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Delivered by Email

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Dear Sirs

**OUTLINE PLANNING APPLICATION BY BARWOOD DEVELOPMENTS LTD AND KRAFT FOODS
BANBURY**

We act for the owners of the Castle Quay Shopping Centre, Scottish Widows and Scottish Widows Unit Fund Trust which anchors Banbury town centre. Our client is the principal investor in Banbury Town Centre, with responsibility for managing a significant proportion of the centre's floorspace.

We respond to the submitted proposals for a new out of town retail development at Southam Road Banbury. We wish to express our client's strong objections to further out of centre retail development in Banbury.

This development is entirely speculative and if approved, will mean that investment opportunities in the town centre are stifled. It will directly compete with the town centre's offer and will directly impact on town centre traders. The negative impacts of this proposal on town centre investment and vitality and viability will be significant and potentially long lasting. We raised these same concerns in respect of the Banbury Gateway proposals which are the subject to a Committee resolution to grant (albeit with a requirement to be referred to the Secretary of State). If permission is granted for these proposals, the cumulative impacts on the town centre will be even more significant.

Your Members resolution to support proposals for a significant amount of out of centre retail floorspace at Banbury Gateway were made against our strong objections, those of Planning Officers and its professional advisors CBRE. Our concerns with those proposals raise the same issues and apply equally to the current application proposals for an additional 13,000 sq m of out of centre retail floorspace. The practical implication of allowing these proposals contrary to planning policy could mean that around 40,000 sq m of new floorspace is created in an out of centre location – equivalent to half that provided in the town centre alone. Significantly, this would shift the balance in retail provision away from the town centre – contrary to the principles of sustainable development set out in the National Planning Policy Framework (NPPF).

Our detailed comments are set out below, relating to the following principal matters:

1. No assessment of the proposals against NPPF.
2. Contrary to the NPPF in that it fails the sequential test and will have a significant adverse retail impact on Banbury town centre

Implications of NPPF

The applicant has not considered the proposals against the principles of the National Planning Policy Framework and should submit additional information to address this. In any event, our view is that it is inconsistent with the Framework and should be refused on this basis.

Failure of the Sequential Test

The application proposals are on an out of centre site that are not well connected to the town centre. Such sites are last in the sequence of preference for retail development. Local planning authorities should require town centre uses to be located in town centres (NPPF para. 24). Format and scale should be considered flexibly... [but] where an application fails the sequential test it should be refused (NPPF paras 24 and 27).

The Bolton Road site is clearly sequentially preferable and indicates that planning permission should be refused.

Retail Impact

Any proposal which is so accessible by the private car, appears to run contrary to established planning policy and which has the potential to draw trade from, and adversely affect, Banbury Town Centre. High streets are continuing to suffer very tough trading conditions. Anything which compounds these difficulties should be refused.

The scale and unrestricted nature of the retail floorspace proposed in an out of centre location will have a direct and significantly adverse retail impact on Banbury town centre. Based on the shopping park format, it is clear that existing traders in Castle Quay will be under threat of relocation, to the detriment of the centre as a whole. Retailers such as Boots, W H Smith, Burtons, JJB Sports, Top shop and River Island all have representation in Castle Quay and are also known to trade from out of centre shopping parks.

Our advice from Agents is that it is highly likely that established retailers in Banbury town centre will simply relocate from Castle Quay or Banbury Cross Retail Park, no doubt against the background of significant rent incentives. If approved, the resultant effect is that key anchors to Banbury town centre will be lost.

Like many town centres, there are a significant number of existing tenants who are retaining occupation solely due to the rental concessions offered by landlords. Void levels in Castle Quay

shopping centre are significant and total 16 units. Some of these are actual vacancies and others have been let on a temporary basis to short term operators. Allowing the proposals will further undermine efforts to attract and retain tenants.

In short, the development will directly compete with Banbury town centre, contrary to the principles of national planning policy. There are no safeguards to control the nature of goods and the development, if approved, is likely to draw key retailers out of Castle Quay shopping centre to the detriment of the town centre as a whole, which will suffer irreparable damage as a result. This is a very serious consequence of this development being permitted.

The retail assessment is based on the CBRE Study of 2010 but we have some concern that the applicant is apportioning all of the District's retail 'capacity' to Banbury in order to support the proposals (i.e. including that of Bicester as well). Accordingly, we consider there is insufficient theoretical retail capacity and insufficient tenant demand to support the proposals.

In any event, the applicant does not assess the cumulative impact of the Banbury Gateway proposals coming forward in terms of this capacity and the resultant impact on trade diversion from Banbury town centre. Our own estimations are that the suggested impact of 2.3% is significantly understated. Our own estimation of trade diversion from the town centre as a result of the Banbury Gateway proposals was in the order of 10% or £40m. We consider that this development has the potential to divert much more trade from the town centre – potentially in the order of £20m – at least double that estimated by the applicant. The cumulative impact would therefore be to divert in the order of £60m or 15% of trade away from the town centre. This would have the effect of seriously undermining the performance and function of Banbury town centre,

We note that the proposal includes a foodstore of the same scale envisaged at Bolton Road. Granting planning permission for retail on the application site will have the effect, in real terms, of stifling investment at Bolton Road and elsewhere in Banbury town centre.

Conclusion

NPPF makes it clear at paragraph 27 that 'where an application fails to satisfy the sequential test or is likely to have significant adverse impact on one or more of the above factors [impact on investment and vitality and viability – paragraph 26], it should be refused'. Whilst every application should be judged on its merits, in light of their conclusions in respect on Banbury Gateway, Officers and their advisors can logically reach no other judgement on this proposal, other than that it should be refused with reference to failure of the sequential test and impact on Banbury town centre.

Yours sincerely

Andrea Arnall
Associate Director