

Summary

Desborough Key Site 1 & Lawrence's Feasibility Study

26th August 2009

Notice

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Summary

1. Introduction

Atkins Limited (Atkins) has been commissioned by Kettering Borough Council (KBC) to produce a Feasibility Study for the development of two separate sites within Desborough, known as Key Site 1 and the Lawrence's Site respectively - see Figure E.1.



Figure E.1 – Site Locations

Key Site 1 is located to the south of High Street and the east of Harborough Road (see Figure E.2). The site boundary encompasses an area of adopted highway land (in the ownership of KBC) public toilets, a small Co-Op Convenience Store forming part of a small parade of 4 shops and associated service yard. The site lies partially within the Shopping Area Boundary as defined by Kettering Borough Council (Local Plan, 1995).

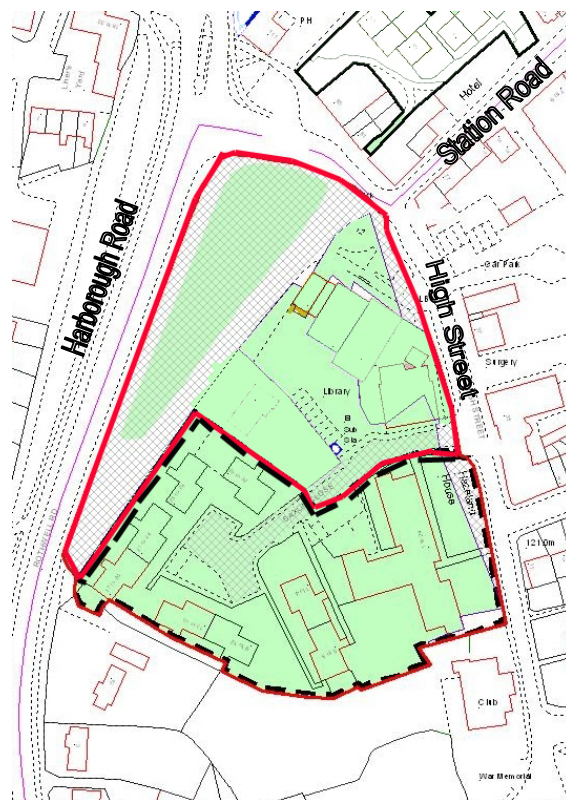


Figure E.2 – Key Site 1

The former **Lawrence’s Factory site** is in the Council’s ownership comprising 0.9 hectares of previously developed land and offers the opportunity for substantial regeneration in the centre of the town. The site is located to the south of New Street and to the east of Station Road (see Figure E.3). The site lies wholly within the Shopping Area Boundary as defined by Kettering Borough Council (Local Plan, 1995). The site also lies within the Conservation Area and therefore the design of any new development would need to respect and enhance the Conservation Area.



Figure E 3 – Lawrence’s Site

There is a pressing need to encourage new investment to support the regeneration of Desborough Town Centre which is currently under-occupied with 21% of the units vacant. This suggests that that the town centre is underperforming and retail expenditure is leaking to the surrounding towns of Kettering, Market Harborough and Northampton.

Both Desborough and Rothwell (situated immediately to the south of Desborough) are settlements where significant growth is proposed through urban extensions (700 dwellings are to be provided in each town by 2021, in addition to the permitted development at The Grange in Desborough). For Desborough Town Centre, it is particularly important that the demand for shopping and related services that will be generated by this new development is captured as far as possible. To achieve this new investment and regeneration in Desborough needs to be proactively encouraged that will make it an attractive place to visit, shop and access services for the new residents as well as providing better facilities for its current communities.

Previous efforts to promote these town centre sites for mixed use developments since 2004 have failed on the grounds of financial viability. This study has therefore been charged with considering alternative approaches reflecting recent interest by leading food supermarkets. A food supermarket in the town centre could serve to fulfil a number of objectives including helping to deter the potential provision of out of town food shopping which would further undermine town centre viability and would be contrary to national retail planning policy.

National planning policies seek to focus development within town centres and manage the role and function of existing centres to ensure their future vitality and viability. Regional and local planning policies seek to encourage modest growth in Desborough in the period between 2001 and 2021. The North Northamptonshire Joint Planning Unit’s Core Spatial Strategy (2008) seeks *“to complement the Growth Town expansion by providing secondary focal points within the urban core as a ‘localised convenience and service centre’”* one of which is Desborough.

The introduction of a food supermarket would also seek to address any gaps in retail expenditure, therefore preventing further leakage of expenditure to other town centres within the area.

The purpose of this study is to consider the viability of developing the two sites. A meeting with officers of KBC identified that the introduction of the following uses (Table E.1) would contribute to

the regeneration of Desborough. The uses were confirmed as either 'essential' to future generation or 'not essential' but 'desirable' if found to be financially viable.

Table E.1 Essential and Desirables List

Essential	Desirable
<ul style="list-style-type: none"> • Community Facilities which may include the following: <ul style="list-style-type: none"> Community meeting room Heritage centre Library (If supported by NCC) Police back office KBC one stop shop advice centre Kitchen Storage Toilet facilities Reception Interview / meeting rooms • Supermarket Large enough to satisfy the needs of Desborough • Petrol filling station Developed as part of or close to the supermarket • Public realm works Improve pathways and linkages between buildings and space / public square. • Highways Better traffic management and movement through the town • The relocation of any dwellings that would need replacing as a result of the development proposals. • Town centre parking A distinct lack of parking in Desborough. • Offices Commercial space to let out to small businesses. 	<ul style="list-style-type: none"> • Cafe / Vending As part of the Community Centre or stand alone. • Hazeland House Modify existing building to make more attractive for potential tenants • Small retail units These were part of the Urban Design Framework but may no longer be required • Residential

2. Development Strategies

This study has produced two alternative development strategies.

2.1.1 Development Strategy 1

This strategy provides for the new community facilities on Key Site 1 and for a new supermarket on the Lawrence's Site.

Key Site 1

The draft development layout provides for a new community facility building on highway land which has been adopted by Northamptonshire County Council, but is in the ownership of Kettering Borough Council. The option also provides for significant public realm improvements to create a new market square. A draft design layout of the option is provided overleaf.

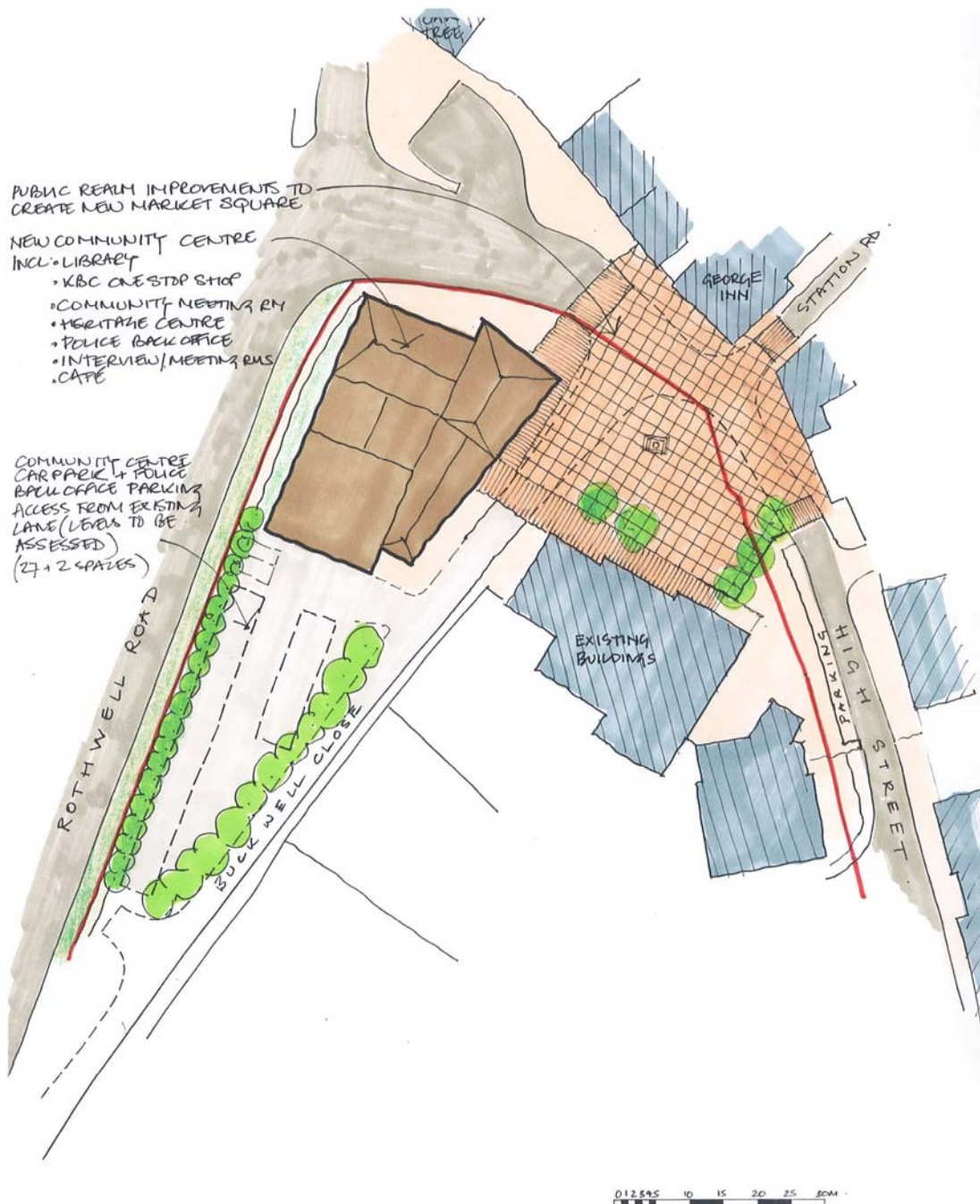


Figure E.4 - Development Strategy 1 – Key Site 1

Lawrence’s Site

Option 1 is a mixed used development consisting of a food supermarket fronting onto Harborough Road with residential development fronting onto New Street and Gladstone Street (figure E.5). This helps to form a new perimeter development block layout providing natural surveillance of public areas and knits together the existing street pattern. A new car park is proposed in the centre of the block, as not to detract from the street scene this will provide parking for both food supermarket users and town centre users. Vehicular access is derived directly from Harborough Road. Pedestrian and cycle access can also be derived from Harborough Road and from Station Road. Small individual retail units are proposed fronting onto the pedestrian access from Station

Road. A petrol filling station would also be provided on the former Ombus Depot adjacent to the site. This option is considered to represent the most appropriate solution in urban design terms.

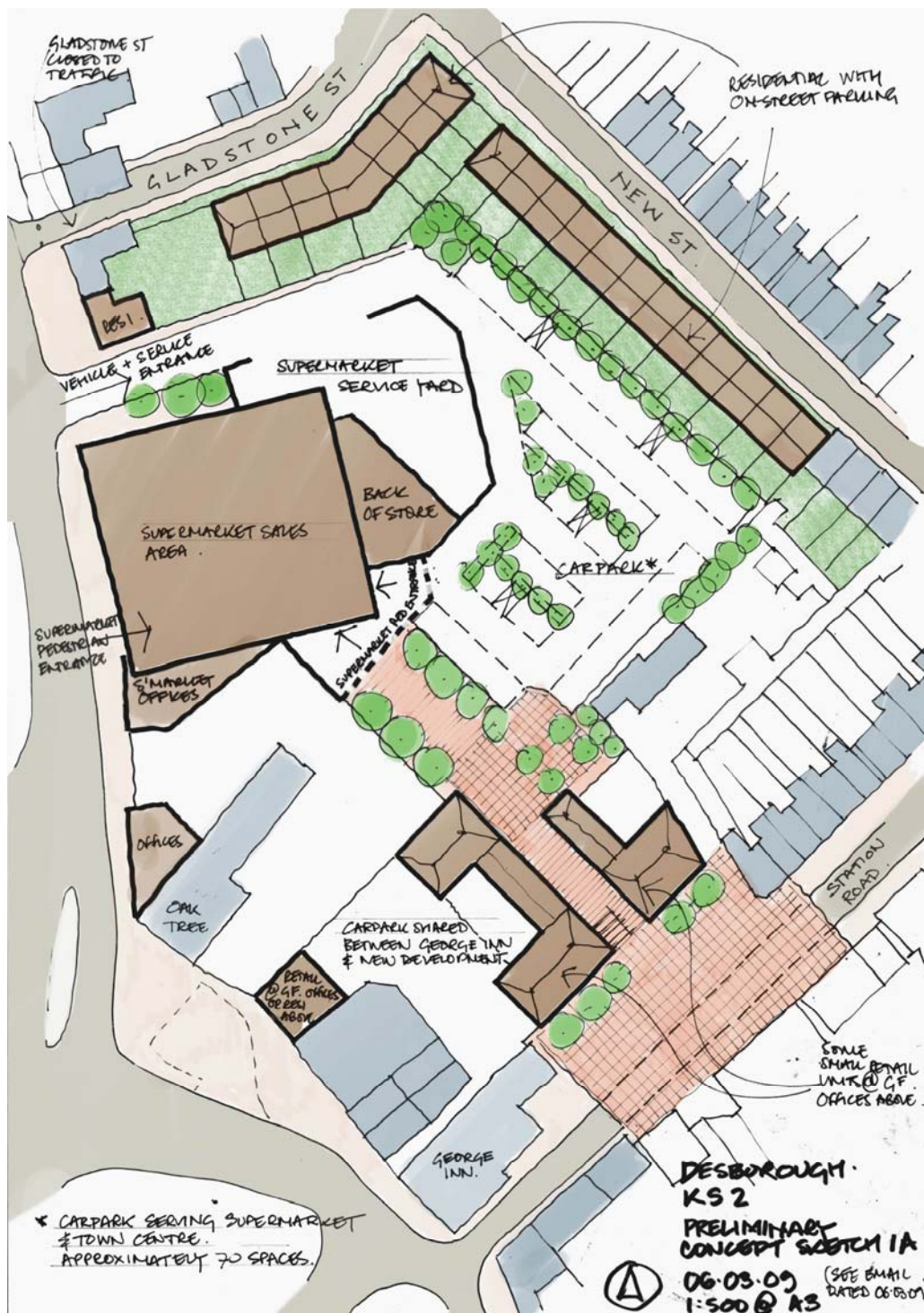


Figure E.5 – Development Strategy 1 – Lawrence’s Site – Option 1

Option 2 presents the preferred scenario for the food store (see Figure E.6). In this option the site would be wholly developed for a supermarket and car park, which would serve town centre users. Careful consideration has been given to the location of the supermarket on the

Lawrence's Site to ensure that it does not detract from the residential amenity of the properties on Gladstone Street or New Street. A petrol station would also be provided on the former Omibus Depot site adjacent to the Lawrence's Site. Northamptonshire County Council has confirmed that they would have no objections in principle to the traffic movements that would be generated by the proposed development layout.

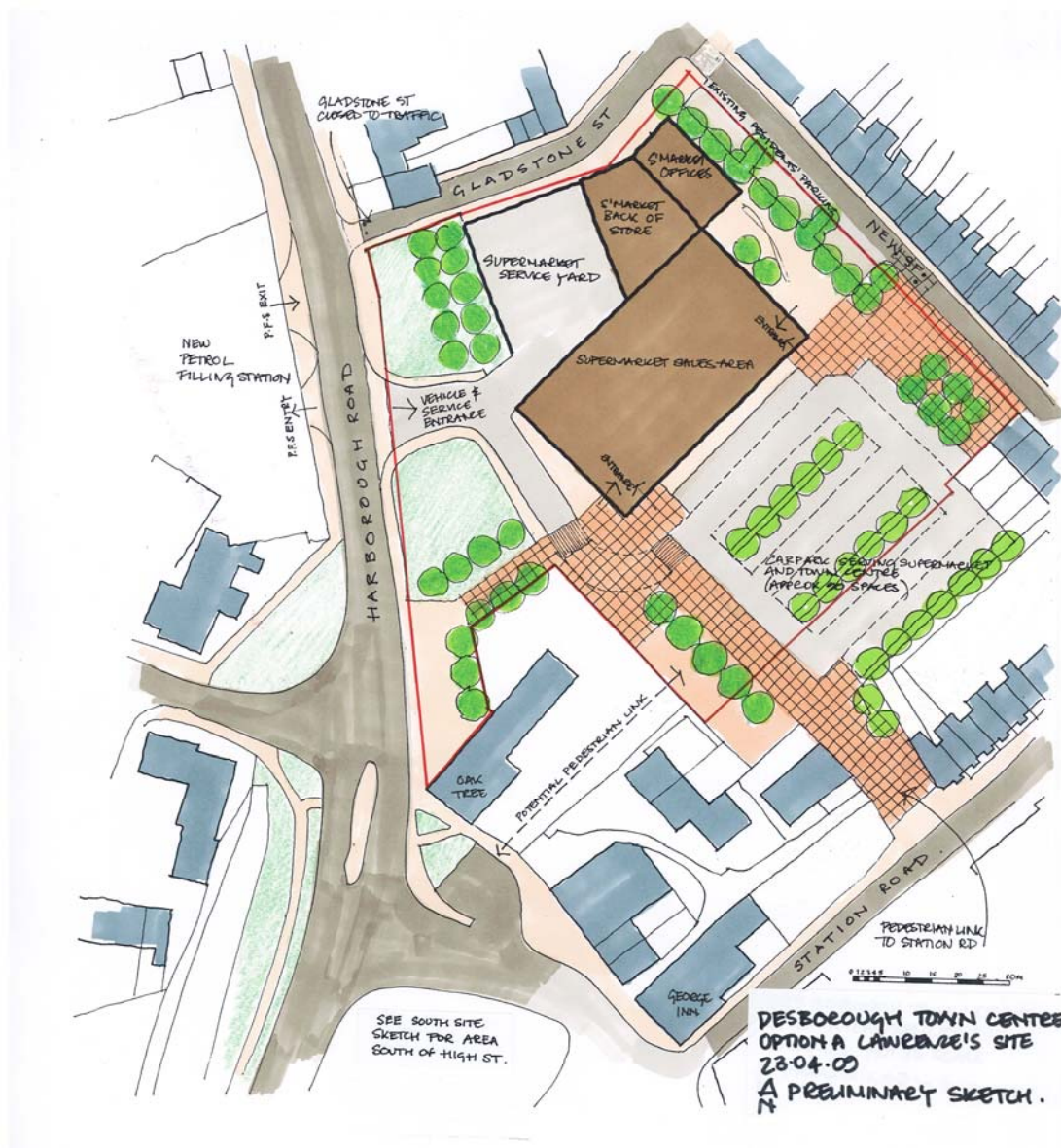


Figure E.6 – Development Strategy 1 – Lawrence's Site – Option 2

Viability & Delivery

The appraisals undertaken have demonstrated that the sale of the **Lawrence's Site** for the development of a supermarket (**Option 2**) would be a viable proposition creating a positive land value for the Council. The viability appraisal for the mixed use development (**Option 1**) however produces a negative land value.

The delivery of the Lawrence's Site would be dependant upon the ability to negotiate with the Midland Co-Operative to remove the restrictive covenant that currently controls the provision of

retail facilities on the Lawrence's Site. **Option 2** (food store only) again would be the simplest solution in delivery terms as the acquisition does not require third party land.

The way forward on **Key Site 1** is less clear. It is recommended that an early action would be to define a clear specification for the building in terms of its use, consulting with the community and service providers. Consideration will need to be given to how different users could share facilities such as meeting and activity rooms which would help produce a manageable and cost efficient facility. Following this, the Council will need to determine how any development on Key Site 1 is initially funded. A further key consideration will be to determine what the future on-going revenue costs are, how they would be supported and by whom.

In terms of delivery, the community facility is proposed on land owned by Kettering Borough Council and does not require third party land. It is anticipated that this strategy of delivering a supermarket on the Lawrence's site and community facility on Key Site 1 would take approximately 18 months to two years to deliver once a preferred developer has been selected. This also assumes the restrictive covenant can be addressed through negotiation and funding for the community facility can be found.

2.1.2 Development Strategy 2

Development Strategy 2 presents an alternative development scenario for both Key Site 1 and the Lawrence's Site.

Key Site 1

Within this strategy the supermarket and petrol filling station are proposed on Key Site 1 (Figure E.6) and the remaining community uses are relocated on the Lawrence's Site. This strategy would also include the relocation Hazeland House, the sheltered accommodation and the Library all of which are owned by the Borough Council. This option would also require the compulsory purchase of the small parade of retail units that front onto High Street.

The option is a mixed development scheme that also incorporates additional residential development, small retail units and office uses. These uses front onto the High Street and a new market square in order to provide active frontages adding vitality to the public spaces whilst providing natural surveillance. A new car park is provided to the south of the supermarket, this would serve both users of the supermarket and town centre visitors. Access into the car park would be derived from the new market square. Access for goods and services to the supermarket would be from Rothwell Road. New landscaping is proposed to 'green' the market square and also conceal the supermarket service yard.

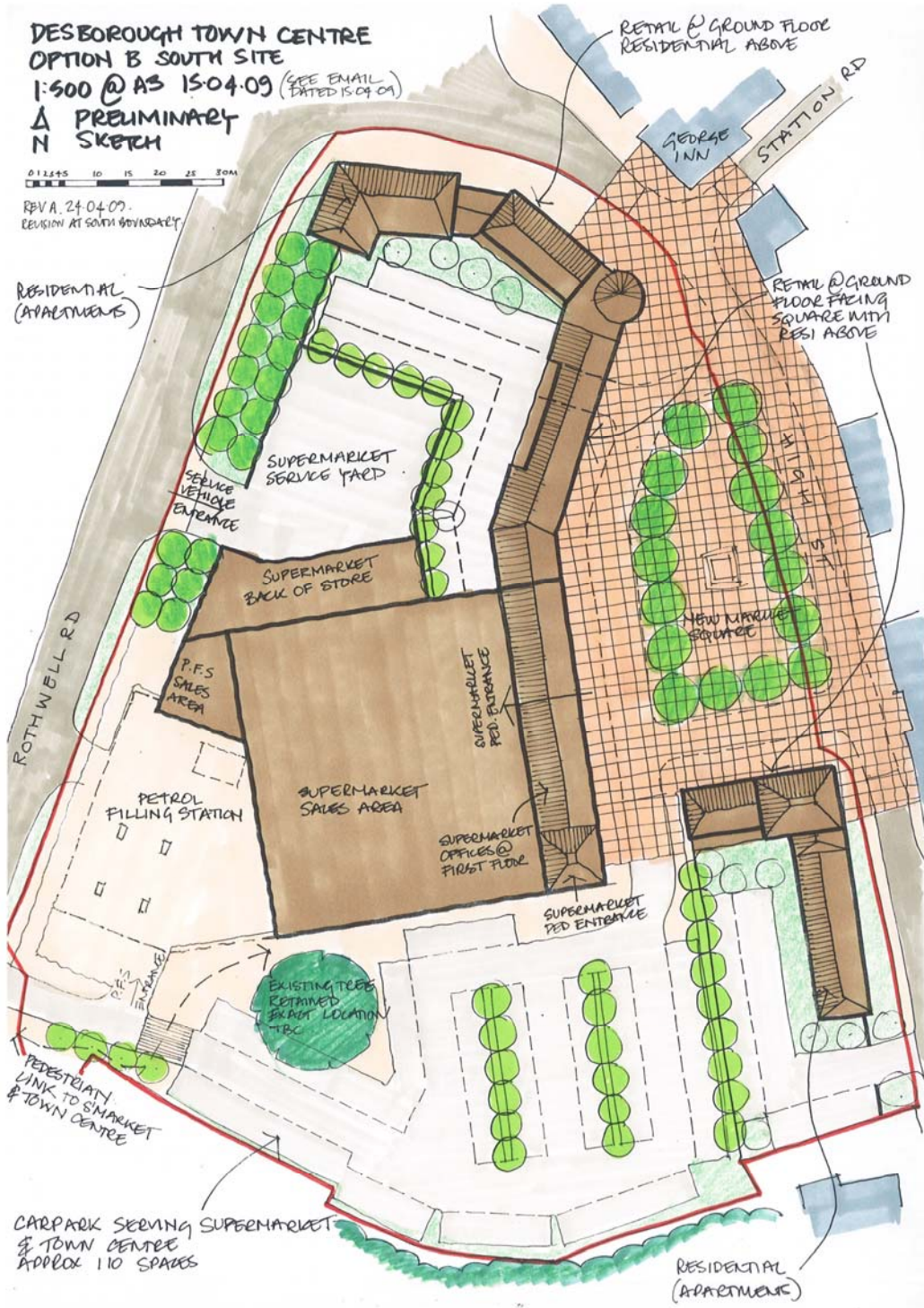


Figure E.7 – Development Strategy 2 – Key Site 1

Lawrence’s Site

This development strategy would provide an alternative location for the existing uses on Key Site 1.

Option 1 (Figure E.7) would retain the Lawrence’s Building in its existing location and refurbish the building to provide new community facilities. A new public square would be located to the

north of the building, the care home and sheltered accommodation would also be located on the site. A new pedestrian link is proposed this would bisect the site and connect New Street to Harbrough Road. Car parking to serve the care home and community facilities would be provided to the rear of the buildings concealed in small courtyards.

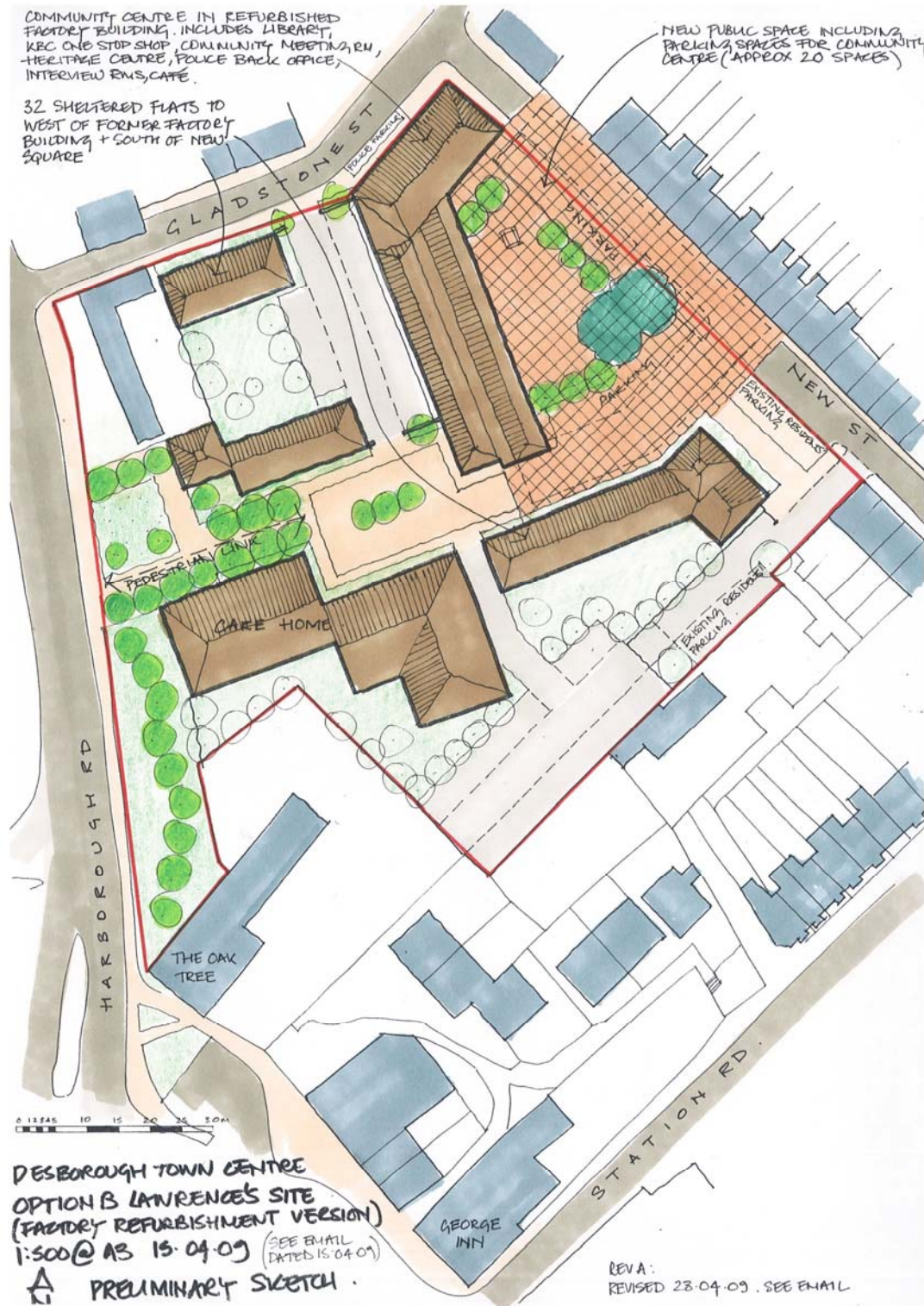


Figure E.8 – Development Strategy 2 – Lawrence's Site – Option 1

In **Option 2** (figure E.8) the Lawrence's building would be demolished and the uses would be accommodated in new buildings all focused around a new large public square. Again adequate car parking for the care home, community centre and residential development would be provided; this would be concealed from view by the buildings and new landscaping.

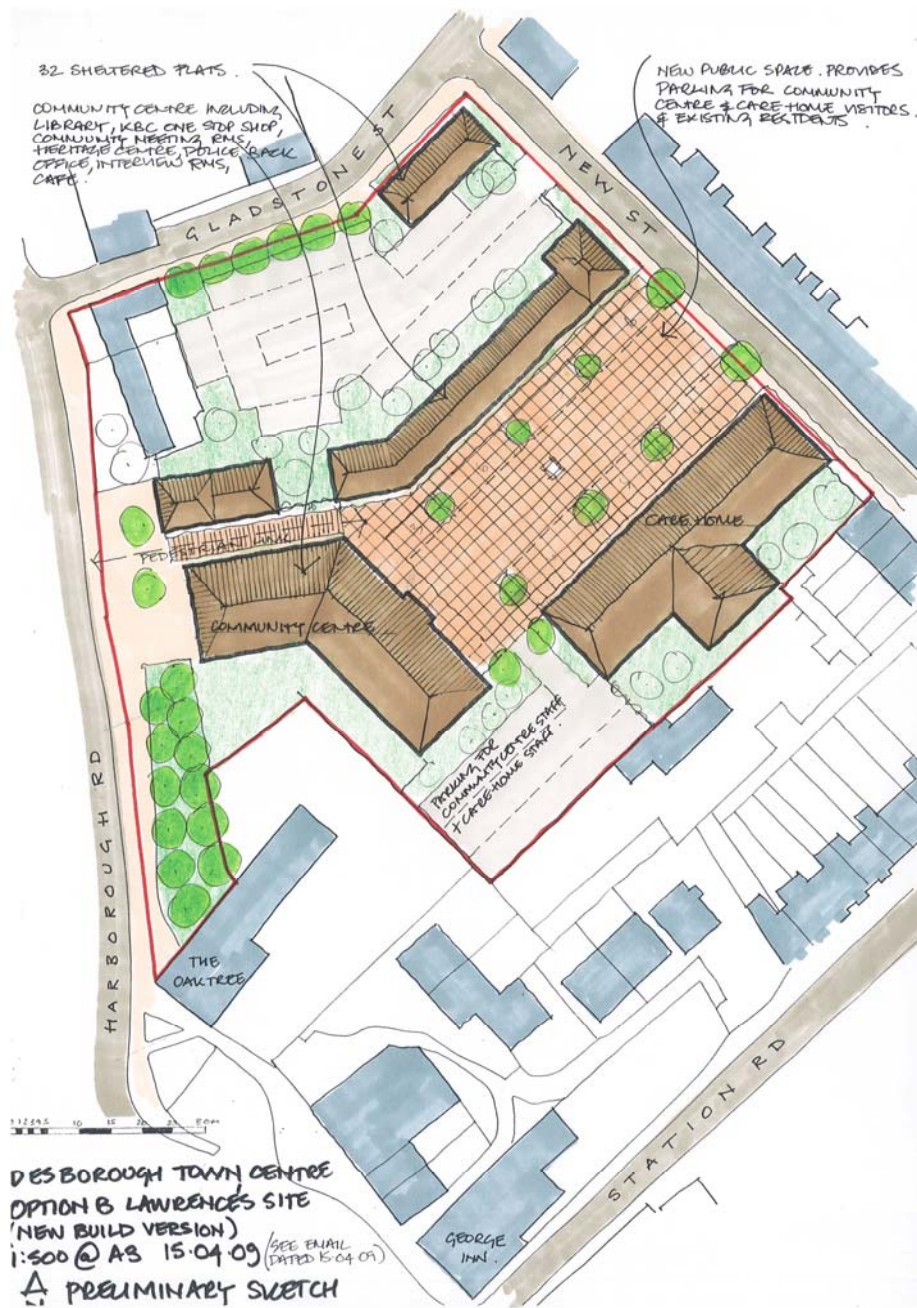


Figure E.8 – Development Strategy 2 – Lawrence’s Site – Option 2

Viability & Delivery

The financial appraisals undertaken demonstrate that Development Strategy 2 would not be viable. Even with the allowance for a larger supermarket sales area (2,500m²), the development would not generate sufficient value to fund the relocation of the existing uses from Key Site 1. In

addition, the costs of refurbishing the Lawrence's Building (Option 1) further add to the financial deficit of the strategy.

The delivery of the commission would be dependent upon the need to frontload capital into the project in order to relocate the existing uses on Key Site. These uses would have to be 'up and running' prior to the construction of the supermarket. Due to the need and complexity of the project and the need for compulsory purchase it would be optimistic to estimate a delivery period of 6 – 8 years.

3. Conclusion

The report provides a thorough analysis of the financial viability of implementing both the regeneration proposals for Key Site 1 and the Lawrence's Site in Desborough Town Centre. The key conclusions are:

1. **The most feasible option is the sale of the Lawrence's Site for the development of a supermarket** (Development Strategy 1, Option 2).
2. Further work is required to determine what is required on Key Site 1 and the resultant financial viability of such a development
3. The Council should consider what other sites may be available within the town that could be developed to meet the Community and other associated uses.

In coming to the above conclusions, the following points were also concluded;

- a) Development Strategy One: Option 1 has been disregarded, as the supermarket would not be willing to develop the site for mixed use and the development risks associated with this option reduce the residual land value of the Lawrence's Site;
- b) The community facilities could be delivered without the need to acquire additional land and the development would cause minimal disruption to neighbouring uses;
- c) Subject to financial viability and funding being identified, the development of the community facilities could be phased to ensure that the community facilities are delivered alongside the supermarket; and
- d) The development could potentially be completed within two years of selecting a preferred developer and would therefore positively kick start the regeneration of Desborough in the short/medium term.

Finally, **Development Strategy Two has been disregarded in its entirety**. It is considered that this strategy would require significant amount of upfront capital investment into the project and the project would take a significant amount of time to complete.

It is also considered that a **'Do –Nothing' approach would not be an appropriate way forward for the town centre**. This approach is likely to result in the continual decline of expenditure within the town centre and the out migration of residents to other towns for comparison and convenience goods. The 'Do – Nothing' option may also result in the provision of an out of town supermarket.