PINS APPEAL REF: APP/K3605/W/20/3249790

SUMMARY PROOF OF EVIDENCE

OF

WILLIAM GITTUS

<u>Introduction</u>

1. My name is **William Angus Gittus** and I am the Group Property Director of The Jockey Club, responsible for overseeing its property portfolio. In this appeal, I represent the Appellant, Jockey Club Racecourses Limited (JCR).

The Jockey Club

2. JCR operates their racecourses under Royal Charter, which requires all profits made being reinvested into supporting the sport of horseracing in Great Britain. The Jockey Club's mission is to act for the long-term good of British Racing, which is the second most popular spectator sport and a major industry employing 17,400 FTE core, 85,000 direct, indirect and associated employees contributing £1.1bn to the UK economy.

Sandown Park Racecourse

- 3. Sandown Park is a nationally important racecourse in Esher and hosts the world-famous Eclipse Group 1 race attracting UK and international runners. It is the only turf "dual code" racecourse staging both flat and jump racing in the outskirts of London.
- 4. The racecourse buildings have been subject to continued 'patch and mend' maintenance and recent refurbishment of two hospitality rooms. However, the racecourse is in urgent need of extensive refurbishment, and suffers from low retention of customers with their feedback being "poor" in terms of experience and facilities.
- 5. Sandown is a major contributor to the local Elmbridge economy with some 157,000 spectator attendees, with a direct economic impact of over £6.4m and GVA impact of some £3m (2018 figures). In terms of employment, it provides 110 FTE positions and supports 480 suppliers, 277 of which are in Elmbridge Borough and neighbouring postcodes (the latter equivalent to a £4.04m Elmbridge spend) and generates significant additional temporary employment at racedays and events, equivalent to approximately 17,000 shifts, 73 FTE annually.
- 6. A 150-bed hotel would create additional permanent and part time new jobs (estimated to be at least 100 FTE jobs).

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The Planning Application

- 7. The purpose and objective of the proposals is to carry out the transformation, upgrading and enhancement of Sandown to bring up its standard to premium, for which there is a pressing need and to make it viable, resilient to economic and other changes for the foreseeable future. It seeks to ensure that the substantial economic and tourism benefits it brings locally to the Elmbridge area and to racing in the UK more generally are secured. Importantly, it is not to carry out residential development except to achieve and facilitate these goals.
- 8. The racecourse facilities at Sandown require significant and urgent restoration and enhancement that is not a short-term fix but a long-term solution, in order to ensure that that users and visitors are retained, and Sandown is secure economically. There is substantial choice for discretionary spend on sport, leisure and recreation elsewhere.
- 9. The proposals which are the subject of the planning application are the minimum required to arrest the decline of Sandown and to bring about transformational enhancement of Sandown. All the net receipts obtained after the proposed development is carried out will be spent on a future programme of continued improvements and maintenance at the Racecourse, to retain its position as a major sporting, recreational and events venue.

The proposed transformational works

- 10. <u>Site A</u> contains the racecourse operational area, including the stables, veterinary facilities and testing labs which are in a very poor state of repair and in urgent need of replacement in order to comply with health and safety as well as equine welfare standards. Sandown Lodge, the racecourse's racing staff accommodation, is relatively low-quality. Both would be replaced with well-designed accommodation required to meet modern racing standards.
- 11. Site B contains the proposed hotel and is required to support Sandown's conference and events business as well as visitors to race meetings and business users and visitors to the area. There is a shortage and there are none of quality within at least 2 miles. A good quality modern hotel offering a full range of facilities located on or adjacent to a racecourse is now required for any high-quality racecourse by racegoers as well as those visiting the racecourse to attend events and visiting the area for business.
- 12. Site C, the Family and Community Zone will be a major benefit for racegoers with a young family. It has been a strong ambition of JCR to provide more family facilities at their racecourses and there is a clear need for this at Sandown. The Zone will be available throughout the year for the benefit of Elmbridge residents who through the Community Use Agreement will be permitted to use it free of charge, a substantial benefit to the local community.
- 13. <u>Site D</u> is currently used as a car park, but its poor surface becomes muddy in winter and on occasions becoming waterlogged and unusable. It is proposed to lay "grasscrete" on about half of Site D but it will not be visible and the use will remain unchanged.

FOR DEVELOPMENT OF SANDOWN PARK RACECOURSE

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- 14. <u>Sites E1 and E2</u> are on the racetrack itself and the proposed track widening will increase the area of racing surface on the bends, enabling better ground to allow higher quality racing and reduce abandonments.
- 15. <u>Site F</u>, the frontage car parks leading to the coach and lorry parks are poorly laid out, causing traffic on racedays to back up onto Portsmouth Road causing traffic congestion within the Esher area. The proposals will materially improve the situation and high quality landscaping will significantly enhance the Portsmouth Road frontage and Main Entrance to the Racecourse for racegoers, events visitors, heritage and townscape.

Buildings

- 16. Buildings surveys reveal a requirement for extensive works both internally and externally, agreed with the Council to cost at least £36m.
- 17. The grandstand is deteriorating in its quality and requires significant works to bring it up to modern standards and meet customer expectations.
- 18. The children's nursery at the Toll House on Site 5 is proposed to be replaced by a new nursery building for the benefit of the local community.

Enhancements to other areas outside the planning application area

- 19. The larch lap paling fencing along the central part of More Lane is to be replaced to open up views across the Racecourse and horseracing not currently obtainable at ground level, to the significant benefit of users of More Lane.
- 20. In addition, environmental, heritage, highway safety, amenity, arboricultural and biodiversity/ecological enhancement is proposed, including to the listed Racecourse Gates, accessibility to Esher Station, planting wildflower meadows, erecting bat boxes, planting and maintaining c225 trees and carrying out survey, monitoring and maintenance work on Littleworth Common, an SNCI.

The proposed new housing on Sites 1-5

21. The purpose of seeking planning permission for 318 dwellings on JCR land is to generate sufficient funds, the minimum required to carry out the transformational enhancement works to Sandown. It would also deliver 20% or c64 affordable housing units. Without sale of the land for housing with planning permission as proposed, the transformation of Sandown will not take place. Continued 'patch and mend' will result in its decline.

Potential funding sources

22. The Jockey Club has explored all sources of funding for the proposals. In 2018 (the latest published accounts) The Jockey Club made a net profit of only £4.5m on a turnover of £214.6 million, or 2.1%, about half the minimum interest rates available before loan capital repayments. All of this net profit is required for minor capital projects, revenue subsidy and other forms of financial support at its 15 racecourses, including those in peripheral rural areas which depend on them economically.

SUMARRY PROOF OF EVIDENCE OF WILLIAM GITTUS ON BEHALF OF APPELLANT APPEAL BY JOCKEY CLUB RACECOURSES LIMITED FOR DEVELOPMENT OF SANDOWN PARK RACECOURSE

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- 23. Sandown has run at marginal profitability over a number of years requiring support from other operations. The COVID19 crisis has caused a significantly greater loss of (to date) £90 million in revenue in 2020 to JCR which will take years to recover from.
- 24. There is no spare money available from internal sources for major capital projects such as that proposed at Sandown and there will not be any for at least the next 10 years and probably more.
- 25. The taking on of additional debt would be unaffordable and the priority for the foreseeable future is to maintain standards but reduce debt significantly.
- 26. As such, if planning permission is not forthcoming, the proposed transformational works will not take place in accordance with this long-term masterplan for Sandown, the production of which was encouraged by Elmbridge District Council.
- 27. By contrast, if planning permission is granted, Sandown will be returned to be a high-quality racecourse and events venue with a secure future, for the benefit of the British racegoing public and wider business and leisure users, the local economy and many others in Elmbridge and the wider area.