

Kettering Borough Council KETTERING RETAIL SITES STUDY



ROGER TYM & PARTNERS
Planners and Development Economists

Final Report
February 2007

ROGER TYM & PARTNERS

17 St Ann's Square
Manchester
M2 7PW

t 0161 834 0833
f 0161 834 0818
e manchester@tymconsult.com
w www.tymconsult.com

This document is formatted for double-sided printing.

CONTENTS

| | | |
|----------|---|-----------|
| 1 | PURPOSE OF THE STUDY AND STRUCTURE OF REPORT..... | 1 |
| | Purpose of the Study | 1 |
| | Structure of the Report..... | 1 |
| 2 | NATIONAL PLANNING POLICY CONTEXT..... | 3 |
| | Introduction | 3 |
| | The Government's Objectives..... | 3 |
| | Positive Planning for Town Centres: A Plan-led Approach | 4 |
| | Development Control | 7 |
| | Conclusions and Changes in Emphasis..... | 10 |
| 3 | REGIONAL, SUB-REGIONAL AND LOCAL PLANNING POLICY CONTEXTS..... | 13 |
| | Regional and Sub-regional Policy | 13 |
| | Local Planning Policy..... | 15 |
| | Kettering Town Centres Studies | 17 |
| 4 | NORTH NORTHANTS TOWN CENTRES STUDY (AUGUST 2005) - SUMMARY OF KEY FINDINGS | 21 |
| | Introduction | 21 |
| | The Current Network of Centres | 21 |
| | Global Comparison Retail Capacity in the Study Area | 21 |
| | Apportionment of Floorspace Requirements Across the NNGA..... | 22 |
| | Update of the Retail Capacity Forecasts..... | 23 |
| 5 | DEFINITION OF THE CANDIDATE SITES..... | 27 |
| | Introduction | 27 |
| 6 | CONSIDERATION OF COMPARISON RETAIL FLOORSPACE POTENTIAL | 31 |
| | Development Plots..... | 31 |
| | Plot Ratios | 32 |
| | Resultant Floorspace Achievable at Each Site | 32 |
| 7 | EVALUATION OF THE RETAIL GROWTH OPTIONS..... | 35 |
| | The Evaluation Matrix | 35 |
| | Evaluation Findings | 36 |
| | Implications of Taking Forward the Highest-Scoring Sites | 38 |
| 8 | OVERALL CONCLUSIONS AND DELIVERY IMPLICATIONS | 45 |
| | The Scale of the Comparison Retail 'Need' | 45 |
| | Opportunities for Meeting the Quantitative Need | 45 |
| | Phasing..... | 47 |
| | Preparing an Expansion Framework..... | 47 |
| | Incorporation Into Adopted Planning Policy | 49 |
| | Delivery Mechanisms..... | 51 |

1 PURPOSE OF THE STUDY AND STRUCTURE OF REPORT

Purpose of the Study

- 1.1 In August 2005, Roger Tym & Partners (RTP) completed the North Northamptonshire Centres Study for the North Northamptonshire Joint Planning Unit (NNJPU). The Centres Study identified a requirement for a substantial quantum of additional comparison retail floorspace in Kettering in the periods to 2021 and to 2031, which should be met as part of a 'balanced three centres' strategy, the other strategic centres being Corby and Wellingborough.
- 1.2 Kettering Borough Council has received provisional approval for DCLG funding to initiate the process of implementing key town centre opportunities. This funding must be spent by March 2008. Thus, there is a need to identify sites within and adjacent to Kettering town centre - as the Borough's highest order centre - that offer the best potential for accommodating the scale of comparison floorspace requirements that we identified in the Centres Study, and which we have since refined for the NNJPU using updated data inputs.
- 1.3 Accordingly, in March 2006, the Borough Council commissioned RTP to evaluate the potential for retail development offered by nine sites in the Kettering town centre area, and to advise the Council on the implications associated with promoting and delivering development at the favoured sites. We submitted a draft report to the Council in June 2006. Further research was commissioned in September 2006 and completed in November 2006, the findings from which are reflected in this finalised main report.

Structure of the Report

- 1.4 The remainder of our report is structured as follows:
 - Section 2 outlines the requirements of national retail planning policy, with particular reference given to the recent key changes in national policy emphasis, in particular the need for local planning authorities to take a highly proactive and interventionist role in planning for their town centres;
 - Section 3 sets out the requirements of regional and sub-regional planning policy and provides a review of local policies and town centre studies that have been undertaken recently in relation to Kettering town centre;
 - Section 4 summarises the findings of the North Northamptonshire Centres Study - and our update of the study in April/May 2006 for the NNJPU using updated data inputs - highlighting the implications for Kettering;
 - Section 5 provides an introduction to the nine candidate sites and describes the main characteristics of each;
 - Section 6 assesses the comparison retail floorspace potential of each candidate site;
 - Section 7 utilises site evaluation matrixes to evaluate the potential retail growth options for Kettering; and
 - Section 8 outlines our overall conclusions and considers implications for accommodating the identified floorspace capacity within Kettering.
- 1.5 The report is accompanied by two separately bound volumes entitled 'Appendices' and 'Drawings Dossier'.

2 NATIONAL PLANNING POLICY CONTEXT

Introduction

- 2.1 The current national policy context, in so far as it relates to town centres and the location of new retail, office and leisure developments, is set, in the main, by PPS6: Planning for Town Centres (March 2005), which replaces¹ the 1996 version of PPG6 and the subsequent Parliamentary answers of 5 December 1997 (Raynsford), 11 February 1999 (Caborn) and 10 April 2003 (McNulty). PPS6 also replaces the Government's Responses to the Select Committees of July 1997 and May 2000.
- 2.2 PPS6 is structured under four sections which deal with:
- the Government's objectives;
 - the plan-led approach to positive planning for town centres;
 - the assessment of proposed developments; and
 - measuring and monitoring the vitality and viability of town centres.
- 2.3 Below, we provide our assessment of the first three bullets listed above, which are those that are of most relevance to the current study.

The Government's Objectives

- 2.4 The very first paragraph of PPS6 makes it clear that '*sustainable development is the core principle underpinning planning*' and that '*the planning system has a key role in facilitating and promoting sustainable and inclusive patterns of development, including the creation of vital and viable town centres*², therefore, is to promote their vitality and viability (paragraph 1.3).
- 2.5 The Government's second tier objectives are set out in paragraph 1.4; these can be summarised as:
- enhancing consumer choice;
 - supporting efficient, competitive and innovative retail and leisure sectors and improving their productivity; and
 - improving accessibility to existing and new development by a choice of means of transport.
- 2.6 Paragraph 1.5 then sets out the Government's wider objectives; these can be summarised as:
- the promotion of social inclusion by ensuring access to a range of town centre uses and rectifying deficiencies;
 - the regeneration of deprived areas;
 - the promotion of economic growth;
 - the delivery of more sustainable patterns of development; and
 - the promotion of high quality and inclusive design, enhanced public realm and an accessible and safe environment.
- 2.7 Regional planning bodies (RPBs) and local authorities (LPAs) are required to implement these Government objectives by planning positively for the growth and

¹ See footnote on page 1 of PPS6.

² See footnote 3 on page 5 of PPS6 which states that references to 'town centres' and 'centres' throughout the policy statement apply to all types of centres described in Table 1 of Annex A, i.e. city, town, district and local centres, but not small parades of purely neighbourhood significance.

development of town centres, whilst not restricting competition or innovation (paragraphs 1.6 and 1.7). The main town centre uses to which PPS6 applies are retail, leisure, offices and arts, cultural and tourism facilities (paragraph 1.8), with housing said to be *'...an important element in most mixed-use, multi-storey developments'* (paragraph 1.9).

Positive Planning for Town Centres: A Plan-led Approach

Promoting Growth and Managing Change

- 2.8 Paragraphs 2.3 to 2.8 of PPS6 deal with the role of LPAs in promoting growth and managing change in town centres. Paragraph 2.3 states that LPAs should - within the regional planning context - actively plan for growth and the management of change in town centres over the period of their development plan documents by:
- i) selecting appropriate existing centres to accommodate growth, making the best use of existing land and buildings, but extending the centres where appropriate;
 - ii) managing the role of existing centres through the promotion of specialist activities, or specific types of uses; and
 - iii) planning for new centres of an appropriate scale in areas of significant growth, or where there are deficiencies in the existing network.
- 2.9 Paragraph 2.4 urges that growth should be accommodated, wherever possible, through *'...more efficient use of land and buildings within existing centres'*. However, LPAs *'...should also seek to ensure that the number and size of sites identified for development or redevelopment are sufficient to meet the scale and type of need identified'*.
- 2.10 Where growth cannot be accommodated within existing centres, paragraph 2.5 advises LPAs to plan for:
- i) the extension of the primary shopping area, if there is a need for additional retail provision; and
 - ii) the extension of the town centre, to accommodate other main town centre uses.
- 2.11 Of crucial importance, however, is the Government's recognition that:
- 'Extension of the primary shopping area or town centre may also be appropriate where a need for large developments has been identified and this cannot be accommodated within the centre. Larger stores may deliver benefits for consumers and local planning authorities should seek to make provision for them in this context'* (paragraph 2.6).

The Role of Plans at the Local Level

- 2.12 Paragraphs 2.15 to 2.18 of PPS6 deal, specifically, with the role of the forward planning system at the local level. Paragraph 2.15 requires LPAs to adopt a positive and proactive approach to planning for the future of all types of centres within their areas.
- 2.13 Paragraph 2.16 urges LPAs to work with stakeholders and the community so as to:
- i) assess the need for new floorspace for retail, leisure and other town centre uses, taking account of both quantitative and qualitative considerations;
 - ii) identify deficiencies in existing provision, assess the capacity of existing centres to accommodate new development and identify centres in decline where change needs to be managed;
 - iii) identify the centres where development will be focused, as well as the need for any new centres of local importance;

- iv) define the extent of the primary shopping area and the town centre on their Proposals Map;
 - v) identify and allocate sites in accordance with the considerations set out in paragraphs 2.28 to 2.51;
 - vi) review existing land use allocations;
 - vii) promote investment in deprived areas by identifying opportunities for growth and improved access;
 - viii) set out criteria based policies for assessing proposals on sites not allocated in development plan documents; and
 - ix) distinguish between primary and secondary frontages.
- 2.14 Paragraphs 2.19 to 2.22 of PPS6 then proceed to highlight the need for high quality and inclusive design, the importance of accessibility and safety and the need for efficient use of land through the promotion of higher-density mixed-use development.

Site Selection and Land Assembly

- 2.15 Paragraphs 2.28 to 2.52 deal with site selection and land assembly in the forward planning process. Paragraph 2.28 sets out the five key considerations for local authorities when they are selecting sites for development; these are to:
- a) assess the need for development (paragraphs 2.32-2.40);*
 - b) identify the appropriate scale of development (paragraphs 2.41-2.43);*
 - c) apply the sequential approach to site selection (paragraphs 2.44-2.47);*
 - d) assess the impact of development on existing centres (paragraph 2.48); and*
 - e) ensure that locations are accessible and well serviced by a choice of means of transport (paragraphs 2.49-2.50).'*
- 2.16 These considerations match the development control tests set out in paragraph 3.4 of PPS6. In applying them in the development plan preparation process, LPAs are required to work closely with retailers, leisure operators, developers, other stakeholders and the wider community and paragraph 2.31 makes it clear that LPAs may need to make choices between competing development pressures in their town centres.

Need for Development

- 2.17 Paragraph 2.32 states that need assessments should be carried out as part of the plan preparation and review process, and that they should be updated regularly. Further guidance on the assessment of need is to be published separately. Paragraphs 2.33 and 2.34 of PPS6 make it clear, however, that LPAs should place greater weight on quantitative need for specific types of retail and leisure developments taking into account population change, forecast change in expenditure for specific classes of goods and forecast improvements in productivity in the use of existing floorspace.
- 2.18 Nevertheless, an important qualitative consideration will be the need to improve the range of services and facilities in deprived areas (paragraph 2.35). Another consideration which may be taken into account in the assessment of qualitative need is the degree to which existing shops may be over-trading (paragraph 2.36). Regeneration and employment impacts - whilst not indicators of retail need - are capable of being material considerations (paragraph 2.37).

Appropriate Scale

2.19 Paragraph 2.41 states that:

'In selecting suitable sites for development, local planning authorities should ensure that the scale of opportunities identified are directly related to the role and function of the centre and its catchment'.

2.20 As a consequence, paragraph 2.42 states that *'...local centres will generally be inappropriate locations for large scale new development...'* and that LPAs *'...should therefore consider setting an indicative upper limit for the scale of developments likely to be permissible in different types of centres...'* If a need is identified for larger format developments, paragraph 2.43 indicates that sites should be identified within or on the edge of 'city centres' and 'town centres', as defined in Table 1 of Annex A to PPS6.

Sequential Approach to Site Selection

2.21 Paragraph 2.44 of PPS6 sets the order of preference in applying the sequential approach, as follows:

- first, locations within existing centres, but subject to caveats relating to suitability, availability and scale in relation to the function of the centre;
- second, edge-of-centre locations, with a preference given to sites that are, or will be, well connected to the centre; and then
- out-of-centre sites, with preference given to sites which are, or will be, well served by a choice of means of transport and those with a high likelihood of forming links with the centre.

2.22 In line with the earlier advice in the now replaced PPG6, there is a requirement for flexibility and realism on the part of both LPAs and developers/operators when discussing the identification of sites for inclusion in development plan documents. Sites must be available, or likely to become available for development during the development plan document period, and capable of accommodating a range of business models, all parties having been flexible in relation to scale, format, car parking provision and the scope for disaggregation (paragraph 2.45).

2.23 A new requirement, however, is for development plan documents to include phasing policies so as to ensure that preferred locations are developed ahead of less central locations (paragraph 2.46).

2.24 Further guidance on the sequential approach is to be published separately (paragraph 2.47).

Assess Impact

2.25 If LPAs are proposing to allocate sites in 'edge-of-centre' or 'out-of-centre' locations, they must assess the potential impact on centres within the catchment area of the potential development (paragraph 2.48). In our assessment, this provision would seem to confirm that the Government is not seeking to impose a moratorium against 'out-of-centre' development. LPAs must also assess the potential impact on other centres of those allocations within a centre which would substantially increase its attraction vis-à-vis other centres (paragraph 2.48).

Ensure Locations are Accessible

2.26 Paragraph 2.49 of PPS6 confirms PPG13's aspiration to reduce the need to travel, to reduce reliance on the private car and to ensure that everyone has good access to a range of facilities. As a consequence, in selecting sites for allocation, LPAs are required to have regard to the accessibility of the site by a choice of means of transport and the potential impact of its development on car use, traffic and congestion.

Other Relevant Matters

- 2.27 After assessing the sites against the five considerations set out in paragraph 2.28 of PPS6, LPAs are able to consider other matters such as physical regeneration, the likely net employment impact, the potential impact on economic growth and the potential impact on social inclusion (paragraph 2.51).

Assembling Sites

- 2.28 Paragraph 2.52 states that LPAs '*...should allocate sufficient sites to meet the identified need for at least the first five years from the adoption of their development plan documents...*'. LPAs are also required to consider the scope for site assembly using their CPO powers in order to ensure that suitable sites are brought forward for development.

Development Control

- 2.29 Section 3 of PPS6 sets out the considerations to be taken into account by LPAs in determining planning applications for **all** proposals relating to main town centre uses - whether in the form of new development, redevelopment, extensions, changes of use, renewals of extant planning permissions or applications to vary or remove existing conditions (paragraph 3.1).
- 2.30 First, it is important to note the provisions of paragraph 3.3, which states that:
- 'The key considerations for identifying sites for allocation in development plan documents, as set out in Chapter 2, apply equally to the assessment of planning applications,'* so that Chapter 3 '*...sets out only the additional detail relevant to the consideration of planning applications, and should be read in conjunction with Chapter 2*'.
- 2.31 Thus, paragraph 3.4 sets out the same five tests for applicants as apply to LPAs in allocating sites in the development plan preparation process (as set out earlier in paragraph 2.28). We discuss each test in turn, below, but before doing so we emphasise the provisions of paragraph 3.5, which states that '*...as a general rule the development should satisfy **all** these considerations*' (our emphasis).

Assessing the Need for Development

- 2.32 The first point to note is that applicants are not required to demonstrate the need for retail proposals located within the primary shopping area, or for other main town centre uses located within the town centre (paragraph 3.8). However, paragraph 3.9 states that '*...need must be demonstrated for **any** application for a main town centre use which would be in an edge-of-centre or out-of-centre location and which is not in accordance with an up to date development plan document strategy*' (our emphasis). There is no minimum floorspace size threshold below which the test of need does not apply.
- 2.33 Additional guidance on the assessment of quantitative need in relation to retail and leisure proposals is set out in paragraph 3.10, which states that the need assessment should be:
- i) based on the assessment carried out for the development plan document, updated as required;
 - ii) related to the class of goods to be sold;
 - iii) assessed, normally, no more than five years ahead; and
 - iv) based on a catchment area that is well related to the size and function of the proposed development and which takes account of competing centres.

Scale

- 2.34 There is no further advice in relation to the issue of scale and paragraph 3.12 merely refers to advice already set out previously in Section 2.

The Sequential Test

- 2.35 Paragraph 3.13 states that the sequential test applies to *'...all development proposals for sites that are not in an existing centre nor allocated in an up-to-date development plan document'*, suggesting that there is no minimum floorspace size threshold below which the sequential test does not apply in relation to new proposals; however, paragraph 3.29 of PPS6 subsequently introduces a threshold, for extensions, of 200 sq.m gross, below which the sequential test does not apply.
- 2.36 Paragraph 3.13 goes on to state that the relevant centres in which to search for sites will depend on:
- the overall strategy set out in the development plan;
 - the nature and scale of the development; and
 - the catchment that the development seeks to serve.
- 2.37 In applying the sequential approach developers and operators are required to demonstrate flexibility in relation to scale, format, car parking provision and the scope for disaggregation. The key purpose of the exercise *'...is to explore the possibility of enabling the development to fit onto more central sites by reducing the footprint of the proposal'* (paragraph 3.16); this may involve a reduction in floorspace, more innovative site layouts, multi-storey development and reduced car parking.
- 2.38 Nevertheless, PPS6 retains the onus on LPAs to *be '...realistic in considering whether sites are suitable, viable and available'* (paragraph 3.16). LPAs are also required to *'...take into account any genuine difficulties, which the applicant can demonstrate are likely to occur in operating the applicant's business model from the sequentially preferable site, in terms of scale, format, car parking provision and the scope for disaggregation, such as where a retailer would be required to provide a significantly reduced range of products'*.
- 2.39 Thus, PPS6 explicitly requires that, in determining applications, account be taken of the applicant's business model. Allied to this point, we consider it useful to refer to the definition of 'retail warehouses' provided in Table 3 of Appendix A to PPS6, namely: *'Large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items and other ranges of goods, catering mainly for car-borne customers.'* There is an implicit recognition in the last part of the sentence, i.e. *'...catering mainly for car-borne customers'* that retail warehouses require adjacent surface level car parking.
- 2.40 Paragraph 3.17 retains the requirement to apply the test of disaggregation so as to assess whether the constituent parts of a development proposal that comprises several components can be accommodated on sites in sequentially preferable locations.
- 2.41 Paragraph 3.19 retains the PPG6 tests of *'availability within a reasonable period of time'*, *'suitability'* and *'viability'* in applying the sequential test. However, the phrase *'within a reasonable period of time'* is to be determined on the merits of each particular case.

Assessing Impact

- 2.42 Paragraph 3.20 requires impact assessments to be undertaken for any application for a main town centre use which would be in an edge-of-centre or out-of-centre location and which is not in accordance with an up-to-date development plan strategy.

- 2.43 Paragraph 3.21 retains the PPG6 requirement to assess impact on a cumulative basis, taking into account recent permissions, developments under construction and completed developments. There is also an assertion at the end of paragraph 3.21 that *'...the identification of need does not necessarily indicate that there will be no negative impact'*.
- 2.44 In assessing potential impacts LPAs are required to consider the likelihood of:
- risk to the spatial planning strategy for the area;
 - effects on future public or private investment;
 - negative and positive (through clawback) impacts on the turnover of existing centres;
 - changes to the range of services provided by centres;
 - impact on the number of vacant properties in the primary shopping area;
 - changes to the physical condition of the centre and to its role in the economic and social life of the community; and
 - implications for the evening and night-time economy.
- 2.45 The level of detail and type of evidence required is to be proportionate to the scale of the proposal, but impact assessments will be required for all retail and leisure proposals of over 2,500 sq.m gross and occasionally for smaller developments (paragraph 3.23).

Accessibility

- 2.46 In determining whether proposed developments are genuinely accessible, LPAs should assess distance from existing/proposed public transport facilities, frequency and capacity of public transport services and whether access for pedestrians, cyclists and disabled people is easy, safe and convenient.
- 2.47 LPAs must also assess whether the proposal is likely to have impacts on the overall distance travelled by car, local traffic levels and congestion, having taken account of any public transport and traffic management measures secured as a result of the development.

Local Issues and Material Considerations

- 2.48 Paragraph 3.28 confirms the advice in Chapter 2 in stating that material considerations may include physical regeneration, employment considerations, economic growth and social inclusion.

Conditions

- 2.49 Paragraphs 3.31 and 3.32 retain PPG6's stance in relation to the use of conditions which are designed to ensure that the character of a development cannot change over time so as to create a form of development which is unacceptable. Such conditions include:
- prevention of sub-division;
 - controls on ancillary elements;
 - limits to internal alterations designed to increase floorspace by specifying the maximum floorspace to be permitted, including any floorspace created by mezzanines; and
 - limits to the ranges of goods to be sold and the mix of convenience and comparison goods.

- 2.50 Conditions are also advocated as a means for resolving issues relating to impacts on traffic and the amenity of local residents - for example, controls on the timing of deliveries.

Conclusions and Changes in Emphasis

- 2.51 In our assessment, the provisions of PPS6 reflect the Government's wider emphasis on the need to plan, monitor and manage at both the regional and local planning levels; indeed the key changes in national policy emphasis arising as a result of PPS6 are:
- i) a requirement for a much more proactive plan-led approach to planning for town centres through regional and local planning;
 - ii) much more emphasis on the need to develop a network and hierarchy of centres at both the regional and local levels; and
 - iii) a much greater involvement on the part of the public sector in the management and implementation of changes in town centres and in the monitoring of their vitality and viability.
- 2.52 Thus, RPBs are required to:
- i) set a vision and strategy for the region's growth and a strategic framework for planning at the local level;
 - ii) develop a strategic framework for the development of a network of centres;
 - iii) make strategic choices about those centres of regional and sub-regional significance where major growth is to be encouraged;
 - iv) identify the need for new higher order centres;
 - v) assess the need for additional floorspace in the comparison retail, leisure and office sectors over the period of the RSS and for five yearly periods within it;
 - vi) identify where needs would best be met having regard to capacity and accessibility considerations; and
 - vii) identify the need for major town centre development of regional or sub-regional significance.
- 2.53 In turn RPBs and LPAs are required to consider:
- i) whether there is a need to avoid an over-concentration of growth in the higher level centres;
 - ii) the need for investment in those centres requiring to be regenerated; and
 - iii) the need to address deficiencies in the network.
- 2.54 In preparing their development plan documents within the context set by the RSS, LPAs, in turn, must:
- i) select appropriate existing centres to accommodate growth, making the best use of existing land and buildings, but extending the centres where appropriate using tools such as the Action Plans, CPOs and strategies to improve transport, land assembly, crime prevention and design;
 - ii) manage the role of existing centres through the promotion of specialist activities, or specific types of uses; and
 - iii) plan for new centres of an appropriate scale in areas of growth, or where there are deficiencies in the existing network.
- 2.55 Where growth cannot be accommodated within existing centres, LPAs are to plan for the extension of the primary shopping area, if there is a need for retail provision, and

for the extension of the town centre as a whole to accommodate other main town centre uses.

- 2.56 The key considerations to apply in selecting sites for development remain similar to those identified in PPG6 and subsequent ministerial statements. However, there is more emphasis given to the issue of scale, so that LPAs are to consider setting indicative upper limits for the scale of development likely to be permissible in different types of centres.
- 2.57 Strong emphasis continues to be given to the sequential approach, but it does not appear that the Government is seeking to impose a moratorium against out-of-centre development, albeit that such development will be rare. If there is a need for larger stores, and they cannot be accommodated within the existing primary shopping area, they are to be directed to edge-of-centre locations. The guidance is unclear as to whether an individual retailer or leisure operator faces the test of disaggregation (paragraph 3.18), but all parties must demonstrate flexibility in relation to scale, format, design and the amount of car parking in seeking to promote development within existing centres.
- 2.58 We consider, however, that PPS6 is not particularly informative for LPAs that have town centres which face significant physical and environmental constraints to their expansion, such as spa towns, cathedral cities and so on. Nor is the policy statement of much assistance in helping RPBs and LPAs to choose between competing uses where the needs in the retail, leisure, office and cultural sectors are projected to substantially exceed the ability of existing centres - or indeed expanded centres - to accommodate them.

3 REGIONAL, SUB-REGIONAL AND LOCAL PLANNING POLICY CONTEXTS

Regional and Sub-regional Policy

Regional Spatial Strategy for the East Midlands, March 2005

- 3.1 Previous regional guidance was provided by the Regional Planning Guidance for the East Midlands (RPG8), which was adopted in January 2002. Since the Planning and Compulsory Purchase Act came into effect in September 2004, RPGs have been prescribed as Regional Spatial Strategies (RSSs) and now form part of the statutory development plan. Regional Spatial Strategy for the East Midlands (RSS8) was published in March 2005 following a partial revision of previous regional guidance to include issues raised by the since adopted Milton Keynes and South Midlands Sub-Regional Strategy.
- 3.2 RSS8 provides a broad development strategy for the East Midlands region up to 2021. The overall Vision for RSS8, as set by the East Midlands Regional Assembly's Integrated Regional Strategy, is that *'the East Midlands will be recognised as a region with a high quality of life and sustainable communities that thrives because of its vibrant economy, rich cultural and environmental diversity and the way it creatively addresses social inequalities, manages its resources and contributes to a safer, more inclusive society'*. The Vision has been translated into ten main policy objectives, which will guide spatial development in the region. The objectives that are the most relevant to the Kettering Retail Sites Study are:
- to address social exclusion, through the regeneration of disadvantaged areas and reducing regional inequalities in the distribution of employment, housing, health and other community facilities;
 - to protect and where possible enhance the quality of the environment in urban and rural areas so as to make them safe and attractive places to live and work; and
 - to promote and improve economic prosperity, employment opportunities and regional competitiveness.
- 3.3 Urban renaissance is a core priority of the Spatial Strategy and is regarded as *'the key to achieving a more sustainable pattern of development'*. Policy 5 advises that development should be concentrated in urban areas. Significant levels of new development are to be directly primarily in the region's five Principal Urban Areas (Derby, Leicester, Lincoln, Northampton and Nottingham); followed by concentration in the region's growth towns (Corby, Kettering and Wellingborough); while appropriate development of a lesser scale should be located in the sub-regional centres, including Market Harborough and Daventry.
- 3.4 Corby, Kettering and Wellingborough are labelled as 'growth towns' in RSS8 following their identification as growth towns in the Milton Keynes and South Midlands Sub-Regional Spatial Strategy, which was subsequently confirmed by the independent Panel following a Public Examination held in March - April 2004. RSS8 confirms that increased levels of new development will be planned in the three growth towns, providing new houses, new infrastructure, new facilities and essential services, and new employment opportunities. RSS8 also advocates that the three growth towns should retain their separate identities and *'measures should be adopted to prevent coalescence between the towns'*.
- 3.5 Market towns are also highlighted by RSS8, for the key role they play in the region's rural areas, serving as centres for shopping, employment and service delivery. The future vitality of many rural areas will increasingly depend upon market towns. RSS8

comments in relation to Policy 6 that it is '*crucial that the economic and service base of these settlements is consolidated and where appropriate enhanced*'.

- 3.6 With respect to retailing and town centre development, RSS8 notes that '*there is no clear retail hierarchy in the East Midlands*' and that a sub-area approach should consequently be used to develop more localised strategies. Policy 23 encourages promotion of '*the vitality and viability of existing town centres, including those in market towns*'. Policy 23 goes on to explain that '*where town centres are underperforming, action should be taken to promote investment through design led initiatives and the development and implementation of town centre strategies*'. In addition, Policy 23 requires future Local Development Frameworks to include policies that bring forward retail and leisure development to meet any identified need.
- 3.7 As well as outlining topic-based regional priorities, RSS8 contains more detailed policies in respect of the region's five sub-areas. Kettering falls within the 'Southern Sub-area', which also includes the Principal Urban Area of Northampton, as well as Corby, Wellingborough, Daventry, Market Harborough, and the smaller towns of Rushden, Desborough and Rothwell. Parts of the sub-area have experienced rapid growth since the mid-1960s and these areas have played an important role in accommodating economic and social pressures from London, the South East and the West Midlands. As outlined below, Kettering, and the neighbouring towns of Corby and Wellingborough have been identified as part of the Milton Keynes and South Midlands growth area as locations with the potential for increased levels of new growth.
- 3.8 Finally, RSS8 did not involve a review of all parts of the previous RPG8 and did not update housing provision figures. A major review of the recently published RSS8 is therefore already underway. The East Midlands Regional Assembly has produced a Draft Project Plan and has also undertaken consultation on an 'Options for Change' document. The revised RSS8 will roll the regional policies forward to 2026.

Milton Keynes and South Midlands Sub-Regional Strategy, March 2005

- 3.9 The Milton Keynes and South Midlands Sub-Regional Strategy (MKSM SRS) was published in March 2005 by the First Secretary of State, following public examination before an independent Panel in 2004. The MKSM SRS covers parts of three regions, including the whole of Northamptonshire in the East Midlands.
- 3.10 The purpose of the document is to provide a clear, agreed, sub-regional strategy for the period 2001-2021, and a long-term spatial vision for the sub-region towards the year 2031, as part of the Government's Sustainable Communities Plan. The Sub-Regional Strategy also provides guidance for delivery bodies on the scale, location and timing of the development and the associated transport, employment and social infrastructure needed to achieve the vision of sustainable communities.
- 3.11 The Introduction, Part A and elements of Part B of the MKSM SRS have been incorporated into RSS8 for the East Midlands, ensuring that the MKSM SRS policies which are relevant to Northamptonshire carry full statutory status.
- 3.12 The core objectives of the Sub-Regional Strategy include the following:
- to achieve a major increase in the number of new homes provided in the area, meeting needs for affordable housing;
 - to provide a commensurate level of economic growth and developing skills in the workforce;
 - to locate development in the main urban areas to support urban renaissance, regeneration of deprived areas, recycling of land and sustainable patterns of travel;
 - to ensure that development contributes to an improved environment;

- to meet existing infrastructure needs and provide for requirements generated by new development; and
 - to create sustainable communities by ensuring that economic, environmental, social and cultural infrastructure needs are met in step with growth.
- 3.13 The Sub-Regional Strategy advocates that the majority of new development should be directed towards a limited number of towns, including Corby, Kettering and Wellingborough. Overall, the MKSM SRS envisages the development of 34,100 new homes in these three towns before 2021. Provisional planning assumptions about further levels of housing growth between 2021 and 2031 are also put forward, although these are estimates and without commitment at this stage. The MSKS SRS suggests that a further 28,000 new homes may be developed in Corby, Kettering and Wellingborough in this later period. Housing growth in the three towns to 2021 will be monitored against progress towards achieving a net employment growth of 43,800 jobs in the same period.
- 3.14 Policy 1 of the Sub-Regional Strategy sets out the growth estimates in more detail, specifying the housing provision for each local authority area in Northamptonshire for each of the five year phases over the period 2001-2021. The annual average housing growth rates for Kettering are presented in Table 3.1 below.

Table 3.1 - Annual Average Housing Growth Rates in Kettering, 2001-2021

| 2001-2006 | 2006-2011 | 2011-2016 | 2016-2021 | Total 2001-2021 |
|-----------|-----------|-----------|-----------|--------------------|
| 550 | 810 | 630 | 630 | 13,100 |

- 3.15 Policy 4 in Part B of the Sub-Regional Strategy focuses on development planned in Corby, Kettering and Wellingborough. The Policy notes that in all three towns, the capacity of the existing built-up area to accommodate additional development will be utilised to the full, through measures to assess and bring forward surplus employment sites and other previously developed land. Proposals will also be brought forward for sustainable urban extensions to provide for additional development in each of the three towns.
- 3.16 Policy 4 of the MKSM SRS also sets out the principal objectives for the central area of Kettering, noting that the focus at Kettering will be to maintain the existing role of the town centre. This objective will be achieved through the promotion and protection of the existing provision of basic comparison shopping, the development of a regionally important niche retail offer and the development of a wider range of cultural attractions including a theatre. Policy 4 also suggests that Kettering town centre's role as the focus for services and facilities to serve the town and its wider rural hinterland should be developed through the enhancement of social infrastructure.
- 3.17 The Sub-Regional Strategy forms part of the regional policy basis for the preparation of statutory Local Development Documents by the local planning authorities within the sub-region. It is at this stage that detailed site specific and locational proposals will be brought forward to implement the Sub-Regional Strategy.

Local Planning Policy

Kettering Borough Council - Local Plan for Kettering Borough (January 1995)

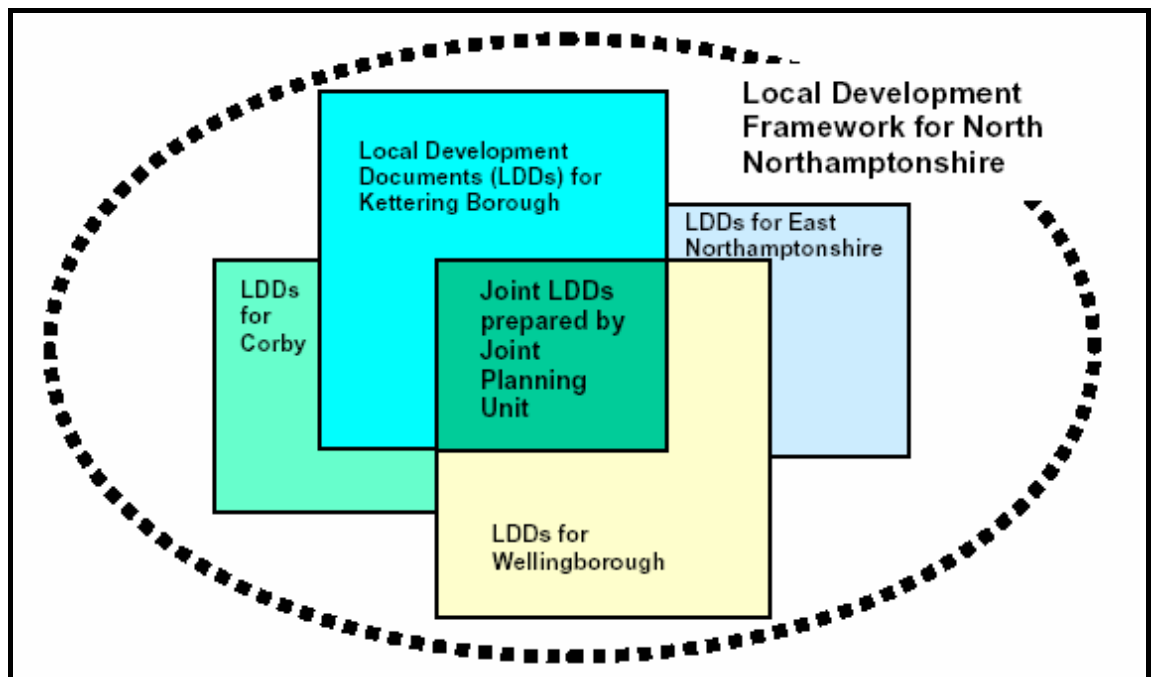
- 3.18 The Local Plan was adopted in 1995, with the plan period extending only to 2001. Thus, whilst the adopted Local Plan remains part of the statutory development plan, it is not up-to-date and its retail policies have been superseded by PPG6 and its successor, PPS6. In this context we do not consider it necessary to provide a review

of the Local Plan insofar as it relates to retail. Nevertheless, in evaluating the potential of each of the nine study sites (see Section 7), we have taken heed of each site's location in relation to the Established Shopping Area as defined on the Local Plan Proposals Map.

North Northamptonshire Local Development Framework

- 3.19 Under the terms of the Planning and Compulsory Purchase Act 2004, Local Development Plans and Unitary Development Plans are to be replaced by Local Development Documents (LDDs) set within Local Development Frameworks (LDFs).
- 3.20 Although North Northamptonshire is not an administrative district in itself, it is the name given to the combined area of the four boroughs and districts of Corby, Kettering, Wellingborough and East Northamptonshire. The four authorities are in the process of preparing a Joint LDF, which will deliver the spatial planning strategy for North Northamptonshire to 2021.
- 3.21 The North Northamptonshire Joint Planning Committee released a Local Development Scheme (LDS) in July 2005, outlining the form that the LDF will take and the timetable for its completion. The LDS explains that the LDF will contain separate LDDs for each of the four boroughs and districts, which will examine issues specific to those areas, but will also include Joint LDDs, prepared by the North Northamptonshire Joint Planning Unit (NNJPU), which will examine cross-administrative boundary issues (Figure 3.1).

Figure 3.1 - Proposed Structure of North Northamptonshire Local Development Framework



North Northamptonshire Joint Planning Committee - Local Development Scheme

- 3.22 The portfolio of LDDs will be prepared in conformity with the Core Spatial Strategy, which will provide the overarching development framework for North Northamptonshire. The NNJPU consulted on preferred options and proposals to underpin the Core Strategy in December 2005/January 2006 and it is anticipated that the final version of the Core Spatial Strategy will be adopted in 2008.

Kettering Town Centres Studies

Scott Wilson - Proposed non-food retail development: Northfield Avenue, Kettering: Retail Assessment (2001)

- 3.23 This Retail Assessment was prepared on behalf of JJ Gallagher Ltd to support an application for a retail park on land to the west of Northfield Avenue, Kettering. More specifically, the retail proposal involved the construction of two retail units. The first building, comprising 100,000 sq.ft gross of floorspace, was to be occupied by B&Q as a DIY retail warehouse. To the north of the warehouse would be an open builders' yard (20,000 sq.ft) and to the south of the warehouse a garden centre (29,800 sq.ft). Adjoining the garden centre would be a second retail warehouse unit, comprising 15,000 sq.ft gross of floorspace, which was intended for occupation by Comet for the sale of electrical goods.
- 3.24 Scott Wilson asserted that the proposed out-of-centre retail park would not have a negative impact on the vitality and viability of Kettering town centre, which was assessed to be '*reasonably buoyant*', and showing few signs of significant decline. The main weakness of the town centre was the lack of 'key attractors'; retail stores with a high national profile that attract visitors to a centre in their own right. Accordingly, Scott Wilson asserted that the town centre was sufficiently healthy to withstand competition from an out-of-centre retail development. Indeed, Scott Wilson concluded that the B&Q store '*with its high national profile and with good links to the town centre could do much to raise the profile of the town as a sub-regional centre*'.
- 3.25 The retail proposal was subject to an appeal due to non-determination of the application by Kettering Borough Council, and an Inquiry was held in May 2003. The Inspector recommended the application for approval based on his conclusions that sufficient expenditure was available within the Kettering catchment area to justify the proposed development, and that the proposed development was '*not likely to have any significant impact on Kettering town centre*'.
- 3.26 However, the Secretary of State (SoS) did not accept the Inspector's recommendation and subsequently dismissed the application in May 2004. While the SoS agreed with the Inspector that the proposed development would not have a significant adverse impact on Kettering town centre, the SoS considered that there may be adverse impacts on other nearby centres, particularly Corby. The SoS also noted that the development would increase Kettering's retail floorspace by around 10 per cent and was not convinced that Kettering is a centre of the order, or with a catchment, to accommodate such a large development.

Atkins - Kettering Masterplan Final Report, May 2005

- 3.27 The Masterplan provides a vision for the development of Kettering town centre over the next fifteen years (to 2020), a period that will see substantial growth in the population and physical size of Kettering.
- 3.28 By 2021 it is anticipated that the Borough of Kettering will be home to between 13,000 and 15,000 additional households, of which at least 8,000 will be in or adjacent to the existing built up area of the town. The Borough Council plans to ensure that this additional population will look to Kettering town centre as its first choice for shopping, leisure pursuits and financial services. The Masterplan notes that if the vision is to be realised, '*the town centre needs to grow and adapt and development sites need to be found*'. The Masterplan asserts that the growth of Kettering is an exciting opportunity for the town and that the chance will be taken to provide a first class town centre and a stronger local identity.
- 3.29 One priority of the Masterplan is to redevelop the Newlands Shopping Centre, providing additional shops and creating a stronger evening economy. The Masterplan suggests that the town centre should be first and foremost a place to do business with

a strengthened retail offer and office base. Other retail and mixed-use schemes proposed in the Masterplan include:

- a new '*big box*' retail/leisure complex that could be located on the corner of Gold Street and Lower Street, forming a new mixed use and multi-storey development, anchored by a department store or flagship leisure scheme;
- a flagship retail development could be built on the corner of Lower Street and Northall Street, which would require the removal of the existing poorly designed retail units on Northall Street;
- a new landmark development in the heart of the expanded Newlands Centre, acting as a link between the old and new parts of the Centre. The building could take the form of a tower, containing shops on the ground floor with offices and residential above;
- a new mixed-use development, located off Commercial Road, using the backland, car parks and service areas of some of the buildings fronting Trafalgar Road and High Street. Proposals for this area include replacing the Telephone Exchange with a building that would be more in keeping with the surroundings, and reclaiming the existing surface car park for use as a new town square. Retail, commercial and residential uses would surround the square;
- a new mixed-use area is proposed in the area around Job's Yard and Ebenezer Place, which would offer a more intimate shopping experience to complement the Newlands Centre. The area would contain mostly small specialists shops, organised around a network of interconnecting pedestrian lanes;
- the role of the Horsemarket as an evening destination could be strengthened, through development of more eating places and leisure facilities; and
- potential relocation of the Council offices and swimming pool would free up a valuable town centre site that could accommodate a mixed-use scheme more fitting for this central location.

3.30 The Masterplan proposes the development of four distinct 'quarters' within the town centre:

- a new retail and leisure quarter centred upon the Newlands Centre/Dalkeith Place;
- a western quarter alongside the Slade Brook comprising new housing and leisure development, possibly including an hotel and a linear park alongside the Slade;
- a station quarter with high quality offices on both sides of the railway, new car parking and a new square in front of the station; and
- a heritage quarter, building on the historic character of the area, with high quality new development.

3.31 Of all the quarters proposed within the Masterplan, the Western Quarter would involve the most change. At present the Quarter consists of low key, low density uses and little use is made of the Slade Brook. The Masterplan envisages a large volume of development in this Quarter, with the existing industrial sheds at the lower end of Trafalgar Road being replaced by new high quality flats and town houses focused on a small square. The Western Quarter forms a major gateway into Kettering town centre and development of the area offers an opportunity to raise expectations and impressions of the town.

Alan Baxter & Associates - Kettering: A Strategic Study, January 2005

3.32 The Study analyses the current and possible future roles of Kettering at the strategic level. Alan Baxter & Associates (ABA) considers that the pressure for growth in Kettering is high because of its location at the heart of the Milton Keynes and South

Midlands Growth Area, but also at the fringe of the London and Cambridge Growth Area.

- 3.33 Kettering is located in close proximity to Corby and Wellingborough, which together form an almost linear trio of similar sized towns. However, there are marked differences in the level and quality of attractors in each of the three towns. Historically Kettering has been, and still is, of a higher order than Corby and Wellingborough. Yet within the wider region there are several other towns which act as key attractors and provide a wider range of facilities and services to those offered in Kettering.
- 3.34 In terms of retail provision, Leicester and Northampton both have several purpose built shopping centres and offer good comparative shopping within easy reach of Kettering residents. Peterborough does not have such a wide range of retail choices and, as the road network to the town is not as direct, Kettering residents may prefer to go to Milton Keynes as an alternative, which offers similar shopping facilities and easy parking.
- 3.35 The main retail offer in Kettering is the Newlands Shopping Centre, which contains 51 stores. Kettering currently ranks above both Wellingborough and Corby in the national retail rankings. However, ABA considers that potential exists for Kettering to upgrade its current retail allocation to ensure that it maintains its position as the '*key local retail hub*'. The market town legacy of weekly markets within Kettering could also be further enhanced and developed as a 'regional feature'.
- 3.36 The Strategic Study highlights a number of additional strengths possessed by Kettering that place the town in a favourable position in relation to its neighbours:
- Although Kettering has experienced weak employment growth in recent years (1996-2001 growth was low at 2 per cent), Kettering's office stock is the second largest in the County, after Northampton. Kettering's '*outstanding physical connectivity*' provides an excellent foundation from which to increase its office sector. Meanwhile, Corby and Wellingborough are more appropriate for the development of industrial/manufacturing and distribution employment.
 - Kettering Borough is home to a recognised football club and supports good leisure/sports facilities, including a theme park (Wicksteed Park). There is potential to develop Kettering's sub-regional significance as a focus for recreation.
 - While several vocational colleges/institutions are located in Northamptonshire and Greater Kettering, no significant institution provides higher education. Kettering is considered to offer some potential as an educational focus.
- 3.37 The Strategic Study consequently concludes that Kettering offers '*tremendous potential for future growth*'. The Study suggests that Kettering's natural setting, excellent strategic transport connectivity and growth potential for various uses renders it '*an ideal urban "centre" for a wider conurbation also incorporating Corby and Market Harborough*'.

4 NORTH NORTHANTS TOWN CENTRES STUDY (AUGUST 2005) - SUMMARY OF KEY FINDINGS

Introduction

- 4.1 In December 2004 Roger Tym & Partners was appointed by East Northamptonshire Council - on behalf of the North Northamptonshire Joint Planning Unit (NNJPU) - to undertake the *North Northamptonshire Town Centres - Roles and Relationships* commission. We submitted our final report to the client in August 2005.
- 4.2 One of the key objectives of the study was to provide the NNJPU with a firm handle on the quantum of additional retail floorspace that is supportable in the North Northamptonshire Growth Area (NNGA) in the periods up to 2011, 2021 and 2031, within the context of the specific roles identified for particular centres and the need to accommodate the demands for new development that will be generated by the projected levels of population growth within the study area.
- 4.3 Below, we provide a summary of the key findings from the Centres Study. Reflecting the remit of this current study, in describing the quantitative floorspace requirements that we identified in the study we focus on the comparison (non-food) sector.

The Current Network of Centres

- 4.4 The study demonstrated that there is a clear hierarchy of centres within the NNGA. Kettering town centre is evidently the dominant centre within the NNGA. It performs best in relation to more indicators of vitality and viability than any other NNGA centre. Moreover, Kettering achieves the highest composite comparison market share of all study centres - by some considerable margin, with its market share being almost twice that of the second biggest centre in the NNGA (Wellingborough) - and has the most extensive primary catchment of the NNGA centres. Wellingborough and Corby town centres are the next biggest centres within the NNGA, although each has a significantly less extensive catchment than Kettering.
- 4.5 The study also demonstrated clearly that there is a ring of centres that exert a significant influence on the comparison shopping patterns of households resident in the NNGA - and which will continue to do so in the foreseeable future - in particular: Northampton town centre, Milton Keynes city centre, Peterborough city centre, Leicester city centre and Bedford city centre. Most of these centres has aspirations to considerably expand its comparison retail offer in the coming years, which makes the need for a strong competitive response from the NNGA's main centres all the more pressing.

Global Comparison Retail Capacity in the Study Area

- 4.6 The household telephone survey of April 2005, covering 2,000 households, provided detailed information on the current shopping patterns in the 13 zones which encompassed the overall catchment area (OCA) of the North Northamptonshire Growth Area. The survey showed that, in April 2005, the centres within the OCA collectively³ retained circa £395.5m of comparison goods expenditure. This equated to almost exactly 50 per cent of total available comparison goods expenditure (£795.6m).
- 4.7 We provided two forecasts of comparison goods capacity, as follows:
- 'Scenario 1' (Static Market Shares). Our central forecast was based upon the assumption that market shares - and thus the aggregate retention rate - remain constant. On this basis the level of capacity identified under Scenario 1 is that

³ Including retail warehouse parks and freestanding retail warehouses.

which in general terms is required to maintain the existing study area retention rate (50 per cent) at a broadly constant level, which in our assessment should be regarded as the minimum level acceptable in the future.

- 'Scenario 2' (Planned Increase in the Retention Level). Our second set of forecasts illustrated the broad requirements in terms of new development that would be required to enable an uplift in the study area retention rate to be achieved, so that the study area can meet more of its own needs in the future. This alternative forecast is based on the assumption that the comparison goods expenditure retention rate rises to 55 per cent by 2031 - an increase of five percentage points from the 2004 base level.

4.8 We did not seek to establish the individual capacities for each of the various centres in the study area. Rather, we took a macro approach which, first, assessed the overall or aggregate amount of residual expenditure likely to be generated by residents of the whole of the OCA, and second, made recommendations as to where, geographically, any resulting capacity for new floorspace should be met, taking into account the hierarchy of existing centres and the sequential approach.

4.9 Our quantitative capacity work showed that there is a goods based capacity for additional comparison sector sales floorspace up to 2031 in the range 137,000 sq.m (1,474,700 sq.ft) under the 'static retention' Scenario 1, to 160,000 sq.m (1,722,000 sq.ft) under the 'increased retention' Scenario 2, using conservative assumptions.

Quantitative Need - Summary

4.10 Without significant additional retail development within the NNGA we expect a trend of relative decline to continue over the next 25 years, as larger centres outside the study area continue to attract substantial, and increasing, levels of expenditure from the study area itself. We regarded the present comparison goods retention level of 50 per cent as a minimum level acceptable in the future and recommended that every effort be made to ensure that the retention rate is at least maintained in the future - and preferably increased in line with our Scenario 2 forecasts.

Apportionment of Floorspace Requirements Across the NNGA

4.11 In accordance with the requirements of the study brief, we examined seven alternative policy options for the spatial distribution of forecast comparison sector floorspace requirements⁴, and we evaluated each of the options against a range of agreed sustainability objectives and indicators. In evaluating the options, we also assessed, in broad terms, each centre's physical ability to accommodate the floorspace requirements generated under each option.

4.12 On every key indicator examined, a strategy for a 'balanced' distribution of forecast growth between three strategic centres - Kettering, Wellingborough and Corby - provided the best fit against policy objectives agreed at the national, regional and local levels. Option 6 ('3 Centres') achieved the highest overall score in our evaluation because it distributes a greater proportion of the identified floorspace capacity to Kettering, located at the heart of the NNGA, whilst still promoting substantial growth in the other strategic centres of Corby and Wellingborough. Under this approach, the three higher-order centres will be supported by Rushden, as the NNGA's other main town centre, and by the remaining, smaller centres (Burton Latimer, Desborough, Higham Ferrers, Irthlingborough, Oundle, Raunds, Rothwell and Thrapston), which will perform roles as localised convenience and service centres.

4.13 Accordingly, the indicative floorspace requirements generated under Option 6 formed the basis of our favoured strategy approach. In turn, these indicative floorspace requirements were set out in the NNJPU's *Preferred Options for North*

⁴ The study brief did not require us to undertake a parallel exercise for the convenience sector.

Northamptonshire: Towards a Joint Core Spatial Strategy publication of November 2005, which identified a preference for a balanced three centres approach, consistent with the thrust of the recommendations in our August 2005 report.

- 4.14 The comparison retail floorspace requirements (net sales area) arising in the period 2004-31 under the favoured Option 6 were as follows (the requirement for the 2004-21 period is shown in brackets):
- Kettering: 55,000 sq.m to 64,000 sq.m (24,000 sq.m to 28,000 sq.m).
 - Corby: 41,000 sq.m to 48,000 sq.m (18,000 sq.m to 21,000 sq.m).
 - Wellingborough: 41,000 sq.m to 48,000 sq.m (18,000 to 21,000 sq.m).

Update of the Retail Capacity Forecasts

- 4.15 Since we completed the Centres Study, updated publications have been released from Experian and MapInfo which (inter alia) advocate the use of different rates of expenditure growth to those that we utilised for the original retail capacity forecasts. Furthermore, in April 2006, the chief planning officers of the four constituent local authorities approved a refined trajectory, produced by the NNJPU, which re-apportions the phasing of planned housing developments in North Northamptonshire in the period to 2021.
- 4.16 In the context of the changes outlined above, in April 2006 the NNJPU instructed RTP to update the quantitative food and non-food retail capacity forecasts that we produced for the Centres Study, using updated data inputs⁵. We submitted our final report to the NNJPU in July 2006; the floorspace requirements for each strategic centre arising under both the static (Scenario A) and higher (Scenario B) retention scenarios, in each of the incremental periods 2004-11, 2011-21 and 2021-31, are shown in Table 4.1. The final column of the table provides a summary of the floorspace distribution for the overall period 2004-31.

Table 4.1 Comparison Floorspace Requirements Arising Under Favoured Growth Option 6 in the Periods 2004-11, 2011-21, 2021-31, and 2004-31

| Location | Requirements Arising 2004-11 (all net sq.m) | | Requirements Arising 2011-21 (all net sq.m) | | Requirements Arising 2021-31 (all net sq.m) | | Total Requirements Arising 2004-31 (all net sq.m) | |
|-------------------------|---|--------------|---|---------------|---|---------------|---|----------------|
| | Scenario A | Scenario B | Scenario A | Scenario A | Scenario A | Scenario B | Scenario A | Scenario B |
| Corby | 1,955 | 2,929 | 13,416 | 15,582 | 21,561 | 25,746 | 36,933 | 44,257 |
| Kettering | 2,607 | 3,906 | 17,889 | 20,775 | 28,749 | 34,328 | 49,244 | 59,009 |
| Wellingborough | 1,955 | 2,929 | 13,416 | 15,582 | 21,561 | 25,746 | 36,933 | 44,257 |
| Total floorspace | 6,516 | 9,764 | 44,721 | 51,939 | 71,871 | 85,819 | 123,109 | 147,522 |

- 4.17 Table 4.1 shows that the comparison retail floorspace requirements (net sales area) that we have identified in the update study for the period 2004-31 for Kettering are of the order 49,000 sq.m to 59,000 sq.m (527,500 sq.ft to 635,000 sq.ft), of which between around 20,500 sq.m to 25,000 sq.m (220,500 sq.ft to 269,000 sq.ft) arises by 2021. Figure 4.1, below, updates the favoured strategy approach which was presented as Figure 10.1 of the August 2005 report.
- 4.18 Whilst slightly lower than the requirements identified in the original 2005 study, the comparison retail requirements that we have identified for Kettering through our

⁵ The updated data inputs relate to: per capita expenditure data; per capita expenditure growth rates; turnover efficiency gain for existing retailers; retail commitments; and population and housing growth.

updating work remain very substantial. This is illustrated in Table 4.2, which shows that the 'upper' (Scenario B) floorspace requirement that arises for Kettering in the 2006-21 period of 25,000 sq.m net equates to just under 90 per cent of the of the aggregate quantum of existing comparison retail floorspace (net sales area) in Kettering town centre. The Scenario B comparison floorspace requirement for Kettering that arises in the longer-term (to 2031), of 59,000 sq.m net, is more than twice the existing quantum of net comparison floorspace in Kettering town centre.

Table 4.2 The Scale of the 'Upper' (Scenario B) Comparison Floorspace Requirement in the Context of Kettering's Existing Town Centre

| Existing Quantum of Comparison Retail F'space (Gross) in Kettering's Existing Town Centre | Existing Quantum of Comparison Retail F'space (Net) in Kettering's Existing Town Centre* | 'Upper' Comparison F'space Reqt (2006-21) for Kettering as a Proportion of the Total Existing Quantum of Comparison F'space (Net) | 'Upper' Comparison F'space Reqt (2006-31) for Kettering as a Proportion of the Total Existing Quantum of Comparison F'space (Net) |
|---|--|---|---|
| 40,200 sq.m (432,700 sq.ft) | 28,200 sq.m (302,500 sq.ft) | 89% | 209% |

Source: Experian's latest Goad plan for Kettering town centre

* Assuming a gross to net ratio of 70 per cent, which is typical in 'high street' locations.

- 4.19 Accommodating this scale of floorspace requirements in sustainable locations will therefore be extremely challenging. Kettering Borough Council must play a lead role in facilitating the necessary intensification of development within the town centre and, inevitably, its geographical expansion. This will require highly proactive intervention including, for instance, the use of the Council's CPO powers.

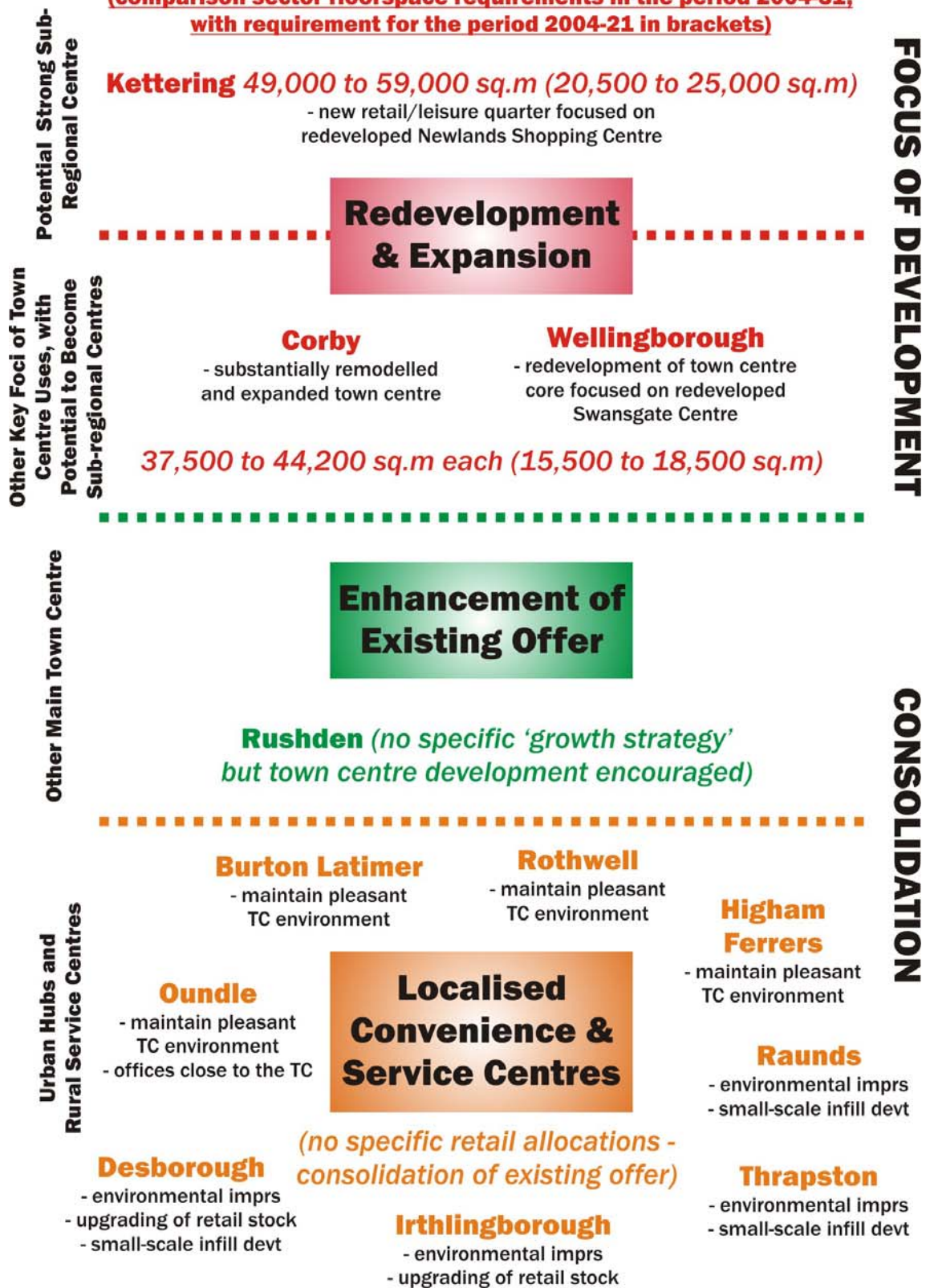
Bulky Goods Retail Floorspace Requirements

- 4.20 Expenditure on genuine 'bulky goods' retail items (furniture, carpets, major household appliances, and so on) is estimated to currently account for around 16 per cent of total comparison retail expenditure⁶. If these shares of expenditure persist, then the overall range of comparison floorspace requirements arising for Kettering over the 2004-21 period will translate to a requirement for around 3,300 sq.m to 4,000 sq.m (35,300 sq.ft to 43,000 sq.ft) of bulky goods floorspace (net sales area) by 2021, rising to around 7,800 sq.m to 8,800 sq.m (84,400 sq.ft to 94,700 sq.ft) by 2031.

⁶ As specified in Table 1.1 of Experian's Retail Planner Briefing Note 3.0 (March 2006).

Figure 4.1 Preferred Option 6 - Balanced Network Approach, With 3 Strategic Centres

(comparison sector floorspace requirements in the period 2004-31, with requirement for the period 2004-21 in brackets)



5 DEFINITION OF THE CANDIDATE SITES

Introduction

5.1 Following discussion with the client we decided to concentrate on nine candidate sites. Eight of the sites are within Kettering town centre, as defined by the Local Plan town centre inset map. However, using the PPS6 definition of sequentially preferable locations, only two sites are in-centre (located within the Established Shopping Area, ESA); five sites are edge-of-centre (within 300m of the ESA); and two sites are out-of-centre.

5.2 This section provides a brief introduction to each site and describes the location, current use, Local Plan status, and the main constraints faced by each site. Full details of our site analysis are provided in Appendix 1, which contains a completed site assessment pro-forma for each candidate site specifying (*inter alia*): location; Local Plan allocation; conservation designations; sequential status; current uses; physical characteristics; ownership issues; accessibility; and our summary of the site's availability, suitability and viability for retail uses. The separately bound *Drawings Dossier* contains a red line plan for each site.

5.3 Below, we summarise the principal characteristics of each site⁷.

Site 1 - Borough Council Offices, Police Station and Magistrates' Court

5.4 This site is located to the south of the ESA, and is bordered to the east by London Road and to the south by Bowling Green Road. The site comprises a mix of uses, including occupied council offices, a public swimming pool, a police station, magistrates' court, a well-used surface-level public car park and an area of public open space (memorial park). The majority of the southern section of the site is covered by Local Plan Policy 86, which prohibits the redevelopment of existing public car parks, except where a development proposal makes provision for replacement facilities.

5.5 Although the gross area of the overall site is 2.28 ha, the site is unlikely to prove developable in its entirety. We have assumed that the memorial park, located in the northern spur of the site, will not be developed due to its high amenity value and protected policy status. By removing the memorial park (Plot 1b) from the gross site area, the site is effectively divided into two separate developable plots. Plot 1a, a long and narrow site, is 0.43 ha in size and incorporates the Magistrates' Court and police station. Plot 1c is larger (1.62 ha) and consists of the Kettering Borough Council (KBC) offices, swimming pool and main car park. We have assumed that the attractive Bowling Green Road façades and the Corn Market Hall building will be retained as part of any future redevelopment scheme.

5.6 The location of the site within the Kettering Town Centre Conservation Area and the presence of five listed buildings in close proximity to the site will necessarily influence future development options due to the need for sensitive and complementary design.

5.7 The site currently forms an edge-of-centre location, since it is within reasonable walking distance of the ESA, although it is divorced from retail frontages at present by a 'barrier' of listed buildings.

Site 2 - Western Quarter (Northfield Avenue)

5.8 The Western Quarter is located to the west of the ESA and is bordered to the west by Northfield Avenue and to the south by Meadow Road. The site forms a borderline edge-of-centre/out-of-centre location with respect to its distance from the ESA. Due to

⁷ All site measurements as specified in this report and on the plans in the separately bound Appendices volume have been derived from the Promap website: www.promap.co.uk

the presence of a residential area between the site and the ESA, there is no realistic prospect that this site will be able to function as an extension to the town centre core.

- 5.9 The site is substantial in size (4.20 ha gross) with no conservation designations or notable policy restrictions. Two electricity sub stations, a gas valve compound and an aerial mast are located at the site, although none of these are likely to rule out the site's redevelopment. The site is currently in active use by a number of commercial businesses, including B&Q, Comet and small workshops, auto repair centres and specialist bulk retail warehouse units. The western section of the site also functions as an important temporary overflow car parking facility for the nearby hospital.

Site 3 - Wadcroft and Phase 1 Newlands Shopping Centre

- 5.10 Site 3 consists of two distinct plots ('Wadcroft' and 'Newlands Phase 1'), separated by Lower Street, in the heart of Kettering town centre.
- 5.11 The first plot, Wadcroft, is bordered by Lower Street, Trafalgar Road, High Street and Commercial Road and lies partly within the ESA. The plot is of a reasonable size (1.67 ha) and shape and currently comprises a council-owned surface-level car park, a BT telephone exchange, and 18 units which are occupied by retail and service uses. The main constraint on comprehensive redevelopment of this overall plot is the presence of the BT telephone exchange building, the relocation of which is likely to be expensive⁸. This does not appear to represent a realistic redevelopment opportunity and as such if the wider site is to be redeveloped, the telephone exchange building will need to be integrated into the scheme. Replacement car parking will also need to be provided if the existing public car park is developed.
- 5.12 The second site, Newlands Phase 1, presents a more straight-forward redevelopment opportunity. The site is wholly within the ESA and lies adjacent to the existing Newlands Shopping Centre, fronting onto Gold Street. The site is 0.46 ha in size and consists of 17 units, occupied by retail and service operators on the ground floor, with the first floor used for storage. The site is covered by Local Plan Policy K36, which encourages redevelopment of this underused and visually out-of-character site for a well-designed retail scheme, which would also incorporate some car parking.

Site 4 - Northfield Avenue

- 5.13 This out-of-centre site is located approximately half a mile to the north-west of the core part of Kettering town centre, and is bordered to the west and east by a railway line and Northfield Avenue, respectively. The overall site has a substantial gross area (8.71 ha) and is currently occupied by a range of commercial operators. However, only the southern section of the site, to the south of Brunel Close, consists of predominantly vacant and underused land and appears to be available for redevelopment. Nevertheless, the southern part of the site is substantial, at over 4 ha.
- 5.14 The site is: unallocated in the Local Plan; not within a conservation area; does not contain any listed buildings or features of significant architectural and historical interest. As such, there do not appear to be any major policy or physical constraints to the redevelopment of Site 4.

Site 5 - Weavers Surgery/School Lane Car Park

- 5.15 This edge-of-centre site is located to the immediate east of the ESA, to the rear of Montagu Street and Silver Street. Relatively small in size (0.81 ha), the site is currently occupied by a 120-space, surface-level public car park; a medical centre (which is soon to relocate); three small businesses; a warehouse and a vacant outlet.
- 5.16 The site is not within a conservation area and does not contain any listed buildings. However, the eastern half of the site is covered by Local Plan Policies 86 and K24, which seek to prohibit redevelopment of existing public car parks, except where

⁸ From experience elsewhere, we know that relocating telephone exchanges can cost upwards of £10 million.

provision is made for replacement facilities. The site is also subject to a number of physical constraints. Most notably, the site's backland location restricts its size and shape and reduces the site's suitability for 'high street' comparison retail development, which would require a more prominent location. Furthermore, the site is in multiple ownership, with 12 separate freehold interests, and so land assembly would be required to facilitate the comprehensive redevelopment of this site.

Site 6 - Eskdail Street Surgery

- 5.17 This edge-of-centre site is located to the east of the ESA and can be accessed via Eskdail Street. Relatively small in size (0.19 ha), the site is currently occupied by the Eskdail Medical Centre (which is soon to relocate), as well as parking facilities for staff and patients.
- 5.18 The site is unallocated in the Local Plan and there do not appear to be any insurmountable physical or ownership constraints that would restrict its redevelopment. Instead, the main limitations of this site are its small size and backland location within a predominantly residential area.

Site 7 - Stagecoach Site, Northampton Road

- 5.19 This edge-of-centre site is located on Northampton Road, which is to the south-west of the ESA and in relatively close proximity to Kettering railway station. The site has a gross area of 0.49 ha and is currently occupied by an operational Stagecoach bus depot, which is used for the servicing and storage of buses. Existing residential uses border the site on three sides.
- 5.20 The site is unallocated in the Local Plan and again there do not appear to be any insurmountable physical or ownership constraints that would restrict redevelopment of this site. However, the site's separation from the existing town centre core by established residential uses does bring its suitability for retail redevelopment into question.

Site 8 - Horsemarket

- 5.21 This small site (0.09 ha) is located on the eastern periphery of the ESA, within an area dominated by evening economy businesses, and comprises the following properties: 13-18a Horsemarket and 2-8 Queen Street. The site takes the form of two distinct plots, which are bisected by Queen Street, and consists of vacant, boarded up buildings in a state of considerable disrepair. The converted properties previously accommodated small-scale retail and service uses at the ground floor level. However, the poor environment of the site now blights the streetscape along the eastern edge of the town centre, and the site is in urgent need of redevelopment.
- 5.22 The site does not contain any listed buildings or features of architectural or historic merit that need to be retained, although the properties along Horsemarket are located within the Kettering Town Centre Conservation Area.
- 5.23 The main physical constraint to development is the site's small size. The division of the site into two plots by Queen Street further reduces the developable area of the site. Furthermore, the site is in multiple ownership, with seven separate freehold interests. Land assembly will therefore be required in order to facilitate the site's redevelopment.

Site 9 - Tanner's Lane/Tanner's Gate Retail Park

- 5.24 Located to the north-west of the ESA, this site is bordered by Tanner's Lane and Northall Street. The site consists of a small, modern retail park accommodating four retail units (B'Wise, Pets at Home, Farmfoods and Blockbuster Videos), with 79 parking spaces.
- 5.25 The site contains no listed buildings and is not located within a conservation area, although a listed building (Carey House) is located to the south-west of the site.

However, the physical extent of the site is constrained by the existing street pattern and Northall Street, which borders the site to the north.

- 5.26 Despite the site's location on the periphery of the ESA, its proximity to the Newlands Centre and the development of a Sainsbury's on the opposite side of Northall Street have enabled it to begin to function as an in-centre site. Redevelopment of the site for an intensification of existing retail uses or higher quality retail uses could further consolidate the site's in-centre function.

6 CONSIDERATION OF COMPARISON RETAIL FLOORSPACE POTENTIAL

Development Plots

- 6.1 The *Drawings Dossier* contains a plan for each site which shows the ‘development plots’, i.e. the part of the gross site area⁹ which we consider is realistically available for development. A gross to net ratio of 90 per cent is then applied to each development plot. A further series of plans then identify the ‘*net developable area*’ for the residual part of each site. The derivation of the net developable areas is summarised in Table 6.1.

Table 6.1 Net Developable Areas

| Site | Gross Site Area | | Net Developable Site Area* | | Assumptions |
|---|-----------------|--------------|----------------------------|--------------|---|
| | (sq.m) | (ha) | (sq.m) | (ha) | |
| 1 Existing KBC Offices + Environs | 22710 | 2.27 | 17533 | 1.75 | 17533 sq.m = 3834 sq.m (net developable area of plot 1a) + 13699 sq.m (net developable area of plot 1c). Plot 1a will be severed from main plot 1c by plot 1b, which will need to be retained in situ; this might lessen the market appeal of plot 1a. Plot 1a is also fairly shallow (the northern extremity is c.38 metres deep) and so servicing the plot might be problematic (property to the west is recently built residential and so cannot realistically be brought into the development site). Plot 1c is a town centre car park (Local Plan Policy 86) and so replacement parking would need to be provided. |
| 2 Western Quarter | 42020 | 4.20 | 34925 | 3.49 | Substantial area containing a range of retail, commercial and industrial uses as well as car parking. Assumed that the part of the site which is site occupied by the former Lidl building is better suited to other (non-retail) uses. |
| 3 Wadcroft + Newlands Phase I | 21632 | 2.16 | 16893 | 1.69 | 16893 sq.m = 12436 sq.m (net developable area of plot 3a) + 4457 sq.m (net developable area of plot 3b). Assumes that the telephone exchange (likely to be costly to relocate) and the Post Office (key building) within plot 3a will be retained in situ. |
| 4 Northfield Avenue | 87110 | 8.71 | 40437 | 4.04 | Assumes that the industrial estate in the northern part of the site will be retained in situ. |
| 5 Weavers Surgery/ School Lane Car Park | 8065 | 0.81 | 7259 | 0.73 | Assumes that no buildings/structures/other features need to be retained. |
| 6 Eskdaill Street Surgery | 1880 | 0.19 | 1692 | 0.17 | Assumes that no buildings/structures/other features need to be retained. |
| 7 Stagecoach Bus Depot | 4900 | 0.49 | 4410 | 0.44 | Assumes that no buildings/structures/other features need to be retained. |
| 8 Horsemarket | 872 | 0.09 | 785 | 0.08 | Assumes that no buildings/structures/other features need to be retained. |
| 9 Tanner's Gate Retail Park | 7710 | 0.77 | 6939 | 0.69 | Assumes that no buildings/structures/other features need to be retained. |
| TOTALS | 196899 | 19.69 | 130872 | 13.09 | |

* After excluding individual plots and buildings/other structures/façades which are likely to be retained, and applying a gross to net ratio of 90%

- 6.2 Table 6.1 shows, for example, that Site 1 has a gross area of 2.27 ha. If it is assumed that the memorial park (plot 1b), as well as the Corn Market Hall and key façades fronting Bowling Green Road within plot 1a, will not be developed for retail - and having applied a gross to net ratio of 90 per cent to the residual site area - this leaves a ‘*net developable area*’ of 1.75 ha. Thus, in our assessment, around three quarters of the gross area of Site 1 is actually available for retail development.

⁹ The gross site area relates to the overall site, i.e. all of the land that is contained within the red line boundary. All site measurements are sourced from the Promap website: www.promap.co.uk

Plot Ratios

- 6.3 Table 6.1 identifies how the 'net developable area' of each site was derived. A second ratio was then applied - this time to the net developable area - which we term the '*gross to net plot area*' (also commonly referred to as the '*plot ratio*'). This is essentially the proportion of the net developable area that will be covered by building footprint, expressed as a percentage¹⁰. We then assumed an 'average' storey height at each site; for sites in core town centre locations we assumed that retail development will have an average height of 2 storeys, whereas for sites in edge- or out-of-centre locations an average storey height of 1.4 storeys was assumed. A third ratio - the '*gross to net building area*' - was then applied, of 90 per cent.
- 6.4 The specific ratios described above are set out in Table 6.2, together with the '*resultant gross floorspace per hectare (sq.m)*'.

Table 6.2 Ratios Used to Derive Developable Floorspace Per Hectare

| Retail Devt Format | Gross to Net Plot Area (%) | Average Storey Height | Gross to Net Building Area (%) | Resultant Gross F'space Per Ha (sq.m) |
|---|----------------------------|-----------------------|--------------------------------|---------------------------------------|
| Typical 'high street' retail format (core TC locations) | 85 | 2 | 90 | 15300 |
| Larger 'high street' retail format (EOC/OOC locations) | 50 | 1.4 | 90 | 6300 |

Resultant Floorspace Achievable at Each Site

- 6.5 Table 6.3 provides an indication of the quanta of comparison retail floorspace (gross¹¹) that could be developed at each candidate site, having applied the various ratios described above¹². The table shows that if all of the nine candidate sites were redeveloped for retail uses, they could collectively yield around 93,500 sq.m (gross) of comparison retail floorspace. This is substantially in excess of the floorspace requirements that we identified in the North Northamptonshire Centres Study for Kettering in the period up to 2021, and indeed even the period up to 2031. Decisions therefore need to be made as to which sites should be promoted and taken forward for retail development. Moreover, not all of the sites are suitable/available/viable for retail development, and some are likely to be better suited to other (non-retail) uses. We turn to the evaluation of the sites in Section 7.

¹⁰ The plot ratio is derived from Roger Tym & Partners' research and records, based on surveys of establishments in numerous UK locations.

¹¹ The figures are gross because they relate to the gross internal building area. Therefore an appropriate gross to net ratio would need to be applied in order to identify the net sales areas.

¹² The floorspace figures specified in the tables in this section of our report - and on the layout plans in the Appendices volume - are intended to be indicative only. Similarly, the layouts, site boundaries etc on the plans are intended to be indicative only. Any scheme that comes forward would need to be the subject of detailed design and feasibility analyses.

Table 6.3 Summary of Floorspace Achievable at Each Site

| Site | Net Developable Site Area (Ha)* | Gross Floorspace That Could be Accommodated by the Net Site Area (sq.m)* | Comments/Assumptions |
|--|---------------------------------|--|--|
| 1 Existing KBC Offices + Environs | 1.75 | 11046 | Plot 1a will be severed from main plot 1c by plot 1b, which will need to be retained in situ; this might lessen the market appeal of plot 1a. Plot 1a is also fairly shallow (the northern extremity is c.38 metres deep) and so servicing the plot might be problematic (property to the west is recently built residential and so cannot realistically be brought into the development site). Plot 1c is a town centre car park (Local Plan Policy 86) and so replacement parking would need to be provided. |
| 2 Western Quarter | 3.49 | 22002 | Substantial area containing a range of retail, commercial and industrial uses as well as car parking. Assumed that the part of the site which is occupied by the former Lidl building is better suited to other (non-retail) uses. |
| 3 Wadcroft + Newlands Phase I | 1.69 | 14654 | Assumes that the Telephone Exchange (likely to be costly to relocate) and the Post Office (key building) within plot 3a will be retained in situ. Also assumes that the Sorting Office to the rear of the main Post Office building need not be retained. |
| 4 Northfield Avenue | 4.04 | 25475 | Industrial estate in northern part of the site retained in situ. |
| 5 Weavers Surgery/School Lane Car Park | 0.73 | 4573 | Assumes that no buildings/structures/other features need to be retained. |
| 6 Eskdail Street Surgery | 0.17 | 1066 | Assumes that no buildings/structures/other features need to be retained. |
| 7 Stagecoach Bus Depot | 0.44 | 2778 | Assumes that no buildings/structures/other features need to be retained. |
| 8 Horsemarket | 0.08 | 1201 | Assumes that no buildings/structures/other features need to be retained. |
| 9 Tanner's Gate Retail Park | 0.69 | 10617 | Assumes that no buildings/structures/other features need to be retained. |
| TOTALS | 13.09 | 93412 | |

* After excluding individual plots, and buildings/other structures/façades, which are likely to be retained in situ

7 EVALUATION OF THE RETAIL GROWTH OPTIONS

The Evaluation Matrix

Purpose of the Matrix

- 7.1 The application of the sequential approach for selecting locations for new retail development is set out in paragraphs 2.44 to 2.47 of PPS6, which require a systematic method for identifying the most suitable (and sustainable) locations for new retail development. Paragraph 2.44 of PPS6 sets the order of preference in applying the sequential approach, as follows:
- first, locations within existing centres, but subject to caveats relating to suitability, availability and scale in relation to the function of the centre;
 - second, edge-of-centre locations, with a preference given to sites that are, or will be, well connected to the centre; and then
 - out-of-centre sites, with preference given to sites which are, or will be, well served by a choice of means of transport and those with a high likelihood of forming links with the centre.
- 7.2 It is important to note that the distance threshold for the purposes of the 'edge-of-centre' definition varies from up to 300 metres from the primary shopping area for retail use, to within 300 metres of a town centre boundary for all other main town centre uses (as set out in Table 2 of Annex A of PPS6). It is also noteworthy that LPAs are required to give weight to those locations that best serve the needs of deprived areas when considering alternative sites at the same level in the sequential ranking (paragraph 2.44).
- 7.3 In line with the earlier advice in the now replaced PPG6, there is a requirement for flexibility and realism on the part of both LPAs and developers/operators when discussing the identification of sites for inclusion in development plan documents. Sites must be available, or likely to become available for development during the development plan document period, and be capable of accommodating a range of business models, all parties having been flexible in relation to scale, format, car parking provision and the scope for disaggregation (paragraph 2.45).
- 7.4 A new requirement, however, is for development plan documents to include phasing policies so as to ensure that preferred locations are developed ahead of less central locations (paragraph 2.46). Further guidance on the sequential approach is to be published separately (paragraph 2.47).
- 7.5 Reflecting these requirements of PPS6, the aim of our evaluation matrix is to ensure that the preferences and judgements underlying the decision-making in respect of new retail development in Kettering are openly expressed and organised in a transparent framework, and that the analysis is logically correct and internally consistent. The matrix draws upon the detailed pro-formas that we completed for each site at the start of the study (as contained in Appendix 1).

Policy Objectives and Specific Policy Aims

- 7.6 The evaluation matrix is designed in a 'pyramid' format, structured as follows:
- At the top of the pyramid, appropriateness for retail development is defined by means of reference to seven policy **objectives**. These objectives embody the Government's key sustainability objectives - as set out in PPS6/other PPSs and PPGs, White Papers and other guidance - and the key themes of the RSS. They reflect three broad issues: (i) the practical requirements which are necessary conditions of a development being implemented (for instance, finance, and

physical feasibility); (ii) locational issues such as the relationship of the site to other land uses and policy designations; and (iii) development-related issues which centre around the contribution that the proposed scheme will make to wider sustainability objectives, such as the ability to integrate successfully with the existing Established Shopping Area (ESA) as defined in the adopted Local Plan.

- The next tier of the pyramid provides a series of **factors** on which achievement of the core objectives depend. The index incorporates a total of 13 different factors that feed into the seven policy objectives. Certain factors affect more than one objective. In these cases, the factor has not been double-counted but has been included under the objective where it will have the greatest impact.
- Finally, at the base of the pyramid, are the **measures** that are used to score each of the 13 factors. These measures are effectively the 'drivers' of the overall index. A total of 25 measures are included and are used to score the different factors in the matrix.

Evaluation Scoring Mechanism

7.7 The structure for the evaluation - as set out in Tables 1-9 of Appendix 4 - is as follows:

- The seven policy objectives - see column A.
- The 13 factors derived from these objectives - see column B.
- The 25 measures derived from these objectives and factors - see column C.
- The data and basis upon which scores are assigned for each site - see column D.
- The range of scores which can be awarded to any site, from a minimum of 0 to a maximum of 5 - see column E.
- The weighting given to the score for each measure - see column F. These are common across all evaluated sites and comprise a factor of 1, 2, 3 or 5. The weighting of 5 is given to the measure considered to be the key element underlying the factor in column B.
- The resultant measure weighted score, namely the product of the score (E) and weight (F) - see column G.
- The maximum potential score possible for each measure, namely the product of the maximum score (i.e. 5) and the stated weight (F) - see column H.
- The factor score for each sub-group of factors - i.e. the weighted score (G) as a proportion of the maximum potential score (H) - see column I.
- The final column (J) displays the overall score under each factor, as a percentage; thus if a site scores maximum points for each measure under a particular factor, then it will achieve a score of 100 per cent under that factor, as shown in the 'sub-total' row.

7.8 The evaluation matrix calculates two scores: for the measures unweighted (column E), and the weighted measures (column J); it is the latter score which represents the most appropriate measure of suitability for retail development.

Evaluation Findings

7.9 Table 7.1 sets out the overall outcome of our evaluation of the nine sites using the matrix. The final column of Table 7.1 provides our total evaluation '*score*' for each site, which is indexed so that the maximum '*score*' achievable for each site in the evaluation matrix is 100. Table 7.1 also provides an overall summary of each site's performance in relation to each policy objective, in terms of good ('G'), moderate ('M') or poor ('P'). Full details are provided in Tables 1 to 9 of Appendix 4.

Table 7.1 Evaluation of Growth Options Against National/Regional Policy Objectives

| <i>Objectives</i> | | | | | | | | |
|--|---------------|-------------------------|----------|---------------|----------------|---------------------|-------------------------|--|
| Site | Accessibility | Sustainable Use of Land | Location | Marketability | Deliverability | Operational Factors | Planning Policy Impacts | OVERALL WEIGHTED MEASURES SCORE (OUT OF 100) |
| 1 Existing KBC Offices + Environs | G | G | M | G | G | M | M | 80.3 |
| 2 Western Quarter | M | G | P | M | G | M | G | 66.1 |
| 3 Wadcroft + Newlands Phase I | G | G | G | G | G | G | G | 91.4 |
| 4 Northfield Avenue | P | G | P | M | G | G | G | 68.0 |
| 5 Weavers Surgery/School Lane Car Park | G | G | M | P | P | M | G | 65.7 |
| 6 Eskdail Street Surgery | G | G | M | M | P | P | G | 67.0 |
| 7 Stagecoach Bus Depot | G | G | M | P | P | M | G | 67.5 |
| 8 Horsemarket | G | G | M | P | M | P | G | 66.4 |
| 9 Tanner's Gate Retail Park | G | G | M | G | M | G | G | 80.1 |

7.10 Table 7.1 reveals that three of the nine candidate sites achieve an overall evaluation matrix score in excess of 80 per cent. The remaining six sites achieve moderate overall scores in the evaluation matrix, within a narrow range from 65 to 68 per cent.

Best-Performing Sites (Matrix Scores in Excess of 80 Per Cent)

7.11 **Site 3 (Wadcroft/Newlands Phase I)** achieves the highest overall score in the evaluation matrix and performs well across all seven policy objectives. Retail development at the site would thus be in accordance with all key sustainable development objectives. Moreover, given the site's location within the heart of the town centre and adjacency to the existing Newlands Centre, we consider that a substantial retail development scheme at the site would be likely to be a success in market viability terms.

7.12 **Site 1 (existing KBC Offices + Environs)** scores well in relation to most policy objectives, although it achieves a lower overall score than Site 3 because of its less central location and because of the historically sensitive nature of the surrounding area. Nevertheless, the site appears to offer scope for retail development as part of a wider mix of uses, which could include offices and/or commercial leisure. The Town Centre Framework - which was commenced in January 2007 - will provide a more definitive steer on what is likely to represent the best mix of uses at the site, although we would stress the need for any retail at this site to be of a high quality.

7.13 **Site 9 (Tanner's Gate Retail Park)** is the third site that scores well in the evaluation exercise, principally because its location immediately adjacent to the ESA means that it effectively functions as in-centre. The existing, low-density retail uses at the site would need to be cleared and significant physical remodelling would be required if maximum physical integration of the site with the town centre core was to be achieved, which explains why Site 9 achieves a lower overall matrix score than Site 3.

Remaining Sites (Matrix Scores Below 70 Per Cent)

7.14 **Site 2 (Western Quarter)** is relatively large, generally flat and adjacent to strategic routes into the town centre. However, comprehensive redevelopment of the site is constrained by the presence of multiple land ownerships and a range of existing industrial and other uses, some/all of which would need to be relocated. Moreover, there is no realistic prospect of this site ever functioning as anything other than edge or

out-of-centre, given its separation from the town centre core by an established residential area. We therefore conclude that the site does not represent a genuine opportunity for traditional 'high street' type comparison retail uses, although it would be suitable for an intensification of the bulky format retail uses that already occupy part of the site.

- 7.15 The southern half of **Site 4 (Northfield Avenue)** is large enough to accommodate a significant retail scheme and it has good vehicular accessibility. Furthermore, the land is mostly vacant and represents a relatively unconstrained development opportunity. However, as with Site 2, the site's out-of-centre location means that the site does not offer realistic potential for 'high street' comparison retail. Therefore, we consider that Site 4 would be better suited to an intensification of the bulky format retail uses that are already present to the south of the site.
- 7.16 **Site 5 (Weavers Surgery/School Lane Car Park)** is located close to the ESA. However, it is a fairly small, backland site and there are constraints to physically integrating the site with the town centre core. Furthermore, the site provides an important town centre car parking facility and is within multiple ownerships. For these reasons, the site scores poorly in relation to marketability and deliverability criteria.
- 7.17 **Site 6 (Eskdail Street Medical Centre)** is also physically close to the ESA, and is likely to become available for redevelopment in the short-term. However, given the site's peripheral location along Eskdail Street and the lack of visibility from the town centre core this site also scores poorly in relation to deliverability. Moreover, this is one of the smallest sites under consideration and a retail scheme of any material scale could not be delivered at the site.
- 7.18 **Site 7 (Stagecoach Bus Depot)** is within a single ownership and may become available for redevelopment in the foreseeable future, although the site is in a peripheral location and so it scores poorly in relation to marketability and deliverability criteria.
- 7.19 **Site 8 (Horsemarket)** is the smallest site under consideration. Whilst available and in need of redevelopment, the site's peripheral location and restrictive size, and the fact that the site is bisected by Queen Street, means that it scores poorly in terms of marketability and operational factors.

Implications of Taking Forward the Highest-Scoring Sites

- 7.20 If each of the three highest-scoring sites - Wadcroft/Newlands, KBC Offices + Environs and Tanner's Gate - was developed individually, then they could together accommodate around 36,300 sq.m (390,900 sq.ft) of comparison retail floorspace (gross), or around 25,400 sq.m (273,500 sq.ft) net. This is shown in Table 7.2.

Table 7.2 Summary of Comparison Retail Floorspace Achievable at the Three Highest-Scoring Sites

| Site | Net Developable Site Area (Ha)* | Gross Floorspace That Could be Accommodated by the Net Site Area (sq.m) | Net Floorspace That Could be Accommodated by the Net Site Area (sq.m)** |
|-----------------------------------|---------------------------------|---|---|
| 1 Existing KBC Offices + Environs | 1.75 | 11046 | 7732 |
| 3 Wadcroft + Newlands Phase I | 1.69 | 14654 | 10258 |
| 9 Tanner's Gate Retail Park | 0.69 | 10617 | 7432 |
| TOTALS | 4.14 | 36316 | 25421 |

* After excluding individual plots/buildings/other structures/façades that are likely to be retained in situ

** After applying a gross to net ratio of 70 per cent, which is typical for town centre locations

7.21 Thus, the scale of floorspace that the three sites listed in Table 7.2 could accommodate is similar to the upper end of the range of floorspace requirements that we have identified for Kettering in the period to 2021, of 25,000 sq.m net. We note, however, that the Wadcroft, Newlands and Tanner's Gate sites each contain significant quanta of comparison retail floorspace, and so the 'net gain' in floorspace that would be achieved by redeveloping these sites would be lower than the 25,400 sq.m figure.

Wadcroft + Newlands + Tanner's Gate Comprehensive Development Area

7.22 Table 7.1 shows that Site 3 (Wadcroft + Phase I Newlands) could potentially accommodate around 10,250 sq.m (net sales area) of comparison retail floorspace¹³. Table 7.1 also shows that Site 9 (Tanner's Gate) could accommodate around 7,400 sq.m net sales area¹⁴. Thus, if Sites 3 and 9 were developed individually they could potentially accommodate around 17,650 sq.m (net sales area) of high street comparison retail.

7.23 We consider, however, that the incremental redevelopment of the individual sites will not represent the best way forward. In our assessment, the Wadcroft and Newlands 'sites' should be considered together as one wider opportunity, rather than two distinct plots. In planning for long-term growth, against a backdrop where the resident population is expected to grow considerably, local planning authorities and other agencies charged with delivery should not give undue weight to existing supply-side constraints, or existing physical characteristics (in this case, Lower Street which currently separates the two plots, and the property that fronts Lower Street/High Street).

7.24 Similarly, we consider that the Tanner's Gate site should ideally be brought into the wider Wadcroft-Newlands site. This would require the diversion of Tanner's Lane as well as the clearance of residential property, and potentially also the Newlands car park.

7.25 A comprehensive approach to the general Wadcroft + Newlands + Tanner's Gate area would represent a much more substantial opportunity and would be better able to create significant critical mass and market impact. The Wadcroft + Newlands + Tanner's Gate 'comprehensive development area' (CDA) is depicted as Figure 7.1 below.

7.26 Table 7.2 provides an indication, in very general terms, of the scale of high street comparison retail floorspace that could potentially be accommodated at the CDA, under the following assumptions:

- An average storey height across the CDA of 1.4 storeys. It is possible that part of the CDA could be developed in 2- or even 3-storey format, although given the size of the CDA it is likely that a scheme would also include some single-storey format development, hence our lower 1.4 storey assumed average.
- Whereas we assumed that a plot ratio of 85 per cent could be achieved at the Newlands site if it was developed on its own, lower overall plot ratios would be likely if the CDA was developed comprehensively (to allow for replacement car parking, areas of public open space, and so on). We have therefore provided a range of floorspace estimates, based on potential plot ratios of 50 per cent, 55 per cent and 60 per cent.
- The gross area of the CDA is approximately 4.07 ha (40,700 sq.m). However, we have assumed that the telephone exchange (likely to be costly to relocate) and the Post Office (key building) would be retained in situ¹⁵. These buildings cover a

¹³ To derive this estimate, we assumed a plot ratio of 50 per cent and an average height of 1.4 storeys (Wadcroft), with an assumed plot ratio of 85 per cent and double-storey development at Newlands.

¹⁴ Assuming a 50 per cent plot ratio and 1.4 storey development.

¹⁵ We have assumed that the Sorting Office to the rear of the main Post Office building need not be retained.

combined area of 0.28 ha (2,800 sq.m) gross, and so the residual area of the CDA is 3.79 ha (37,900 sq.m) gross. Applying a gross to net ratio of 90 per cent to this residual area produces a 'net developable site area' of 3.41 ha (34,100 sq.m).

- 7.27 There are many variables, potential design solutions, car parking approaches and so on; hence the figures in Table 7.2 should be treated as a broad estimate only at this stage.

Table 7.2 Summary of Net Developable Comparison Goods Floorspace (Wadcroft + Newlands + Tanner's Gate CDA)

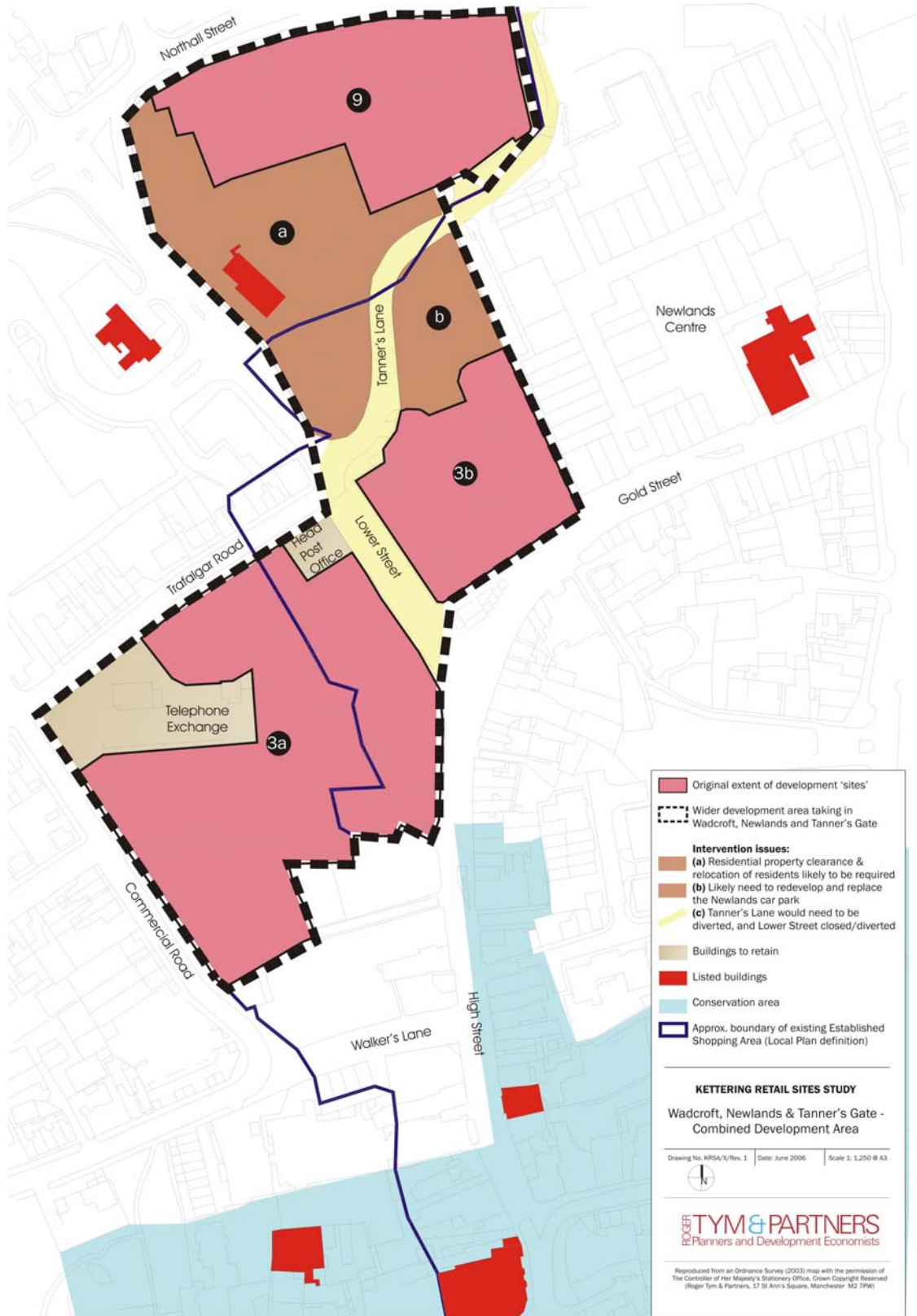
| Devt Type | Net Developable Site Area (Ha)* | Gross Floorspace That Could be Accommodated by the Net Site Area (sq.m) | Net Floorspace That Could be Accommodated by the Net Site Area (sq.m)** |
|--|---------------------------------|---|---|
| Typical 'high street' retail format (high density, 60% plot ratio) | 3.41 | 25786 | 18051 |
| Typical 'high street' retail format (medium density, 55% plot ratio) | 3.41 | 23638 | 16546 |
| Typical 'high street' retail format (lower density, 50% plot ratio) | 3.41 | 21489 | 15042 |

* After excluding individual plots/buildings/other structures/facades, which are likely to be retained in-situ

** After applying a gross to net ratio of 70 per cent, which is typical for town centre locations

- 7.28 Using the conservative plot ratio/storey height assumptions specified above, Table 7.2 indicates that the CDA could potentially accommodate between around **15,000 sq.m and 18,000 sq.m net sales area** of high street comparison retail floorspace. This scale of potential floorspace is similar to the scale of floorspace that could be achieved if the constituent sites/plots were redeveloped individually, but the comprehensive scheme would have much greater market impact than incremental development.
- 7.29 The actual 'net gain' in retail floorspace would be lower than the figures specified in Table 7.2 because redevelopment of the sites would involve the replacement of existing retail floorspace. Nevertheless, the exercise indicates that the CDA could accommodate a significant proportion of the comparison retail floorspace 'need' that we have identified for Kettering in the period to 2021, of around 20,500 sq.m to 25,000 sq.m net sales area (it should be noted that some of these overall floorspace requirements will probably be implemented in bulky goods format in other locations).

Figure 7.1 Potential Wadcroft + Newlands + Tanner's Gate Comprehensive Development Area



KBC + Environs Site

- 7.30 We presented the findings from our initial site evaluation exercise - showing that Site 1 (KBC + Environs) did not score quite as well as Site 3 (Wadcroft + Phase I Newlands) - to the Borough Council at the end of June 2006. Reflecting our findings, the Council asked us (in September 2006) to undertake specific research into retail-led town centre extension schemes from around the country that have been developed - or which are currently planned - at sites with similar physical characteristics/catchment profiles to the KBC + Environs site. Our specific remit was to:
- i) identify similar cases where a site - which is separated from the primary retail area, as opposed to a more 'natural' expansion site - has been developed for high-quality retail uses, i.e. those containing a prominent anchor (e.g. a department store) rather than retail park type schemes, and has subsequently formed a successful extension of the retail core; and, if such schemes exist, to
 - ii) provide details of the steps that were taken to successfully integrate the site with the existing retail core (for example, through public realm improvements).
- 7.31 The full findings from our research are contained in Appendix 5. Significantly, although we have been involved in town centre retail schemes in numerous locations around the UK, we found that identifying actual schemes in centres comparable to Kettering - and in locations with similar physical characteristics to the KBC + Environs site - was not straightforward. Consequently, the examples identified from our research are a mixture of completed town centre extension schemes (Truro, Lincoln and Nuneaton) and proposed schemes still at the initial stages of development (Sittingbourne, Mansfield and High Wycombe).
- 7.32 The three completed schemes can be summarised as follows;
- Lemon Quay, Truro - covered retail centre containing 148,000 sq.ft (13,750 sq.m) of retail floorspace, anchored by Debenhams and Marks & Spencer. Despite environmental and connectivity being important elements, it appears that efforts to successfully knit the scheme into the existing city centre have not been entirely successful. Furthermore, Lemon Quay does not appear to have driven a significant improvement in the city centre's position in the national retail rankings, or the level of retail yields and rents.
 - St Mark's, Lincoln - retail scheme containing both 'high street' comparison multiples (including Debenhams) and 'bulky goods' retailers, which opened in 1995. St Mark's lies to the immediate south-west of the 'Central Shopping Core', but is separated from it by railway lines. As with Lemon Quay in Truro, the St Mark's scheme does not appear to have been successfully integrated with the High Street and connectivity with the city centre core remains poor. Low development densities were also achieved at the scheme.
 - Ropewalk Centre, Nuneaton - new retail centre anchored by Bhs, H&M and TK Maxx which opened in September 2005. This scheme appears to have resulted in an immediate improvement in the vitality and viability of the town centre.
- 7.33 The schemes at Sittingbourne, Mansfield and Wycombe have not yet opened and so the impact on their respective town centres can only be predicted at this stage. Nevertheless, each of the schemes is located at sites that have some parallels with the KBC offices site, in terms of their distance from the existing town centre core and/or the historic nature of the surrounding area.
- 7.34 In summary, there appear to be few retail-led schemes - either already completed or in the development pipeline - at sites with similar characteristics to the KBC Offices site. Of the small sample of such schemes that we did identify, physical connectivity with the existing town centre core seems to have been a key issue. However, the apparent failure of some of our case study schemes to successfully connect into the existing core areas re-emphasises the need for a range of measures to ensure that any retail

element at the KBC Offices site becomes part of the town centre's retail circuit, rather than a free-standing scheme on the edge of the town centre.

8 OVERALL CONCLUSIONS AND DELIVERY IMPLICATIONS

The Scale of the Comparison Retail 'Need'

- 8.1 Forecast per capita expenditure growth of around 4 per cent, per annum, together with anticipated levels of population growth, generates comparison retail floorspace requirements for Kettering of the order 49,000 to 59,000 sq.m (527,500 to 635,000 sq.ft) net sales area in the period 2004-31, of which around 20,500 to 25,000 sq.m (220,500 to 269,000 sq.ft) arises by 2021.
- 8.2 Such quanta of floorspace requirements are substantial in the Kettering context. To put this into perspective, the requirement arising in the period to 2021 equates to 89 per cent of the existing quantum of comparison retail floorspace in Kettering town centre. The longer term (to 2031) requirement equates to some 209 per cent of the town centre's existing comparison retail stock.
- 8.3 Accommodating this scale of floorspace requirements in sustainable locations will therefore be extremely challenging. Reflecting the thrust of PPS6 - which advocates a much more proactive/interventionist role on the part of the public sector - Kettering Borough Council must play a lead role in facilitating the necessary intensification of development within the town centre and, inevitably given the scale of quantitative need, its geographical expansion. This will require a range of tools including, crucially, the use of the Council's CPO powers.

Opportunities for Meeting the Quantitative Need

- 8.4 In the previous sections of this report we have considered the broad options, in terms of different areas of land that could be suitable for an expansion of retail and other town centre activities in Kettering, and evaluated a total of nine sites within the general Kettering town centre area against a series of policy objectives and sustainable development criteria. Site 3 (Wadcroft/Newlands Phase I) scored particularly well in the evaluation, reflecting its location within the heart of the town centre. Two other sites - namely Site 1 (Kettering Borough Council Offices + Environs) and Site 9 (Tanner's Gate) - also achieved good overall scores in the evaluation exercise.
- 8.5 Our preliminary work indicates that Sites 1, 3 and 9, as presently drawn, together have the potential to accommodate around 25,400 sq.m (273,500 sq.ft) of comparison retail floorspace (net sales area), which equates almost exactly to the upper end of the floorspace requirement that we have identified for Kettering in the period to 2021, of 25,000 sq.m net. It should be noted, however, that the Wadcroft, Newlands and Tanner's Gate sites each contain significant quanta of comparison retail floorspace, and so the 'net gain' in floorspace that would be achieved by redeveloping these sites individually would be lower than the 25,400 sq.m figure.
- 8.6 In planning for long-term growth, against a backdrop where the resident population is expected to grow considerably, local planning authorities and other agencies charged with delivery should not give undue weight to existing supply-side constraints, or existing physical characteristics. We therefore consider that the Wadcroft, Newlands and Tanner's Gate 'sites' should be considered together as one wider opportunity, rather than three distinct plots. The wider Wadcroft/Newlands/Tanner's Gate 'comprehensive development area' would represent a much more substantial opportunity than if the three individual sites were developed incrementally and would therefore be more able to create significant critical mass and market impact.
- 8.7 Our overall conclusions regarding the appropriateness of the sites that we have considered for comparison retail development can be summarised as follows.

- **Wadcroft + Newlands + Tanner's Gate (Sites 3 and 9).** Given its central location and adjacency to the existing Newlands Centre - and the less historically sensitive nature of this part of the town centre (vis-à-vis the existing KBC Offices + Environs site) - we consider that this wider area within the northern part of the town centre should be treated as the Council's first priority for substantial comparison retail development. This overall area could accommodate a significant proportion of Kettering's comparison retail floorspace requirements that we have identified for the period to 2021, and indeed to 2031, particularly if it was treated as one overall development opportunity.
 - **Existing KBC Offices + Environs (Site 1).** This site is in a less central location and the surrounding area is more historically sensitive than Site 3. Nevertheless, Site 1 appears to offer scope for retail development as part of a wider mix of uses - which could include offices and/or commercial leisure - although we would stress the need for any retail at this site to be of a high quality and to be effectively integrated with the town centre's retail circuit.
 - **Northfield Avenue (Site 4, southern section).** We consider that this substantial, flat, mostly vacant site is likely to represent the best opportunity for meeting the 'bulky goods' floorspace requirements that will arise in the 2004-21 and 2004-31 periods. Whilst the site is further from Kettering town centre than **Site 2 (Western Quarter)**, both effectively function as out-of-centre locations and the Western Quarter site is within a greater number of ownerships. Furthermore, if Site 4 was promoted for bulky goods retail development then that would conceptually free up Site 2 for other uses, which could include residential and/or commercial leisure development.
 - **Sites 5 (Weavers Surgery/School Lane), 6 (Eskdail Street), 7 (Bus Depot) and 8 (Horsemarket).** In our assessment, none of these remaining sites offers a realistic opportunity for accommodating material quanta of comparison retail development. Each of the sites is either too small and/or has poor existing and potential linkages with the town centre's retail circuit. Accordingly, we conclude that each of Sites 5, 6, 7 and 8 is likely to be better suited to alternative (non-retail) uses.
- 8.8 We completed our initial evaluation of the nine candidate sites in June 2006. In September 2006, having digested our draft report, the Borough Council commissioned property market agent King Sturge to provide an independent, market-based assessment of the retail potential offered by the two best-performing sites from our evaluation exercise, namely the KBC + Environs site and the Wadcroft/Phase I Newlands/Tanner's Gate area. In undertaking its assessment, King Sturge considered factors such as site location; connectivity with the town centre core; physical characteristics (including site size and topography); and market demand (both existing and potential).
- 8.9 King Sturge identified¹⁶ 'a number of challenges' that would have to be overcome in order to deliver a significant retail scheme at the Wadcroft/Newlands/Tanner's Gate (CDA) site. Nevertheless, King Sturge favoured the CDA site in preference to the KBC Offices + Environs site, which in the view of King Sturge 'presents a number of serious challenges in the delivery of a retail development', primarily because of the site's location away from the town centre core. King Sturge also expressed reservations about the potential to attract high quality comparison retailers to an edge-of-centre location.
- 8.10 Thus, King Sturge's initial assessment appears to verify RTP's more detailed findings as set out in this report. It should be noted, however, that King Sturge was not instructed to undertake any testing of financial viability in relation to either site. Furthermore, whilst King Sturge favoured the Wadcroft/Newlands/Tanner's Gate site, they did not categorically rule out the prospect of retail development being achievable at the less central KBC + Environs site. The recently commenced Town Centre

¹⁶ In a letter to Roger Tym & Partners dated 2 November 2006.

Framework provides the opportunity to undertake more detailed market and financial viability testing in relation to each of the front-running candidate sites.

Phasing

- 8.11 There is no doubt that the development timetable associated with a strategic intensification and expansion of the town centre is potentially quite lengthy. At present the main retail project - by which we mean the intensification of the Wadcroft/Newlands/Tanner's Gate area, complemented by a development at the KBC Offices Environs site, to include retail as part of a wider mix of uses - is at the earliest stage of the process and significant additional work will be required in order to progress the proposals. Nevertheless, we provide, below, some wider observations in relation to the broad approach that could be taken and some of the key issues that will need to be addressed as the project progresses. The comments below are provided by way of general advice only at this stage.
- 8.12 In broad terms it is possible to identify three broad phases of work that may be needed to progress the concept of a town centre expansion, as follows:
- i) prepare an Expansion Framework;
 - ii) incorporate Expansion Framework proposals into adopted planning policy; and
 - iii) delivery and implementation.
- 8.13 We provide some comment in relation to each phase below. It should be noted that the phases would not necessarily need to be sequential, so that, for example, the Council may wish to progress key aspects of delivery and implementation (for example, securing a development partner) in parallel with incorporating the key principles of the Framework into adopted planning policy.

Preparing an Expansion Framework

- 8.14 At an early stage in the process, we suggest that the Borough Council should prepare an Expansion Framework for the town centre. This Framework could comprise:
- i) A strategic diagram or plan that will define and locate the main physical changes needed both to enable the expansion of the central retail area, taking advantage of its distinctive assets to enhance performance and capture prospective demand in the key target markets; and will include:
 - the changes to the functionality of key parts of the town centre to re-define, through new development and uses, new public realm and changes to access and landscape infrastructure, the parts that these areas will need to play to enable the central area as a whole to perform as it should - both in driving the whole of Kettering's economy, and in meeting the needs of its diverse communities and businesses;
 - the access and movement infrastructure - the changes to roads, the new pedestrian routes and cycle ways - needed to serve and connect the different parts of the town centre, to enable efficient movement and trade flows between and within the different parts of the central area, and to link the central area to the wider urban area; and
 - the strategic landscape infrastructure that is needed to bind and unify the different parts of the central area, allow it to be read and understood and used enjoyably by all its different markets and successfully for all its different purposes.
 - ii) Development frameworks for those parts of the central area where significant change is proposed and where the Borough Council will be most active. The development framework(s) will specify the land and property that is to be

redeveloped, the scale and nature of the new land uses, how ideally each area would be laid out, and how each will relate to each other and to the rest of the central area.

- 8.15 The Expansion Framework could be detailed in parts and indicative in others. Its purpose is to guide and achieve change in Kettering town centre that the market will not, on its own, deliver - either at all, or to the same standard or quality, or with the same value to the town as a whole.
- 8.16 The Framework will be required to put in place the conditions that will enable Kettering to play its unique role as a driver of sustainable and inclusive economic growth for the borough as a whole and the wider sub-region. In terms of a brief for the Framework, we would suggest the following strategic objectives:
- i) create a compact, higher-order central core in the town centre, with clear, legible boundaries but well-connected to the adjoining residential areas;
 - ii) create a retail circuit that will provide the access, footfall and high quality public realm conditions needed to attract strong 'anchor'(s), and that will delineate clear areas of prime frontage along the route of the circuit, and in the secondary streets that adjoin it, for the development and the retailer and leisure markets to respond to;
 - iii) create a new heart for the central core - possibly a major public plaza of iconic design, animated by the civic, cultural, leisure and retail uses which adjoin it - giving Kettering the dignity and presence of a major sub-regional centre; and
 - iv) create iconic spaces and buildings to lift the spirits of those who live and work in Kettering and to refresh its image for all its markets.

The Principle of a Comprehensive Approach

- 8.17 Comprehensive development, as hard experience elsewhere shows, is the only route to ensuring that the full potential of the two major projects (assuming that the Wadcroft/Newlands/Tanner's Gate and Council offices schemes are both brought forward) can be realised. This is one of the principles that the Framework should put in place.
- 8.18 By comprehensive development, we mean:
- The overall development framework for the whole of the major project areas that sets out the broad mix and layout of uses, locates the principle access infrastructure and sites, and dictates the character of the public realm, guides the height and massing of buildings and sets the standards of architecture to be achieved.
 - A mechanism for exercising sufficient control over the land to prevent non-conforming developments and cherry-picking, enable the more valuable uses to cross-finance the less valuable, and spread the cost of infrastructure and public realm. Almost always, this mechanism will be land ownership of some form - so land assembly will be a critical issue - but even where land is not in the control of the Borough Council, planning policy can stipulate requirements that will make 'cherry-picking' very difficult (for instance, by requiring that the development contribute a specified public good - such as a public plaza or the relocation and replacement of other uses).
 - Releasing individual development opportunities, if appropriate, to a plan that will ensure the realisation of the comprehensive development plan, working flexibly with changing markets and the economic cycle over the development period. It may be that the most valuable and sensible development plots cannot be defined sensibly by the lines of current ownerships, but by the overall agreed content of the Expansion Framework.

- 8.19 The drafting of the Framework - and subsequent policy, as discussed below - needs to be done with a commercial eye. The idea is to encourage the market to deliver what is sought, and it is essential that the criteria set by the Framework achieve this and not unduly fetter the market.
- 8.20 It is also essential that, in setting out the development framework and design criteria, full scope remains for the market to exercise its creativity. This is what the market is for and this creativity should be encouraged.
- 8.21 In each case the guidance needs to cover/put in place a wide range of issues and parameters, including (for example):
- the objectives for the major projects, and justification;
 - the development framework that is to guide development (the plan form; the access and parking arrangements; the principal development platforms; the essential public realm and desire lines, plus the principal design guidelines - building heights and massing; any requirements for retaining buildings and façades; the articulation of elevations; materials palette and so on);
 - the requirement for a comprehensive approach in conformity with the agreed development framework;
 - the rules (criteria that will be exercised) that will be applied to ensure development is comprehensive/conforms to the Expansion Framework and the more detailed development framework to be created for each major project;
 - the provisions for S106 - what they are to be used for and how they are to be levied (plus the relationship to the S106 tariff);
 - the broad scale and mix of development sought. Although the SPD may set ceilings, we would suggest that this be done with a light hand. The aim is to ensure good land use planning, but not to stifle the market's creativity in responding to the criteria;
 - anything the public sector is prepared to offer to achieve its objectives (such as site assembly, advance investment in public realm etc); and
 - how the sites will be brought forward for development, including (where this applies) the intention to acquire land compulsorily.

Incorporation Into Adopted Planning Policy

- 8.22 Clearly it will then be necessary to address the incorporation of the Framework into adopted development plan policy. By incorporation, we mean that the emerging development plan needs to take on board and set as policy (and written justification) the following:
- the objectives of the Framework, setting these as the objectives of planning policy in the central area of Kettering (suitably defined with a boundary on the proposals map) and then, in every relevant policy (not just in the centre, but anywhere for retail and leisure land uses), to refer back to the objectives of the Framework and set these as one of the criteria for judging the suitability of development proposals;
 - the designation of the major projects, with suitable boundaries defined on the proposals map and with appropriate land use policies for each. These, broadly, need to: set the requirement for a comprehensive approach to the development of these areas; specify the preferred use mix and the target development quanta; specify the broad design criteria; specify any requirements for public spaces to be provided and works to transport infrastructure; and say anything appropriate about contributions to common infrastructure and public realm;
 - incorporate the proposals for highways works and parking;

- state the Council's intention to support the delivery of the Framework by using its powers to assemble land by CPO if required; and
 - set out the S106 proposals - and indicate how the Council proposes to balance competing S106 charges/agreements.
- 8.23 The LDF (and any AAPs or SPDs under it) needs to be the vehicle for the Framework in due course, and we understand that it is the Council's intention to address the expansion of Kettering town centre in the emerging LDF. Internally the Council will need to agree not to sell land or property, or otherwise make use of its land and property resource, for development that would compete disadvantageously with the Framework strategy and thereby compromise the ability to achieve its objectives.
- 8.24 We appreciate that the Council may depend upon property income and car park revenues for part of its annual income, and this revenue will need to be replaced (or equalised by repayment of debt where feasible). The Council should, however, achieve savings/have to spend less on other programmes: the Framework approach will use Council land to achieve regeneration outcomes that are the same as those which the Council aims to achieve under its policies, and towards which it would in any case expect to contribute resources.
- 8.25 As part of the process of incorporating the Framework into adopted development plan policy, it will of course be necessary to undertake extensive consultation. In the case of major town centre expansion, however, it is necessary that the consultation meets specific objectives, including:
- Officers need to feel happy with the work to prepare the guidance and able to own it, in all its dimensions, even if the work is resourced by other of the Borough Council's partners and/or the bulk of the work is done by external consultants. Officers will want to be fully involved in the work where time permits, and where it does not, to be able to see how their ideas and views have been given full consideration.
 - Members need to find a common position on each of the guidance documents - across parties and committees. Most of all, they need to understand, in detail and in particular instances where there are difficult choices to be made, how a strong town centre and central area generally will advance the interests of their wards, regardless of where these are in Kettering; part of this will be about giving members easily communicated arguments that they can take back to their constituencies and use to convince others. Officers will need to take a lot of this responsibility - but it should be shared with whatever external consultants are brought in to help.
 - Special interest groups - ranging from statutory undertakers and consultees to, for example, the local Civic Society, town centre groups and disabled groups - must have a chance to communicate their ideas and put their views, both in the initial, draft stage of the guidance and subsequently. It is vital that they see *how* they have been listened to and to understand the *rationale* for the way in which their concerns have been addressed. Each of these interest groups is also a prospective objector to any eventual CPO, and it will benefit both the guidance and the eventual delivery of the major projects if their concerns are at least anticipated (if they cannot wholly be met).
 - The town centre's communities are of course difficult to define: it is not a neighbourhood, and business interests are as diverse as the residential groups. Nonetheless, the approach to the consultation for the guidance needs to have regard for those who live in and near the town centre as well as the very wide area the town centre serves.
 - Landowners and businesses with direct interests in the major projects will tend to have a particular point of view and are the most likely to be a source of

development 'ideas' as well as of objections to the guidance where it does not plainly cater for vested interests.

- Consultation is also a source of important intelligence for the Council, even where it is not suitable for reflection in policy guidance - and the Council stands to learn a great deal from its preparation. It is important that the information be fed back in ways that will be usable in securing the speedy delivery of the Framework and, in due course, the preparation by the Council of its Local Development Document(s) for the town centre.

8.26 As the DCLG's (formerly ODPM) guidance states on the new planning system (and this advice needs to be heeded in preparing the guidance), the consultation needs clearly and transparently to have been planned in from the start and there needs to be feedback loops for the general public as well as for those directly involved in the consultation sessions.

Delivery Mechanisms

8.27 The third phase of work will prepare a delivery plan for the completed Expansion Framework - the strategy and tactics for achieving the major projects and securing the other changes needed to support the delivery of the projects, the roles and responsibilities of the Borough Council and its partners, the resources to be committed by each, a development programme and a plan for committing the resources.

8.28 We outline below the range of mechanisms which the Borough Council may wish to consider both in developing the approach to its major projects and in deciding how best it can support those projects that it will not deliver itself.

Cross-financing Within Major Projects and Financing Common Infrastructure

8.29 One of the principal advantages of a comprehensive approach to land assembly and development in the major project areas is that it allows the Borough Council and/or development partners to cross-finance low value uses and costly infrastructure (public realm, public amenities etc) from the surpluses generated by higher value uses. The Borough Council may be able to do this in at least three ways (and there will be variations on these):

- i) Selling land in its control¹⁷ with obligations upon the purchaser that require them to deliver what the Council is seeking. Developers can be asked to part-finance (or indeed finance altogether) elements of a project and to take account of these costs in what they offer for their land. The Borough Council then sells the land at a price that reflects these additional costs to the developer (accepting that it may sell the land at a price significantly below its acquisition costs). The market value is established by the bidding process. It is easiest to impose such obligations if the elements of the project are a planning requirement (thus the value of a comprehensive approach that is embodied in statutory policy) and where the development opportunity is promoted by way of a development competition - where the market knows that all those bidding will have the same obligations upon them.
- ii) Selling land in its control with a form of a 'surtax' or tariff upon it (a sum of money over and above what the market is prepared to pay for the land to develop the use that the Borough Council wishes) that is levied pro-rata to the value of the use to be developed on the parcel. The sur-tax mechanism would be useful where the Borough Council wishes to release single sites within a larger comprehensive development scheme (for development for particular uses) and wants a transparent contribution to common infrastructure and public realm (to avoid the

¹⁷ That is, land in the control of the Council and earmarked for development as part of the delivery of a major project.

risk of 'free-riders' - which would discourage the market). The free-rider problem arises where one developer within a comprehensive scheme has been required to contribute to infrastructure or public realm that adds value for all subsequent developers who are not required to contribute to these initial costs.

Low value uses would have very small (or no) surtaxes, and high value uses much higher taxes. The surtaxes would be used to help recover the Borough Council (and, if relevant, its partners') costs of assembling and preparing a site for development, investing in public realm and so on.

- iii) Selling land that the Borough Council has prepared at a value that reflects the betterment (which could include planning permission as well as site servicing, public realm etc) that it has created. What this value is would be established by the bidding process or some other form of market mechanism.

8.30 Where the Borough Council does not control the land, it might also be able to work through the planning system using S106 agreements (for other types of contribution; these would be over and above the proposed S106 tariff on residential development proposed to secure the monies for the public realm). If the Council is in control of the land, the much preferred route is the development agreement with the purchasing developer (it removes the legal constraints, and therefore the scope for negotiation and delay, that the S106 route carries with it; the main planks of the development agreement should form part of the development brief and selection criteria advertised to the market).

8.31 Planning policy can also play a part by stipulating - as part of the requirement for a comprehensive approach to the development opportunity - that development cannot proceed unless some form of necessary public good (for instance, the provision of a public plaza).

Approaches to the Market

8.32 The Council will need, once the preferred location(s) for expansion have been determined, to complete the details of its land assembly strategies and establish how it proposes to dispose of opportunities to the market in each of the major projects. Settling these issues will involve a wide range of considerations, and given the very early state of the project it is not possible to identify all these considerations here. For example, needed still are:

- identification of the broad preferred option(s) for expansion;
- progress on the Expansion Framework through more detailed work to identify, assess and resolve remaining issues on the preferred areas, including assessments of feasibility and deliverability;
- evolution of planning policy - including (for example) the requirements for a comprehensive approach and what mechanisms are to be put in place to secure contributions to common costs - and to specify the design guidelines and the criteria that will be exercised in deciding planning applications; and
- decisions on land assembly and any inducements that might be needed to attract the desired use mix and quality of development (e.g., what advance preparation might be needed by the Borough Council to improve the market's certainty that it will secure its needed rate of return).

8.33 The discussion below on approaches that the Council might adopt is general advice. The following is the broad range of approaches that may be considered.

International Development Competition

8.34 For a project of the likely scale of the expansion of Kettering town centre, it is possible to mount a major 'international' development competition (international because it would need to be advertised in the OJEU - the Official Journal of the European Union).

This approach may be of particular value where the Council wants to explore what the market will actually offer against the criteria it wishes to impose and get some promotional mileage in the market, but to be successful, the model needs to be handled with great care. Most of all, the public sector needs to be prepared to respond positively to what the market throws up and to ensure that it retains a dealing position (usually via control of the land).

- 8.35 The development competition model is broadly as follows. In principle, the Council (and if appropriate its land-owning partners) put together a development brief that sets out the terms on which they are prepared to offer the development opportunity. The terms of engagement that the partners offer will include their financial expectations as well as what they propose to offer to induce developers to take part (besides selling the land). The developer selection criteria will include planning and design issues, as well as financials, track record of the developer, the strength of the developer's team and so on. The Council then advertises the opportunity, observing public procurement rules, and then draws up a short list from those expressing interest. Depending on the rules it decides to follow, the Council then negotiates with the final preferred one, two or three, and either goes into detailed negotiations with a final one or two (there are a number of best practice models to follow). Heads of terms are then drawn up and agreed (reflecting the terms set out in the development brief and the basis upon which the developer won the competition); a development agreement follows; land assembly is completed; and each party fulfils its obligations.

Development Competition with a Pre-selected Field

- 8.36 An alternative approach is for the Borough Council to negotiate with a selected field of developers, although again the principle is to stimulate competition for the opportunity so as to get the optimum offer from the market. Again, the Council will need to prepare a brief for the opportunity, but be prepared for some flexibility in coming up with a package that matches what the bidding developers are prepared to offer, and that it as a local authority is prepared to commit to.
- 8.37 This model can work for very large, as well as more modest schemes. English Partnerships has found this approach to be the more efficacious in getting its Millennium Community schemes off the ground - although EP still backs open development competition.

Other Approaches

- 8.38 The Borough Council may also wish to consider:
- i) Simply selling opportunities on the open market - again to a brief - but with the Council (and its partners) in this case prepared to accept, at least in principle, what the market offers.
 - ii) Responding to opportunistic offers from the market within the major project areas. This can be advantageous, although the Council will have to be mindful of the risks if it is to succeed in preventing free riders or cherry pickers.
- 8.39 It is clear that the procedure for identifying and securing development interest is a critical part of the successful delivery of the Expansion Framework. This key issue will in its own right require the Council to secure specialist advice as part of its overall approach to the expansion of the town centre.

