

**NORTH HERTFORDSHIRE DISTRICT COUNCIL (THE WYND, LETCHWORTH
GARDEN CITY)
COMPULSORY PURCHASE ORDER 2010**

DRAFT STATEMENT OF REASONS

1. INTRODUCTION

- 1.1 This document is the Statement of Reasons of North Hertfordshire District Council for making a compulsory purchase order entitled the "North Hertfordshire District Council (The Wynd, Letchworth Garden City) Compulsory Purchase Order 2010" ("the Order").
- 1.2 In this Statement of Reasons, North Hertfordshire District Council is referred to as the "Acquiring Authority", the North Hertfordshire District Council (The Wynd, Letchworth Garden City) Compulsory Purchase Order 2010 is referred to as "the Order", and the land included within the Order is referred to as "the Order Land".
- 1.3 The Acquiring Authority is the local authority and local planning authority for the area within which the Order Land is situated.
- 1.4 The Order is made pursuant to Section 226(1)(a) of the Town and Country Planning Act 1990 in respect of the acquisition of the Order Land.
- 1.5 On 27 July 2009, the Acquiring Authority granted detailed planning permission ("the Detailed Planning Permission") for the mixed use redevelopment of the Order Land and the adjoining road network (together "the Land") and on the same day granted outline planning permission ("the Outline Planning Permission") for the provision of off-site affordable housing (together "the Planning Permissions"). The Acquiring Authority granted conservation area consent for the complete and partial demolition of buildings along Leys Avenue and Station Road in association with the Detailed Planning Permission on 14 May 2009 ("the Conservation Area Consent"). Full details of the Planning Permissions and associated consents are set out in **Section 7**.
- 1.6 The Order has been made by the Acquiring Authority for the purposes of securing the assembly of the Order Land which is required for the implementation of the development for which the Detailed Planning Permission has been granted ("the Scheme"). Full details of the Scheme are set out in **Section 5**.
- 1.7 The Scheme is being promoted by the Letchworth Garden City Heritage Foundation ("the Foundation"), which will be responsible for delivering the

Scheme. The role of the Foundation and the mechanisms for delivering and funding the Scheme are explained in **Section 8**.

- 1.8 This Statement of Reasons has been prepared in compliance with paragraphs 35 and 36 and Appendix R of the ODPM Circular 06/04: Compulsory Purchase and the Criche! Down Rules ("the Circular").
- 1.9 The Order has been made and will be submitted to the Secretary of State for Communities and Local Government ("the Secretary of State").

2. **DESCRIPTION OF ORDER LAND**

- 2.1 The Order Land is located within Letchworth Garden City (“Letchworth”) and forms an area generally known as the Wynd.
- 2.2 A plan showing the location and extent of the Order Land is appended to this Statement at **Appendix 1**.
- 2.3 The Order Land comprises approximately 2.1 hectares and is situated within Letchworth Town Centre (apart from a small parcel of land currently used as rear gardens for numbers 107 and 109 Norton Way South, the rear area of 121 Norton Way South and an access onto Norton Way South).
- 2.4 Letchworth Town Centre is identified by reference to the Letchworth Town Centre Strategy Boundary as defined in the Letchworth Garden City Town Centre Strategy Supplementary Planning Document adopted in January 2007 (“the Town Centre Strategy”).
- 2.5 The Order Land broadly consists of a triangular parcel of land and is bounded by Leys Avenue to the south-west, Station Road to the north-west and Norton Way South to the east. The Order Land is relatively flat although it slopes downwards slightly from south-west to the north-east. A service access road, called Openshaw Way, runs through the Order Land and has access points at Station Road and Norton Way South. This road enables access to the existing 44 space public car park in the north-east corner of the Order Land and service access to businesses within the Order Land and those which face Station Road and Leys Avenue.
- 2.6 Aside from the Openshaw Way vehicular access points referred to above, the Order Land has an established pedestrian through route from a relatively narrow pedestrian access point off the north side of Leys Avenue which runs through a small parade of shops and businesses onto Station Road.
- 2.7 The designated shopping frontages on Leys Avenue and Station Road are characterised by largely continuous development along their road frontages. Given that the Order Land is pre-dominantly located behind these streets, the Order Land gives an appearance of being disconnected from the more vibrant Leys Avenue and Station Road.

- 2.8 Norton Way South, to the east of the Order Land, is not part of the established Town Centre, but forms the transition between the Town Centre and Howard Gardens, which opens out on the opposite side of Norton Way South.
- 2.9 Full details of the Order Land appear in the Schedule to the Order, but in summary, the Order Land includes:
- 2.9.1 [breakdown of description of main buildings from land referencing]¹;
 - 2.9.2 a number of relatively small, low density and unremarkable buildings. On the Leys Avenue and Station Road sides of the Order Land, the Order Land has a back land feel as many of the buildings which front these two streets project well within the Order Land in the form of extensions and alterations to these buildings. These areas lack coherence in terms of their character, are visually unattractive and lead to an underutilised space further into the Order Land;
 - 2.9.3 the buildings within the Order Land, which contain a number of existing small businesses, are largely single storey, one and a half and two storey buildings in a layout which centres on the pedestrian through route referred to above;
 - 2.9.4 a small off-shoot parade of shops and businesses, which contains a small children's play centre and café, is located immediately behind 45 Station Road; and
 - 2.9.5 the buildings on the western side of Norton Way south, which adjoin the Order Land, are large detached buildings set in substantial grounds, either as single occupancy large dwellings, converted flats or offices. Whilst these buildings are not themselves in the Order Land, some of these properties enjoy vehicular access to an access drive which runs along their rear boundary. This access drive and the rear grounds of some of these properties are within the Order Land.
- 2.10 The Order Land has a mix of uses including retail (mainly small independent businesses or empty business units), a public car park, a café and playing area, residential units and the rear grounds of residential units, office units, and ancillary uses such as service and storage areas.
- 2.11 Much of the Order Land is low density and underutilised. It is generally of poor quality both in terms of the standard and quality of the premises and immediate environment. The Order Land suffers from poor connections with the rest of the retail frontages within the Town Centre and is in need of redevelopment.

¹ Awaiting information from Persona following completion of Land Referencing before completing 2.9

- 2.12 The Order Land is within the Letchworth Conservation Area, which was first designated on 17 December 1974 and subject of a review in September 2001. An amended boundary, conservation area appraisal and register of Buildings of Local Interest was adopted for development control purposes on 18 December 2001.
- 2.13 None of the buildings within the Order Land are listed buildings. However, the Scheme includes development within the setting of listed buildings. Numbers 48 to 58 Leys Avenue are grade II listed two storey buildings, which bound directly onto the south eastern corner of the Order Land.

3. **OWNERSHIP OF THE ORDER LAND**

- 3.1 The Order Land has been divided into [69]² different plots as described within the Schedule to the Order. Details of the known interests and rights to be acquired within these plots are listed in the Schedule.
- 3.2 The Foundation is the freehold owner of all of the Order Land, although plot [47]³ (forming Openshaw Way and the pedestrian through route in the Order Land) is public highway.
- 3.3 The Order Land has a variety of leasehold and other interests, which are mainly business interests but also some residential interests and other tenancy arrangements. These interests include long leases for a term of years (in some instances up to 999 years), business tenancies which have security of tenure protection under the Landlord and Tenant Act 1954, and leases for a short term of months or years without the benefit of security of tenure protection under the Landlord and Tenant Act 1954 (ie. contracted out or excluded leases).
- 3.4 As described in **Section 9**, the Foundation has been operating a land assembly and relocation strategy, which has resulted in a significant number of the original leasehold interests in the Order Land being acquired by the Foundation, or agreements put in place (including contracted out or excluded leases) to enable the acquisition of interests when needed to deliver the Scheme.
- 3.5 Confirmation and implementation of the Order will ensure that any third party interests or rights which remain will not delay or prevent the Scheme from proceeding.
- 3.6 The Foundation has confirmed that it is seeking to offer all persons, of which the Foundation and Acquiring Authority are aware, who have rights over the Order Land, alternative rights which will be equivalent to or better than their existing rights. This includes any person whose land is severed by the Order and who, as a result, could otherwise lose rights over the Order Land for the benefit of their retained land. The Foundation has written to all such persons to advise them of the proposals.
- 3.7 As noted in the Schedule to the Order, the Order Land includes an electricity substation. Negotiations have taken place between the Foundation and EDF Energy Networks (EPN) Plc ("EDF") in relation to the Scheme and future energy

² Awaiting information from Persona following completion of Land Referencing.

³ Awaiting information from Persona following completion of Land Referencing.

requirements. The Scheme includes the provision of three new electricity substations and the Foundation intends to enter into an arrangement with EDF to relocate EDF's interest in the existing substation to the new substations as part of the delivery of the Scheme.

4. **STATUTORY FUNCTIONS OF THE ACQUIRING AUTHORITY - EXPLANATION OF THE USE OF ENABLING POWERS**

- 4.1 The Acquiring Authority and Foundation share the aspiration to secure the redevelopment of part of Letchworth Town Centre through the development of the Scheme on the Land, an area that is underutilised and capable of providing a modern, sustainable development which will serve to strengthen the role of the Town Centre as a retail focus for Letchworth and its catchment area.
- 4.2 Section 226(1)(a) of the Town and Country Planning Act 1990 (as amended) gives a local authority with planning powers the power to acquire compulsorily any land in their area if it thinks the acquisition will facilitate the carrying out of development, redevelopment, or improvement on or in relation to the land and where it thinks the development, redevelopment or improvement is likely to contribute to the achievement of the promotion or improvement of the economic, social or environmental well-being of the Acquiring Authority's area. An order made under section 226(1)(a) is subject to approval by the Secretary of State.
- 4.3 The Secretary of State's policy on compulsory purchase orders is contained in circular 06/2004, in particular Part I of the circular and appendix A (which relates to orders made under section 226). The Acquiring Authority considers that the Order accords with the Secretary of State's policies.
- 4.4 In the present case, the Acquiring Authority believes, first, that the acquisition of the Order Land will facilitate the redevelopment of the Land and secondly, that the resulting redevelopment will result in an improvement to the economic, social and environmental well-being of the area.
- 4.5 The development proposals which underlie the acquisition of the Order Land and the need for compulsory acquisition are described in **Sections 5 and 6** below.

5. THE DEVELOPMENT PROPOSALS

- 5.1 It is intended that the compulsory acquisition of the Order Land will facilitate the development of the Scheme, which includes the redevelopment and regeneration of the Land.
- 5.2 The Scheme will provide a mixed use development comprising predominantly retail and residential development in a location which complements the existing retail and residential offering of the Town Centre.
- 5.3 It is focused on improving the quality, choice and range of retail units within the Town Centre, and in particular, the Order Land, which is currently of poor quality both in terms of the premises and environment. The area is currently underutilised and suffers from poor legibility.
- 5.4 The Scheme is designed to improve the pedestrian linkages between Leys Avenue and Station Road, in order to achieve better connections between the Order Land and Station Road and in doing so, to establish an improved retail circuit in the Town Centre. The Scheme is proposed to be anchored by a food store on Station Road which will draw pedestrians into the Order Land. Residential apartments are to be located above all (apart from 3) of the proposed retail units, which will provide a significantly higher quality of residential accommodation than currently exists within the Town Centre, and will attract new residents, increasing vibrancy and vitality.
- 5.5 There has been substantial design evolution and analysis in order to develop and refine a scheme which can make a significant contribution to the regeneration of Letchworth, while at the same time integrating and respecting the character of its surrounding area, and achieving the vision detailed in the Town Centre Strategy.
- 5.6 In designing the Scheme, as part of the planning application process, the Foundation and their consultant team considered different design options and layouts for the proposed development, in consultation with officers and members of the Acquiring Authority and key stakeholders, including CABE and English Heritage.
- 5.7 The Scheme seeks to address the poor environmental quality of the area through new development which can provide a place of distinction and local pride, improve the public realm and achieve a high quality of urban design. The new Scheme will be integrated into its surroundings and seeks to improve connections and accessibility for all, including those without access to a car. The proposals aim to provide facilities and accommodation that fulfil existing and future needs of the local population, create job opportunities and attract visitors.

- 5.8 The proposals permitted by the Planning Permissions include:
- 5.8.1 the Land, defined by the Detailed Planning Permission red line boundary, of approximately 3.5 ha (including both the Order Land and part of the adjoining road network);
 - 5.8.2 a food store, with an approximate gross external area (GEA) of 2,615m² plus 301m² of ancillary office space above. The food store will be accessed by foot from within the Order Land and by car from the frontage of the building which adjoins Station Road and from the associated proposed new public car park;
 - 5.8.3 23 ground level retail units totalling 5,074m² (GEA) of comparison goods floorspace, compared with 3,030 m² (GEA) of existing comparison goods floorspace (a net increase of 2,044m² (GEA)). The retail units will vary in size from 48m² to 976m², and will offer a range of small and medium sized units;
 - 5.8.4 113 residential apartments, including 52 one bedroom and 61 two bedroom apartments, will be located above all but three of the ground floor retail units. The residential apartments will be provided in 'blocks', most of which will have access to roof top communal gardens;
 - 5.8.5 provision of 15% affordable housing through a combination of on and off-site provision, including 10 one and two bedroom apartments to be provided within the Order Land and 8 one and two bedroom units to be provided off site;
 - 5.8.6 a children's play centre of 733m² (GEA). The children's play centre building may also provide for other community uses. Importantly it has been designed to be adaptable for a variety of uses to ensure maximum flexibility and longevity;
 - 5.8.7 on-site car parking of 358 spaces;
 - 5.8.8 cycle parking will be provided at 1 space per residential unit and will be located in secure storage in the service areas. Cycle parking for shoppers will be provided adjacent to the entrance to the food store;
 - 5.8.9 vehicle access/egress to and from the Order Land will be provided via both Station Road and Norton Way South;
 - 5.8.10 servicing will be provided in designated areas throughout the Scheme. The primary service yard will be accessed off Norton Way South via Openshaw Way and will be located to the rear of properties fronting Leys Avenue and Norton Way South. A service yard will also be

provided off Station Road. It will service the food store and other retail units in this area;

- 5.8.11 the buildings will be predominantly three storeys in height with the exception of a two storey children's play centre, a single storey focal building in the central square and two storey residential development along Station Road;
- 5.8.12 a new internal system of pedestrianised streets and public realm will be provided, comprising a total area of 2,220m². The pedestrianised streets will improve pedestrian flow and connectivity between the Order Land and the other areas of the Town Centre, including Leys Avenue, Station Road and The Arcade. They will also improve the visual appearance of the Town Centre; and
- 5.8.13 recycling facilities will be provided within the car parking area.

6. THE PURPOSE OF THE ORDER AND THE NEED FOR COMPULSORY PURCHASE POWERS

- 6.1 The Acquiring Authority considers that the development of the Scheme will bring substantial benefits to the Order Land, the Land, the Town Centre, Letchworth and its catchment area. Letchworth's primary catchment area includes Zone 2 of the study area shown at appendix A of the North Hertfordshire Town Centre & Retail Study 2009 ("the Town Centre & Retail Study") prepared by Nathaniel Lichfield and Partners ("NLP") and reproduced at **Appendix 2**.
- 6.2 The Scheme will result in comprehensive redevelopment and will deliver key planning objectives, including the upgrading and revitalisation of the Town Centre. The proposed redevelopment of the Order Land will transform the quality and quantum of the retail offer within the Town Centre, benefiting residents, visitors and businesses within Letchworth and its catchment area, and encouraging more sustainable shopping patterns.
- 6.3 The purpose for which the confirmation of the Order is sought is in accordance with the planning policy framework and other policies and supporting documents relevant to the area. A review of these documents and relevant policy is provided in **Section 7**.
- 6.4 Letchworth Town Centre is under-performing as a shopping destination, and is failing to meet the needs of residents within its local catchment area. This is demonstrated by high levels of dissatisfaction amongst residents and visitors. The in-street survey undertaken within the Town Centre & Retail Study suggested that 49% of visitors in Letchworth town centre consider the range of shops and services is "quite poor " or "very poor", by way of comparison the survey suggested that only 1% of visitors in Hitchin town centre, which is the nearest comparable town centre, consider the range of facilities there is poor. In addition, 34% of visitors to Letchworth indicated the quality of shops and services is "quite poor" or "very poor", compared with less than 1% in Hitchin.
- 6.5 A high proportion (69%) of existing town centre business occupiers also rate the range of shops as "quite poor" or "very poor", as shown by the business occupier survey within the Town Centre & Retail Study, compared with only 27% in Hitchin. About 42% of Letchworth businesses believe the quality of shops and services is "poor", and 61% believe the town centre is "too down market" in shopping terms.
- 6.6 As a result of this high degree of dissatisfaction with Letchworth town centre's retail offer, residents within Letchworth urban area are choosing to shop elsewhere, and are travelling longer distances (primarily by car) to shop, rather

than using facilities in Letchworth. Customers are also choosing to shop at large food stores and retail warehouses in out-of-centre locations, where there are less opportunities to combine shopping with other trips. These shopping patterns are not sustainable in terms of the number and length of shopping trips generated, and require car travel rather than other more sustainable modes of transport.

- 6.7 The household shopper survey undertaken within the Town Centre & Retail Study indicated that 85% of main food shopping trips are undertaken by car and 77% of non-food comparison shopping trips are by car. The analysis of the household survey results indicates Letchworth only retains 77% of the total convenience expenditure of residents in Letchworth urban area, and therefore 23% (about £13 million) leaks to other towns, which increases the length of car borne trips (e.g trips are made to Hitchin (3 miles south west of Letchworth Town Centre), Baldock (over 2 miles to the east) and Stevenage (6 miles to the south). This expenditure leakage will increase in real terms (excluding inflation) to £14.5 million in 2016 even if Letchworth maintains its current market share. The household survey results also indicate that 38% of convenience expenditure retained in Letchworth survey is attracted to out-of-centre food stores rather than town centre food stores. The town centre's market share is likely to have reduced further since the closure of the Marks & Spencer food store within the town centre.
- 6.8 In terms of comparison shopping, Letchworth only retains 44% of comparison expenditure in Letchworth urban area, and therefore 56% (about £53 million) leaks to other towns, primarily Stevenage, Hitchin and Welwyn Garden City. This expenditure leakage will increase to £71.4 million in 2016 even if Letchworth maintains its current market share, due to growth in expenditure per capita and population growth.
- 6.9 The nature and format of the retail offer in the Town Centre falls a long way short of the expectations of residents' needs. In comparison with other competing centres, Letchworth has a limited choice and range of shopping and the quality of the retail offer is relatively poor. Competing centres are expected to continue to improve and Letchworth needs to improve in order to maintain its position in the shopping hierarchy. Letchworth is ranked 486th in the Management Horizon's UK Shopping Index, whilst Hitchin is ranked 300th.
- 6.10 The Town Centre environment is weak in places and is relatively unattractive as a shopping destination to a significant part of the catchment population. Other competing shopping centres such as Hitchin and Stevenage are likely to improve, and the competitive gap may widen if Letchworth does not improve, and as a result the amount of expenditure leakage will increase.

- 6.11 Shops and services in Letchworth are failing to meet the aspirations of a high proportion of households in the town. The household survey results suggest 26% of household's in Letchworth are within the A/B socio-economic group (professional/managerial), compared with only 16% of visitors interviewed within the town centre. The town centre's poor range and choice of shopping is encouraging more affluent households to shop further a field. However, there is a significant outflow of shopping trips from Letchworth by all socio-economic groups. A significant proportion of visits in all socio-economic groups interviewed in the in-street survey in Letchworth Town Centre regularly shop in other centres. Levels of dissatisfaction with the shops and services available in the town centre are high across all socio-economic groups.
- 6.12 Business occupiers' dissatisfaction with the range of shops and services in Letchworth town centre and its down market image as a shopping destination, discourage investment and the attraction of new businesses to the town centre. Over 63% of business occupiers suggested Letchworth town centre had declined during the last year. The centre's failure to attract investment has resulted in an increase in vacancy levels. The number of vacant units increased from 23 units in 2004 to 46 units in 2009, and the vacancy rate (18.4%) is significantly higher than the national average (11.4%).
- 6.13 Vacant units are spread across Letchworth Town Centre, but are primarily concentrated in secondary areas e.g. Station Road. These secondary areas are particularly vulnerable to further decline. There are some large vacancies within the primary shopping area e.g. within Garden Square Shopping Centre (the main pedestrianised shopping centre in Letchworth Town Centre, to the south of Leys Avenue) but these vacancies are due to specific circumstances rather than the poor health and vitality of Letchworth's primary shopping area. For example, the former Woolworth store became vacant due to the company's collapse in 2009. This unit is now let to a discount operator. The former Marks & Spencer Simply Food unit is also vacant, probably due to the unit's configuration and unsuitability for a food store operation. The vacant former Market Hall unit (the largest retail unit within the Garden Square Shopping Centre) is also the subject of a planning permission for extension, change the use of the first floor from leisure to retail (with a net increase of 1,000sqm of gross external retail floor space) and the sub-division of the ground floor into two retail units. Apart from these units there is a shortage of modern units within the primary shopping area suitable for multiple operators. The increase in vacancy levels between 2004 and 2009 described at paragraph 6.12 is primarily due to an increase in vacant shop units within secondary shopping areas. These areas will need to be regenerated and improved in order to reduce shop vacancies and maintain the vitality and viability of peripheral parts of the Town Centre, where pedestrian flows are generally lower.

- 6.14 Much of the Order Land is low density and underutilised. It is generally of poor quality both in terms of the standard and quality of the premises and immediate environment. The Order Land suffers from poor connections with the rest of the retail frontages within the Town Centre and is in need of redevelopment. The Order Land is a secondary retail area, which is isolated from and poorly connected to the primary shopping area. As a result pedestrian flows in this area are much lower than most other parts of the centre, which makes the area less attractive to retail operators. There is a vicious circle i.e. the low pedestrian flows and poor quality premises hinders the attraction of new retail operators, and the absence of a strong retail offer exacerbates low pedestrian flows.
- 6.15 In addition to the limited retail offer, the area's poor quality environment and poor connections also make this part of the town centre less attractive to customers. Pedestrian linkages between Leys Avenue and Station Road, through the Order Land, are unclear and do not assist in generating strong pedestrian flows in these peripheral shopping areas. The vitality and viability of commercial uses within the Order Land and peripheral parts of Station Road and Leys Avenue are fragile, due to vacant units, low pedestrian flows and poor quality premises. This part of the town centre lacks an appropriate anchor store which can generate activity and generate higher pedestrian flows.
- 6.16 The Town Centre & Retail Study indicates there will be quantitative capacity to support 2,800 sq m gross of additional comparison goods floorspace in Letchworth by 2016 increasing to 8,300 sq m gross by 2021. There is capacity for 2,300 sq m gross of additional convenience floorspace by 2016, increasing to 3,900 sq m gross by 2021. In total Letchworth can accommodate an additional 5,100 sq m gross of retail floorspace by 2016 or 12,200 sq m gross by 2021. It should be noted these floorspace projections are based on Letchworth's current low market share of expenditure, and the figures do not assume any claw back of expenditure leakage. The retail floorspace projections are cautious and should be considered as a minimum required to ensure Letchworth's position within the shopping hierarchy does not reduce further, and the level of expenditure leakage does not increase.
- 6.17 As explained in more detail in **Section 7**, paragraph EC4.1 of PPS4: Planning for Sustainable Economic Development, indicates that local authorities should proactively plan to promote competitive town centre environments and provide consumer choice. Failure to identify sufficient development opportunities to accommodate the minimum retail floorspace projection for Letchworth will lead to an increase in expenditure leakage and/or will encourage developers/retail operators to seek new retail facilities in less sustainable out-of-centre locations.
- 6.18 The planning benefits that will arise from the Scheme include:

- 6.18.1 enhancement of the quality and quantum of retail provision, which will deliver an improved range and choice of retail facilities in the Town Centre, thus enabling the Town Centre to improve its market share and maintain its position in the retail hierarchy, identified in the East of England Plan (2008) and the Council's emerging Local Development Framework;
- 6.18.2 the Scheme will deliver a net increase of 2,615m² (GEA) of convenience goods floorspace and 2,044m² (GEA) of comparison goods floorspace, and will make a significant contribution towards accommodating the minimum retail floorspace projections (5,100 sq m gross up to 2016 and 12,200 sq m gross up to 2021 as set out in the Town Centre Strategy;
- 6.18.3 the proposed convenience goods floorspace (about 1,700 sq m net sales space – assuming a net to gross ratio of 65%) should have a turnover of around £16 million, which will absorb most of the projected additional convenience goods expenditure in Letchworth up to 2016. Failure to provide this level of convenience floorspace is likely to reduce Letchworth's overall market share of convenience expenditure, perhaps a maximum reduction from 21% to 17% (down from £86.75 million to £70.75 million out of total expenditure of £407 million) within the Retail Study Area, leading to higher expenditure leakage and less sustainable shopping patterns. The diversion of trade from out of centre food stores to the town centre will be beneficial in terms of sustainable shopping patterns and will increase choice, particularly for the less mobile members of the community;
- 6.18.4 the proposed additional comparison goods floorspace (about 1,400 sq m net sales space – assuming a net to gross ratio of 70%) should have a turnover of around £8 million, which will absorb about 70% of the projected additional comparison goods expenditure in Letchworth up to 2016. Failure to provide this level of floorspace is likely to reduce Letchworth's overall market share of comparison expenditure within the Retail Study Area from 12% to 11% (down from £104 million to £96 million out of total expenditure of £874 million), again leading to higher expenditure leakage and less sustainable shopping patterns, and no beneficial reduction in expenditure leakage will be achieved.
- 6.18.5 replacement of dated and inappropriate store layouts. The Scheme will provide the necessary investment to achieve qualitative improvements in the form and layout of retail floorspace as well as sufficient critical mass to attract national multiple retailers to the Town Centre. The indicative tenant mix for the Scheme will broaden the range and choice

of Letchworth's retail offer, attract shoppers to Letchworth and extend the duration of shopper visits;

- 6.18.6 provision of the right quality and quantity of retail floorspace to enable the Town Centre retail offer to attract a broader customer base, meeting the needs of all sectors of the community;
- 6.18.7 the improvements to retail facilities are expected to claw back shopping trips made from Letchworth's primary catchment area currently made to competing centres further a field, and this claw back of expenditure leakage will lead to more sustainable shopping patterns and reduced car travel;
- 6.18.8 bringing forward highly sustainable development, to meet the policies and objectives set out in the Local Plan and emerging Local Development Framework, and to deliver the vision for the Order Land as set out in within the broad framework and principles identified by the Town Centre Strategy;
- 6.18.9 the provision of new retail facilities within the Town Centre will reduce the need/pressure for development in less sustainable out-of-centre locations, which are less accessible by public transport and do not offer the same opportunities for linked purpose trips. The delivery of the quantitative need for comparison and convenience goods facilities in the Town Centre. i.e. the most sustainable location which will encourage more linked shopping trips and less car borne travel. The in-street survey of visitors in Letchworth Town Centre, suggested only 57% of visitors travel by car, compared with 85% for all main food shopping trips and 77% of non-food comparison shopping trips. These results suggest shopping trips diverted to the town centre (food or non-food) are less likely to involve a car journey. Furthermore, there will be more opportunities to combine shopping trips with other activities within the town centre (e.g. non-retail services, leisure, work, social reasons etc), thus reducing the number of trips made;
- 6.18.10 provision of sustainable mixed-use development on previously developed land, in accordance with the government's sustainability objectives, that will: offer a range of high quality housing types suitable for the Town Centre location; enhance the retail and leisure offer in Letchworth contributing to its vitality and viability; facilitate the use of existing pedestrian and cycle routes within the Town Centre; and promote the use of public transport;
- 6.18.11 provision of 15% affordable housing through a combination of on and off-site provision; and

- 6.18.12 enhancement of the character of the Letchworth Conservation Area through the selective demolition of existing buildings and their replacement with high quality built development and public realm. The majority of the existing buildings within the Order Land are shown in the Town Centre Strategy as making a negative or neutral contribution to the Conservation Area. The proposals will enhance the character and appearance of the Conservation Area.
- 6.19 As indicated by high levels of expenditure leakage and customer/business dissatisfaction, there is currently a lack of breadth and depth of choice in retail provision in Letchworth, particularly in comparison goods sectors. This is compounded by the poor provision of retail accommodation which does not adequately match modern retail requirements. The Scheme will provide a better choice, quality and range of commercial premises capable of attracting new operators to Letchworth. The Scheme will help to meet the needs of new retail businesses as well as the needs of customers. This will assist economic growth, job creation and investment.
- 6.20 The household survey results indicate that most households in Letchworth urban area would visit the town centre more often if there was a better choice/quality of shops/stores. The proposed improvements to shopping facilities will help to claw back a significant level of expenditure leakage from the Letchworth urban area, resulting in more sustainable patterns of shopping and a more vital and viable town centre.
- 6.21 The Scheme will deliver a range of sizes of retail unit which match the requirements of the kind of retailer that the Town Centre needs to attract. As well as matching their space requirements, the Scheme will also provide sufficient critical mass and improvements to the quality and legibility of the public realm.
- 6.22 The future opportunity is to re-align the Town Centre retail offer with the needs and aspirations of all sectors of society that live and/or work in and around Letchworth. Redevelopment of the Land will provide a critical mass of frequently visited quality retailers, which together with the improvements to the streets of Leys Avenue and Eastcheap which are currently under construction (completion date expected May 2010) ("the Streetscene Improvements") will make a step-change in the perception of Letchworth as a trading location.
- 6.23 There is a need for a new food anchor store within the Town Centre as well as a range of other smaller unit sizes arranged in a modern trading environment. The Scheme will provide the right quality and quantity of retail floorspace to accommodate a new convenience anchor, in addition to a range of comparison stores. An anchor store and units shops will help to regenerate this secondary shopping area, improving linkages with the primary shopping area.

- 6.24 Residential use is an integral part of the Scheme. There is currently a lack of available residential accommodation in the Town Centre. The Acquiring Authority and the Foundation recognise the benefits of including high quality accommodation in the heart of the Town Centre, in line with wider planning policy objectives of providing homes close to jobs and supporting facilities, and creating lively town centres throughout the day and evening. The proposed residential units will help the Acquiring Authority meet its house building targets within a sustainable brownfield location. The units will be in the most sustainable location in terms of accessibility to shops, services and public transport.
- 6.25 The units will be positioned above all apart from three of the retail units of the Scheme on first and second floors with direct access from dedicated residential entrances on the ground floor. Outdoor space will be provided at first floor level with access to roof gardens. The majority of units will also have balconies.
- 6.26 The play centre to be provided as part of the Scheme will replace an existing facility within the Order Land, but within much larger accommodation which has been designed to be capable of use for a variety of indoor leisure/community activities. This facility will provide an improved play/leisure offer, complementing the proposed retail and residential uses and providing the opportunity for people to stay longer in the Town Centre, thereby contributing to its vitality.
- 6.27 Furthermore, a family focus is an important component of the Foundation's aspirations for the Town Centre regeneration and for the Order Land in particular. This need was identified following consultation with the local community as part of initial research before the early proposals were formulated.
- 6.28 The do-nothing scenario would leave the Town Centre with an out-dated retail offer which is failing to meet the demands of the town's retail catchment and which is causing the Town Centre to decline within the retail hierarchy. This decline is likely to lead to an increase in the amount of expenditure leaking from Letchworth's catchment area to centres further afield, which will lead to less sustainable and longer car borne shopping trips. The failure to secure retail development in the Town Centre is also likely to lead to more shopping being undertaken out-of-centre and will increase the pressure for more retail development in these less sustainable locations.
- 6.29 The existing vacancies within the Garden Square Shopping Centre are not of a type (in terms of size and configuration) or quality to attract the national multiple retailers that Letchworth currently lacks. What is needed is a step-change in the quality and quantum of the retail units and their setting within high quality public realm, and this is what the Scheme has been designed to deliver.

Conclusion on the purpose for the Order

- 6.30 It is for the reasons set out above that the Acquiring Authority believes both that the acquisition of the Order Land will facilitate the redevelopment of the Land and secondly that the resulting redevelopment will result in an improvement to the economic, social and environmental well-being of the area.

7. **STATEMENT OF PLANNING POSITION**

Planning Permission and Conservation Area Consent

7.1 As indicated above, the Acquiring Authority has granted the Conservation Area Consent and the Detailed Planning Permission. The description of the development permitted by the latter is:

“mixed use development: residential, retail and children’s play centre, public open space and associated infrastructure consisting of the following: 358 space (two level) car park, 113 no. residential apartments (52 one bedroom and 61 two bedroom); 23 no. individual ground floor retail units and 1 no. food store and service yard (access off Station Road); children’s play centre building, vehicular access off Station Road and Norton Way South; pedestrian access off Leys Avenue and Station Road, following demolition of existing buildings”.

7.2 The Acquiring Authority has also granted the Outline Planning Permission. The description of the development permitted is:

“6 x 2 bedroom affordable houses and 2 x 1 bedroom shared ownership flats with 12 associated car parking spaces and 6 replacement garages following demolition of existing 40 garages”.

7.3 The Planning Permissions were granted subject to two section 106 agreements (one relating to the Order Land and the other relating to the off-site affordable housing). The section 106 agreements provide for the following measures:

7.3.1 provision of 15% affordable housing, through a combination of provision on the Order Land and off-site;

7.3.2 a contribution to education, community centres, libraries, facilities for young people, childcare facilities, improvements to the Baldock Road Leisure facilities and sports pitches, improvements to sustainable transport and waste collection and recycling;

7.3.3 the provision, management and maintenance of CCTV across the Order Land;

7.3.4 the provision of a play centre on the Order Land;

7.3.5 the provision of internet connection services for new buildings on the Order Land; and

7.3.6 the delivery of all new homes on the Order Land to EcoHomes Very Good Standards.

Planning Policy Context

National Planning Policy

- 7.4 The most relevant Government guidance for the Scheme is provided by:
- 7.4.1 PPS 1 Delivering Sustainable Development (2005);
 - 7.4.2 PPS 3 Housing (2006);
 - 7.4.3 PPS 4: Planning for Sustainable Economic Development (2009);
 - 7.4.4 PPG 13 Transport (2001);
 - 7.4.5 PPG 15 Planning and the Historic Environment (1994); and
 - 7.4.6 Draft PPS 15 Planning for the Historic Environment

Sustainable Development

- 7.5 It is a central goal of Government policy to achieve sustainable patterns of development, as is addressed in PPS 1.
- 7.6 The location of the Scheme, on previously developed land in the Town Centre, satisfies the objectives of PPS 1, which requires that planning should facilitate and promote sustainable and inclusive patterns of urban development. The Scheme will also promote more sustainable patterns of transport by significantly improving the retail offer within Letchworth's catchment area, and will support the objective of promoting mixed and balanced communities through the provision of affordable housing in a sustainable location. The housing itself will have good sustainability credentials.

Housing

- 7.7 The Government's aims for housing in PPS3 include increasing the supply, ensuring that everyone has the opportunity to live in a decent home which they can afford and providing well designed and greener homes that are supported by relevant services and infrastructure.
- 7.8 The Scheme will offer a range of high quality accommodation types suitable for the Town Centre location, providing a substantial contribution to housing choice in the local area, particularly for residents who do not have access to a car.
- 7.9 The proposals have considered the affordable housing objectives of PPS 3. The Foundation held discussions with the Acquiring Authority regarding affordable housing provision and has committed to an appropriate contribution of 15%, which takes into account the viability of the Scheme. This will include a combination of on and off site provision.

- 7.10 The Town Centre location of proposed residential development ensures more efficient use of previously developed land in this highly accessible location and clearly satisfies the requirements of PPS 3.

Planning for Sustainable Economic Growth

- 7.11 One of the ways in which the Government aims to achieve its sustainability objectives is by focusing development in town centre locations. The mechanism for steering new development into appropriate locations is through application of the 'sequential approach', which is outlined in PPS 4. Town Centres are the first priority location for new retail development. PPS 4 indicates that local authorities should plan for growth and the development of town centres to make them more competitive and provide consumer choice.
- 7.12 The Order Land is almost entirely located within the Town Centre and as such satisfies the sequential approach to site selection required by PPS 4. Furthermore, the Scheme is accessible by a choice of means of transport, will result in the efficient use of previously developed land and increase the vibrancy, viability of and consumer choice within the Town Centre, in accordance with the objectives of PPS 4. PPS4 within Policy EC14 also indicates that it is not necessary to undertake a sequential or impact assessment for development schemes which would create over 2,500sqm of retail floor space within existing town centres. Under the provisions of PPS4 the scheme which would deliver an additional 4,960sqm of gross retail floor space is of an appropriate scale of development for Letchworth. Although a specific need and impact test is not required under PPS4 the Town Centre and Retail Study demonstrates that it will not have an adverse impact on other designated centres.
- 7.13 Encouragement is provided to local authorities in PPS4 (Policy EC5.6) to use compulsory purchase orders among other planning tools to address issues surrounding the growth and management of their centres.
- 7.14 The policy guidance set out in PPS4 moves on from the former PPS 6 position of supporting competition to specifically promoting competition. Further, the objective of enhancing customer choice has been strengthened to promoting customer choice.
- 7.15 PPS4 affirms the government's objectives for building prosperous communities through (amongst other things) improving the economic performance of towns; promoting high quality and inclusive design of public realm; and improving the vitality and viability of town centres through focusing new economic growth in such centres, and conserving the architectural and historic heritage of centres to provide a sense of place and a focus for the community.
- 7.16 PPS4 promotes economic development and confirms that retail and other town centre uses are economic development where they provide employment

opportunities, generate wealth and/or generate economic output. The proposed development will promote economic development, improve accessibility to facilities, increase consumer choice/competition and promote social inclusion, which are all key Government objectives set out in PPS4.

- 7.17 Policy EC4.1 provides guidance on the local planning approach to planning for consumer choice and promoting competitive town centres and advises that Local Planning Authorities should consider the scope for consolidating and strengthening such centres through diversification of uses and improving the environment; encourage a strong retail mix and other services to provide a range of choice for the consumer and ensuring the character of existing centres are retained and where appropriate enhanced.
- 7.18 Policy EC5.1 states that Local Planning Authorities should proactively plan for consumer choice and promote competitive town centres by (amongst other things) planning for a strong retail mix across a range of business models in terms of scale, format and car parking so that the range and quality of the comparison and convenience retail offer meets the requirements of the local catchment. The policy also advises Local Planning Authorities to consider the potential regenerative benefits of promoting new development on previously developed land in their town centres.
- 7.19 PPS4 provides clear support for the approach that the Acquiring Authority has taken to the identification of the Wynd as a Town Centre redevelopment opportunity, and the role that a redeveloped site can play in strengthening the vitality and viability of Letchworth and promoting economic growth.

Sustainable Transport

- 7.20 The Government's sustainability objectives relating to transport are set out in PPG 13. They include the promotion of patterns of development which do not lead to increase in car usage, and create maximum opportunity for the use of non-car modes of transport.
- 7.21 The proposals will facilitate the use of existing pedestrian and cycle routes within the town. The site's central location and its proximity to the train station and bus stops also ensure compliance with PPG 13. The location of the Scheme along with its public realm improvements will promote sustainable transport options.

Conserving the Historic Environment

- 7.22 Government guidance on protection of listed buildings and conservation of the historic environment is set out in PPG 15. The Order Land forms part of the Letchworth Conservation Area. Proposals for the Order Land include development within the setting of a listed building.

7.23 The Scheme will not unduly impact upon the setting of any listed buildings and although it will require the demolition of some unlisted buildings which make a positive contribution to the Conservation Area, the Acquiring Authority considers that it will improve the character and appearance of the Letchworth Conservation Area.

7.24 Consultation Draft PPS15: Planning for the Historic Environment

7.25 The Government published a consultation draft of PPS15 in July 2009. When published in final form the PPS will replace PPGs 15 and 16 in their entirety.

7.26 The draft PPS upholds the government's priority of ensuring that new development preserves the historic built environment. It does however seek to classify listed buildings and other important buildings in conservation areas as potential historic assets that may need protection depending on their value. Although the Scheme will require the demolition of some unlisted buildings which have a positive contribution to the conservation area, the Acquiring Authority considers that the net result of the Scheme would be to enhance the wider historic built environment through high quality designed, new buildings, enhanced and upgraded public spaces and public realm works.

Summary Conclusions on National Planning Policy

7.27 The Scheme accords with the principal objectives of national planning policy guidance through making efficient and effective use of previously-developed land within the Town Centre, and incorporating a mix of retail, residential and leisure uses within a high quality design, which will assist in improving the vitality of the Town Centre, improve the character and appearance of the conservation area, and provide for more sustainable patterns of living.

7.28 **Regional Planning Policy**

East of England Plan

7.29 The East of England Plan was adopted in May 2008. It establishes the strategic framework for development within the Region and sets out the Regional Spatial Strategy ("RSS"). The plan guides development in the East of England for the period to 2021 and replaces policies set out in Regional Planning Guidance for the South East (RPG 9) (covering Hertfordshire) and the Hertfordshire Structure Plan Review.

The overall spatial strategy for the region (Policy SS2) seeks to focus development in and around existing urban areas to help deliver a sustainable pattern of growth and appropriate delivery of housing. The Plan targets 60% of development to be built on previously developed land.

- 7.30 The Scheme is located in the Town Centre and will result in the efficient re-use of previously developed land. The Scheme will be accessible to all and will make efficient use of existing public transport networks in the Town Centre.
- 7.31 Policy SS6 states that thriving, vibrant and attractive town centres are fundamental to the sustainable development of the East of England and should continue to be the focus for investment, environmental enhancement and regeneration.
- 7.32 The Scheme comprises a mix of uses including retail and residential uses. The proposed increase in retail provision is consistent with Policy SS6 and will increase the vitality and viability of the Town Centre. The residential development will contribute to the district minimum housing target of 290 dwellings per annum to 2021 (Policy H1).
- 7.33 Policy E5 sets out the regional structure of town centres and identifies the Regional Centres as well as Major town centres and states that major new retail development and complementary town centre uses should be located in the above centres and should be consistent in scale with the size and character of the centre concerned, and its role within the regional structure. Letchworth is not identified within this policy, but is nevertheless a town centre of district-wide importance as designated in the Local Plan. The scale of retail development proposed is consistent with the role and catchment area of Letchworth Town Centre.
- 7.34 The NLP Town Centre and Retail Study 2009 refers to Management Horizons Europe's UK Shopping Index 2008. This index of retail centres ranks Letchworth as the 468th largest retail centre in the UK. This is the second largest retail centre in North Hertfordshire District, behind Hitchin which is nationally ranked at 300th in the index.
- 7.35 The Scheme will play an important part in increasing the Town Centre's market share. However, this will not be such as to constitute higher order development (generally accepted as being over 10,000sq m gross area in regional plans) that should otherwise be directed towards those Major and Regional centres identified within policy E5.

The Acquiring Authority's Strategic Priorities

- 7.36 Although not part of the planning policy framework for the Acquiring Authority's area, the Acquiring Authority has a Corporate Plan for the period 2005-2015 which sets out the Acquiring Authority's strategic objectives.
- 7.37 The Acquiring Authority's latest annual review of its Corporate Plan (dated January 2009) identifies three priorities, being town centres, green issues and sustainable development.

- 7.38 The strategic priority of town centres has contributed to the development of local planning policy and in particular provided support for the adoption of Town Centre Strategies for all of the major town centres in the Acquiring Authority's area as Supplementary Planning Documents to the Local Plan. The annual review of the Corporate Plan emphasises the Acquiring Authority's priority of implementing the Letchworth Town Centre Strategy.

Local Planning Policy

The Local Plan

- 7.39 The Local Plan was adopted in 1996. Under the Planning & Compulsory Purchase Act 2004, these policies expired on 27 September 2007. A Direction from the Secretary of State was required to save policies beyond this date.
- 7.40 The key saved policies are considered below.

Shopping and Leisure

- 7.41 Policies 42 and 43 of the Local Plan deal with retail uses and development within the primary shopping areas. The environment of the historic towns in North Hertfordshire, including Letchworth, is to be safeguarded and enhanced and new retail development is encouraged within primary shopping areas.
- 7.42 The proposals will reinforce the Town Centre's primary shopping area and Letchworth's position in the retail hierarchy. The proposals will complement the existing shopping pattern within the Town Centre and enhance the Town Centre environment through the provision of an appropriate scale and mix of new retail development.
- 7.43 Policy 44 encourages leisure uses outside of shopping areas in town centres. The provision of a new play centre as part of the Scheme is consistent with this policy.

Design Principles

- 7.44 Policy 58 states that the Acquiring Authority will only consider development proposals in Letchworth if they are in sympathy with the traditional buildings of Letchworth and if they clearly show that the Garden City Design Principles referred to below have been taken into account. The proposals for the Wynd have been subject to extensive design development and are designed to integrate with and respect the built environment of Letchworth.

North Hertfordshire Local Development Framework

Core Strategy

- 7.45 The Core Strategy Preferred Options for consultation was published in September 2007. It is anticipated that the draft Core Strategy will be published in pre-submission form in Autumn 2010.
- 7.46 The Core Strategy Preferred Options paper identifies Letchworth as a principal town centre within the District and seeks to support the promotion, protection and enhancement of the retail and service functions of Letchworth in addition to the expansion of those functions.
- 7.47 It also acknowledges that the Foundation is proposing major redevelopment of the Town Centre and an increase in the amount of retail floor space within the Town Centre in order to attract national multiple retailers.

Land Allocations

- 7.48 The Acquiring Authority published its Land Allocation Issues and Options for consultation in January 2008. The preferred options paper has been published and is currently the subject of public consultation. It will be published as part of the Core Strategy pre-submission in Autumn 2010.
- 7.49 The Issues and Options report recommends that The Wynd (site L/m 2) is allocated for retail-led mixed use development.
- 7.50 The Scheme is considered to be consistent with the emerging Core Strategy and proposed site allocation.

The Town Centre & Retail Study

- 7.51 NLP were commissioned by the Council to prepare the Town Centre & Retail Study in 2009. This Study updates and replaces the previous study undertaken in 2004 (and updated in 2006), and is an important background document in respect of emerging development plan documents and provides:
- 7.51.1 a qualitative analysis of existing retail and leisure facilities within the District in order to identify the role of each centre and the relationship between the centres and neighbouring authorities;
 - 7.51.2 a quantitative and qualitative need assessment for new retail and commercial facilities within the District to 2026 including an assessment of both food and non-food retailing; and
 - 7.51.3 an assessment of existing development commitments and allocations in the District and identification of the suitability of sites to meet any demand.
- 7.52 A brief overview of the Study's findings regarding the Town Centre are provided below:

- 7.52.1 there is a limited range of convenience traders within Letchworth;
 - 7.52.2 Letchworth has a limited range of national multiple traders;
 - 7.52.3 the proportion of vacant units is significantly above the national average;
 - 7.52.4 the Wynd arcade is in a secondary retail area and is somewhat isolated with low pedestrian flows;
 - 7.52.5 Letchworth has a reasonably large and affluent catchment population. A high proportion of the expenditure generated by this catchment population leaks from the area;
 - 7.52.6 other centres such as Stevenage are likely to continue to improve their environment and retail offer and therefore the competitive gap may widen as well as an increase in the amount of expenditure leakage from Letchworth's catchment;
 - 7.52.7 if Letchworth does not improve its range and choice of facilities the Town's role in the retail hierarchy is likely to diminish; and
 - 7.52.8 the Foundation's Streetscene Improvements should enhance the centre as a place to shop and visit.
- 7.53 The Town Centre & Retail Study sets out projections for retail floorspace capacity. These projections are based on the assumption that Letchworth will maintain its current market share of expenditure within its catchment area in the future. The Town Centre & Retail Study recommends that the development strategy for Letchworth should as a minimum seek to maintain existing market share. On this basis, the study identified a requirement for additional A1 to A5 floorspace within Letchworth of:
- 7.53.1 6,400sq.m. gross by 2016 increasing to
 - 7.53.2 15,300sq.m. gross by 2021.
- 7.54 The Town Centre & Retail Study refers to the relatively high level of vacancies within the Town Centre and considers that 5,600sq.m. of currently vacant space could be re-occupied. This would then be subtracted from the above requirement to give a remaining projected requirement of 9,700sq.m up to 2021.
- 7.55 The Order Land is identified as the main potential development area that can meet a significant proportion of the short to medium term requirement for retail floorspace up to 2021 (i.e. an additional 4,960sq.m gross out of a total of 9,700sq.m gross). Other Town Centre development opportunities identified

within the Town Centre Strategy are expected to accommodate the longer term need for retail development.

Summary Conclusions on Local Planning Policy

- 7.56 The Scheme, which benefits from detailed planning permission and conservation area consent, accords with local planning policy objectives through making efficient and effective use of previously-developed land within the Town Centre, and incorporating a mix of retail, residential and leisure uses within a high quality design, which will assist in improving the vitality and viability of the Town Centre, and provide for more sustainable patterns of living.
- 7.57 Even based on the assumption that Letchworth will only maintain rather than increase its market share of expenditure within its catchment area, the Town Centre & Retail Study identifies the need for the Town Centre to improve its range and choice of facilities and recognises the Scheme as having the potential for delivery in the short to medium term.

Town Centre Strategy

- 7.58 In January 2007, the Acquiring Authority adopted the Town Centre Strategy. The aim of the Strategy is to provide a comprehensive framework to promote integrated development and enhancement of the Town Centre over the next 15 years. The Town Centre Strategy has been prepared as a Supplementary Planning Document as part of the Local Development Framework. It expands and provides further guidance on Policies 42 and Policy 58 in the Local Plan. The draft Town Centre Strategy was subject to a sustainability appraisal and public consultation.
- 7.59 The Town Centre Strategy provides a planning justification for the redevelopment of the Land and was a material consideration in the determination of the planning application.

Spatial Vision and Aims

- 7.60 The Town Centre Strategy sets out three main aims for the Town Centre:
- 7.60.1 to preserve and enhance the Town Centre to protect its special character as the town centre of the world's first Garden City, including providing, on appropriate sites, the quality buildings and facilities it deserves;
 - 7.60.2 to promote the vitality and viability of the Town Centre through planning for its growth and development; and

- 7.60.3 to develop the Town Centre's role as the focus for civic and social life and public transport networks in Letchworth, and as a place which is sustainable, pleasant, safe and inviting to visit, live and shop in.

Spatial Themes

- 7.61 The SPD also outlines a number of more specific themes, which the redevelopment of the Wynd will make a major contribution to:

- 7.61.1 ensuring that its character and design qualities as the civic, community and social centre of the world's first Garden City are protected and enhanced;
- 7.61.2 expanding the Town Centre's retail offer with increased floorspace and more stores of all sizes;
- 7.61.3 bringing forward sites capable of providing, larger, better quality and better designed retail units for high quality comparative goods retailing;
- 7.61.4 providing for more small specialist stores and some expansion and more choice in quality food shopping;
- 7.61.5 encouraging more choice in evening facilities whilst discouraging anti-social behaviour;
- 7.61.6 promoting tourism, business and investment in the Town Centre;
- 7.61.7 improving the public realm and pedestrian environment, to attract visitors and encourage them to linger;
- 7.61.8 improving management of parking, ensuring security and appropriate expansion of provision alongside new development, and improved public transport, walking and cycling;
- 7.61.9 improving the centre as the focus of community and family life in Letchworth, providing more facilities for children and young people, for families that visit, and for the full range of modern community facilities that are accessible for all;
- 7.61.10 ensuring that the open spaces and gardens that contribute to the landscape character of the Garden City are protected and enhanced for their amenity and environmental value including biodiversity; and
- 7.61.11 making Letchworth a model of how to apply ideas of sustainability to a planned settlement.

Policy Guidance

- 7.62 The key policy guidance set out in the Town Centre Strategy, in relation to the Order Land and the redevelopment of the Wynd, is summarised below:
- 7.62.1 Policy Guidance 8 The Wynd – Urban Design Principles states that development within the areas of Opportunity Sites LTC1-LTC4 (including LTC2 The Wynd) should create a linked series of new shopping streets and new urban public spaces.
 - 7.62.2 Policy Guidance 10 Priority Sites for Additional Comparison Goods Retailing states that Sites LTC1 Arena Parade and LTC2 The Wynd are the priority opportunities as part of the Town Centre’s contribution towards meeting the identified district-wide need for comparative goods retailing by 2016 and that their development will be secured as part of a wider strategy to link up different parts of the Town Centre and to improve the shopping experience, ensuring the balanced and successful growth of the Town Centre as a whole.
 - 7.62.3 Policy Guidance 11 Additional Convenience Goods Retailing states that a limited amount of additional convenience goods retailing will be permitted as part of site LTC2 The Wynd, as part of the identified need for the District as a whole by 2016. High quality food stores are identified as the priority need.
 - 7.62.4 Policy Guidance 12 Linking up the Town Centre, states that the strategy for securing the future of the Town Centre is to bring forward the development of a series of retail and mixed-use development sites over time, alongside substantial improvements to the public realm and that the Town Centre as a whole should provide for a fuller range of local retail and service needs appropriate to its size and function, with a rich and varied mix of stores of different sizes, both national chains and local independent operators.
 - 7.62.5 Policy Guidance 20 residential development states that the development/change of use for residential uses is supported throughout the Town Centre. It is noted that residential should be provided as part of mixed use schemes on upper floors on sites LTC1-LTC4 (including LTC2 The Wynd) and that residential development within the Town Centre should provide a mix of unit types, with a bias towards smaller units.
 - 7.62.6 Policy Guidance 32 Streetscape and Public Realm Improvements – the Town Centre sets out the intention for a series of public realm improvements to be focused on the busiest pedestrian areas. Such

improvements should adopt a bespoke design and should emphasise pedestrian priority.

Opportunity Site LTC1 – Arena Parade

- 7.62.7 LTC1 sets out the guiding principles for the redevelopment of the Arena Parade and adjoining land. It promotes the development of new retail, residential and other town centre uses, with a focus on larger retail uses for comparison goods shopping, creation of a new civic space and integration with the re-use of the Town Hall for civic/ community or educational uses. Development should incorporate additional residential units at first floor level and above.

Opportunity Site LTC2 – The Wynd

- 7.62.8 The Wynd is designated in the Town Centre Strategy as an Opportunity Site, suitable for future development. The majority of the buildings currently making up the Order Land are listed as having a negative or neutral contribution to the conservation area.
- 7.62.9 LTC2 sets out guiding principles for the redevelopment on the Order Land. It promotes development of new retail, residential and other town centre uses, enclosing a courtyard or courtyards, with a focus on smaller comparison goods retailing and a food supermarket that reflects the character, grain and scale of this part of the Town Centre and states that development should incorporate additional/replacement residential units.
- 7.62.10 It also states that redevelopment of 39-41 (odd) Station Road and 30-32 (evens) Leys Avenue and buildings in the rear yard of existing shops may be acceptable where this aids access to the site for pedestrians, better integrates with the remainder of the Town Centre, and enhances the conservation area overall and that a small contextual infill development may be appropriate if the main pedestrian access from Leys Avenue is consequently shifted westwards.
- 7.62.11 However, the policy advises that 34-36 and 38 Leys Avenue and other shops outside the opportunity site boundary on Station Road and Leys Avenue should be retained and integrated in to the development.

Compulsory Purchase

- 7.63 The Town Centre Strategy supports the principle for compulsory purchase. Policy Guidance 34 Opportunity Site Delivery states that positive planning powers will be used pro-actively, where necessary in partnership with landowners and developers, to ensure timely and comprehensive delivery of Opportunity Sites.

Paragraph 10.9 also notes that compulsory purchase may need to be a key component of project delivery.

Summary Conclusions on the Town Centre Strategy

- 7.64 The Foundation's package of proposals to revitalise the Town Centre is consistent with the Town Centre Strategy.
- 7.65 Proposals for the redevelopment of the Arena will in turn address the objectives of Opportunity Site LTC1.

Consultation on the Scheme and the Town Centre Strategy

- 7.66 The Foundation carried out an extensive programme of pre-application consultation. Public consultation took place from December 2005 to February 2006, and again between April and August 2007. This included presentation of the Foundation's initial proposals at public exhibition and on the project website, as well as a formal pre-application submission to the Acquiring Authority. Feedback from the public consultation was used to inform the proposals.
- 7.67 Following the public exhibition, regular meetings were held with the Acquiring Authority's planning and conservation officers to discuss the design. As the proposals were developed, in conjunction with the Streetscene Improvements, detailed discussions also took place with Hertfordshire County Council Highways and the proposals were presented to English Heritage.
- 7.68 As part of the formal pre-application requirements, an Environmental Scoping Report was submitted to the Acquiring Authority and made available to the relevant authorities, including the Environment Agency, Natural England and Hertfordshire County Council.
- 7.69 Following submission of the planning application in October 2007, as part of their formal consultation on the application, the application documents were made available on the Acquiring Authority's website and plans submitted with the application were displayed in the Town Centre. Members of the public were advised to submit comments regarding the proposals to the Acquiring Authority in writing. The Acquiring Authority also formally notified 374 occupiers/landowners within or near to the site of the submission of a planning application.
- 7.70 A number of key stakeholders responded to the consultation, including CABI, English Heritage, the Environment Agency and County Archaeology:
 - 7.70.1 CABI indicated support for the principle of developing a large retail offer inside the Wynd, as well as the proposed quantum of development, mix of functions and the scale of development proposed.

CABE also made a number of detailed comments with regard to the detailed design of the proposals.

- 7.70.2 English Heritage's comments focused on the treatment of existing buildings on-site and although they objected to the proposed demolition of certain buildings which they considered made a positive contribution to the Conservation Area, the Acquiring Authority considers that the wider planning and environmental benefits of the Scheme outweigh the loss of these buildings. Indeed, the basis of the Scheme requires the removal of certain buildings in strategically important locations.
 - 7.70.3 The Environment Agency has requested further information with regard to the likely risks from ground contamination.
 - 7.70.4 The County Archaeologist made recommendations with regard to the monitoring of ground works and treatment of any archaeological remains found on site.
- 7.71 The key feedback from consultation on the application for the Scheme related to the treatment of certain buildings within the application site as part of the proposals. In response, the Foundation undertook additional analysis and design work which led to some alterations being made to the proposals, and to the support of the Acquiring Authority for the Scheme.
- 7.72 The Public was also consulted on the Town Centre Strategy. The Acquiring Authority received over 90 representations on the Town Centre Strategy from interested local residents, businesses, organisations and landowners.
- 7.73 The public consultation period ran for a period of 6 weeks from 26 October to 8 December 2006. Copies of the draft Town Centre Strategy were made available to the public and were widely publicised. A Stakeholder Group was formed and met to discuss the proposals and comments made by the various members. There was broad public support for the Scheme set out in the Town Centre Strategy.

8. DELIVERY AND FUNDING

- 8.1 The Foundation is an Industrial and Provident Society with charitable objects.
- 8.2 The Letchworth Garden City Heritage Foundation Act 1995 ("the 1995 Act") transferred the assets, role and responsibilities of the former Letchworth Garden City Corporation (a public sector body) to the Foundation.
- 8.3 Central to the 1995 Act was the vesting in the Foundation of a 5,500-acre property estate in Letchworth. The estate comprises offices, factories, shops, houses, farms, leisure amenities and land. One of the Foundation's primary objectives is the strategic management of its estate.
- 8.4 Strategic management of the estate, including the sale and purchase of land and buildings, combined with systematic revitalisation and refurbishment of assets, enables the Foundation, over the medium and long-term, to increase property values and maximise rental returns. The revenues generated through the success of this process drive the Foundation's ability to fund an ambitious and increasing level of charitable activity in Letchworth.
- 8.5 The Foundation's primary source of income is generated from its 5,500-acre property estate and all surpluses generated from the estate are ploughed back into the Letchworth in two ways:
 - 8.5.1 funding further investment in the estate; and
 - 8.5.2 funding the Foundation's charitable objects.
- 8.6 Over the last few years the regeneration of the Town Centre has been the Foundation's priority for the estate. In 2005, it recognised that major investment was required to halt the decline in the retail offer within the town. As a result, based on extensive research carried out at the time (and now updated within the evidence provided by the Retail Group and King Sturge), the Town Centre Revitalisation Plan was prepared.
- 8.7 Within this plan was a proposal for three complementary major redevelopments within the Town Centre:
 - 8.7.1 the Streetscene Improvements;
 - 8.7.2 the Wynd; and
 - 8.7.3 the Arena.
- 8.8 The redevelopment of the Wynd forms an important element of this strategy.

- 8.9 The Foundation's charitable objects mean that, unlike a normal developer, it is focused entirely on its estate in Letchworth and not development proposals or land interests in any other location. In addition, its overarching responsibility to manage its estate as a whole mean that it is able to take a medium to long-term view on the benefits and viability of development proposals for Letchworth as a whole, rather than focusing solely on the short-term profitability of an individual development proposal.
- 8.10 This commitment to Letchworth and unique approach to development proposals has been demonstrated through the Foundation carrying out the Streetscene Improvements project (due to complete in May 2010). This involves the total redesign of Leys Avenue and Eastcheap, two major shopping streets in Letchworth Town Centre. The purpose of these works is to substantially improve the physical space between the buildings along these streets including increased pedestrian space, new landscaped seating areas, water features, sculptures, new lighting, improved traffic management and car parking spaces. This project has been funded entirely by the Foundation at a cost of approximately £10 million. These works do not in themselves generate any income for the Foundation and if considered in isolation would not be considered viable. They do however deliver many benefits including:
- 8.10.1.1 a high quality environment in these areas to create a pedestrian link between key retail areas in Letchworth (including the Order Land);
 - 8.10.1.2 improvements to the use of these streets for all users; and
 - 8.10.1.3 assisting with the creation of an attractive and enjoyable experience for shoppers and visitors to help attract new retailers and shoppers.
- 8.11 The Foundation is able to consider the benefits of these works to Letchworth Town Centre and its estate as a whole, an approach which is unique when compared to that of a normal developer.
- 8.12 Other projects carried out by the Foundation to improve and benefit its estate and Letchworth Town Centre, which when viewed in isolation, would be unlikely to be delivered by a normal developer or investor include:
- 8.12.1 the conversion and letting of the 80,000 sq ft Spirella Building in Letchworth Town Centre;
 - 8.12.2 the £1 million refurbishment of the Broadway Cinema on Eastcheap in Letchworth Town Centre; and

- 8.12.3 the 35,000 sq ft refurbishment of the old ICL building in Letchworth to create modern office premises.
- 8.13 So far as the Scheme is concerned, the Foundation's commitment to the delivery of the Scheme has been demonstrated by:
- 8.13.1 seeking and obtaining the Detailed Planning Permission and related consents;
 - 8.13.2 undertaking a land assembly and relocation strategy programme since October 2007 as set out in **Section 9**;
 - 8.13.3 assembling and funding a team of consultants to bring forward the Scheme and entering into a collaboration agreement with a selected developer, Discovery Properties Limited, with the expertise, connections and available resources to successfully deliver the Scheme; and
 - 8.13.4 confirming that it has spent in the region of £10 million to date on land acquisition and relocation costs, design and planning costs and other costs related to the Scheme.
- 8.14 The Foundation has confirmed its commitment to deliver the Scheme within a reasonable period following the confirmation of the Order in a letter from the Foundation's Chairman dated 28 October 2009. The Foundation's Chairman confirms in this letter that the Foundation intends to implement the Scheme in early 2011 provided that:
- 8.14.1 an anchor tenant is secured for the Scheme;
 - 8.14.2 all interests in the Order Land are acquired; and
 - 8.14.3 the Foundation is satisfied that the project provides a sound investment in meeting its objectives in the town as a whole.
- 8.15 So far as the first of these is concerned, the Foundation is currently undertaking a programme to secure an anchor tenant. Under this programme, the Foundation expects to agree a preferred anchor tenant and complete an agreement for a lease with the anchor tenant for the anchor store by the end of 2010.
- 8.16 So far as the second of these is concerned, the Foundation is seeking to acquire all interests in the Order Land needed to secure the delivery of the Scheme through its land assembly and relocation strategy. These negotiations will continue in parallel with the compulsory purchase process. The latter will ensure that all remaining interests in the Order Land are acquired as necessary.

- 8.17 So far as the third of these is concerned, the Foundation has worked closely with its consultant team to review market conditions and carry out an analysis of the Letchworth retail market. The Foundation has received property forecasts from its consultant team which support the implementation of the Scheme in 2011, with the completion and opening of the Scheme in 2013.
- 8.18 The Council is satisfied that the Foundation has the resources needed to fund the compulsory acquisition of the outstanding interests in the Order Land within the statutory period following confirmation of the Order.

9. **ACQUISITION OF INTERESTS AND RELOCATION POLICY**

- 9.1 The Foundation is the freehold owner of all of the Order Land, although plot [47⁴] (forming Openshaw Way and the pedestrian through route in the Order Land) is public highway.
- 9.2 Since the submission of the planning application for the Scheme in October 2007, the Foundation has been operating a land assembly and relocation strategy to manage the process of achieving vacant possession of the Order Land.
- 9.3 Of the 98 business, residential and other lessees, tenants and occupiers originally identified in the Order Land, the Foundation has agreed or completed terms for the acquisition and/or relocation of [89] interests.⁵
- 9.4 The Foundation has confirmed that it is continuing its efforts to acquire the remaining lessees, tenants and occupier interests.
- 9.5 The Acquiring Authority is satisfied that reasonable endeavours have been used by the Foundation to acquire the remaining interests in the Order Land and that the Order is required to ensure the delivery of the Scheme through the redevelopment of the Order Land. As explained in **Section 3**, the Foundation has granted leases for a short term of months or years without the benefit of security of tenure protection under the Landlord and Tenant Act 1954 to enable the Order Land (or parts thereof) to be used in the interim pending the implementation of the Scheme.
- 9.6 As set out in **Section 3**, the Foundation has confirmed that it is seeking to offer all persons, of which the Foundation and Acquiring Authority are aware, who have rights over the Order Land, alternative rights which will be equivalent to or better than their existing rights. This includes those persons whose land would be severed by the Order and who would otherwise lose rights over the Order Land that exist for the benefit of their retained land. The Foundation has written to all such persons of which the Foundation and Acquiring Authority are aware to advise them of the proposals.
- 9.7 Negotiations for the relocation of lessees, tenants, and occupiers and the acquisition of their interests, along with negotiations for the grant of

⁴ Persona: plot number to be confirmed following Land Referencing

⁵ To be updated before the draft Statement of Reasons is finalised.

replacement rights, are being carried out by Adrian Brace, the Head of Property Management at the Foundation, on behalf of the Foundation and the Acquiring Authority. Simon Ellis, the Programme Officer for this project at North Hertfordshire District Council, will oversee this process

- 9.8 The contact details for Adrian Brace and Simon Ellis are set out in **Section 13** below.

10. **RELATED ORDERS**

- 10.1 On 15 September 2009, an application was made to the Secretary of State for the stopping up of the whole of Openshaw Way (from its junction with Station Road to its junction with Norton Way South) and the whole of the route known as the Wynd (between Station Road and Leys Avenue).
- 10.2 The application has been subject to public consultation by way of publication of a notice in a local paper and the London Gazette as well as site notices. It is anticipated that if appropriate, any objections to this application will be considered together with any objections to the Order in the event that an inquiry is arranged.

11. **HUMAN RIGHTS ACT 1998**

- 11.1 The provisions of the European Convention on Human Rights have been enacted directly into UK law under the Human Rights Act 1998 ("the 1998 Act") and the 1998 Act also places direct obligations on public bodies (such as the Acquiring Authority) to demonstrate that the use of compulsory purchase powers is in the public interest and the use of such powers is proportionate to the ends being pursued.
- 11.2 It is acknowledged that the compulsory acquisition of the Order Land will amount to an interference with Article 1 of the First Protocol of the ECHR, which provides that every natural or legal person is entitled to peaceful enjoyment of his possessions.
- 11.3 It is also acknowledged that the compulsory acquisition of the Order Land may amount to an interference with Article 8 of the First Protocol of the ECHR, which provides that everyone has a right to respect for his private life and family life, and his home.
- 11.4 The rights of owners of interests in the Order Land and others affected by the Order under the Human Rights Act and the ECHR have been taken into account by the Acquiring Authority when considering whether to make the Order and when considering the extent of interests to be comprised within the Order.
- 11.5 For the reasons explained above, the Acquiring Authority is however of the view that there is a compelling case in the public interest for the compulsory acquisition of the Order Land which justifies interference with these rights, and that the use of compulsory purchase powers in this matter is proportionate.

12. **OTHER SPECIAL CONSIDERATIONS**

- 12.1 As indicated within Section 2 above, the Order Land is within the Letchworth Conservation Area. There are no ancient monuments or listed buildings within the Order Land. The Scheme does include development within the setting of 48 to 58 Leys Avenue which are grade II listed two storey buildings and bound directly onto the south eastern corner of the Order Land. When determining the planning application for the Scheme, the Acquiring Authority concluded that any harm to the character and appearance of the Conservation Area caused by the demolition of some unlisted buildings, which make a positive contribution to the Conservation Area, would be outweighed by the positive environmental and regenerative benefits to the Conservation Area of the Scheme.
- 12.2 As indicated in Section 3 above, the Order Land includes an electricity substation and negotiations have taken place between the Foundation and EDF in relation to the Scheme and future energy requirements. The Scheme includes the provision of three new electricity substations and the Foundation intends to enter into an arrangement with EDF to relocate EDF's interest in the existing substation to the new substations as part of the delivery of the Scheme.

13. **ADDITIONAL INFORMATION AND CONTACT DETAILS**

13.1 Information about the Scheme can be found on www.thenextsteps.co.uk.

13.2 Any persons affected by the Order who require information on the Order or the compulsory purchase process can contact:

13.2.1 Simon Ellis, the Programme Officer for this project at North Hertfordshire District Council by telephone number: 01462 474264, by e-mail: simon.ellis@north-herts.gov.uk or by post: Simon Ellis, North Hertfordshire District Council, Council Offices, Gernon Road, Letchworth Garden City, SG6 3JF; and

13.2.2 Adrian Brace, the Head of Property Management at Letchworth Garden City Heritage Foundation by telephone: 01462 476047 or by post: Adrian Brace, Letchworth Garden City Heritage Foundation, Suite 401, The Spirella Building, Bridge Road, Letchworth Garden City, Herts, SG6 4ET

13.3 A copy of the Order, the Order Map and this Statement of Reasons and the documents referred to in the attached list can be inspected at the Acquiring Authority's Offices at North Hertfordshire District Council, Council Offices, Gernon Road, Letchworth Garden City, SG6 3JF between 9.00am and 5.00pm on Mondays to Fridays.

13.4 This statement is not a statement under Rule 7 of the Compulsory Non-Ministerial Acquiring Authorities (Inquiries Procedures) Rules 1990 and the Acquiring Authority reserves the right to alter or extend it as necessary.

14. **LIST OF DOCUMENTS**

- 14.1 PPS1 - Delivering Sustainable Development (2005);
- 14.2 PPS 3 Housing (2006);
- 14.3 PPS 4: Planning for Sustainable Economic Development;
- 14.4 PPG 13 Transport (2001);
- 14.5 PPG15 Planning and the Historic Environment (1994);
- 14.6 Draft PPS 15 Planning for the Historic Environment;
- 14.7 The East of England Regional Spatial Strategy (2008);
- 14.8 The North Hertfordshire District Council Local Plan No.2 - with Alterations Proposals Map (1996);
- 14.9 The Letchworth Garden City Town Centre Strategy Supplementary planning Document (2007);
- 14.10 Local Development Framework: Core Strategy Preferred Options Paper (2007);
- 14.11 Local Development Framework: Land Allocations Preferred Options Paper (2010);
- 14.12 The North Hertfordshire Town Centre & Retail Study 2009;
- 14.13 Detailed Planning Permission for the Scheme dated 27 July 2009;
- 14.14 Outline Planning Permission for the Off-Site Affordable Housing dated 27 July 2009;
- 14.15 Section 106 Agreement dated 27 July 2009 relating to the Scheme;
- 14.16 Section 106 Agreement dated 27 July 2009 relating to the Off-Site Affordable Housing;
- 14.17 Conservation Area Consent dated 14 May 2009;
- 14.18 Draft Stopping Up Order for the Wynd and Openshaw Way;
- 14.19 The Town and Country Planning Act 1990;
- 14.20 Government Circular 06/2004;
- 14.21 Land Assembly and Relocation Strategy of the Foundation; and

14.22 Letter dated 28 October 2009 from the Chairman of the Foundation.

Appendix 1

Plan of the Order Land

Appendix 2

Letchworth's Primary Catchment Area - Zone 2

from the North Hertfordshire Town Centre & Retail Study 2009