

**EXAMINATION INTO THE OADBY AND WIGSTON TOWN CENTRES
AREA ACTION PLAN (AAP)**

ADDITIONAL STATEMENT FROM TRINITY METHODIST CHURCH

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4 May 2012

EXAMINATION INTO THE OADBY AND WIGSTON TOWN CENTRES AREA ACTION PLAN (AAP)

ADDITIONAL STATEMENT FROM TRINITY METHODIST CHURCH

Introduction

This additional statement relates to Matter 4 (Oadby Town Centre) and Matter 6 (Implementation and Monitoring) as set out in the list of key matters and issues raised by the Inspector. The representations already made by Trinity Methodist Church are attached as Appendix A. This statement expands upon those representations, comments on the Council's response and responds to the matters raised by the Inspector.

Matter 4 – Oadby Town Centre

Car Parking

The starting point for the Church's concerns relates to the fact that the Brooksby Square proposals will result in the loss of car parking currently adjacent to the Church. The Church building is used extensively throughout the week not only by Church members but also by community groups and other organisations. Many of the users of the building are either elderly or have mobility restrictions and they rely on being able to park closely to the Church. There are some car parking spaces in the Church car park fronting Harborough Road but there are only 5 or 6 spaces there which means that the majority of users have to park on the East Street car park.

The car park counts recently undertaken for the Council show that there are 182 car parking spaces on East Street. AAP Policy 18 states that the Council will look to provide at least 150 spaces after the development of Brooksby Square. Although the Area Schedule on page 78 of the AAP shows only 126 spaces on what would remain of the East Street car park, the Church understands that the Council now intend to provide 161 spaces at East Street. It will achieve this largely by having a shared use public square which will provide for 26 cars and only be used on occasions as a public square (Situation Update 2). In addition, the Council are proposing to put additional spaces at Sandhurst Street and doing this in part with a two storey car park. The Church obviously considers the latest plans an improvement, but an inadequate one, since 21 spaces immediately adjacent to the Church building will still be lost. The Church's concerns can be summarised as follows:

- Many of the users of the Church need access to car parking spaces adjacent to the Church building. If they are unable to park near the Church, spaces at Sandhurst Street would be of little value as they would be too far away from the Church building.
- The underground storey of the car park is likely to lead to an environment where some users would not feel safe in the car park, particularly in the evenings when it is dark.

- It is highly likely that a two storey car park will have an adverse impact on the neighbouring residential occupiers severely affecting their residential amenity.
- The Oadby Town Centre Masterplan Delivery Strategy refers in para.5.18 to the “very high costs of decked parking at Sandhurst Street”. The costs would indeed be high which will put a question mark over the Council’s ability to deliver a two storey car park.
- The Delivery Strategy and Situation Update 5 clearly identify East Street for the first phase of development with Sandhurst Street as the second phase. This would mean that the existing spaces on East Street would be lost before the new spaces were provided at Sandhurst Street. Aside from specific problems for the Church, this would cause overall problems for the viability of Oadby Town Centre as a whole. A lack of available finance would prohibit the construction of the two storey car park before the East Street scheme is started.
- It is not clear how frequently the public square would be used as a public square but when used as such it would create additional problems for the Church.
- While the intention is to retain the same number of car parking spaces overall, the new developments proposed will themselves generate a need for more car parking. The parking situation will therefore be worse even if the overall number of spaces remains the same.

The Church is also concerned that the creation of Brooksby Square would lead to the loss of access to the East Street car park from the A6. This would undoubtedly lead to congestion elsewhere in the Town Centre and in particular on the Parade and Brooksby Drive.

The Proposals for Brooksby Square

The opinion of the Church is that the car parking in East Street should be retained which therefore means it would ask for the deletion of the policies and proposals for Brooksby Square. The Council have responded by saying such a course of action would mean that the AAP would not be in accordance with the Core Strategy and as such would not be sound. We would argue that with the exception of the commercial proposals for South Street (which do not lead to any loss of car parking), there is insufficient evidence to justify the need for the developments at Brooksby Square and the problems it would create outweigh any benefits. The Church would like to elaborate upon these concerns and pick up on some of the matters raised by the Inspector. In doing this, it will show that the deletion of the Brooksby Square proposals would not result in non conformity with the Core Strategy.

Proposed Retail Provision

The Inspector asks about the economic justification for the scale of the proposed retail provision. The Church argued at the Core Strategy Examination that the amount of retail floorspace proposed for Oadby was too great. The Inspector concluded that the retail floorspace figures should be

retained but expressed as “approximate targets”. We believe that there is now clearer evidence to indicate that the floorspace figures are too high:

- The projections for the growth in retail expenditure which were used in the Oadby and Wigston Retail Capacity Study were based on 2007 data which was, of course, before the recession and double dip recession. The 2009 data which we presented to the Core Strategy Examination showed a much lower growth figure. Data released for 2010 and 2011 confirms that this lower figure is still a far more accurate reflection of what can be expected through to 2026. This means that a lower retail floorspace requirement is appropriate.
- The one area of retail activity where there has been significant growth in recent times is internet shopping. This has grown more than would have been expected in 2007 and is likely to continue to increase reducing further the need for additional retail floorspace.
- It is unclear where the demand for new shop units will come from. With the presence of Asda, Sainbury’s and Waitrose nearby and the Co-op and Marks and Spencer in the Town Centre, there is unlikely to be much demand for more convenience floorspace. Comparison goods shopping and particularly for fashion and footwear works best when there are a choice of stores in close proximity to each other. This will not happen in Oadby especially when there is an excellent range of shops nearby in the City Centre (particularly with Highcross) and at Fosse Park.

The Council’s requirement is for an additional 5,070 sq m gross of new retail floorspace in Oadby (AAP Policy 17). In an earlier draft of the AAP, only 500 sq m of this would come from development at Brooksby Square with the remainder coming from the Waitrose store already completed and from other proposals such as Baxter’s Place. The Area Schedule on page 78 of the AAP seems to reduce this requirement from 500 to 200 sq m. The latest version of the Schedule (April 2012) confirms this figure at 200 sq m. Recognising that the floorspace requirement for Oadby is only an “approximate target” and that there are serious reservations now about the scale and accuracy of a target based on 2007 data, we would contend that the deletion of the retail proposals for Brooksby Square would not result in the AAP being classed as not in accordance with The Core Strategy.

Housing

The Brooksby Square proposals are for at least 35 residential units (AAP Policy 18). The Inspector asks if the amount and type of housing provision is appropriate for Oadby.

It is clearly important to ensure that the housing needs of the Borough are met including the need for affordable housing. However, the Council’s Residential Land Availability Report 2010/11 shows that there is a 5 year housing need of 450 dwellings but a supply already of 552 dwellings. The Core Strategy has a requirement for 1800 new dwellings between 2006 and 2026 with a supply identified to meet this need.

In the 5 year land and Core Strategy supply, the Council has chosen not to make any further allowances for windfall sites. However, paragraph 48 of the recently published National Planning Policy Framework makes provision for councils to include windfall sites in their assessments of housing land supply. Past performance in Oadby and the built up nature of the Borough suggest that windfall sites will continue to come forward. Indeed the recent planning permission granted for the change of use of Regent House from offices into 10 flats is a good example of a housing scheme not previously identified.

Situation Update 4 states in paragraph 1.2 that “currently there are very few opportunities to live in the town centre”. The Church would maintain that there are already many residential properties as close to the Town Centre as the East Street car park – for example, on Brooksby Drive, Brooksby Close, Leicester Road, Chestnut Avenue and Sandhurst Street including the new McCarthy and Stone scheme. This claim for more town centre housing should not be seen as a reason to support housing on the car park.

Bearing in mind the healthy housing land supply position in the Borough and the possibility of introducing windfall sites into the supply, the Church would argue that there is no need for the 35 flats proposed for Brooksby Square. Their deletion would not mean that the AAP was not in accordance with the Core Strategy.

Offices

The Inspector asks if the reduction of office development due to changing economic times should also apply to retail development. For the reasons stated above, the Church believes a reduction in retail proposals would be appropriate. AAP Policy 18 shows proposals for the refurbishment of property on South Street to provide 500 sq m of retail floorspace and 1,500 sq m of commercial floorspace. We would not object to these proposals as they would not result in the loss of any car parking but we would want to make two observations:

- (i) The additional retail and commercial floorspace proposed on South Street will generate extra car parking requirements. This will be difficult to accommodate if the East Street car park remains at its current size. If East Street is reduced in size, this will create major problems for visitors to Oadby and is very likely to affect the viability of the Town Centre. It would also impact adversely on the Church.
- (ii) There is existing vacant office floorspace in Oadby at the former Tenon building on Harborough Road, at Lyn House on the Parade and Regent House on London Road. There are also significant amounts of vacant office floorspace in Leicester City Centre. Any new office developments in Oadby would have to compete with the likes of nearby Grove Park (where Tenon have moved to) and Meridian Business Park. Taking all these factors into consideration, it seems that there will be little demand for more office accommodation. Its inclusion in the AAP must therefore be questioned.

Leisure Uses

The Area Schedule on page 78 proposes 280 sq m of leisure uses at Brooksby Square. The April 2012 version of this Schedule does not show this. However, pages 71 and 72 of the AAP and paragraph 6.8 of the Delivery Strategy refer to the possibility of cafes, bars and restaurants with potential for developing the night time economy. These could be instead of the retail uses. The Church already has planning permission for a coffee shop and extended community rooms which will be available to the local community. This will help to make the Church a focal point for the wider community. Building works on this project will begin in the very near future. The Church would argue therefore that there is no need for the leisure uses proposed for Brooksby Square – the Church’s proposals will help to meet this need and at no cost to the public purse.

The Church would also want to comment on the possibility of bars being provided at Brooksby Square. The notion of promoting the night time economy is supported but the reality of the market is such that it would be difficult to attract bars to this part of Oadby. The Town Centre already has 6 pubs (most of which also provide food, coffee etc). A seventh pub recently closed down. It is well known that pubs in suburban locations have been struggling in recent years. The growth which there has been has been in Leicester City Centre. Attracting new bars to Brooksby Square would be difficult. Oadby also has two coffee shops and at least 6 restaurants. The need for the leisure uses proposed and the likelihood of the market supporting them must therefore be questioned.

The Public Square and the Public Realm

The Inspector asks if the potential for enhancing the public realm has been maximised. The Council’s Draft Public Realm Strategy is a very good document but a key concern is the extent to which the Strategy can be delivered. The Council’s own Delivery Strategy recognises the high costs of delivering the public realm improvements and concedes that it is difficult to see how they can all be funded. The Church’s view is that the priority should be to improve the public realm of the Parade and the links to the Parade. At present, the public realm on the Parade is poor. The Parade is clearly the focal point of the Town Centre and this is the area most in need of improvement. The consequence would therefore be that Brooksby Square public square would not be carried out.

It should also be noted that there is not a shortage of open space in or around the Town Centre. The Church would also want to point out that the April 2012 proposals from the Council do not in any event show a public square at Brooksby Square as the primary use. Shown as such, the Council is accepting that an area of public open space need not be provided.

Conclusions

For the reasons outlined above, the Church is very concerned about the potential loss of car parking at East Street. It has real concerns about the proposals for Brooksby Square and believes that they can be deleted without the AAP becoming out of conformity with the Core Strategy.

Matter 6 – Implementation and Monitoring

The Deliverability of the Brooksby Square Proposals

The Church has concerns about the deliverability of the Brooksby Square proposals and as such believes that the AAP fails the soundness test as it is not effective. The Inspector asks a number of questions about implementation including reference to any showstoppers, the effectiveness of delivery and Section 106 contributions. We will respond to these queries.

Viability Issues

The Delivery Strategy from August 2011 is a helpful document in setting out what is required to deliver the AAP, looking at the constraints, costs and values and assessing the risks. However, the document itself highlights a number of major concerns about delivery which the Church would agree with.

Firstly and perhaps most importantly, the development appraisal for East Street (Brooksby Square) shows that the scheme (as shown in the Delivery Strategy) is not viable with a loss of over £2 million. The sensitivity analysis looks at possible changes which could help to make the scheme viable. We would comment as follows:

- The retail rent could be increased by £50 per sq m to £180. This, however, would be substantially above rental levels for similar commercial properties in similar suburban locations. The idea is put forward that this can be achieved in part by including pubs/restaurants. However, as stated earlier, Oadby already has a large number of pubs/restaurants and market demand for more pubs in a suburban location such as this is not good.
- There will be a 20% increase in residential values. The Delivery Strategy assumes a market recovering from recession. This may have been valid last August but since then the country has gone back into recession and there is little or no evidence of a recovering market. Indeed, the volume of public sector cuts which will be continuing and deepening over the next few years will impact severely on the economy and in turn residential property values.
- The Council could help to kickstart the scheme by giving the land to a developer at a nominal or nil value. This would certainly help but we are not aware of any Council commitment to do this. At a time when public finances are so tight, this would be difficult for any Council to do. Such a course of action could also be problematic politically.

- The sensitivity analysis recognises quite rightly that Section 106 contributions may be difficult to secure. £20,000 was secured from Waitrose but this would have been by far the most profitable scheme in the Town Centre and £20,000 is a small amount in comparison with a shortfall of over £2 million needed for Brooksby Square. The residential development could be expected to generate a significant Section 106 contribution but the priority with any housing scheme must be to secure affordable housing contributions. These are expensive which would mean very little would be available to cross subsidise the rest of the Brooksby Square scheme or to fund the public realm works.

The Delivery Strategy raises a number of other issues which will potentially undermine deliverability. The Strategy quite rightly suggests that the Council must take a proactive approach and commit the necessary staff resources to do this (paragraph 2.14). The Council would no doubt like to do this but the scale of the cuts in public sector funds has been and will continue to be so great that Councils will struggle to carry out anything other than their basic statutory functions. Situation Update 2 refers to the Economic Development Team but this is shared with another authority and there is no evidence given that it is of the right size with the right collection of skills.

Paragraph 5.15 of the Strategy states that the introduction of car parking charges would provide a commercial return for the Council in the short term through the revenue generated and in the long term potentially through the capital receipt from selling these revenue-generating assets. The monies generated could (if appropriate) be used to support public realm improvements and other non-profit making elements of the AAP. This is certainly true but we understand that the Council (in its Update on Car Parking Issues, March 2012) has given a commitment not to introduce parking charges. If they were to change this policy, it could result in a significant migration of shoppers to centres which offered free parking which apart from adversely affecting the viability of the Town Centre would impact on the Council's ability to generate an income.

Sources of Public Sector Finance

The Delivery Strategy quite correctly explores the possibility of other sources of public sector finance which may be available to subsidise Brooksby Square. However, the public funding environment is still in flux, with previous grant programmes removed by nationally driven spending cuts, while emerging funding options (such as Tax Increment Financing) are not fully developed.

Of the sources mentioned, the New Homes Bonus would represent the most likely source of funding but the amounts available through this are relatively small (last year just over £70,000) in comparison to the £2 million needed and there would be no guarantee it would be spent on Brooksby Square or public realm improvements.

The other possible sources of funding all have potential difficulties associated with them. The Regional Growth Fund could be possible but this tends to be targeted more at direct job creation projects and bids need to be submitted by a private sector led partnership. Brooksby Square would not be eligible for Heritage Lottery Fund monies. Funding via the east Midlands Development Agency (EMDA) could have been a possibility but EMDA has been abolished by the Coalition Government. Situation Update 6 refers to the fact that the Council is working with Leicestershire County Council on a bid for European Regional Development Fund. These monies may be available but they tend to be targeted at areas of significant deprivation and Oadby does not fall into that category.

The conclusion has to be that the Council will struggle to find the public sector funding needed to make the Brooksby Square scheme viable and therefore deliverable.

Planning Policy Statement 12 and Conclusions

The Inspector makes reference to the need to relate soundness to the criteria set out in Planning Policy Statement 12: Local Spatial Planning. Paragraph 4.45 of the Statement states that:

“Core Strategies should show how the vision, objectives and strategy for the area will be delivered and by whom, and when. This includes making it clear how infrastructure which is needed to support the strategy will be provided and ensuring that what is in the plan is consistent with other relevant plans and strategies relating to adjoining areas. This evidence must be strong enough to stand up to independent scrutiny. Therefore it should:

- be based on sound infrastructure delivery planning;.....
- include ensuring that partners who are essential to the delivery of the plan such as landowners and developers are signed up to it. LPAs should be able to state clearly who is intended to implement different elements of the strategy and when this will happen;and

The Church believes that it is not clear how the infrastructure to support the AAP will be provided. Furthermore, there are no partners essential to the delivery of the AAP such as landowners and developers who are signed up to the AAP. Indeed, Situation Update 2 (paragraph 1.2) specifically says that no such approaches have been made. Given the real concerns about the viability of the Brooksby Square proposals and the lack of available public sector finance to help, the conclusion must be that the proposals cannot be classed as “effective” and that the AAP cannot in this respect be classed as sound. Deletion of the Brooksby Square proposals from the AAP is therefore requested.

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On behalf of Trinity Methodist Church, Oadby

APPENDIX A

First Representation made by the Church

The Church objects to the Brooksby Square proposals believing there is insufficient evidence to justify the loss of the car parking and insufficient evidence to show how the car parking needs of Oadby Town Centre will be met in the future. The Baseline Report showed that the existing car parks were used virtually to capacity (in 2007). The loss of car parking together with the additional parking needs associated with the proposed new development will lead to significant increases in demand. The Plan does not evidence how these needs will be met. Core Strategy Policy 4 calls for innovative schemes for public car parking in Oadby. The Action Plan does not do this. There is evidence of public concerns about the loss of parking. The loss would particularly affect the Church which has a significant number of elderly members and members with mobility restrictions who rely on the car park adjacent to the Church.

Changes suggested by the Church

The deletion of the policies and proposals for Brooksby Square with the exception of the commercial proposals for South Street (these would not lead to any loss of car parking). The Core Strategy makes provision for approximately 5,000 sq m gross of additional retail floor space in Oadby. The loss of some 500 sq m at Brooksby Square would be insignificant in this context and in any event, the Church would question the extent to which more retail floor space is needed. The Core Strategy office requirements could be met without the Brooksby Square offices and the leisure uses would be provided by Trinity Church's own community/café proposals. The 35 residential units proposed to the north of Brooksby Square are small in number in comparison to the overall housing requirements of 1800 new dwellings between 2006-2026. The deletion of the Brooksby Square proposals would not therefore put the Action Plan out of conformity with the Core Strategy.

The Council's Response

The need for residential development in Oadby centre is in line with adopted Core Strategy Policy 1 Spatial Strategy for Development in the Borough of Oadby and Wigston. Therefore this has to be delivered in order for the Area Action Plan to be sound i.e. it has been prepared in accordance with the spatial strategy set out in the Core Strategy.

Residential development within town centres helps to activate centres throughout the day and into the evening.

There is a Borough Council commitment to ensure that there is no net loss in the number of car parking spaces available and that shopper's spaces remain free for 3 hours in the town centre. Area Action Plan Policy 18

allows for the continued provision of 150 car parking spaces as part of the redevelopment of East Street car park. Any spaces being lost in this location being replaced within Sandhurst Street where it is planned to reconfigure spaces here and provide some via undercroft parking. The number of spaces required in relation to any new development proposed has been taken into consideration as part of the car parking strategy that underpins the masterplan.

A further car parking survey was undertaken between Monday 16 and Friday 20 January 2012 and a Saturday between 7 and 21 January 2012 to ascertain the level of use of the town centre car parks at key times throughout a week. In addition, consideration has been given to provision of additional car parking as part of the Brooksby Square site, including a shared use public square, to ensure that there is no loss of public car parking spaces in Oadby.

Suggested Change from the Council

Amend the Oadby Masterplan to show provision of additional car parking spaces as part of the Brooksby Square site, including a shared use public square.

Second Representation made by the Church

The Church has concerns about the deliverability of the Brooksby Square proposals. There is no public funding available to help with delivery and the current economic difficulties which will prevail for many years mean that the development is unlikely to be commercially viable bearing in mind the Council's requirement that the developer must also provide the public square, public realm improvements, other infrastructure and potentially affordable housing. There is no evidence that it would be commercially viable and there are no delivery partners signed up.

The Council's Response

There is a delivery strategy that accompanies the AAP and which deals with these issues.

No change suggested