

## **NORTH WEST BICESTER**

### **EXEMPLAR LOCAL CENTRE: BUSINESS CASE**

#### **INTRODUCTION**

As the UK's first eco town, North West Bicester (NW Bicester) is a pioneering mixed use development of national significance. Once complete, this 1000 acre development will house up to 6,000 true zero carbon homes as well as a business park, sports and recreational facilities, medical, educational, care and community uses; creating a community that is environmentally, economically and sociably sustainable.

The community is at the heart of the development and one of the guiding principles of the lead developer, A2Dominion Developments Ltd, is to make it easy, attractive and affordable for people of all ages to live healthy sustainable lifestyles without compromising the needs of future generations.

NW Bicester is the only development of its kind to be built to the original Planning Policy for eco towns (PPS1) creating the UK's first true zero carbon community. The first phase development, Exemplar (application reference 10/01780/HYBRID), has already been awarded Bioregional's One Planet Living status, making it one of only 9 developments around the world to achieve this coveted mark of sustainability.

The provision of local facilities on site plays an important role in developing a sustainable community. Through the master planning process, the role and function of local centres, was identified. The masterplan, which is to be incorporated into non statutory planning policy, has three sites for local centres to provide amenities and services for the local community including the office and retail, schools, nurseries, a medical centre, community halls, and food and drink establishments. The three local centres have been strategically located in the north (Exemplar), centre (The Cross) and south (The Square) of the development, each with their own identity and catchment but working together holistically rather than in competition. Moreover, consideration has been given to the range of retail uses in these centres to provide a broad range of products to reduce journeys away from the development. The Exemplar Local Centre will be the principal local centre to the north of the railway line with The Square to the south of the railway line coming later in the development. Planning permission was granted in July 2012 (reference 10/01780/HYBRID) for the first phase of the NW Bicester Eco-Town area ('the Exemplar') which included the northern 'Local Centre'.

Meeson Williams Phillips have undertaken a review of the quantum floorspace in the scheme with extant planning permission against the mix of units and floorspace required to fulfil the centre's function and market demand. The purpose of the Business Case is to explain the reasoning behind the changes made to the scheme design for each category of use. It is not an assessment of financial viability.

At the core of the review is the retail provision, with the convenience store anchoring the scheme and providing everyday goods, an allowance for three hot food takeaways plus two further shops (A1 use) for uses such as hairdresser and counter sales (eg butchers). The children's nursery has been expanded to sufficient size following occupier consultation, to meet the needs of the growing population. The office floorspace has been reduced to reflect the demand in the context of being within a residential local centre as opposed to a business campus, allowing a mixture of B1, D1 and A2 uses. Finally, the pub floorspace has been increased with the addition of a pub restaurant, reflecting the expectation of having a food-based operator of some description in the Exemplar local centre whilst acknowledging that this will be connected with the destination family food-based pub elsewhere on NW Bicester.

The local centres will therefore act as service centres as well as performing an important social function as meeting places at the heart of the community. If the centres are busy, and used at a variety of times by all sectors of the community then they will be economically successful.

### **MEESON WILLIAMS PHILLIPS**

Meeson Williams Phillips Ltd is a chartered surveying and chartered town planning practice with its principal office in Tackley, North Oxfordshire, approximately seven miles from Bicester. The team of eight have considerable knowledge and experience in Oxfordshire and several having worked in the county for over 20 years. Meeson Williams Phillips is also a member of Bicester Vision.

Meeson Williams Phillips were engaged by A2Dominion Developments Ltd in 2014 to provide advice as agency consultants on the occupancy of the local centres at NW Bicester. We were more recently instructed to focus on the current application for the Exemplar Local Centre. We had no prior involvement with the extant planning permission ('the exemplar') or Section 106 agreement.

The Director leading this project is David Williams MRICS, who has worked in the Oxfordshire commercial property market for over 25 years, in retail and business space sectors. David also advises on national retail acquisitions across England. As well as having general experience in High Street locations, David has undertaken retail work on major new residential development areas such as North East Carterton, North East Witney, Great Western Park (Didcot) and Buckingham Park (Aylesbury).

### **THE EXEMPLAR PLANNING PERMISSION**

The list of uses in the current application are similar to that approved as part of the extant planning permission, the changes being to the design and unit sizes.

As mentioned above, we were not involved in the preparation of the application for the extant planning permission nor its promotion. We have provided reasons for the variations in the current scheme and comparison between these two schemes.

### **NW Bicester Exemplar local centre: GEA Comparison**

	<b>Previous Planning Permission (Sq M)</b>	<b>Current Application (Sq M)</b>
Children's Nursery	350	869
Community	350	523
Convenient Store	595	503
Retail	175	444
Pub	190	401
Pub restaurant	-	263
Offices	1,100	614
<b>TOTAL</b>	<b>2760</b>	<b>3617</b>

N.B. Excluding Eco Business Centre and Energy Centre.

### **CURRENT SCHEME: Reason for the changes and comparison between the two schemes.**

As explained in the Introduction, it was clear from the review of quantum floorspace and consultation with prospective occupiers that the scheme in the extant permission would not

work to provide the accommodation to fulfil market demand and critically the local centre's role within NW Bicester. The current scheme is intended as a solid platform from which to incorporate occupier's requirements.

Working within the physical constraints of the local centre site including the land allocated to the eco-business centre, the current scheme has been prepared by reference to the overriding principles of being part of an eco-development, aspects of conventional local centres, and our initial consultation with potential anchor occupiers. This has been a closed process and an open marketing campaign has not yet been undertaken.

The consultation and design process has highlighted two principle challenges:

1. that this is at the beginning of the development process with the consequent time delay for the build-up of catchment population;
2. that this must embrace the unique characteristics of being within this eco settlement, especially around limited car usage and parking.

This will therefore require a process of adjustment to conventional modelling with ongoing engagement and consultation with occupiers to develop this as a successful scheme.

We now comment on the individual uses within the local centre.

### **Children Day Nursery (Use Class D1)**

Following discussions with local and national operators and based on the projected catchment population, the size has increased from 350 sq m to 869 sq m to provide places for 90+ children from early years (3mths) to 4 years of age. The provision of an early years nursery in the Exemplar Primary School will potentially compete with the Nursery and have an effect on the take up of places, and therefore is expected to be reflected in the financial modelling.

It has been necessary to design the Nursery over two floors with a ground level outside play area and additional first floor outside play areas on open balconies, directly accessed from the first floor rooms

The availability of adequate car parking for the concentrated periods of use each day during drop off and collection will be challenging.

The objective is for the Nursery to be occupied at an early stage, with phased growth as the catchment increases. It is therefore expected that the operator would take control of the entire floor area and trade up by bringing into use additional rooms over the first five years. The lease would incorporate phased rental growth to reflect this.

### **Convenience Store (Use Class A1)**

The convenience store will provide a range of essential goods to the local community and will be complimented by the uses in the other retail units in the traditional manner.

The convenience store has been adjusted from 595 sq m to 503 sq m and constitutes a typical rectangular ground floor shell providing the sales and ancillary storage areas allowing the operator to fall within the Sunday Trading Act. The scheme has been designed to allow rear loading for heavy goods vehicles, and limited retail staff parking.

The convenience store anchors the local centre and consequently there has been early consultation with a number of operators, with the objective of developing the detailed design with an end user in order to meet the Section 106 trigger of the store being substantially completed prior to the occupation of the 250 dwelling. The lease would need to incorporate phased rent to reflect the time period to build up to a catchment population sufficient to support a convenience store.

### **Retail Units (Use Class A1/ A3/ A5)**

There are five retail units each of between 81-106 sq m (in addition to the convenience store) allocated for A1/A3/A5 uses. The total floor area has therefore increased from 175 sq m to 444 sq m. As explained in the Introduction, the floorspace should be adequate to provide for the expected demand for up to three A5 (hot food takeaway) units plus two further A1 units in order to provide the range of sales to compliment the anchoring convenience store. The A3 use is to allow the option for a café.

The expectation is that there would be three A5 uses, and the remaining two units would be used by one of hairdressing, bakery/sandwich shop, charity, butcher, pet shop. The NW Bicester website has already been receiving direct enquiries from local companies seeking representation on NW Bicester.

### **Pub (Use Class A4)**

The current scheme provides for a significant increase in the floor area for the pub from 190 sq m to 401 sq m plus the pub restaurant of 263 sq m.

There has been initial consultation with regional and national operators regarding the provision of food and drink establishments on NW Bicester generally. At this stage the expectation is demand for a centrally located destination family food-based pub, outside the Exemplar local centre, with frontage to the main Boulevard and serving the entire NW Bicester. The current scheme provides for a second pub and food-based operation in the Exemplar local centre, overlooking the park and play area, to serve the Exemplar community and eco-business centre. The business case for this is ultimately to be formulated with a food and drink operator.

### **Offices**

The office provision has reduced from 1,100 sq m to 614 sq m, which is in addition to the Eco Business Centre.

The function and identity of the Exemplar local centre is as a service centre for the NW Bicester development. It is not capable of being a recognised office environment in its own right serving the Bicester area, with the additional limitations of car parking.

The provision has been reduced to sustain the demand for B1 and D1 uses, with potential for ground floor A2 (estate agency). There is already local interest for D1 use received through the NW Bicester website and the B1 suites will cater for the expected limited demand from small businesses either with key members of staff living on NW Bicester or connected with the green economy.

The current scheme provides for four suites with the following gross external area:

Suite A	- 74 sq mtrs	Suite C	- 157 sq mtrs
Suite B	- 151 sq mtrs	Suite D	- 233 sq mtrs

### **SUMMARY AND CONCLUSION**

The current scheme is as a result of careful design and initial consultation with occupiers, to produce a scheme that works as a solid and sustainable platform from which to incorporate occupier's requirements.

Fundamentally the current scheme has greater floor area for retail, nursery and pub and substantially less office space.

It is evident that the main challenges at the start of this pioneering development are the time taken to build-up sustainable catchment figures and the unique characteristics of being part of an eco-scheme. Whilst this is not addressing viability, the requirement to meet BREEAM Excellent will be material to the commercial terms.

It must therefore be expected that this will be a process of engagement with occupiers in order to bring forward a successful scheme, inevitably involving adjustment to standard modelling.