunities of each area.
- 9.3 The consideration of whether a development proposal represents sustainable development is a question unaffected by whether it accords with policies in an up-to-date Development Plan. The determination of whether a proposal represents sustainable development is a planning judgment based upon the criteria set out in the Framework.
- 9.4 In making the planning balance, the Framework does not indicate that any one element should represent a trump card. However equally that does not mean that a proposal has to pass all three of the sustainability tests to be acceptable and that any of the three roles can act as a trump card against the development. The Framework is clear, economic, social and environmental gains should be sought jointly and simultaneously through the planning system.
- 9.5 For the Framework's sustainability test to have meaning all of the competing considerations have to be assessed together and an overall balanced conclusion reached.
- 9.6 Whilst the starting point for decision making is the development plan, the presumption in favour of sustainable development always applies and feeds into the planning balance. Consequently, it is necessary to consider the proposals against the three dimensions of sustainable development.

Planning Statement

Economic Role

- 9.7 The economic role of sustainable construction contributes to building a strong, responsive and competitive economy by ensuring that sufficient land of the right type is available in the right places and at the right time to support growth and innovation and also by identifying and coordinating development requirements including the provisions of infrastructure.
- 9.8 As part of the LUF bid the applicant commissioned a detailed economic case by AMION Consulting to support the Health and Wellbeing Hub which includes the Extra Care facility. This document was prepared in July 2022 and can be found in Appendix 2.
- 9.9 The note confirms at paragraph 2.3 that based on the additionality assumptions in HCA Additionality Guide¹ and the employment densities guidance, the project creates around 401 net additional jobs for South Holland residents, contributing over £22.5m per annum in GVA. It concludes that these benefits will have a considerable effect on the local economy.
- 9.10 The report also considers economic benefits of the scheme, and these are broadly categorised as:
- Construction employment benefits within the economy over the build period.
 - Direct Operational Employment Benefits
 - Increases in indirect and induced employment benefits in terms of additional expenditure available in the local economy.
 - In addition to the financial recompense people receive from employment, it is widely recognised that there is also a benefit to an individual from being in work.

¹ HCA Additionality Guide, Fourth Edition, 2014

Planning Statement

- 9.11 It is expected that there will be wider training and learning benefits for the economy. Additional GVA will be created as a result of upskilling amongst the workforce.
- 9.12 The report confirms that the proposal will have positive distributional effects, by encouraging investment within South Holland and the wider region helping to re-balance the economy away from London and the South East. It reflects the critical importance of the Health and Wellbeing Hub project in supporting the aims of the Levelling Up Fund through attracting investment and promoting a transition to a higher value economy within declining economies such as South Holland. As such, the scheme has the potential to boost the local economy which is of economic benefit.
- 9.13 More specifically the extra care facility would make an important contribution to managing the balance between increasing demand on public healthcare services and economic pressures placed on public finance to deliver those services.
- 9.14 The King's Fund² explains that "people are living longer with multiple, complex, long-term conditions and increasingly require long-term support from many different services and professionals. As a consequence, people too often receive fragmented care from services that are not effectively co-ordinated around their needs. This can negatively impact their experiences, lead to poorer outcomes and create duplication and inefficiency."
- 9.15 The proposals will make a direct and positive contribution towards the NPPF's objective of building a strong and competitive economy and the local policies focused on delivering economic prosperity.

Social Role

Delivering Improved Social Care, Health and Wellbeing

- 9.16 The extra care facility would offer support and care whilst allowing residents to live independently. The services provided by extra-care apartments are tailored to each resident, and include a self-contained flat to enable independence, support from staff, 24-hour emergency help alarm system, community and social activities, and communal areas to encourage socialising.

Planning Statement

- 9.17 The proposed development will also provide outdoor communal areas to allow future residents to enjoy nature and the environment which will be created through the soft/hard landscaping scheme. The indicative landscaping scheme includes feature planting to stimulate biodiversity and provide an attractive environment for residents, which will generate benefits for future occupants' physical and mental wellbeing.
- 9.18 The proposed development will therefore generate vast social benefits for future residents by allowing them to live independently yet will have access to 24-hour support if needed, and to socialise with other residents via communal areas, outdoor areas and through organised social activities which will contribute towards their physical and mental health and wellbeing.
- 9.19 A study carried out by Lancaster University³, commissioned for Aston Research Centre for Healthy Ageing (ARCHA) and the Extra Care Charitable Trust, considered the benefits to residents of Extra Care villages and schemes across a 5-year period. During this period, improvements were seen in resident's health and well-being; notably residents exercising more and showing signs of improved memory and cognitive abilities. The key findings from the study are summarised below:
- Significant improvements in the level of exercise done by residents
 - Improvements in resident's perceived health.
 - No change (either improved or deterioration) in residents' level of independence or functional limitations over the 5-year period.
 - Low levels of depression and depressive symptoms in residents.
 - Decrease in anxiety symptoms
 - Improvements in memory and cognitive skills
 - Improvements in physical fitness
 - Levels of loneliness were lower in residents than the national averages.
 - Residents made more effective use of healthcare resources, reducing visits to GP's but increasing visits to practice nurses.

²The King's Fund- Integrated Care Systems Explained: Making sense of systems, places and neighbourhoods, published 19th August 2022 [Available at:

<https://www.kingsfund.org.uk/publications/integrated-care-systems-explained#what-are-ICSs>]

³ The ExtraCare Charitable Trust Research Report - Integrated Homes, Care and Support – Measurable Outcomes for Healthy Ageing, March 2019

Planning Statement

- Residents average 3 days less per year in hospital than previously.
- Costs savings to the NHS of on average £1,994 per person over 5 years.

Planning Statement

9.20 Extra care facilities are specifically designed to meet the needs of older residents and help to facilitate independent living which standard housing cannot accommodate for. This can also have wider benefits for the locality in terms of freeing up standard accommodation for the younger population and helping to reduce pressure on GP's.

Promoting Inclusive Accessibility by Sustainable Modes of Travel

9.21 A key element of national, regional, and local policy is to ensure that new developments are located in areas where sustainable modes of travel are available.

9.22 There are good opportunities for pedestrian and cycle travel to the site with residential areas and the town centre within walking and cycling distance and appropriate improved infrastructure provided as part of this scheme connecting the site with Spalding. The integration of good cycle and pedestrian connections accords with Policy 33 in the SELLP.

9.23 The site benefits from good levels of public transport connectivity. Seven services (37, 505, B3, B3X, B9, B13 and IT2) are available from the nearest bus stops located circa 150m from the proposed extra care home on Pinchbeck Road. Furthermore, Spalding Bus Station is located approximately 400m walking distance west from the proposed main entrance and can be accessed via the footways and signalised crossing on Pinchbeck Road and Kings Road.

9.24 The nearest railway station to the site is Spalding Train Station which is approximately 700m walking distance to the west of the site. The station provides hourly East Midlands services in either direction, between Lincoln and Peterborough.

9.25 It is therefore considered that the site is in an accessible and sustainable location, with opportunities for residents, employees and visitors to travel by non-car modes, where appropriate, and a Travel Plan will help deliver these modes of travel.

Environmental Role

9.26 The environmental dimension of sustainability is concerned with protecting and enhancing our natural, built and historic environment.

Planning Statement

9.27 This planning application is supported by an extensive range of environmental and technical documents and background information as stated below. These collectively address general development management considerations to demonstrate that generally, any harm would be limited in nature and adverse impacts can be easily mitigated through the imposition of suitably worded conditions.

Access and Impact on the Highway Network

9.28 The Transport Assessment has considered the potential traffic impact of the proposed development and concludes that the proposals are in accordance with the statutory development plan and other material considerations.

9.29 The development site is in a location which is accessible by a range of transport modes, ensuring sustainable access. The submitted Travel Plan identifies that the site benefits from good existing walking and cycling links. The site is also accessible by bus, with the closest bus stop adjacent to the site access which has regular bus services. The Travel Plan identifies the initiatives and measures that will be implemented to achieve specific target levels.

9.30 The proposed level of car parking has also taken into account typical standards associated with these types of uses. The Local Plan define 'sheltered housing' as 1 space per 2 units and on this basis, the development would require 35 parking spaces. The development is proposing a total of 42 parking spaces which therefore exceeds this requirement and ensures there is also adequate parking for visitors, particularly as it is considered that many residents will not own a car.

9.31 Overall, the Transport Assessment concludes that the proposals will not have an adverse impact on the capacity of the highway network. A Travel Plan has also been prepared to outline the proposed targets and measures aimed at managing and reducing car travel for users of the development, through the promotion of sustainable alternatives which could be implemented for the scheme.

9.32 In summary the proposed development is not predicted to have a significant impact on the future operation of the junctions assessed and represents sustainable development. The proposed development therefore accords with Policies 2, 3, 31 and 33 of the Local Plan, as well as the NPPF.

Planning Statement

Residential Amenity

- 9.33 Whilst the scale and arrangement of the building would be subject to future determination via a reserved matters application, the indicative designs and illustrations demonstrate that carefully considered has been given the relationship to the existing houses along Pinchbeck Road and its relationship to the wider proposed masterplan.
- 9.34 In general terms the eastern corner of the proposed building, which houses the main communal and staff facilities, is designed as 4 stories so the highest part of the building is furthest from the existing houses and the focal point is closest to the centre of the overall masterplan. The building then steps down to 3 stories as it extends west and south towards these boundaries. There is also a reasonable stand off distance and screening created by the existing and proposed vegetation and landscape arrangement.
- 9.35 It is concluded that the impact on the occupiers of neighbouring land uses and the future occupiers of the development by reason of residential amenity and visual intrusion can be satisfied and so the scheme would accord with Policy 2 of the Local Plan.

Air Quality

- 9.36 An Air Quality Assessment has been prepared as part of this planning application. The air quality assessment has considered the potential impacts associated with both the construction phase and operational phase of the proposed scheme in line with the appropriate guidance published by the Institute for Air Quality Management (IAQM).
- 9.37 The site is not included within an existing Air Quality Management Area (AQMA).
- 9.38 In terms of the broader qualitative assessment the potential impacts on local air quality from construction activities confirms there is a low risk of impact associated with dust and particulate matter emissions due to construction activities. This will be further reduced through good site practice and mitigation measures, secured through a Construction and Environmental Management Plans (CEMPs).

Planning Statement

- 9.39 A quantitative assessment of the potential impacts of the operational phase of the proposed scheme on sensitive human receptors was undertaken. The proposed development trip generation did not exceed the Institute of Air Quality Management and Environmental Protection UK screening criteria for when a detailed assessment is required, therefore detailed dispersion modelling of development-generated road traffic was not undertaken.
- 9.40 Consideration was given to the suitability of the Site for the proposed end use with regard to the current relevant air quality objectives through a review of local air quality monitoring and emission sources. Local monitored pollutant concentrations in the vicinity of the Site were identified to be below the current relevant air quality objectives. The Site was therefore considered suitable for the proposed end use with regard to the current relevant air quality objectives.
- 9.41 Based on the assessment results, the application site is suitable for its proposed land use and will comply with Policies 2 and 30 of the Local Plan, and National Planning Policy Framework, with no identified air quality constraints.

Ecology and Biodiversity

- 9.42 A Preliminary Ecological Assessment has been undertaken by Estrada Ecology Ltd in July 2023.
- 9.43 Given the distance between the site and the nearest statutory designated ecological sites (Vernatt Local Nature Reserve is located approximately 0.85 kms from the application site), no significant adverse effects are anticipated.
- 9.44 Due to the size of the proposed development, it is considered likely that any ecological impacts will be restricted to a site level, as works will be concentrated within the site itself and no impacts are predicted.
- 9.45 Priority habitats were not recorded within the application boundary.
- 9.46 One potential bat roost feature was recorded on the south-western corner of the Castle Bowling Club building. A further dusk bat activity survey was undertaken on 26th August 2023. No bats of any species were recorded emerging from or entering any structure subject to survey within the site.
- 9.47 In terms of protected species the following was concluded:

Planning Statement

- Bats – One potential bat roost feature was recorded on the south-western corner of the adjoining Castle Bowling Club building. A further dusk bat activity survey was undertaken on 26th August 2023.
- Badger- Terrestrial habitat along the northern boundary of the site was considered to provide low suitability for badgers. No evidence of badgers was recorded.
- Hedgehogs - No evidence of Western European hedgehog was recorded during the survey.
- Reptile and Amphibians – the site is deemed to have negligible suitability for the aquatic life stages of amphibians. The site is largely open and exposed, failing to provide cover for reptiles.

Planning Statement

- 9.48 The site largely comprises building and hardstanding areas and as such, the baseline habitat on site is generally classified as being of poor quality. However, through embedded mitigation, including avoidance measures, best practice construction management and substantial green infrastructure creation, the proposed development represents an opportunity to provide on site biodiversity provision to achieve the mandatory requirement of a minimum of 10% Biodiversity Net Gain.
- 9.49 Both the BNG report and the associated indicative landscaping demonstrate how the provision of biodiversity net gains are incorporated into the proposals. The approach to delivering BNG is based on Natural England's biodiversity metric which quantifies the predicted net change in biodiversity value.
- 9.50 A total of 3.14 area habitat units can be delivered on site post development via creation of further habitats in line with the proposed scheme. Furthermore, 0.50 linear units for hedgerow are proposed to be created. This would result in a gain of 1.01 biodiversity units for habitats, representing a 47.35% net gain. The proposals for the development site will result in a gain of 0.50 hedgerow units. As no baseline hedgerows were calculated within the metric, an error is shown next to the percentage gain for hedgerows, however, this is assumed to be a gain of 100%.
- 9.51 Given the site's interrelationship with the adjoining Health and Wellbeing application and the applicant controls the whole site, it is anticipated that the BNG net gains achieved over and above the required 10% for the extra care proposal would contribute toward the BNG calculation for the Health and Wellbeing proposal.
- 9.52 It is evident that the approach to protecting and enhancing biodiversity accords with Policies 2, 28 and 31 of the Local Plan

Arboricultural

- 9.53 The Arboricultural Impact Assessment presents the results of an assessment of the existing trees arboricultural value, based on their current condition and quality and provide an assessment of impact arising from the proposed development of the site.

Planning Statement

- 9.54 The development has been designed around the retention of existing tree cover, and tree protection measures will be used throughout construction, including the use of tree protection fences. However having regard to the current indicative proposed site layout design it would be necessary to fell 4 low quality individual trees in order to facilitate development. New high-quality trees and new hedging would be planted as part of the development in order to mitigate the loss of existing trees.
- 9.55 It is considered that the proposals meet the objectives of Policies 2, 3, and 28 through the retention of a high proportion of the existing tree cover around the site boundaries, as far as can be achieved, whilst also delivering the scheme.

Ground Conditions

- 9.56 A Ground Condition Study has been prepared by Applied Geology and the geo environmental conclusion is that overall risk from land contamination at the site is considered to be low to moderate for a redeveloped site but would need to be confirmed by appropriate intrusive investigation, testing and assessment of the results of the investigation.
- 9.57 The works demonstrate that the application site is, or can be made safe and stable, to meet the requirements of National Planning Policy and Policy 30 of the Local Plan with regard to development on unstable land.

Flood Risk

- 9.58 The Site is located in Flood Zone 3, with the entirety of Spalding falling within this zone. The South East Lincolnshire SFRA identifies that the Site lies outside of the 'Functional Floodplain', and is therefore located within Flood Zone 3a.
- 9.59 In discussion with the LPA at the pre application stage, we have agreed on an appropriate methodology for assessing the proposal in the context of the sequential test that would be in accordance with Policy 4 of the Local Plan and the NPPF. This approach forms part of a separate report that accompanies this application.
- 9.60 For this application, the proposed development is considered as 'More Vulnerable' as it is a building used for residential purposes. It confirms in Table 2 of the NPPG Ref ID 7-079-20220825 that 'More vulnerable' developments within Flood Zone 3 require the Exception Test to be undertaken.

Planning Statement

- 9.61 The Flood Risk Sequential Assessment and Exceptions Test has been undertaken by JEH Planning, and concludes that there are no reasonably suitable and/or available sites which are sequentially preferable to the application site and, as such, the sequential test is passed. The Exceptions Test concludes that, in consideration of the wide-ranging and substantial sustainability benefits brought as a result of the development (meeting part A of the exception test), together with the fact that the scheme incorporates flood mitigation and management that ensures the development will be safe for its lifetime taking into account the vulnerability of its users, will not increase flood risk elsewhere and in fact reduces flood risk overall (meeting part B of the exception test), the proposed development passes both elements of the Exception Test.
- 9.62 Existing fluvial defences are in place along Coronation Channel and the River Welland, which combined with the sluices to the north of Spalding, protect the area from tidal surges. It is understood that these defences consist of earth embankments and upstream flood storage reservoirs. The EA has confirmed that when the flood defences are taken into account, the modelled flood extents do not impact the site.
- 9.63 Given the presence of flood defences that are routinely inspected, the site is generally considered to be at low risk of flooding. However, there is a high residual risk of flooding if the flood defences fail or there is a breach.
- 9.64 The South East Lincolnshire Standing Advice Matrix provides guidance on developments as classified by the NPPG and the South East Lincolnshire Residual Flood Hazard Map. The proposed development falls within the 'Consult EA' cell. The EA were consulted on 9th February 2024 and the agreed mitigation measures for the site as summarised in the table above.
- 9.65 In summary the ground floor level has been set 1m above existing. It was agreed that the existing ground level should be taken from the lowest point of 2.9mAOD. This requires the FFL of the proposed building to be set at 3.9mAOD and will therefore, in the event of an extreme tidal event from the Coronation Channel, provide a safe haven for residents should flood depths reach the maximum depth based on the SFRA probability Maps. Residents would reside here until the flood water drained and a safe evacuation route was available.

Planning Statement

- 9.66 Further mitigation measures include flood resilient construction for depths up to 0.3m above the expected flood depth.
- 9.67 A Flood Warning and Evacuation Plan would also be prepared for site users to follow in the event of flooding when the site is in use. If warning of a flood is received ahead of the event, site users would avoid the proposed development. Consultation with the local authority's emergency planners on 10th May 2024 confirmed the suitability of this strategy details of which can be controlled by a suitable worded condition.
- 9.68 The development of the site is considered acceptable in terms of flooding risk, and fulfils the requirements of the NPPF, PPG and Policy 4 of the Local Plan.

Surface and Foul Water Drainage

- 9.69 Infiltration is not feasible due to high ground water levels therefore the proposed strategy is to convey surface water to the IDB water course to the north of the site. The discharge rate will be limited to Qbar greenfield rate of 1.10l/s for all storm events up to and including the 1 in 100 year +40% climate change event.
- 9.70 Due to the levels on site a surface water pump is required to convey flows to the watercourse. This will also act as the flow control.
- 9.71 Surface water run-off from roofs and paths will drain to a series of rain gardens and swales before discharging to a pond. The car parking area will drain through permeable paving into the sub-base storage. The outfalls from the permeable paving and pond will enter a pump chamber where they will be pumped at the greenfield run-off rate to discharge into the IDB watercourse north of the site. The additional attenuation required to restrict the discharge rate will be provided as a below ground geocellular tanks.
- 9.72 The proposed drainage strategy plan can be found in Appendix D of the Drainage Strategy Report
- 9.73 It is presumed that the proposed foul drainage strategy would be to convey all new foul drainage from the extra care via gravity into the sewer in the access road using the existing connection.

Planning Statement

Historic Environment

- 9.74 There is a statutory duty on the LPA to consider designated heritage assets under the Planning (Listed Buildings and Conservation Areas) Act 1990 and the NPPF places 'great weight' on conservation of assets. The assessment has considered the relationship with the nearby designated assets including the Conservation Area and several Listed Buildings located within the surround area.
- 9.75 The Built Impact Heritage Assessment confirms that the area which falls within the conservation area makes neutral contribution to its character and appearance. The majority of the site lies outside of the conservation area boundary and this also makes a neutral contribution to its setting.
- 9.76 currently where the small sections of the site falls within the conservation area the proposal makes a 'negative and a minor positive contribution' to its character and appearance respectively. However, the majority of the site, which lies outside of the conservation area boundary, makes a neutral contribution to its setting.
- 9.77 A large part of the new development will be situated on the footprint of the former swimming pool. This means that the overall existing developed character of the site and how it is perceived as part of the setting of the conservation area will remain essentially unchanged. Therefore in overall terms, the works will have a neutral impact upon the character and appearance of the Spalding Conservation Area, both directly and with regard to the contribution of its setting.
- 9.78 A desk based Archaeological Assessment suggests low potential for the Roman and early medieval periods and negligible potential for the pre historic period. The former site of the Spalding Castle is believed to have been located immediately to the west of the site, which suggests a moderate potential for archaeological activity within the medieval period. There is also a moderate potential for activity of post medieval to be encountered within the proposed development site.
- 9.79 On this basis the intention of the applicant is to undertake and complete the trial trenching work during the determination period of the application to negate the need to incorporate a pre commencement condition regarding this matter.

Planning Statement

9.80 The results of the assessment of the site, and its relationship with historic features of assets with mitigation in place satisfy the requirements of Policy 29 of the Local Plan and also accords with the NPPF policies regarding the historic environment.

Good Design

9.81 Policies 2 and 3 of the Local Plan, and Paragraph 131 of the Framework, emphasises that the creation of high quality buildings and places is fundamental to what the planning and development process should achieve. “Good design is a key aspect of sustainable development...”

9.82 Paragraph 135 goes on to outline the specific elements that should be taken into account in decisions to ensure good design.

9.83 The Application submission includes a Design and Access Statement that sets out in detail the context to the proposals, the impact of site constraints, the design evolution process and an explanation of the proposed layout, scale, landscaping and appearance although it should be noted that these remain indicative at this stage.

9.84 Care has been taken in the design of the layout to ensure that the scheme will meet the criteria set out at Paragraph 135 of the Framework, as well as those found in Policy 3.

Approach to Energy Efficiency

9.85 The proposed development will improve the sustainability and environmental performance of the built environment by increasing energy efficiency, reducing CO2 emissions, generating energy services efficiently and implementing building integrated Low Carbon technology when compared to a traditional equivalent scheme.

9.86 The proposed development will take a Fabric First Approach to optimise the thermal performance of the building through a very high standard of construction and detailing. It could also include a range of measures and design features to respond to the climate change and emerging ‘net zero’ agenda including:

- Use of photovoltaic panels, MVHR units to apartments, and Air Source Hot Water Pumps

Planning Statement

- High efficiency Lighting ensured in the long term through choice of fittings.
- High efficiency electrical appliances to all apartments and communal facilities.
- Careful selection of all construction materials, using the 'Green guide to Materials' to achieve low levels of embodied energy and minimum environmental impact

Planning Statement

- 9.87 The exact strategy would need to be developed as part of agreeing a planning condition that would involve the submission of an Energy Strategy prior to development commencing.
- 9.88 We have demonstrated how the proposed scheme meets the energy and sustainability policies of the Council's current adopted Local Plan Policy 31.

Waste Management

- 9.89 Before a contractor commences works on any component of the development, they will be required to have prepared a detailed Site Waste Management Plan. The appointed contractor would demonstrate that their waste management proposals are compliant with all appropriate legislation.
- 9.90 The control and management of operational waste arising from the development will be addressed as part of agreeing a suitability worded condition. However, the indicative apartment block has been designed with 2 no communal refuse stores for the storage of all recyclable and non-recyclable waste for residents. but an outline schedule is provided at this stage. The site layout has been designed to allow Local Authority refuse collection vehicles to pull up on the access road to access the western bin store, and collect from the eastern bin store by utilising the delivery bay at the entry to the parking area.
- 9.91 In addition to the residents' bins there could also be a separate Kitchen bin store located near the residents' bins to the east of the site. Bins from this area would normally be collected by a private waste management service.
- 9.92 The approach outlined will ensure that waste is minimised and managed through the provision of facilities for the storage of refuse/recycling bins in accordance with Policy 3 of the Local Plan.

Planning Statement

10.0 Phasing and Delivery

- 10.1 Whether or not a proposed development is capable of being delivered can be a material consideration for the purposes of granting planning permission. In this context the delivery of this proposed development is dependent on receiving the support of Government grant funding which has been successfully awarded through the applicant's LUF bid. The total capital cost is £26 million for the project, of which South Holland District Council has secured £20 million of LUF funding.
- 10.2 In order to gain access to the LUF fund there are obligations and restrictive timescale requirements that need to be adhered to by the applicant. It is therefore important that key milestones in the development, planning and construction processes are satisfied to qualify for the funding to be released.
- 10.3 To comply with various requirements, the Department for Levelling Up, Housing and Communities (DLUHC) and the applicant have entered into a Memorandum of Understanding which was signed on 19th July 2023. Whilst the MOU is not legally enforceable it describes the understanding between both parties for the use of the LUF fund.
- 10.4 It confirms that the funding is provided to form part of the necessary capital investment required for the delivery of the LUF proposal. Grant funding will be paid in six monthly tranches between 2022 to 2026.
- 10.5 The MOU sets out the whole project timeline with milestones and the applicant provided regular project reports to DLUHC demonstrating that outputs and outcomes are being met in line with the approved application. A key requirement is that the applicant must spend all the grant funding by the end of the funding period which is 31st March 2026. Given the assumed construction period is 18 months, the timescales are tight allowing for the various workstreams including the planning determination period. To ensure the applicant does not falter on the agreed funding obligations, it is important that priority is given to the determination of both planning applications which forms the overall LUF bid package of measures.

Planning Statement

- 10.6 In terms of the extra care facility, the quarterly monitoring and evaluation of project progress outlines the forecast delivery as being complete and delivered in financial year 2028/29. Whilst there is no specific capital funding for the extra care facility the Health and Wellbeing Hub proposal provides an important facilitating role through the enabling costs and works associated with providing an unconstrained serviced site as a result of the proposed demolition of the existing swimming pool site, its remediation and also securing outline planning consent for this use. This approach will remove any uncertainty regarding the site's deliverability thereby maximise the chances of achieving best value whilst meeting the needs of the local community.
- 10.7 It is intended that the Extra care housing scheme will come forward for development once demolition of the existing swimming pool has completed and an operator has been agreed.

Planning Statement

11.0 Conclusions and Overall Planning Balance

- 11.1 This planning statement has been prepared by JEH Planning Limited on behalf of South Holland District Council ('The Applicant') in support of an outline planning application, with all matters reserved for future determination, for the replacement of the existing swimming pool at the Castle Sports and Leisure Complex in Spalding with the erection of an extra care housing facility. The provision of supporting infrastructure including additional car parking and, landscaped areas would also be provided.
- 11.2 We have demonstrated that having regard to the key issues, the proposed development is in accordance with the relevant policies found within the Development Plan as a whole.
- 11.3 Spalding is identified as a focus for future growth and housing delivery and the Council are seeking to direct development to it which supports its role as a sub-regional centre. The Site is therefore sustainably located and a suitable place in which to provide residential accommodation.
- 11.4 The development is specifically in compliance with Policy 32 relating to the loss of Community facilities as it is linked to the delivery of a new swimming pool. This would lead to the upgrading of existing sporting and leisure facilities and would improve the community's health and well-being. Therefore, the loss of the existing community facilities would be replaced by equivalent or better provision (in terms of quantity and quality) in a suitable nearby location.
- 11.5 The Flood Risk Sequential Assessment and Exceptions Test concludes that there are no reasonably suitable and/or available sites which are sequentially preferable to the application site, as such, the sequential test is passed. The Exceptions Test concludes that, in consideration of the wide-ranging and substantial sustainability benefits brought as a result of the development (meeting part A of the exception test), together with the fact that the scheme incorporates flood mitigation and management that ensures the development will be safe for its lifetime taking into account the vulnerability of its users, will not increase flood risk elsewhere and in fact reduces flood risk overall (meeting part B of the exception test), the proposed development passes both elements of the Exception Test.

Planning Statement

11.6 South Holland District Council has undertaken significant preparatory work and, together with South and East Lincolnshire Councils Partnership, has invested resources in developing the wider masterplan to which the extra care facility relates and by actively engaging with stakeholders, partners and the local community it has revealed that there is an underlying positivity towards the development.

11.7 There are also other material considerations, and these, together with the significant planning merits and benefits, should be given substantial weight in the overall planning balance. They cover the following general areas:

- By prioritising the delivery of Extra Care Housing, the council aims to proactively address this demand and ensure the availability of suitable accommodation options for local residents. There are currently no extra care housing available in Spalding, and as such the proposed development will contribute towards meeting this proven need.
- The applicant is willing to commit to the likely operator being either a Housing Association Company or Registered Provider both of which would offer either low-cost rental, shared equity, or shared ownership arrangements. This would satisfy the acute need for affordable housing in the district.
- The proposed development will generate employment opportunities. This would deliver construction and operational jobs, and the occupants of the development will also generate additional convenience, comparison and leisure services expenditure in the local economy which will help bolster and sustain the health of local businesses.
- It would make an important and positive contribution to managing the balance between increasing demand on public healthcare services and economic pressures placed on public finance to deliver those services.
- It would contribute towards achieving the aim of providing for socially cohesive and inclusive communities, through the introduction of a specialist form of housing within an area where there are a range of uses, services and facilities within convenient reach.
- The development will form part of a comprehensive landscaping strategy to enhance greenspaces within the site to the benefit of the occupants and the wider environment.

Planning Statement

- The proposal will deliver ecological enhancements that would achieve the required 10% net BNG.
- The proposal includes a range of measures to deliver a sustainable building. This would also include the provision of on site zero carbon renewable sources.
- The promotion of sustainable transport links have been achieved with use of the existing and improved footpaths and cycle ways to foster strong connections to the local area.

11.8 It is not expected that this development would have an unacceptable adverse impact on flood risk, highway safety, residential amenity or other environmental considerations. Any perceived harm arising from the development will be minor in nature which can, where necessary, be mitigated and managed through reasonably worded planning conditions and design considerations. Furthermore, the planning benefits of the scheme would significantly outweigh any minor level of harm.

11.9 It is relevant in the context of the NPPF to consider whether the overall development proposed can be described as 'sustainable' for the purposes of policy. The three objectives of sustainable development have been assessed and in the applicant's view it can be described as a sustainable form of development that would benefit from the presumption in favour of such development set out in paragraph 8 of the NPPF.

11.10 In conclusion, the proposal would be in accordance with the key policy objectives and vision found within the Development Plan as it would support the enhancement of sport and recreation provision in Spalding and South Holland more widely. It would provide good quality and enhanced services which would add to the quality of life and wellbeing for the residents in local community.

11.11 In view of the above, we consider the application provides the right type of development in the right place on the right site and delivers important social, economic and environmental benefits. It can therefore be described as sustainable development which should benefit from the presumption in favour of such development in accordance with the Local Plan and should be approved without delay.

Planning Statement

Appendices

Appendix 1 -Detailed schedule of the existing and proposed future sports and recreation facilities.

Appendix 2 - Economic Case Technical Prepared by AMION Consulting July 2022

Planning Statement

Appendix 1 -Detailed schedule of the existing and proposed future sports and recreation facilities.

Appendix 1 - Existing and Future Sporting and Recreation Facility Provision

Activity Area	Existing Facility Provision	Proposed Facility Provision
Separate Swimming Pool Building to Dry Side Sports - The site is currently split with the existing swimming pool being accessed from Pinchbeck Road in the west and the dry sports from Albion Street to the East.	Main Pool 25m x 12.5m = 312.5m² Teaching Pool 12m x 7.5m = 90m² Deep Pool 10m x 10m = 100m² Total 502.5m² Spectator Seating 220	The new health and wellbeing hub will be accessed from Albion Road and the new extra care scheme will come off Pinchbeck Road. The new indoor swimming provision will be built adjacent to the existing remodelled sports hall. Main pool 25m x 12.5m = 312.5m² Teaching Pool 20m x 13m = 260m² Total 572.5m² Splash Pad – Outdoor Main Pool – Moveable Floor Spectator Seating – maximum 250
Dry side Sports Hall	8 court sports hall.	Reconfiguration of existing sports hall to a non-traditional 4-court sports hall, with improved spacing and run offs.
Adventure Zone and Tag Active	NA	New activity hall providing Adventure Zone and Tag Active.
Studios	1	3
Health Space	N/A	4 consultation/physio rooms (2-3 people); some with water/sink access; Reception/small office area; storage area; Tea/coffee making area (food etc from café) and a room for 35-person theatre style.
Fitness Room	46 Fitness Stations	100 fitness stations and Innerva equipment (assisted exercise). With Innerva equipment the user does not have to provide the motive force, they do not have to overcome inertia to use the machines, so it is a perfect choice for anyone new to exercise or those limited by their mobility or health. Many people who use this equipment would not exercise otherwise.
Indoor Bowls Green	6 Rinks	6 Rinks

Activity Area	Existing Facility Provision	Proposed Facility Provision
Cafe		Yes - The café within the health and wellbeing hub opens and spills out to the outdoor areas which include a play park, sensory garden, and a community garden.
Natural Grass Football Pitch	One adult 11v11 natural grass pitch. Quality assessed by PitchPower as Basic 36%	1 x 3G AGP 91m x 55m with sports lighting.
Informal Outdoor Games Area	N/A	New provision with sports lighting. The playing surface is 22m X 37M and takes influence from a standard size MUGA in Sport England guidance to support tennis, mini tennis, netball and 5 aside football. The surface can include basic athletic markings and a short sprint circuit. Although it will not be enclosed, in this instance it will be an informal outdoor games area. This is to make it more accessible to groups that may feel vulnerable in fully enclosed spaces. The surface can include basic athletics markings and a short sprint circuit.
Outdoor Changing	Part of swimming pool building	Purpose built to meet Football Association and Football Foundation Guidance as part of new health and wellbeing hub.
Disused Athletic Track	Cinder track – Sports Facility Strategy 2019 states disused and has not been used since except for informal use.	N/A see trails below
Children's Play Area/Sensory Garden/Community Garden	Existing play area	A new play park; sensory garden; and community garden.
Outdoor Bowls	No change	Some improvements will be made during construction of the Health and Wellbeing Hub.
BMX	Demolished as not safe for use.	N/A
Trails	N/A	There will be an informal trail to facilitate recreational/community running, walking, and cycling, along with more formal track features to facilitate club running".
Surrounding Facilities	No change	Within the site there are multiple existing clubs and organisations representing both sport, community, and health. A number of these organisations have their own premises, such as Spalding Badminton Club a purpose built 2 court badminton hall and Spalding Indoor Bowls Club. The health and wellbeing hub provides expanded facilities for them and the opportunity to further integrate with neighbouring organisations.

Planning Statement

Appendix 2 - Economic Case Technical Prepared by AMION Consulting July 2022



South Holland Health and Wellbeing Hub LUF Application

Economic Case Technical Appendix

July 2022

LIVERPOOL Winslow House • Rumford Court • 16 Rumford Place • Liverpool L3 9DG
LONDON 78 York Street • London W1H 1DP
T: 0330 174 3024
www.amion.co.uk

South Holland Health and Wellbeing Hub LUF Application

Economic Case Technical Appendix

July 2022

Reviewed and approved by: Signature(s):	
Name(s):	Graham Russell
Job Title(s):	Chief Executive
Date:	July 2022

AMION Consulting is the trading name of AMION Consulting Limited
Registered Office: Langtons, The Plaza, 100 Old Hall Street, Liverpool L3 9QJ
Company No: 3909897
Tel: 0330 174 3024
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Contents

1	Introduction	2
2	Approach.....	3
2.1	Additionality.....	3
2.2	Intervention outputs and outcomes.....	4
2.3	Local employment and GVA effects.....	5
3	Economic costs	7
3.1	Basis of the Intervention Costs	7
3.2	Converting Financial to Economic Case	7
3.3	Optimism Bias	7
3.4	Economic costs.....	8
4	Economic benefits	9
4.1	Introduction	9
4.2	Land value uplift.....	10
4.3	Crime cost savings.....	10
4.4	Amenity benefits from public realm	10
4.5	Labour supply benefits.....	11
4.6	Employment wellbeing benefits	11
4.7	Education benefits	12
4.8	Physical exercise wellbeing benefits.....	13
4.9	Health improvement benefits.....	13
4.10	Personal, social & civic development	13
4.11	Volunteering wellbeing benefits.....	13
4.12	Decongestion transport benefits	14
4.13	Absenteeism transport benefits	14
4.14	Journey ambience benefits.....	14
5	Value for money assessment	15
5.1	Core analysis	15
5.2	Sensitivity analysis	16
6	Wider non-quantified benefits.....	18
	Annexe 1 – Optimism bias mitigation.....	20

1 Introduction

AMION Consulting has been appointed by South Holland District Council to prepare the Levelling Up Fund (LUF) application for the Health and Wellbeing Hub project.

This technical report sets out details of the methodological approach to the calculation of economic costs and benefits, alongside key evidence and assumptions used to produce the assessment of value for money.

The assessment of economic benefits has been undertaken in full compliance with the HM Treasury Green Book and relevant Departmental guidance published by the Department for Levelling Up, Housing, and Communities (DLUHC) in relation to LUF applications.

A detailed explanation of the assumptions and evidence underpinning each cost and benefit estimate are provided in sections 2, 3, and 4 of this report. However, there are several overarching assumptions which apply to the value for money assessment (unless otherwise stated):

- all short-listed options have been appraised over a 30-year period, consistent with Green Book guidance which states “*refurbishment of existing buildings is considered over 30 years*”;
- where Present Value figures are presented, cost and values have been discounted at 3.5% over the 30-year period in line with Green Book guidance (with the exception of health transport benefits);
- all monetised costs and benefits have been converted to 2022/23 prices, with general inflation excluded;
- the costs and benefits of the intervention options are presented in net terms and relative to the reference case. Adjustments have also been made for leakage, displacement, and multiplier effects where appropriate (as detailed below); and
- optimism bias has been calculated using HM Treasury methodology and included in the value for money analysis.

2 Approach

2.1 Additionality

Of key importance in assessing the impact of the proposals for the Health and Wellbeing Hub project on the local economy is the extent to which new activity is truly additional, in other words it does not simply displace existing activity. Furthermore, it is important to understand who is likely to benefit from the impacts generated and the degree to which further demand and investment is stimulated. To assess the net additional impact of the proposals and overall anticipated additionality of the proposed project, the following factors have been considered:

- **Leakage** – the proportion of outputs that benefit those outside of the project’s target area or group;
- **Displacement** – the proportion of project outputs accounted for by reduced outputs elsewhere in the target area;
- **Multiplier effects** – further economic activity associated with additional local income and local supplier purchases; and
- **Deadweight (the reference case)** – outputs which would have occurred without the project.

The approach to assessing the net additional local impact of a project, considering the above adjustments, is shown diagrammatically in **Figure 2-1**.

Figure 2-1: Net additional impact



For the purposes of the value for money assessment within the Levelling Up Fund application, the national level has been considered in line with Green Book guidance. A rate of 70.40% has been applied, based on the following assumptions within the value for money assessment:

- **Displacement** – the project is expected to attract new investment and economic activity to the region. The project has the potential to deliver truly additional benefits. However, to be prudent, a displacement of 29.6%¹ has been applied to each option in the operational phase at a national level based on the mean for all observations within the BIS/CEA guidance.
- **Deadweight** – deadweight has been calculated through the assessment of the Do Minimum/ Business As Usual option. In the Reference Case scenario, the project will not deliver any outputs and no public income or additional costs are expected.

The local additionality of the proposals has been considered at the South Holland local authority level as the primary focus for the intervention. Economic benefits for employment and gross value added (GVA) have been also presented at this local level. The following assumptions have been applied for the local analysis:

- **Leakage** – a leakage rate has been applied at the South Holland local authority level, based on commuting data derived from the 2011 Census. There will be a number of employment opportunities provided, which are likely to be relatively accessible to local residents. Overall, the leakage rate for operational employment activity at a local level is estimated to be 29%.
- **Displacement** – South Holland lacks good quality health and community provision. The Health and Wellbeing Hub project is therefore expected to greatly exceed any existing facilities in the South Holland local authority area. In terms of employment, factoring in competition with existing facilities, a displacement of 25% has been applied to local level analysis.
- **Multiplier** – alongside directly supporting employment creation, the proposed development will also lead to additional job opportunities through supply chain expenditure (indirect effects) and induced effects through employee spend on goods and services within the region. To consider both the indirect and induced multiplier effects associated with the scheme, reference has been made to benchmarks outlined within additionality guidance. For operational activity, a composite employment multiplier of 1.15² to the local-level analysis has been applied reflecting the scale of the proposed development; and
- **Deadweight** – deadweight has been calculated through the assessment of the Do Minimum/ Business As Usual option as set out above.

2.2 Intervention outputs and outcomes

The gross expected outputs of the project are outlined in Table 2-1. These outputs are based on inputs from Saunders Boston (architects) and Max Associates (Leisure Consultants), as well as costings from Varsity RICS with support from South Holland Council's project team.

¹ Based on BIS/CEA Guidance in the HCA Additionality Guide, Fourth Edition, 2014

² Based on the HCA Additionality Guide, Fourth Edition, 2014

Table 2-1: Outputs		
	Reference Case	Intervention
Commercial floorspace (sqm)	-	37,520
Public realm enhanced (Ha)	-	0.36
Qualifications – completions (Apprenticeship level 2)		55 across the appraisal period
Qualifications – completions (Apprenticeship level 3)		26 across the appraisal period
Residents with access to sport (per year, once stabilised)	-	288,997
Residents with swimming access (per annum)		1,100
Residents with personal, civic and social development (per year, once stabilised)	-	50
Volunteers (per year, once stabilised)		30

The employment-generating floorspace in the Health and Wellbeing Hub is split between C2/C3 (8,770 sq m) and D2 (28,750 sq m) use classes as set out in the scheme drawings. The employment calculations for the project have been determined using the employment density ratios consistent with guidance produced for Homes England³.

2.3 Local employment and GVA effects

Based on the additionality assumptions in HCA Additionality Guide and the employment densities guidance, the project creates around 401 net additional jobs for South Holland residents, contributing over £22.5m per annum in GVA. These benefits will have a considerable effect on the local economy, helping to stimulate a recovery from Covid-19.

Table 2-2: Local employment and GVA effects	
	Intervention
Employment	
Gross direct jobs	656
Gross local direct jobs (leakage)	465
Net local direct jobs (displacement)	348
Total net local jobs (multiplier)	401
Deadweight (after 10 years)	0
Total net local additional jobs	401
GVA (£ per year, once complete and occupied)	
Gross direct GVA	36,874,459

³ Homes and Communities Agency, (2015); Employment Density Guide: 3rd Edition

Gross local direct GVA	26,136,616
Net local direct GVA	19,602,462
Total net local GVA	22,542,832
Deadweight	0
Total net local additional GVA	22,542,832

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3 Economic costs

3.1 Basis of the Intervention Costs

Varsity RICS has developed a detailed Cost Plan for the scheme, informed by the work of the project architects (Saunders Boston). Varsity RICS are experienced quantity surveyors for sporting facilities. Key assumptions are set out within a detailed Cost Plan, and costs have been benchmarked based on the significant experience of the advisors in relation to other current schemes. The detailed Cost Plan makes provision for professional fees, marketing costs, developer contingency and finance costs.

3.2 Converting Financial to Economic Case

The nominal financial costs in the Financial Case (Deliverability section) have been converted to economic costs in line with the Green Book approach by using the Office for Budget Responsibility (OBR) Economic and Financial Outlook 2022 to convert estimates of future costs to constant (2022/23) prices.

The constant price costs have been adjusted to present value costs by applying the Treasury's Social Time Preference discount rate of 3.5% per annum. Public capital expenditure within the programme is expected to run until 2025, in line with the Levelling Up guidance.

3.3 Optimism Bias

The economic costs for each intervention include an allowance for Optimism Bias. This has been estimated using an Optimism Bias Mitigation Model based on the Supplementary Green Book Guidance produced by Mott MacDonald. A summary of the most significant mitigations made for each intervention is included in **Table 3-1**. Appendix A presents these calculations.

Table 3-1: Optimism Bias Mitigation, by Intervention				
Intervention	Type	Upper Bound OB	Mitigated OB	Comments
Health and Wellbeing Hub	Standard Building	24%	10%	Key mitigations include reducing the impact of an inadequate business case, as LUF application has involved inputs from business case and other specialists; reduced impact of poor contractor capabilities, as procurement processes will thoroughly consider capability of contractors prior to the award of the contract; and public relations, given that there has been early stakeholder involvement in shaping the plans.

Regarding duration of works, the mitigations mean that any overrun is expected to be a maximum of 2% of the duration of the building works. It is not expected that this would have material impact on programme costs. However, the impact of higher costs is tested in the sensitivity analysis.

3.4 Economic costs

The estimated undiscounted and discounted public sector costs of the project in constant 2022/23 prices are set **Table 3-2** below.

The costs for the LUF intervention are based on cost appraisals and financial modelling undertaken for the project. The project involves the same project type throughout (as set out in the Supplementary Green Book Guidance – Optimism Bias) and is therefore subject to the same optimism bias range. As set out above, in the case of the South Holland LUF project, optimism bias is 10% once mitigation has been applied based on the Supplementary Green Book Guidance. This optimism bias has been applied to the costs.

The public sector costs have been discounted accordingly at 3.5% per annum and inflation has been removed from nominal prices as set out above.

The total net marginal economic cost for the project is £26,292,368.

Table 3-2: Public sector economic costs (£)					
	2022/23	2023/24	2024/25	Future	Total
Gross public sector cost (nominal undiscounted prices)	£2,000,000	£15,000,000	£8,995,000	-	£25,995,000
Optimism bias	£201,120	£1,508,400	£904,537	-	£2,614,057
Gross public sector cost incl. O.B. (nominal undiscounted prices incl. O.B.)	£2,201,120	£16,508,400	£9,899,537	-	£28,609,057
Net marginal public sector (real discounted prices inc. O.B.)	£2,201,120	£15,336,678	£8,754,570	-	£26,292,368

4 Economic benefits

4.1 Introduction

The framework for assessing the economic benefits of the Health and Wellbeing Hub project has been developed having regard to the HM Treasury Green Book, guidance published by DLUHC and other government departments such as BEIS and DCMS. The DCMS Culture and Heritage Capital Evidence Bank has been used for the cultural related benefits. In order to ensure robustness, only studies with an overall 'high' quality rating have been used.

Reflecting the diverse nature of the interventions and their expected impacts, as well as the existing conditions within South Holland, a wide range of benefits have been assessed. The following benefits have been included in the initial Benefit Cost Ratio (BCR) following published guidance, as set out below:

- Land value uplift calculations (cited in Green Book);
- Cost savings from reduced levels of crime;
- Amenity values arising from new public realm (cited in Green Book and Appraisal Guide);
- Labour supply benefits associated with the job creation and reduction in barriers (cited in previous DLUHC guidance for Future High Street Fund);
- Wellbeing benefits from moving unemployed residents into employment (cited in Green Book Supplementary Guidance for Wellbeing);
- Wage premia benefits from educational programmes (cited in Green Book and Appraisal Guide);
- Wellbeing benefits from physical exercise;
- Health improvement benefits;
- Wellbeing benefits from personal, social, and civic development programmes (cited in Green Book Supplementary Guidance for Wellbeing);
- Wellbeing benefits from volunteering (cited in Green Book Supplementary Guidance for Wellbeing).
- Decongestion transport benefits;
- Health transport benefits;
- Absenteeism transport benefits; and
- Journey ambience benefits.

An adjusted BCR has also been calculated having regard to distributional benefits, which although do not form part of the main analysis due to the Levelling Up Guidance, are highlighted considering South Holland's significant deprivation:

- Distributional benefits – based on equivalised disposable income as set out in the Green Book and reflecting the high levels of deprivation in South Holland.

This section sets out the assessment of initial benefits. The values presented in the tables below are the **net marginal benefits of the intervention at a national level**, accounting for additionality as explained above to be prudent about the truly new activity, although the interventions are expected to be transformational. It should be noted that for the transport-related benefits, an additionality rate of 100% is applied as an exception to the 70.4% rate otherwise used.

The benefits included are valued at 2022/23 prices and have been discounted to present values.

4.2 Land value uplift

This benefit captures analysis of changes in land values, which reflect the economic efficiency benefits of converting land into a more productive use. The existing land value is subtracted from the value of the more productive use.

The estimates of land value uplift have been calculated based on project information in accordance with DLUHC guidance. The values of existing land have been informed by insight from the experienced valuation team. The appraisal value after the intervention has been informed by data from the Land Value Estimates for Policy Appraisal 2019.

The resultant land value uplifts for the intervention is £6,597,324.

4.3 Crime cost savings

Spalding suffers from high levels of certain types of crime, reflected within police statistics and IMD crime sub-domain. The LUF intervention is expected to lead to a reduction in the number of crimes in the area, resulting in cost savings. The fall in crime is expected to arise from improved design of public areas incorporating lighting and Secure by Design principles, removal of vacant buildings and increased natural surveillance.

Information on the current levels of crime in Spalding is taken from the data.police.uk website. Not all crime is reported to or recorded by the police. To account for this, a multiplier has been applied to the number of recorded crimes, with different multipliers used for different types of crime, reflecting the varying likelihoods of different crimes being reported. The multipliers are sourced from Home Office research. The estimated costs to society of each crime type are composed of three elements: costs incurred in anticipation of crime (such as security expenditure), as a consequence of crime (such as property stolen and emotional or physical impacts), and in response to crime (costs to the criminal justice system). These costs are taken from the Home Office Research Report and have been updated to 2022/23 prices.

The expected cost savings from these effects on crime are £634,736.

4.4 Amenity benefits from public realm

Public open space gives rise to external amenity benefits which are not captured in the land value. Within an area such as South Holland these benefits can include providing space for recreation

through leisure and tourism, providing accessibility for pedestrians and cyclists, adding to the cultural heritage of an area and providing a space for tranquility, ecology and contributing to air quality. The DLUHC Appraisal Guide includes estimates of the external amenity benefits of different land types, drawing on research by consultants Eftec and Entec.

Consistent with the DLUHC Appraisal Guide, it has been assumed that new green spaces in an urban environment have an economic benefit of £109,138 per hectare per annum (2016 prices). As the public realm area is enhanced existing space, 25% of this figure has been applied. This has been adjusted to 2022 prices and applied to the wider public realm area (0.36 Ha). It is assumed that the benefits will persist for the viable life of the asset.

The amenity benefit experienced as a result of the LUF project is £105,276.

4.5 Labour supply benefits

The project will deliver considerable employment-generating floorspace. The use class of this space will be C2/C3 (affordable extra care) and D2 (Health and Wellbeing Hub and Outdoor Spaces).

The employment calculations for the project have been determined by plans for the Health and Wellbeing Hub. AMION Consulting conducted the calculations using the employment density ratios consistent with guidance produced for Homes England. The following employment densities from the HCA Employment Density Guide are applied to the respective floorspaces in the programme:

- Health and Wellbeing Hub and Outdoor Space: 1 FTE per 125m² GIA floorspace;
- Affordable extra care: 1 FTE per 17.5m² NIA floorspace;

A local GVA per worker figure of £37,496 has been applied to the jobs taken up by new entrants has been used, based on Experian GVA forecasts for the above employment uses in South Holland. In line with the labour market availability and WebTAG guidance⁴, it is assumed 10% of jobs will be occupied by new entrants and there will be a 40% welfare impact for these jobs.

The estimated benefits arising from the project due to the reduction in barriers to employment for local workers is £3,938,867.

4.6 Employment wellbeing benefits

The delivery of new commercial floorspace at the Health and Wellbeing Hub will play a key role in creating and safeguarding employment in South Holland. In addition to the financial recompense people receive from employment, it is widely recognised that there is also a benefit to an individual from being in work. In particular, work and employment are important for a person's health and wellbeing helping to build confidence and self-esteem and improve both physical and mental health.

⁴ Department for Transport, (2018); TAG Unit A2.1: Wider Economic Impacts Appraisal

Research presented in supplementary Green Book guidance (2021) shows that a wellbeing value of £5,980 (£6,637 in 2022/23 prices) can be associated with someone moving from unemployment into full-time employment. The estimate of benefit again assumes that 10% of the overall employment is taken up by new entrants (individuals that were previously unemployed).

The estimated wellbeing benefits arising individuals accessing employment is £262,588.

4.7 Education benefits

It has been recognised that some of the main outputs from skills-based projects are ‘learner benefits’ (for example, apprenticeship starts). Where the project will encourage the take-up of further education apprenticeships, it is expected that there will be wider training and learning benefits for the economy. Additional GVA will be created as a result of upskilling amongst the workforce. Furthermore, apprenticeship starts are set to be a crucial element of the Government’s plan for job recovery following the Covid-19 pandemic, reflected in the “Plan for Jobs” speech⁵.

Training and learning benefits have been estimated by applying a wage premium percentage uplift to gross annual earnings for each apprentice at the Health and Wellbeing Hub, based on the qualification they will attain. The wage premium value which is applicable to each qualification level is informed by research undertaken on behalf of the then Department for Business, Innovation and Skills (BIS).⁶ For example, a wage premium of 16% is applied for Apprenticeship level 2 courses.

Table 3-1: Wage impact by provision type (2021 prices)			
Provision type	Base earnings	Wage premia	Wage impact
Basic skills*	£25,396	3%	£762
Development learning**	£25,396	3%	£762
Apprenticeship level 2	£29,020	16%	£4,643
Work based NVQ level 2	£29,020	9%	£2,612
Provider (Classroom) based NVQ level 2	£29,020	2%	£580
Apprenticeship level 3	£30,090	18%	£5,416
Work based NVQ level 3	£30,090	15%	£4,513
Provider (Classroom) based NVQ level 3	£30,090	11%	£3,310
Higher / Degree Apprenticeship Level 4+	£33,160	17%	£5,637
Provider (Classroom) based NVQ level 4	£33,160	14%	£4,642
Undergraduate degree	£33,160	27%	£8,953

⁵ <https://www.gov.uk/government/speeches/a-plan-for-jobs-speech>

⁶ BIS (2011), Measuring the Economic Impact of Further Education (BIS Research Paper Number 38); BIS (2011), The Returns to Higher Education Qualifications (BIS Research Paper Number 45)

Master's degree	£33,160	36%	£11,938
Doctorate degree	£33,160	43%	£14,259

These benefits have been assumed to last for 3 years, which is a cautious approach.

Based on this, the benefits arising from the education and skills provision within the project is £483,194.

4.8 Physical exercise wellbeing benefits

Research undertaken on behalf of DCMS has quantified the social wellbeing experienced by people who participate in a range of sporting activities (using the compensating surplus approach). The estimated wellbeing value per sports activity (£10.84 in 2014 prices) has been applied to the forecast throughput figures as calculated by Max Associates within their demand report.

The physical exercise wellbeing benefits arising from the South Holland LUF project total £42,138,610.

4.9 Health improvement benefits

The DCMS research also quantifies the social wellbeing experienced by people who participate in swimming (£15.67 per activity in 2014 prices). This value has been applied to the number of out of school children's swimming lessons that will be supported by this project as forecasted by Max Associates.

The health improvement benefits of the scheme are £244,591.

4.10 Personal, social & civic development

The Green Book Supplementary Guidance for Wellbeing provides a monetary value for the wellbeing benefits arising from personal, social, and civic development programmes. The benefit of attending these programmes has been monetised using the value of £5,200 per year (2020 prices) for each participant, as cited within the Wellbeing guidance. This value (which is a one-off rather than recurring benefit) has been applied to the number of unique participants in a range of activities which will be delivered at the Health and Wellbeing Hub.

The wellbeing benefits arising from the personal and social development activities which will be delivered at the South Holland Health and Wellbeing Hub totals £3,379,029.

4.11 Volunteering wellbeing benefits

The new community activity held at the Health and Wellbeing Hub will support a growing voluntary sector in South Holland. Specialists for the project have forecasted the number of volunteers supported by the intervention through use of the leisure/health facilities in the Hub and clubs who hire space.

The Green Book Supplementary Guidance for Wellbeing has identified value that people gain in terms of enhanced life satisfaction through volunteering. The estimate (2019 prices) is the uplift in life satisfaction caused by volunteering is worth on average around in the range of £911 per year per volunteering.

A 70% additionality rate has been applied to recognize that some volunteers would have accessed other opportunities in the absence of the project.

The life satisfaction benefits arising from the volunteering are calculated to be £301,060.

4.12 Decongestion transport benefits

Active mode benefits have been calculated through TfL's Active Mode Appraisal Toolkit (AMAT). This includes reductions in traffic congestion, greenhouse gas emissions, air quality, noise, accidents, infrastructure maintenance, and changes to indirect tax revenues as a result of a reduction in distance travelled by these modes.

The decongestion transport benefits total £2,129,141.

4.13 Absenteeism transport benefits

Active mode benefits have been calculated through TfL's Active Mode Appraisal Toolkit (AMAT). This benefit captures the lower work absenteeism which arises from health improvements from increased levels of physical activity.

The absenteeism transport benefits total £705,698.

4.14 Journey ambience benefits

Active mode benefits have been calculated through TfL's Active Mode Appraisal Toolkit (AMAT). This benefit captures the improvements in journey quality experienced by improved cycling and walking facilities, e.g. through perceived safety. This is a user benefit and is subject to the rule of a half.

The journey ambience benefits total £2,140,788.

5 Value for money assessment

5.1 Core analysis

The monetised BCR benefits for the intervention option is summarised in **Table 5-1**, accounting for the Reference Case. **The project supports a BCR of 2.57, which is significantly above the 1.5 rate which has been previously accepted in MHCLG funding pots.** This BCR has been tested within the LUF form sensitivity analysis, which demonstrates robustness to the main risks.

Table 5-1: Monetised BCR benefits (NPV, £m)	
Net marginal economic benefits	Intervention
Costs	
Net marginal public sector costs (including OB)	£26.3
Benefits	
Direct LVU	6.6
Crime and ASB cost savings	0.6
New Public Realm	0.1
Labour supply	3.9
Residents into employment	0.2
Education benefit	0.5
Physical exercise wellbeing benefits	42.1
Health improvement benefits	0.2
Personal and social development benefits	3.4
Volunteering	0.3
Decongestion transport benefits	2.1
Heath transport benefits	4.6
Absenteeism transport benefits	0.7
Journey ambience	2.1
Distributional analysis	11.2
Total Initial Benefits	£67.6
Total Adjusted Benefits	£78.8
Total Initial BCR	2.57
Total Adjusted BCR	3.00

Additionally, the proposal will have positive distributional effects, by encouraging investment within South Holland and East Lincolnshire, and helping to re-balance the economy away from London and the South East. It reflects the critical importance of the Health and Wellbeing Hub project in supporting the aims of the Levelling Up Fund through attracting investment and promoting a transition to a higher value economy within declining economies such as South Holland.

The approach used to calculate these effects is that set out in the HM Treasury Green Book, based on equivalised disposable household income and welfare weights (the estimate of the marginal utility of income). The Green Book distributional weighting framework is constructed using data from the DWP Households Below Average Income (HBAI) dataset. This dataset takes information from the Family Resource Survey (FRS) and constructs an income distribution profile for the UK, based on (weekly) net equivalised income before housing costs (BHC) and after housing costs (AHC). In the case of South Holland, the distributional weights are 1.2 for both AHC and BHC.

If this distributional analysis were included within the value for money assessment, the BCR would rise to 3.0 due to an additional £11.2 million of benefits. This assessment is critical given that the project is being submitted for Levelling Up Fund monies. The project is located in an area of severe deprivation that requires immediate investment.

5.2 Sensitivity analysis

5.2.1 Scenario testing

Sensitivity analysis has been undertaken to test the robustness of the value for money estimates and their susceptibility to change in any of the key conditions underlying the programme.

The first form of sensitivity analysis is scenario testing. This approach considers the potential implications of changes to key outputs or costs for the delivery of economic benefits and value for money. The scenarios include some more 'technical' changes – for example, adjusting optimism bias or other assumptions.

Based on the assessment of risk, the following scenarios have been run:

- **Scenario 1:** Optimism bias is applied at 24% (upper bound standard building project) for all costs
- **Scenario 2:** Optimism bias is applied at 10% on the benefits
- **Scenario 3:** 25% decrease user forecasts for physical activity
- **Scenario 4:** 25% increase user forecasts for physical activity
- **Scenario 5:** 10% reduction in benefits and 10% increase in costs

The effects of these tests on the initial BCR are shown in the below table for each option. The preferred option for this LUF bid remains robust to these technical changes, with the BCR remaining above 2.0:1 in all instances.

Table 5-2: Scenario tests	
	LUF intervention (initial BCR)
Core scenario	2.6
Scenario 1	2.2
Scenario 2	2.3
Scenario 3	2.1
Scenario 4	2.9
Scenario 5	2.1

5.2.2 Switching values

The second form of sensitivity analysis is the switching values method. This approach identifies the point at which the programme moves from offering 'acceptable' value to money (a BCR of over 1.0) to 'poor' value for money (a BCR of under 1.0), as defined in the DCLG Appraisal Guide. The switching values for both costs and benefits are assessed.

The below table presents the results from the switching values analysis. This analysis has been undertaken on the initial BCR. As can be seen, considerable changes to either the benefits or the costs must occur for the intervention to not represent good value for money. This analysis has taken place on the initial benefits, not accounting for the distributional analysis.

Table 5-3: Switching values	
	LUF intervention (initial BCR)
Percentage change in net additional benefits	-60.4%
Percentage change in net costs	152.6%

6 Wider non-quantified benefits

Building upon the analysis of quantifiable effects, consideration of the wider economic, social, and environmental benefits associated with each option has been undertaken. The following benefits have been considered as part of the contribution to local growth and development:

- **Image, perception, and vitality:** the scheme will sustain and greatly enhance central economic and social asset to greatly enhance the image of the area as place to live, visit, and work. The LUF award will help to establish a 'virtuous circle' of development and investment that will significantly enhance perceptions of the town, both internally and externally.
- **Agglomeration:** a consistent feature of modern economies is the concentration of economic activity in certain locations, most often cities or urban areas. Attracting new residents and businesses to the area, positive clustering and agglomeration impacts will occur.
- **Community pride** – The scheme will re-establish the heart of the town centre as a focus for work, leisure, and key services. High quality design, prominently situated in the centre, alongside the creation of facilities to host a wide range of community and civic functions, will contribute to enhancing community pride and integration.
- **Benefits to children** – The scheme will directly support local schools, groups, and clubs. The facility will be a focal asset for accessible use by children, where a direct need has been established. Creating the building blocks for children to develop is a critical part of Levelling Up. This facility will deliver significant benefits to these groups.
- **Addressing disadvantage** – The scheme will help to Level Up the area through its accessible facilities, as well as the programmes for social development (CPD), apprenticeships, and volunteering. These opportunities will be accessible to all groups, ensuring that residents in deprived areas surrounding the facility will benefit directly from the scheme.

A scoring and weighting framework has been adopted to assess the potential scale of the wider benefits under each option. Performance against each criterion is scored out of 10, while the weighting reflects the relative importance ascribed to each benefit based on the objectives for the project. The below table presents this assessment on non-quantified impacts, demonstrating the wider benefits that are expected to arise due to the LUF intervention.

Table 6-1: Non-quantified impacts			
Criterion	Weight	Do Nothing	Intervention
Image, perception and visibility	30%	3	9
Agglomeration	30%	3	8
Community pride	20%	4	9
Benefits to children	10%	3	8
Addressing disadvantage	10%	2	7

Overall score (out of 50)		15	41
Weighted score (out of 10)		3.1	8.4

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Annexe 1 – Optimism bias mitigation

Standard building: Health and Wellbeing Hub

Optimism Bias Upper Bound Guidance for Buildings Projects: Building-specific interventions						
Upper Bound Optimism Bias (%) ¹		Standard Buildings		Standard Buildings		Notes
		4	24	2	10	
		Works duration	Capital expenditure	Works duration	Capital expenditure	
Contributory factors to Upper Bound Optimism Bias (%) ²		Standard Buildings		Standard Buildings - Mitigation		
Procurement	Complexity of Contract Structure	1		50%		Simple contract structures will be in practice
	Late Contractor Involvement in Design	3	2	50%	50%	Procurement processes already clearly established and can commence as soon as possible
	Poor Contractor Capabilities	4	9	75%	75%	Largely mitigated through procurement processes which consider capability of contractors prior to award of contract, in addition to track record and ongoing relationships with suppliers
	Government Guidelines					
	Dispute and Claims Occurred	4	29	20%	50%	Partially mitigated through track record in the area and successful relationships with potential suppliers
	Information management					
Project Specific	Other (specify)					
	Design Complexity	3	1	25%	25%	Refurbishment with potential complexities understood - architects already involved from early stages
	Degree of Innovation	1	4	0%	50%	
	Environmental impact					
Client Specific	Other (specify)					
	Inadequacy of the Business Case	31	34	75%	80%	LUF application has involved inputs from AMION (economists and business case specialists) and other specialists, and is subject to ongoing due diligence work and ongoing support from the internal project team
	Large Number of Stakeholders	6		10%		Multiple stakeholders however, thorough engagement process is well underway and has demonstrated willingness to collaborate
	Funding Availability	8		25%		Dependent on LUF funding, as well as match funding
	Project Management Team		1		50%	Very experienced project managers within its team as shown by the application
	Poor Project Intelligence	6	2	50%	50%	Well-developed project intelligence systems to monitor progress in delivery of capital schemes
	Other (specify)		1		0%	
Environment	Public Relations	8	2	75%	75%	Early stakeholder involvement in shaping plans
	Site Characteristics	5	2	25%	25%	Sites often have some issues relating to unknown conditions however, this has been partly mitigated through ongoing due diligence work
	Permits/Consents/Approvals	9		10%		Early engagement with planning teams
External influences	Other (specify)					
	Political					
	Economic		11		30%	Programme has been designed in light of evidence of the impact of current economic climate on the economy and commercial market
	Legislation/Regulations	9	3	0%	20%	No changes to legislation or regulations anticipated
	Technology					
	Other (specify)					
		98	101	54.45	41.9	

¹ Note that these are only indicative starting values for calculating optimism bias contributions, because a project's optimism bias profile will change during its project lifecycle

² Contributions from each area are expressed as a % of the recorded optimism bias. Note: The sum of individual percentages contributions in each column may not add up to 100% due to rounding errors.