

P24-2881

11 February 2026

Caroline Fearon
Cumberland Council (Allerdale)
Development Management
Allerdale House
Workington
CA14 3YJ

Dear Caroline,

Response to Feedback received on Planning Application FUL/2024/0192 for development of land south of Low Road, Cockermouth.

Pegasus Group are writing on behalf of Lakeland Leisure Developments Ltd (the Applicant) to provide a formal response to feedback received from the Local Planning Authority on 17 December 2025, in respect of the abovementioned planning application. This letter seeks to respond to all outstanding comments on the planning application to allow the Local Planning Authority to proceed towards a positive determination of the planning application.

As part of this response, the following documents are enclosed and are to be read alongside this response letter:

- Financial Viability Assessment prepared by Sanderson Weatherall dated 29 January 2026;
- Flood Risk Assessment prepared by Beckwith & Hanlon dated February 2026; and
- Red Squirrel Survey Report prepared by SK Environmental Solutions Ltd dated January 2026.

Please note that an updated Location Plan (Drawing Number 21/08/999-01b) also accompanies this letter. The Location Plan has been updated to only demonstrate a change in land ownership (i.e. blue line boundary) since the planning application was submitted.

Response to Feedback

As mentioned, the Applicant received feedback from the Local Planning Authority on 17 December 2025, which made suggestions in relation to a number of elements of the scheme. We now consider these in turn below and provide a response to each piece of feedback.

Siting/Layout/Design

The comments received on 17 December 2025 refer to earlier correspondence but summarise the main issue with the design as follows:



'The fundamental issue is the number of units proposed is considered inappropriate for the characteristic of the site and its wider setting, specifically to the regimented form along the eastern boundary...'

As demonstrated in later sections of this letter, the development presented for determination has had to strike the balance between many competing factors such as meeting housing need, delivering a high quality design, delivering a viable development proposal, delivering public benefits, and mitigating flood risk and climate change. The design and layout presented for determination is considered to strike this balance which is in accordance with the criteria contained in Paragraph 129 of the National Planning Policy Framework (NPPF) which requires:

'Planning policies and decisions should support development that makes efficient use of land, taking into account

- a) The identified need for different types of housing and other forms of development, and the availability of land suitable for accommodating it;*
- b) Local market conditions and viability;*
- c) The availability and capacity of infrastructure and services...*
- d) The desirability of maintaining and area's prevailing character and setting (including residential gardens), or of promoting regeneration and change; and*
- e) The importance of securing well-designed, attractive and healthy places.'*

Whilst the proposed development considers all criteria of Paragraph 129 of the NPPF, in terms of responding to the 'fundamental issue' of the Planning Officer, Pegasus Group wish to draw attention to criteria b above which requires developments to take into account viability. As demonstrated later in this letter, the viability of the site is such that the scheme can not deliver a lower number of properties which still making efficient use of land and delivering a high standard of design.

The design and layout has been considered in the submitted Heritage Statement prepared by Graeme Ives which includes specific assessment of the heritage impacts in Chapter 5 of the Heritage Statement. It is accepted that the Applicant and the Local Planning Authority (LPA) share a difference of opinion with regards the layout. However, Pegasus Group consider that the Local Planning Authority have not demonstrated how the design of the proposed development represents a poor standard of design or how it fails to positively contribute to the character or quality of the site and surrounding area in order to demonstrate conflict with Policy S4 of the Allerdale Local Plan. The Applicant does not intend to make any further submissions that relate to the layout of the scheme, and as such this matter is not considered further.

Impact upon Listed Building

The feedback received from the Planning Officer sets out that the position of the LPA has not changed with regards the development's impact upon The Fitz, and that they would not support the development owing to a perceived negative impact upon the significance of the asset.



The impact of the proposed development on the Grade II Listed Building (The Fitz) is assessed in detail in the submitted Heritage Statement prepared by Graeme Ives. The applicant does not wish to not make any further submissions to address the impact on the Listed Building other than to say it is assumed that the Local Planning Authority agree that the impact on the significance of the heritage asset to be less than substantial and no more substantial than the scheme which benefits from extant planning permission. In such circumstances, Paragraph 215 of the NPPF requires such impacts to be weighed against the public benefits of the proposed development. The public benefits are considered further in this letter.

Affordable Housing

The Planning Officer has identified that the proposed development does not provide 40% affordable housing as stipulated in Policy S8 of the Allerdale Local Plan. However, it is accepted by both parties that the submitted Financial Viability Assessment has not yet been subject to peer review by a consultant on behalf of the Local Planning Authority. Furthermore, Policy S8 of the Allerdale Local Plan does identify that there may be occasions where the full policy compliant level of affordable housing can not be provided. Policy S8 states:

'The Council recognise that in some cases viability of housing sites can be marginal and therefore a flexible approach is required. Where the viability of schemes fall short of the policy requirements, the onus will be on the developer/ landowner to clearly demonstrate the circumstances justifying a lower affordable housing contribution or a different tenure mix.'

The Applicant has commissioned an updated Financial Viability Assessment dated 29 January 2026. In this Financial Viability Assessment, it is evidenced that if the planning application was to include 40% affordable housing then there would be a residual value / developer profit of 7.78% of gross development value with zero benchmark land value. At this level, the development would be unviable and would not proceed. With the inclusion of 9% affordable housing at discounted market sale, the residual value / developer profit would be 13.71% with zero benchmark land value¹. This still remains significantly below the generally accepted position of 20% residual value / developer profit.

As outlined in the Financial Viability Assessment, the scheme is not at the generally accepted level of residual value / developer profit which would be realistically expected in the open market. However, some affordable housing is possible due to the unique circumstances of the Applicant who acquired the land as part of a historic purchase of The Fitz. At that time the purchase of the property was primarily around the value of the building with the significant land holdings being purchased as part of the deal for a modest sum. The Applicant is able to effectively proceed with a scheme at nil land cost as they intend to deliver the scheme themselves and realise their return

¹ The benchmark land value / developer profit would be less if social rented / affordable rented dwellings were provided on site. For this reason, the Applicant's strong preference is for affordable housing to be provided as discounted market value properties. However, this can be subject to further dialogue with the Local Planning Authority.



through a normal developers profit on the scheme and can accept the land value as a historic and modest sunk cost. The Applicant is confident that this position will be evidenced as being accurate when the Local Planning Authority have the Financial Viability Appraisal peer reviewed. Following the peer review, the Applicant is hopeful that the Local Planning Authority will be fully informed of the complexities of delivering this site despite the many competing factors such as meeting housing need, delivering a high quality design, delivering a viable development proposal, delivering public benefits, and mitigating flood risk and climate change.

Housing Mix

It is noted that the Local Planning Authority would prefer the development to deliver a market housing mix more closely aligned with the Council's Strategic Housing Market Assessment as follows:

Number of Bedrooms	Requested Housing Mix
One bedroom	18%
Two bedrooms	48%
Three bedrooms	30%
Four + bedrooms	4%

The submitted Financial Viability Assessment considers a scenario of the proposed development following this preferred housing mix. The Financial Viability Assessment refers to this housing mix as a 'Hypothetical 44 Unit Scheme'. Under the Hypothetical 44 Unit Scheme, the residual value / developer profit would equate to 7.7% of gross development value with zero benchmark land value. This is almost half the level of residual value / developer profit against the submitted scheme (but with zero affordable housing under the Hypothetical 44 Unit Scheme). At such a low level of residual value / developer profit, it is not foreseeable that such a hypothetical scheme would ever be delivered. The financial viability of the Hypothetical 44 Unit Scheme further serves to demonstrate the challenges of delivering the scheme despite the many competing factors such as meeting housing need, delivering a high quality design, delivering a viable development proposal, delivering public benefits, and mitigating flood risk and climate change.

Flood Risk Assessment / Sequential Test

An updated Flood Risk Assessment accompanies this letter which demonstrates that following raising of site levels and compensatory improvements on and off site (within the freehold ownership of the Applicant) the application site will be in Flood Zone 1 and will be at no risk of flooding from rivers or sea or from reservoirs. As demonstrated in the submitted Flood Risk



Assessment, the model results indicate that for the baseline scenario there is a risk of flooding to Cockermouth and the site location for the 1.0% Annual Exceedance Probability (AEP) and greater events. With the proposed mitigation measures in place the site is free from flooding for all events up to and including the 0.1% AEP event, including the 1.0% AEP event plus a 40% allowance for climate change. The flood mitigation works also result in the following benefits:

- Low Road is free from flooding, including the access to the Laureats development west of the site;
- The Lakes Home Centre is flood free;
 - During a breach of the flood wall that provides this protection the flood risk to Low Road and Lakes Home Centre is less than compared to the baseline situation;
- The Wastewater Treatment Works to the west has reduced flood risk compared to the baseline situation;
- Gote Road and the cricket club have reduced flood risk compared to the current arrangement; and
- Fitz Park is free from flooding.

Overall the proposed mitigation measures provide a net reduction in flood risk for Cockermouth with only small isolated areas of increased peak flood levels on open green space on land beyond the Applicant's ownership that already floods, with no change in hazard rating to those areas.

A Flood Risk Sequential Test and Exception Test was submitted in May 2025. Although the Lead Local Flood Authority questioned the appropriateness of the Sequential Test and Exception Test based upon the findings of the flood modelling at that time as parts of the site would remain in Flood Zones 2 and 3 after mitigation measures, Pegasus Group note that the revised flood risk modelling demonstrates that all parts of the sites will be in Flood Zone 1 now and in the future meaning that the previous Flood Risk Sequential Test and Exception Test is passed.

Red Squirrel Survey

The feedback received noted that in June 2025, the Council ecologist requested the undertaking of a red squirrel survey in the part of the woodland that lies within the site boundary to ascertain the presence of breeding red squirrels within this area. This survey has now been conducted and is submitted to the LPA for consideration. The submitted Red Squirrel Survey finds that red squirrels do not use the area of Fitz Woods within 30m of the site boundary for breeding. The Survey concludes that the development would be beneficial to the local red squirrel population.

Biodiversity Net Gain

The Planning Officer notes that hedges within residential curtilage can not be considered to contributing to Biodiversity Net Gain (BNG). Drawing Number 14/11/848-210a was submitted to the Local Planning Authority in October 2025. This drawing demonstrates that features within residential curtilage, regardless of them being maintained by a Management Company, have not been included in the BNG calculations. The proposed development continues to propose delivering



BNG through a combination of on site and off-site enhancements. This can be controlled by an appropriately worded planning condition.

Planning Balance

Although the above commentary and associated attachments respond to the comments made by the Local Planning Authority in the correspondence of 17 December 2025, Pegasus Group consider that the determination of the planning application needs to be framed in the basis of Section 38 of the Planning and Compulsory Purchase Act in that planning applications should be determined in accordance with the Development Plan unless material considerations indicate otherwise.

It is common ground between the Applicant and the Local Planning Authority that the former Allerdale Borough Council area can not demonstrate a 5 year housing land supply. Under such circumstances, Paragraph 11 of the NPPF requires planning applications to be approved without delay if they accord with an up-to-date development plan; or grant permission unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits².

The approach to determining the application is commonly interpreted as the 'tilted balance' in favour of granting planning permission.

In this regard, Pegasus Group consider the planning balance as follows:

In favour of granting planning permission

- Delivering residential development on land which is predominantly identified as a Housing Commitment in the Local Plan;
- Delivering residential development in a Key Service Centre;
- Providing affordable housing to meet an identified need;
- Delivering a minimum of 10% Biodiversity Net Gain;
- Delivering efficient use of land in accordance with the criteria of Paragraph 129 of the NPPF;
- Providing wider public benefits in terms of flood risk by creating a net reduction in flood risk to Cockermouth;
- Reducing flood risk at critical infrastructure of the Cockermouth Wastewater Treatment Works;
- Improved connectivity for existing and future residents by facilitating a pedestrian crossing to the west of the application site for safe crossing of Low Road towards the eastbound bus stop;

² In following this determination process, Pegasus Group are of the opinion that as the majority of the site is an identified housing commitment and benefits from extant planning permission, and as flood risk can be appropriately managed, that risk of flooding does not create a strong reason for refusing planning permission as per Footnote 7 of the NPPF. Similarly, the less than substantial harm to the significance of a heritage asset does not create a strong reason for refusing planning permission due to the impact being no greater than the extant planning permission.



- Economic benefits during the construction and operation stage;
- Meeting an identified need for homes.

Matters against granting planning permission

Please note that the matters below are based on Pegasus Group’s understanding of the matters raised by the Local Planning Authority and are not an acceptance from the Applicant that these matters are against the granting of planning permission.

Matters raised by the Planning Authority	Pegasus Group Response
Poor design	<p>Please see comments made earlier in this letter and in the submitted Design and Access Statement and Heritage Statement which demonstrate the design rationale of the proposed development.</p> <p>Pegasus Group consider that the Local Planning Authority have not demonstrated how the design of the proposed development represents a poor standard of design or how it fails to positively contribute to the character or quality of the site and surrounding area in order to demonstrate conflict with Policy s4 of the Allerdale Local Plan.</p>
Housing mix not in accordance with the mix requested by the Local Planning Authority	<p>As demonstrated in the submitted Financial Viability Appraisal, the proposed housing mix has been proposed to improve the viability of the scheme as much as possible whilst still allowing the public benefits of the scheme to be achieved. As evidenced in the Financial Viability Appraisal, delivering a housing mix to the preferred requirements of the Local Planning Authority would affect the viability of the scheme to a level where it would be doubtful that the scheme would proceed.</p>
Affordable housing not at a level of 40% as stipulated in Policy S8 of the Allerdale Local Plan	<p>Although the proposed development does not include 40% affordable housing, Policy S8 of the Allerdale Local Plan states that:</p> <p><i>‘The Council recognise that in some cases viability of housing sites can be marginal and therefore a flexible approach is required. Where the viability of schemes fall short of the policy requirements, the onus will be on the developer/ landowner to clearly demonstrate the circumstances justifying a lower affordable housing contribution or a different tenure mix.’</i></p> <p>It is considered that the circumstances to justify a lower affordable housing contribution and different tenure mix (of Discounted Market Value) is evidenced in the submitted Financial Viability Appraisal which demonstrates compliance with Policy S8 of the Allerdale Local Plan.</p>



Less than substantial harm on the significance of The Fitz	As demonstrated in the submitted Heritage Statement, the impact of The Fitz is considered to be no greater than the fall-back position (i.e. the scheme with extant planning permission). However, as noted in the NPPF, the less than substantial harm to the significance of The Fitz needs to be balanced against the public benefits of the proposed development identified above.
------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

In considering the planning balance in its entirety, it is evident that the development subject to planning application reference: FUL/2024/O192 needs to strike a balance between many competing requirements / demands of meeting housing need; development viability; flood risk; and heritage. Overall, it is considered that there is no policy justification for refusing planning permission and that the scheme strikes the right balance in terms of proposing a scheme which is deliverable and viable; provides a net reduction in flood risk in Cockermouth; reduces flood risk at critical infrastructure of the Wastewater Treatment Works; delivers a proportion of affordable housing despite the residual value / developer profit being reduced significantly below accepted levels; and delivers homes in an area with an identified need. Pegasus Group consider that the 'harm' identified by the Local Planning Authority in terms of, inter alia, design and housing mix do not significantly and demonstrably outweigh the benefits of the proposed development.

Pegasus Group request that the planning application is subject to re-consultation and that the submitted Financial Viability Assessment is subject to peer review. After re-consultation and peer review, Pegasus Group are hopeful that the Local Planning Authority can fully understand the challenges of developing the site and appreciate that the development strikes the right balance of delivering a viable scheme delivering housing in an area with an identified need and providing associated public benefits.

I look forward to receiving a formal response from the Local Planning Authority in the hope that the revised information submitted will support a positive assessment and assist in the progression of the application toward a positive determination.

I trust the contents of this letter, and the accompanying information, to the address matters raised in feedback received in December 2025. Should you have any further questions or require further clarification on any matters, please do not hesitate to contact me.

Yours sincerely,

Dominic Waugh
Senior Director – Planning
dominic.waugh@pegasusgroup.co.uk