

Our Ref: GR324

Date: 15<sup>th</sup> August 2016

## **Statement in Support of Objections by Bunnings/Homebase UK & Ireland**

Objections to the Draft BANES Placemaking Plan (December 2015) were submitted online by this Practice on behalf of Homebase Ltd on the 26<sup>th</sup> January 2016. This Statement seeks to expand and update those representations in response to document ID/3, the Inspectors Matters & Issues.

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### **1. Summary of Original Objections**

Homebase's original objections raised the following principal points:

- Policy B2 – Whilst supporting part '4 h' of the Policy and commitment to existing businesses that remain compatible with the future role of this area being reincorporated in any redevelopment schemes or where not feasible reasonable efforts being made to relocate them elsewhere (consistent with Policy B2 of the adopted Core Strategy), part '4 a', in confirming that "*small to medium sized comparison retail development*" will be permitted in any redevelopment schemes, needed to be more precise so the assumptions behind this statement could be tested or otherwise and if not justified deleted
- Policy SB7 – Whilst welcoming the inclusion in this Policy under part '(B)' of the support that will be given to the retention of the existing DIY retailing on this site as part of any redevelopment proposals, the suggestion that a "*smaller scale DIY offer*" might be more appropriate was not supported by the evidence base or any proper justification, and was inflexible and overly prescriptive. There were no planning or design grounds to suggest why a DIY store of a similar scale to the existing Homebase could not be accommodated within a redevelopment scheme and be compatible with the future role of this area
- Policy B2 – To be compliant with part '4 h' of this Policy the Plan must attempt to give some consideration to where existing businesses on 'Sydenham Park' (Policy SB7) could be relocated too, assuming they could not firstly be accommodated within any redevelopment proposals for the site itself. The Plan was completely silent on whether there were any such opportunities or the policy criteria that would be adopted in assessing alternative sites

### **2. Changes Since the Submission of the Original Objections**

In February this year Homebase was sold to Bunnings (part of Wesfarmers Ltd). As was the case with Homebase, Bunnings remain firmly committed to this store and will be seeking to renew their Lease.

Bunnings are the leading retailer of DIY, home improvement and outdoor living products in Australia and New Zealand. Its core aims are to provide customers with access to a wide range of home improvement products at the lowest prices, backed by the best level of service.

Bunnings strategy in the UK and Ireland is to invest in the core of the Homebase business, introduce the Bunnings offer and quality of service and over time convert the stores to a full Bunnings

Warehouse. The business will also endeavour to secure growth through the expansion of the portfolio and where feasible the expansion of individual stores. Bunnings are, therefore, firmly committed to continuing trading from the Homebase store on Pines Way.

### **3. Matter 12 – Site Allocations – Document ID/3**

Matter 12 indicates that the ‘Issue’ to be considered in relation to the allocated sites is whether the strategy adopted is the most appropriate having regard to the evidence base. Document ID/3 expands on this further by asking, amongst other questions, whether the *“development requirements and design principles for the site allocations are positively prepared, justified, effective and in accordance with national policy?”*

Our clients have not objected to the inclusion of the Bunnings-Homebase store within the ‘Key Development Opportunities’ under part ‘3 h’ of Policy B2. It is part ‘4 a’ to the Policy that they object too. This suggests that *“small to medium sized comparison retail development”* will be permitted in any redevelopment scheme. There is no explanation of what the Plan regards as ‘small’ or ‘medium’ and it’s unclear how this part of the Policy is to be interpreted or is effective. There is no justification or evidence to support the view as to why ‘larger’ sized comparison units would not be appropriate. Similarly, there is no evidence to support the view that ‘small’ or ‘medium’ sized units could be delivered or would be commercially viable.

Our clients have similarly not objected to the inclusion of the Bunnings-Homebase store within Policy SB7 (‘Sydenham Park’). Whilst they welcome the inclusion in this Policy under part ‘(B)’ to the support that will be given to the retention of existing DIY retailing as part of any redevelopment proposals, they object to the reference that a *“smaller scale DIY offer”* might be more appropriate. There is again no explanation of what the Plan regards as ‘small-scale’, rendering this part of the Policy ineffective. There is no indication that this reference has been positively prepared or is justified, in that there is no suggestion that the evidence base supports such an approach. Similarly, there is no evidence to suggest that a ‘small-scale’ DIY offer would be viable or that there is any operator demand for this scale and type of retail format.

There is of course significant operator demand for the existing store evidenced by Bunnings clear commitment to retaining its representation on this site. The existing store has a gross internal area of 4,194 square metres gross on the ground floor, with a garden centre comprising an additional 1,523 square metres of floorspace. Whilst Homebase previously indicated that they would require a much smaller store than existing if the site was ever redeveloped, the Bunnings ‘business model’ is very different and is geared towards stores in the region of 4,645 square metres gross. The existing store, therefore, meets Bunnings ‘business model’ requirements, specifically its ability to sell its full range of goods.

National policy requires Plans to be deliverable, to provide flexibility and to avoid being overly prescriptive, so that developers can, in particular, respond to changing market demand. The proposed allocation of ‘Sydenham Park’ has been based on the potential for Sainsbury’s to relocate from their existing site and ‘anchor’ the development through the provision of a much larger store. That proposal no longer appears deliverable in that Sainsbury’s withdrew an application for this scale of development in 2013 and have remained completely silent since, the market has nationally moved away from the promotion of large foodstore based schemes as they are no longer commercially viable and Sainsbury’s have since opened a new store in south Bath relieving the pressure on its Green Park

store (also part of 'Sydenham Park'). This is, in our view, further justification for the Plan adopting a more flexible and open approach to any future aspirations that the Council may have for the 'Sydenham Park' allocation.

Whilst Bunnings remain firmly committed to the existing store, which provides in the region of a 100 local jobs, it is notable that the Plan continues to remain completely silent on where any existing businesses, if displaced by the redevelopment of 'Sydenham Park', could be relocated too - assuming they could not firstly be accommodated within the redevelopment itself. Leaving aside the question marks that remain over the deliverability of any mixed-use redevelopment proposals on 'Sydenham Park', the Plan contains no policy criteria that will be applied in assessing the merits of alternative sites or whether, in practice, alternative sites exist, are viable and/or are deliverable.

The purpose of the Placemaking Plan is to carry forward the growth strategy contained within the adopted Core Strategy and to confirm that the sites selected (allocated) represent the most appropriate strategy for meeting future needs. Policy B2 of the Core Strategy requires the Placemaking Plan to consider the ability of the 'Sydenham Park' allocation to provide for and accommodate existing businesses. In our view it fails to do this. If existing businesses cannot be accommodated, Policy B2 of the Core Strategy also requires all reasonable efforts to be taken to ensure that those uses (businesses) can be relocated elsewhere. The latter can only, in our clients view, be met through the Placemaking Plan allocating an alternative site, in Homebase's case, for bulky retail use. It again fails to do this. Policy SB7 is, in its present form, therefore, not properly justified, ineffective and not deliverable.

#### **Changes sought to the Draft Placemaking Plan:**

- **The reference to “small to medium sized comparison retail development” in Policy B2 4a should be deleted**
- **The first sentence to the 3<sup>rd</sup> paragraph of part (B) to Policy SB7 should be retained and the following sentence referring to a “smaller scale DIY offer” deleted in its entirety**
- **In the event that existing businesses cannot be accommodated within any redevelopment proposals on 'Sydenham Park', Policy SB7 should be expanded to provide guidance on where existing businesses could be relocated too and/or seek to allocate sites for, in particular, bulky retail use**