

NEWBURY KENNET CENTRE

Retail Report for
Lochailort Newbury Ltd
9 December 2024



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1 INTRODUCTION

- 1.1 This report has been prepared by Rapleys LLP on behalf of Lochailort Newbury Ltd (“Lochailort”), to support the submission of a Full Planning Application by Lochailort (‘the applicant’) at the Kennet Centre, in Newbury town centre, of which they are the landowner.
- 1.2 This report assesses the proposals for mixed-use development in terms of the resulting impact of the proposed change of use of the site from a shopping centre to residential-led development (with a commercial aspect) on the vibrancy and vitality of Newbury Town Centre.
- 1.3 This planning application follows representations to the Local Plan examination by Lochailort which have sought to remove the Kennet Centre’s designation within the Newbury Primary Shopping Frontage within the new Local Plan, as its proposed designation does not reflect its current or future role in the town centre. Rather the site should be recognised as a key regeneration area, delivering a mix of uses, including residential development, to assist in the vitality and viability of Newbury Town Centre as a whole, which is a key principle in the most relevant draft policy within the emerging plan (Policy SP22). This would also be entirely in accordance with the Newbury Town Centre Masterplan.
- 1.4 In this context, this report provides review and commentary in relation to, and draws conclusions from, the items listed below, to conclude on the impact of the loss of retail floorspace within Newbury Town Centre:
- The site and its context in Newbury as a whole;
 - Adopted and emerging planning policies at local and national level, and
 - The local authority’s evidence base.

2 THE SITE AND ITS CONTEXT

2.1 This section reviews the site (the Kennet Centre), its current condition and planning applications submitted to redevelop it. It also puts the Kennet Centre into wider context, to review how this has impacted its present, and a context to the vision for its future.

THE SITE

- 2.2 The site is in the southern part of Newbury Town Centre, between the de facto modern retail core of the centre (to the north of the River Kennet) and Newbury Railway Station, both less than five minutes walk away.
- 2.3 The site is irregular in shape, and fills the triangle of Bartholomew Street (to the west), Market Place/Cheap Street (to the east) and Market Street (to the south) – a site location plan is attached at Appendix 1. The northern tip of the site, that closest to the retail core of Newbury, has no street frontage, rather the site adjoins a collection of connected, much more historic buildings (see commentary on the site’s surroundings below).
- 2.4 The site is occupied by a shopping centre with its own multi-storey car park, which was originally built in the 1970s but has been added to since then, with the latest phase opening in 2009. The shopping centre is currently significantly under-utilised, with many of the units lying empty and the majority of the units that are occupied are independent traders (see below). Levels of footfall within the shopping centre are – relative to the retail core of the centre – very low.
- 2.5 The centre has 22,300 sqm of lettable commercial space on a site of just over 2 hectares, with around 50 units, which where occupied accommodate shops, eating establishments, a nursery and a cinema. The existing shopping centre has suffered a gradual but sustained period of decline as a result of the redevelopment and newer retail centres in the town (in the centre and out of it), changes in the pattern of retail spending including online shopping, which has been exacerbated by the COVID-19 pandemic. The Kennet Centre is now a failed and out of date shopping centre in need of significant investment and redevelopment. See photographs attached at **Appendix 2**.
- 2.6 The site has high levels of vacancy, and the two anchor units have been particularly difficult to find occupiers for (and have been unoccupied by retailers for a substantial period, having previously been occupied by Debenhams and TK Maxx). The Debenhams unit closed in 2011, well before the company stopped trading as a whole. TK Maxx relocated to Newbury Retail Park, as a symptom of the shift in retail focus from the Kennet Centre to other locations as reviewed later in this document. The smaller units are more flexible, and can offer a wider range of occupiers (which represent the bulk of occupation in the centre at present), but there are still high levels of vacancies relative to these units as well.
- 2.7 It has proved very challenging to identify retail tenants on commercially viable terms, due in large part to lack of demand from national retailers for the space (as those that are within the town centre are located to the north of the river). In this context, and whilst the landowner brings forward proposals for the site’s redevelopment, the focus has been on seeking to maximise occupation of the centre, notwithstanding the weak demand for floorspace. In this context, the majority of the occupiers have been let on a temporary basis, whilst paying very low rents (if any) on flexible lease terms. Further information can be found in the letter by Rivington Hark, who are the asset manager of the shopping centre, attached at **Appendix 3**. This is clearly not a sustainable solution for the long term.
- 2.8 The site therefore offers a significant opportunity for redevelopment and regeneration of a key part of the town centre, and the landowner has been promoting the site for mixed use development by way of two planning applications – see below.

RECENT SITE HISTORY

- 2.9 An application for the redevelopment of the site was refused in November 2022 for the phased redevelopment of the Kennet Centre comprising the partial demolition of the existing building on site and the development of new residential dwellings and residents’ ancillary facilities; commercial, business and service floorspace including office (Class E (a, b, c, d, e, f, and g)) and associated development (ref: 21/00379/FULMAJ).
- 2.10 In order to overcome the reason for reasons for refusal, the landowner submitted a second planning application (LPA Ref. 23/02094/FULMAJ) for a similar development, albeit with a slightly different quantum of residential development and lower building heights, which is currently under consideration by the local authority. This includes town centre uses at ground floor level (see **Appendix 4**) which focused on small, independent retail and services, as this is considered to be the most likely source of occupation. At the time of writing, this application is still under consideration by the local planning authority.

2.11 This planning application relates to an alternative scheme at the same site, for a different quantum of development. Namely, a reduction in residential dwellings (317 proposed dwellings) and the provision of only five Use Class E units. The reduction of retail/commercial floorspace in this location is reflective of the sites circumstance, as assessed elsewhere in this report, and is essential to providing a viable scheme that promoted the viability and vibrancy of Newbury and its existing retail function.

2.12 As is demonstrated throughout this report, the loss of retail floorspace associated with the proposed development would not harm the vitality or vibrancy of Newbury but would rather support its existing and future function as a retail centre.

IMMEDIATE SURROUNDINGS

2.13 The site is surrounded by land in a number of different uses, accommodated in buildings of a variety of scale, age, and design (including numerous Listed buildings).

2.14 However, in general terms the site's surroundings can be summarised as follows:

- To the north – adjoining the Kennet Centre is a collection of more historic buildings (a number of which are Listed), including a small outdoor retail arcade (“The Arcade”) which runs between Market Place and Bartholmew Street. The part pedestrianised Market Place lies to the north-east of the site, which accommodates this historic Newbury Town Council building and other historic/listed buildings. In terms of land use, the focus of ground floor activity is food and drink uses, providing a night-life hub for Newbury Town Centre. St Nicholas Church lies to the north-west of the site.
- To the east – is Market Place and Cheap Street, with a Listed Pub (the Catherine Wheel) adjoining the centre (but outside of Lochailort's ownership). Cheap Street accommodates Newbury's sorting office, and the profile of the ground floor units is tertiary in nature, with relatively high levels of vacancy.
- To the west – is Bartholomew Street, which is part pedestrianised and – in common with the units within the centre which face this street – are largely vacant and do not generate material footfall. Directly opposite the site is the recently completed 11-15 Bartholomew Street development, which has unoccupied commercial space at ground level (see commentary below).
- To the south – is a mixture of uses, across Market Street. Although the Kennet Centre provides a largely blank façade to this street, to the south west of the site is a small retail arcade of independent businesses (Inches Yard). To the east of this is West Berkshire Council's offices and a recent development with occupied residential apartments on upper floors, but largely vacant commercial units at ground floor (the “Market Street redevelopment” – see more commentary below). To the south-east of the site are older buildings, with a tertiary frontage at ground floor level.

NEW DEVELOPMENT ADJACENT TO THE SITE

2.15 Two nearby sites have recently been developed – the schemes are predominantly residential-led, but also include modern, purpose built commercial floorspace (intended to be retail and retail related) at ground floor level that is currently vacant, specifically:

Market Street Redevelopment

2.16 This site is to the south of the Kennet Centre, between it and the railway station and adjacent to West Berkshire Council's offices. The site is in a key town centre location, providing a pedestrian link between the railway station and the wider centre, and as such is a gateway site.

2.17 Planning permission was granted in April 2017 for 232 dwellings at the site, as well as 816sqm of flexible commercial floorspace (then A1/A2/A2/A4/B1 – now the majority of these uses would fall into Class E). The development has been implemented, and the residential element is occupied, however – with the exception of a gym in one of the units – the ground floor of the development is currently empty and vacant.

11-15 Bartholomew Street

2.18 This site is to the west of the Kennet Centre, on the other side of Bartholomew Street, as such the profile and context of the site is very similar to the units in the Kennet Centre that face this street.

2.19 Planning permission was granted in January 2019 (ref: 18/01827/FULEXT) for the redevelopment of this site to provide 60 extra care apartments and two retail units at ground floor level. The development has been implemented, but the ground floor retail units are currently unoccupied, and there is no indication that occupation is imminent/in the pipeline.

Summary

- 2.20 This indicates that: the issues of the Kennet Centre in terms of occupation are not unique, even modern, purpose built accommodation in this part of Newbury town centre is vacant. As such, any redevelopment of the Kennet Centre should not be required to accommodate the relevant shopping frontages that are currently in the emerging local plan (which, as confirmed elsewhere in this report, should be removed), as this would simply result in a replacement empty shopping centre. Further, a more mixed use redevelopment would complement this new development, and a reduction in retail floorspace on the site would assist in filling other units in the area.

WIDER SURROUNDINGS – NEWBURY TOWN CENTRE

- 2.21 The retail focus of the town centre is to the north of the River Kennet, on Northbrook Street and in the Parkway Shopping Centre. An increase in footfall in this area, in comparison to the part of the town centre to the south of the river, is particularly evident as one crosses Newbury bridge going north.
- 2.22 This area is vibrant, with high levels of activity reflecting Newbury's character as a prosperous market town. The Parkway Shopping Centre accommodates two anchor tenants in the southern part of the centre (M&S and Next, albeit the former also has a frontage on Northbrook Street). It is understood that Primark will shortly occupy the northern anchor unit. There are vacancies in the Parkway Shopping Centre, but at a relatedly low level.
- 2.23 Also on Northbrook Street is an independent department store (Camp Hopson), who have recently acquired a unit to the north of their current store (until recently occupied by Wilkos) for expansion. Beyond this larger unit, a full range of other national retailers and chains that one would expect in a healthy town centre are present, including:
- A convenience store (Tesco Metro)
 - Chemists (Boots and Superdrug);
 - Newsagents and Homeware (a Post Office, WHSmiths and Robert Dyas);
 - Clothing and jewellery stores, and
 - Food and drink outlets (for example Cote Brasserie, Pret a Manger and other coffee chains).
- 2.24 All of these offers make this part of Newbury a pleasant and vibrant place to visit. Notably absent in this area are a high number of occupiers which suggest town centre stress, for example charity shops, betting shops and temporary or ephemeral retailers (such as those occupying the Kennet Centre).
- 2.25 In this context, it must be recognised that a significant factor in the vacancy of the Kennet Centre is that – in large part as a result of the Parkway development – retailers who have chosen to stay in Newbury Town Centre have done so in the area to the north of the river. Further, it must also be recognised that Newbury Town Centre is vital and viable even though the Kennet Centre has failed – put simply, it does not need the Kennet Centre as a retail destination to succeed.

WIDER SURROUNDINGS – OUT OF CENTRE DEVELOPMENT

- 2.26 Retail warehouse parks outside Newbury town centre include:
- Newbury Retail Park is a large retail park including retailers such as Currys, JD Sports, Boots and Matalan, plus M&S Food and Lidl foodstores and branches of McDonalds, Pizza Hut and Costa;
 - London Road Retail Park offers a Tesco Superstore, B&Q and Carpetright, and
 - Greenham Road Retail Park is a small warehouse park accommodating a Halfords, a PureGym and a Burger King.
- 2.27 These developments, which collectively accommodate a range of different retailers, and other town centre uses, have had a significant impact on the town centre, and the Kennet Centre itself – evidenced by the relocation of TK Maxx from the Kennet Centre to Newbury Retail Park, removing one of the centre's key anchors. This followed the relocation of Sainsbury's, which was located within the centre, but relocated to its current location (see below).
- 2.28 In addition, there are three large foodstores present in Newbury, the Sainsbury's (at Hectors Way on the edge of, but cut off from, the town centre), the out of town Tesco Extra at Pinchington Way (which is adjacent to the Newbury Retail Park, together providing a comprehensive and attractive shopping location for car users), and the Waitrose to the north-west of the town centre.
- 2.29 Finally, the impact of the move of the Vodaphone HQ from the town centre to an out of centre location, as well as the move of Bayer's HQ to Reading, has to be recognised. This resulted in

significant drop in office workers coming into Newbury town centre, with a marked impact on businesses and a reduction in visitors – all resulting in less footfall in the town centre.

- 2.30 Much of the above development, which has happened over decades, has been to the detriment of the Kennet Centre, and there is no prospect of these trends in shopping and working being reversed.

3 THE PROPOSAL

- 3.1 As identified above, this report is prepared in support of a Full Planning Application for the comprehensive redevelopment of the Kenneth Centre to provide a residential-led scheme.
- 3.2 Full details of the scheme are provided within the suite of documents prepared in support of the proposal. In summary, the fundamentals of the proposed development include the:
- Demolition of the underutilised Kennet Centre;
 - Construction of 317 new residential dwellings in presidential terrace row properties in a mews style urban grain, as well as flatted development, that takes inspiration from the positive elements of the Conservation Area.
 - Provision of 5 commercial units (Use Class E) and a community hub, to retain as much activity at ground floor level as possible on street frontages.
- 3.3 The proposal seeks to enhance the Conservation Area by restoring the look, feel and character of this part of Newbury, by knitting the site back into the historic urban grain and surrounding historic settlement pattern. The proposal would thereby substantially improve the character and appearance of the Conservation Area through the sympathetic and comprehensive redevelopment of the site.
- 3.4 The fundamental difference between this application and the other applications submitted on the Kennet Centre is the reduction in overall height of the scheme as well as the limited retail / Use Class E floorspace proposed by the current scheme. This statement addresses why limited provision of Class E floorspace should be acceptable in this location.

4 PLANNING POLICY

4.1 This chapter reviews planning policy at a national and local level, as relevant to this report.

NATIONAL PLANNING POLICY FRAMEWORK

4.2 The National Planning Policy Framework sets out Governments Planning Policies for England and how these are expected to be applied, and the latest iteration was published in December 2023. At the heart of the National Planning Policy Framework is a presumption in favour of sustainable development.

4.3 In terms of plan-making, paragraph 11 confirms that all plans should promote a sustainable pattern of development that seeks to: meet the development needs of their area; align growth and infrastructure; improve the environment; mitigate climate change (including by making effective use of land in urban areas) and adapt to its effects.

4.4 In addition, it confirms that strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas, unless it affects areas that the Framework protects (the relevant areas at the Kennet Centre being the Newbury Town Centre Conservation Area, and nearby/adjoining Listed buildings as identified above) or the adverse impacts would significantly and demonstrably outweigh the benefits.

4.5 In terms of plan-making, paragraph 15 confirms that succinct and up-to-date plans should provide a positive vision for the future of each area; a framework for meeting housing needs and addressing other economic, social and environmental priorities; and a platform for local people to shape their surroundings. Paragraph 16 confirms that plans should, inter alia:

- be prepared with the objective of contributing to the achievement of sustainable development, and
- be prepared positively, in a way that is aspirational but deliverable.

4.6 Paragraph 20 confirms that, inter alia, strategic policies should set out an overall strategy for the pattern, scale and design quality of places and make sufficient provision for housing (including affordable housing), employment, retail, leisure and other commercial development.

4.7 Paragraph 35 confirms that, when they are examined, local plans and spatial development strategies are examined to assess whether they have been prepared in accordance with legal and procedural requirements, and whether they are sound. Plans are 'sound' if they are:

- a) Positively prepared – providing a strategy which, as a minimum, seeks to meet the area's objectively assessed needs¹⁹; and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development;
- b) Justified – an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;
- c) Effective – deliverable over the plan period, and based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and
- d) Consistent with national policy – enabling the delivery of sustainable development in accordance with the policies in this Framework and other statements of national planning policy, where relevant.

4.8 Paragraph 90 confirms that, in relation to town centres, policies should – amongst other matters:

- a) define a network and hierarchy of town centres and promote their long-term vitality and viability – by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries, allows a suitable mix of uses (including housing) and reflects their distinctive characters;
- b) define the extent of town centres and primary shopping areas, and make clear the range of uses permitted in such locations, as part of a positive strategy for the future of each centre;
- d) allocate a range of suitable sites in town centres to meet the scale and type of development likely to be needed, looking at least ten years ahead. Meeting anticipated needs for retail, leisure, office and other main town centre uses over this period should not be compromised by limited site availability, so town centre boundaries should be kept under review where necessary; and
- f) recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites.

- 4.9 Paragraph 110 confirms that planning policies should, inter alia, support an appropriate mix of uses across an area, and within larger scale sites, to minimise the number and length of journeys needed for employment, shopping, leisure, education and other activities.
- 4.10 Paragraph 124 c) confirms that planning policies should give substantial weight to the value of using suitable brownfield land within settlements for homes and other identified needs, and 124 d) confirms that policies should promote and support the development of under-utilised land and buildings, especially if this would help to meet identified needs for housing where land supply is constrained and available sites could be used more effectively.
- 4.11 Paragraph 126 confirms that policies need to reflect changes in the demand for land. They should be informed by regular reviews of both the land allocated for development in plans, and of land availability. Where the local planning authority considers there to be no reasonable prospect of an application coming forward for the use allocated in a plan:
- a) it should, as part of plan updates, reallocate the land for a more deliverable use that can help to address identified needs (or, if appropriate, deallocate a site which is undeveloped); and
 - b) in the interim, prior to updating the plan, applications for alternative uses on the land should be supported, where the proposed use would contribute to meeting an unmet need for development in the area.
- 4.12 The NPPF confirms that a primary shopping area is a “Defined area where retail development is concentrated”. In practice, this is the cluster of overwhelmingly Class E (a) use, where the key anchor retail brands are represented, and most footfall is generated. In addition to a primary shopping area, to be successful a town centre needs a hinterland, outside the primary shopping area but within the town centre boundaries, where a broader mix of uses is accommodated, and smaller and independent shops which may not be able to afford the rent of a site within the primary shopping area.

THE DEVELOPMENT PLAN

- 4.13 Although the focus of this report is emerging policy, it is important to consider the adopted Development Plan that will be replaced, as it sets out the current policy position. The parts of the adopted Development Plan relevant to this report are the:
- Core Strategy Development Plan Document (2006 - 2026) adopted July 2012
 - West Berkshire District Local Plan 1991 - 2006 (Saved Policies 2007, but originally adopted in 2002)
- 4.14 Relevant sections of the relevant documents are reviewed below, but as a generality the Kennet Centre is subject to the following designations:
- Newbury Settlement Boundaries;
 - Newbury Town Centre Commercial Area;
 - Newbury Town Centre Conservation Area, and
 - Newbury Town Centre Shopping Frontages run through the shopping centre, following the existing malls, and along part of the centre’s street frontages.
- 4.15 In terms of the latter, it is understood that the current shopping frontages were established in the Local Plan (ie in 2002). It must therefore be recognised that the frontages were adopted very historically in the context of the changes to Newbury that have occurred in the interim, and as reviewed in this report. In this context, the current frontages were imposed at a time when occupation of the Kennet Centre was very different to now, and long before the opening of the Parkway Shopping Centre in October 2011, which has profoundly changed the centre of gravity of retail in the town centre.
- 4.16 The site is not subject to any site specific designations.

Core Strategy

- 4.17 The Core Strategy was adopted in 2012 and provides an overall planning strategy to 2026. It explains the local authority’s vision for the area, and how it will be delivered. It was also intended to guide a framework for more detailed policies which would be contained in future development plan documents (albeit as confirmed above, in terms of detailed development management policies, the local authority is still reliant on the saved policies within the older, 2002, Local Plan, as saved in 2007).
- 4.18 The Core Strategy includes Area Delivery Plan Policy 2, relating to Newbury. In the town centre section of this document it anticipates the Parkway development, and indicates that town centre boundaries and frontages will be reviewed in a future site allocations document (in the event, it is understood that this did not occur, as the site allocations document in the Development Plan only

relates to residential development (and as such is not reviewed in this report). Notwithstanding this, it suggests that, even in 2012, the local authority considered the shopping frontages in Newbury town centre to be out of date (and are even more so now).

Saved Policies of the West Berkshire District Local Plan 1991 - 2006

- 4.19 As confirmed above, the present extent of shopping frontages in Newbury, including those affecting the Kennet Centre, were established by the Local Plan, adopted in 2002. As confirmed above, the local authority considered that these frontages were out of date when the Core Strategy was adopted (as the Core Strategy confirmed that they would be reviewed in subsequent, supporting policy documents).
- 4.20 At the very least this is because the shopping frontages do not include the Parkway Shopping Centre, which opened shortly before the Core Strategy was adopted. As explored elsewhere in the document, the opening of the Parkway Shopping Centre has had a profound impact on the Kennet Centre, and has contributed to the area north of the River Kennet as being the focus of retailing in Newbury town centre.
- 4.21 In this context, and given the age of the existing identified frontages in policy, emerging planning policy should not take them as a “starting point” for any new frontages identified in the emerging local plan. Rather, the frontages should reflect the current situation on the ground, and recognise that maintaining frontages through the Kennet Centre is not sustainable.

EMERGING PLANNING POLICY

- 4.22 The emerging Local Plan was submitted to the Secretary of State in March 2023. Lochailort has been engaged through the process, and commented at both Regulation 18 and 19 stages, with both representations making the comment that:
- It would be difficult to extend or redevelop the Kennet Centre in its current form from an engineering and energy performance perspective and to that end, whilst we intend to retain the existing multi-storey car park and the 2009-built cinema wing, the rest of the centre (built in phases from the 1970s onwards) will be demolished in its entirety. The policy wording should be amended to read “The residential aspect would complement any retained and/or additional non-residential uses on the site.”*
- 4.23 Within the emerging Local Plan, the Kennet Centre is not covered by an allocation for development albeit it was included within a draft allocation for mixed use development in the Regulation 18 version. The site falls within the following designations:
- The Newbury Primary Shopping Area, runs through a smaller part of the centre in comparison to that within the adopted plan, but follows the existing centre layout notwithstanding that the site is being promoted by the landowner for redevelopment. Part of the shopping area also runs along the site’s frontage to Cheap Street;
 - Within Newbury Urban Area;
 - Within The Newbury Town Centre Commercial Area, and
 - Newbury Conservation Area.
- 4.24 As this report focusses on retail matters, the most relevant policy in terms of town centres is SP22, which – inter alia:
- Identifies Newbury as a major town centre;
 - Development proposals within a town centre will be supported against a number of criteria, including where they:
 - Create a high quality, well designed environment and public realm that promotes the individuality of the centre and responds to its historic built heritage, and
 - Contribute to the vitality or viability of that centre.
 - It also confirms that retail uses will be encouraged in the primary shopping area as defined on the Policies Map. Changes of use within the primary shopping area from Class E to other uses will be permitted where they do not result in a disproportionate concentration of non-Class E units that would be harmful to the vitality of that centre.
- 4.25 In this context, the policy would not prevent non-Class E development (for example, residential development), if it supported the overall vitality of the centre.

4.26 However, for the reasons set out above, it is not appropriate for the Kennet Centre to be included within the primary shopping area in a new Local Plan, as it does not function as such in the context of the definition of the term in the NPPF (not least as the centre already accommodates a range of non-retail occupiers).

SUMMARY

4.27 From the foregoing review of planning policy, the following themes clearly emerge:

- The site's identification within the shopping frontages in the current development plan are very historic, and were imposed at a time when circumstances were very different.
- Although the primary shopping area, as proposed in the emerging Local Plan, is reduced from the current extent of primary shopping frontages within the existing Local Plan, it is still inappropriate to identify the Kennet Centre as being part of the primary shopping area. The Kennet Centre is redundant (as demonstrated by its current vacancy and underutilisation), and any replacement will not be the type of development which would be appropriate within a primary shopping area (as its function will go well beyond just shopping).
- Beyond this point, Policy SP22 seeks to encourage the vitality and viability of Newbury centre as a whole, and removing the site from the primary shopping area will assist this by allowing other forms of development, such as residential, which would bring substantial levels of footfall to the area, and to local businesses.
- Further, the NPPF indicates that, in local plan-making, local authorities should anticipate future need for development and allocate sites accordingly. The types of development cited in this part of the framework are varied, but include both retail and residential development with equal emphasis. It is very clear, however, that sites must not be protected for specific forms of development where there is no reasonable prospect of these coming forward. This further confirms that the Kennet Centre should not be included within the primary shopping area of the emerging Local Plan.

5 EVIDENCE BASE

5.1 The evidence base relating to retail development, and development in Newbury Town Centre, is as follows:

- The Western Berkshire Retail & Commercial Leisure Assessment 2016;
- West Berkshire Retail Background Paper – December 2022
- The Newbury Town Centre Masterplan - 2022

5.2 These documents are considered and commented upon in this section.

WESTERN BERKSHIRE RETAIL & COMMERCIAL LEISURE ASSESSMENT 2016

5.3 This document was commissioned by a number of Western Berkshire local authorities, and was published at a very different time in terms of retail patterns, not least prior to the COVID-19 epidemic, which has had a lasting effect how people shop for goods, particularly comparison goods. In this context, paragraph 12.19 must be acknowledged, which confirms that:

“The Councils should ensure the retail capacity forecasts identified in this study remain up to date throughout their new Local Plan periods by refreshing the evidence base to take into account changes in population and expenditure projections, ‘special forms of trading’ forecasts, ‘commitments’ for new retail development and so on.”

5.4 These changes in shopping patterns, since the retail study was published, are particularly glaring in terms of special forms of trading. In the retail study, paragraph 6.13 indicates that anticipated retail growth had been discounted to make allowance for special forms of trading in a manner which is much lower than has actually taken place since the report was issued.

5.5 The Experian forecasts at the time indicated that special forms of trading at the time accounted for 12.4% of comparison goods spending, and 2.8% of convenience goods spending, and it was expected that this would increase over the course of the study period to 14.3% for comparison goods, and 6.4% for convenience goods by 2036.

5.6 Paragraph 6.14 anticipated – from Experian forecasts at the time – that comparison goods special forms of trading would peak at around 15.2% of comparison goods in 2022, before decreasing to 2036 as “the market moves towards saturation”.

5.7 However, the latest Experian data relating to the 2022 figures, from the 2024 Experian Retail Planner Briefing indicates that, even adjusted for special forms of trading from stores, 23.6% of comparison goods are from special forms of trading, and 4.7% of convenience goods. Rather than peak, further growth is anticipated in special forms of trading, reaching 29.3% of comparison goods, and 7.4% in convenience goods, in 2036.

5.8 More general commentary by Experian indicates that, looking ahead, the national outlook for floorspace requirements remains muted in the short-term. The contraction in retail sales in 2023 was stronger than previously expected and a further decline in retail sales is expected in 2024 before growth returns in 2025 and beyond, albeit at a weaker long-term rate than previously forecast. This trend is expected to be consistent across comparison and convenience categories.

5.9 As such, the forecast capacity for comparison goods in Newbury, as identified in the retail study, cannot be relied upon, and there is likely to be even less capacity for convenience floorspace than the -3.500sqm identified.

WEST BERKSHIRE RETAIL BACKGROUND PAPER – DECEMBER 2022

5.10 This document has been drafted by the local authority to support the emerging local plan and to demonstrate how related national policy and guidance, as well as the relevant pieces of evidence base, have informed the local plan review and the policies concerning retail and town centres.

5.11 In terms of retail matters, it relies on the aforementioned retail study, and quotes its headline findings. Although it recognises the changes to retail circumstances brought forward by Covid-19 and other matters, it does not seek to replace the assessment made, and the document is written in qualitative not quantitative terms.

5.12 It provides a review of primary shopping areas, and in terms of Newbury the following commentary is made:

Since the Core Strategy there have been developments in the town, most notably with the opening of Parkway at the northern end of the town centre in 2011. The primary shopping area should therefore extend around Parkway, as most units are retail, and all town centre uses. Changes are required for the Kennet Centre. One route goes through a unit, and is therefore

unnecessary. It is proposed to reduce the extent of the primary shopping area at the Kennet Centre where the rear of units face Bartholomew Street, and to the south side where there is a cluster of restaurants and leisure uses. The Arcade is also removed as there is a concentration of non-retail uses.

5.13 From this commentary and review of the background paper as a whole, the following conclusions are drawn:

- The Background Paper does not – in quantitative terms – address the substantially higher growth of special forms of trading than was assumed at the time of the retail study;
- The local authority recognises that some consolidation of the Primary Shopping Area is needed, and
- The background paper recognises that changes are required to the Kennet Centre, but does not recognise that the type of development that will come forward will not be of the type that would lend itself to being in the primary shopping area. Rather, the current development proposals envisage an offer which, with independent traders and a mix of retail and non-retail town centre uses, is more akin to the Arcade, which is proposed to be removed from the Primary Shopping Area (as it too accommodates a mix of uses).

NEWBURY TOWN CENTRE MASTERPLAN (2022)

5.14 The introduction of the report recognises that:

There have been many changes to Newbury town centre over the years but throughout that time it's remained a friendly, bustling market town with the market at its very heart. This Masterplan reflects on changes in – among others - shopping habits, working patterns, environmental concerns and most recently the impact of Covid. It is now more necessary than ever before to keep one step ahead of these changes and we welcome the range of exciting proposals set out in the Masterplan to help shape and adapt Newbury town centre to do just that over the short, medium and longer terms.

5.15 The document anticipates the redevelopment of the Kennet centre, and the existing centre is recognised as being older and noticeably more dated than Parkway. It also recognises that the site's redevelopment will result in a reduction of retail floorspace, whilst

“offering new flexible-use commercial uses of varying sizes to attract a mix of artisan and local operators, supported by flexible terms, to complement the national multiple retail offering more concentrated in the northern end of the town centre.”

5.16 In this context, the Masterplan envisages the redevelopment of the site which is not just related to shopping, but rather accommodating a range of more bespoke town centre uses, in a manner that is distinct from the retail focus of the town centre to the north of the river (but will nevertheless benefit the vitality and viability of the town centre). This further underlines that the future of the site is not as part of the town centre's primary shopping area, but rather as part of a much broader offer, which will complement the primary shopping area rather than compete with it

5.17 It further anticipates that the redevelopment of the Kennet Centre will increase the number of people living in the town centre, and will bring a significant increase in town centre living. It also recognises that residential uses bring life to the town centre during the evenings and weekends, supporting local businesses and making the town centre feel more secure.

5.18 In this context, the masterplan shares the landowner's broad vision of regeneration and a mix of commercial and residential uses at the site. However, this shared vision is at odds with the identification of the Kennet Centre as part of the Primary Shopping Frontage, and the site should be excluded from the primary shopping area in the new Local Plan on this basis.

SUMMARY

5.19 In summary, it is clear that:

- The levels of growth in comparison and convenience goods capacity in the 2016 Retail Study have now been substantially superseded by events, not least the greater levels of special forms of trading that are now taking place (and will continue to grow) in a post-Covid environment;
- The need to reduce the primary shopping area in and around the Kennet Centre is recognised in the 2022 retail update (and this is reflected in current policy), however it does not recognise that – at present – the site is not functionally part of the primary shopping area that lies to the north of the river. Further, the type of offer which is currently envisaged (and for which planning permission is currently sought) will be a mix of smaller, independent operators – not just retailers but a range of

secondary activities such as cafes, hairdressers etc. These should be encouraged on their own merits, and should not be subject to policies relating to the primary shopping area, and

- The vision of the future of the Kennet Centre, redeveloped with a significance beyond its shops - part a wider mix of uses, including residential, outside the Primary Shopping Area is embraced by the Town Centre Masterplan.

5.20 All of the above factors further support identifying the Kennet Centre as being outside the primary shopping area of Newbury Town Centre.

6 CONCLUSIONS

6.1 From the commentary within this report, the following conclusions are drawn:

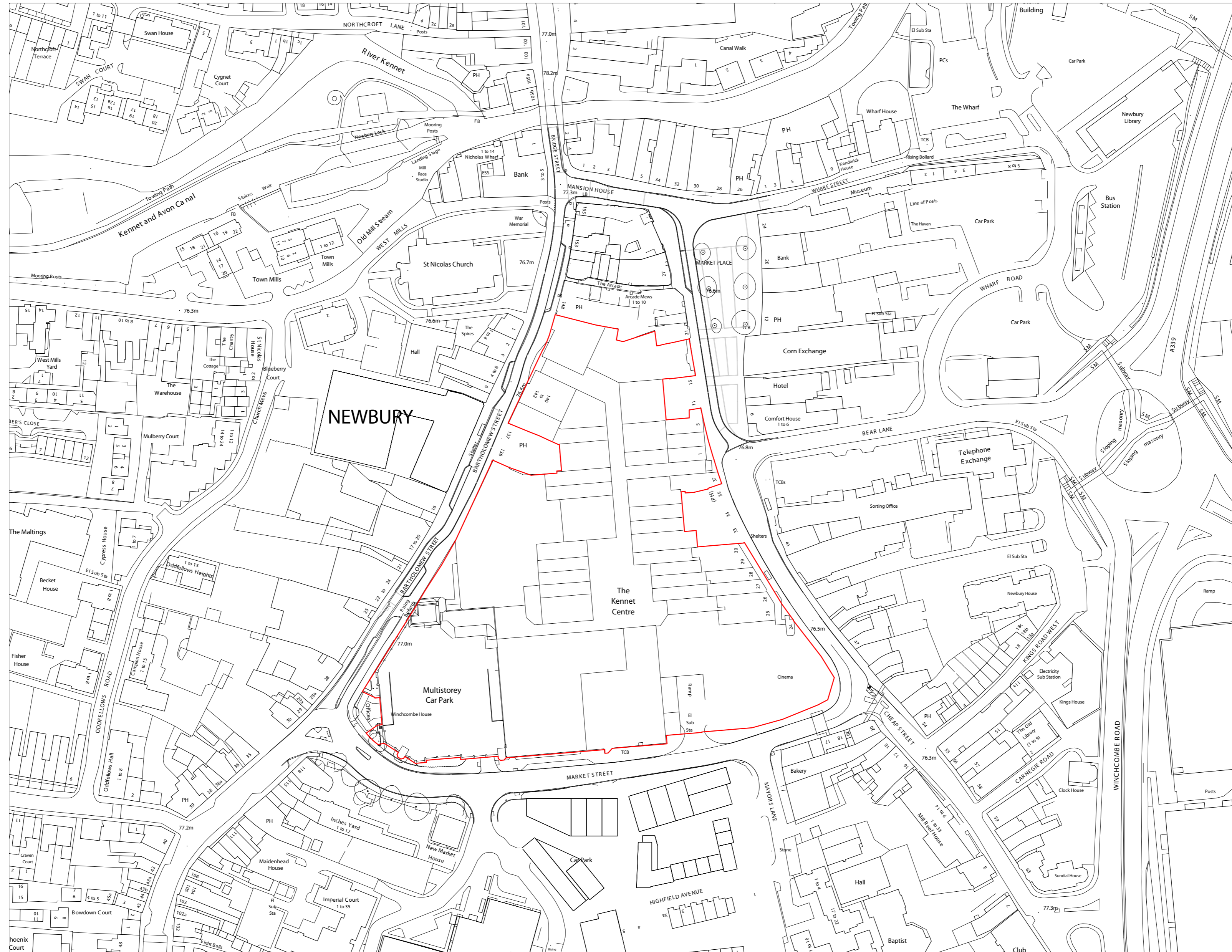
- Due to a range of factors, the Kennet Centre is redundant and in need of redevelopment. The site is included within the primary shopping frontage in the adopted Development Plan, but it has not performed this role for many years – rather, the site is occupied by largely temporary and independent occupiers across a range of different town centre uses. Demand for the site by national retailers, or key anchor tenants, is not present and is not anticipated to emerge.
- As it is, the site detracts from the town centre, and also blocks movement from the train station to the main part of the town centre, a matter that has been further highlighted by the Market Street redevelopment, which has improved the quality of the link from the station.
- Notwithstanding that the site has not performed as a primary shopping frontage for many years, in spite of this (and to a degree because of this) the retail core of Newbury, to the north of the river Kennet, being vital and viable. The town centre evidently does not need the Kennet centre to be included as a primary shopping frontage (or primary shopping area). In this context, there is no harmful impact of the loss of retail floorspace provided within the Kennet Centre on Newbury Town Centre.
- Rather, the proposed residential-led redevelopment of the site would improve the vibrancy and vitality of the Town Centre by replacing surplus, and predominantly vacant, retail floorspace with new high quality dwellings. Further, the increased residential density, and the associated footfall, disposable income and demand for the uses occupying the existing retail floorspace within the wider area, would support the retail function of the Town Centre, improving its health and long-term economic viability.
- The proposal includes high quality retail/town centre/active uses at street level, which will ensure ongoing activity in the surrounding area, in a manner which will contribute far more to the vitality of Newbury Town Centre than the current development on site.
- The redevelopment of the site has been designed in consideration of the Conservation Area and the positive contributors within it. The proposal would replace a redundant and low-quality built form with high quality comprehensive development that takes cues from the historic environment to ensure it positively contributes to the Conservation Area and Newbury more generally.
- It should also be recognised that the provision of a much broader mix of uses, with a reduction in retail floorspace and larger focus on other uses (namely residential) is a vision embraced by the Newbury Town Centre masterplan.

6.2 The report therefore concludes that the proposed redevelopment of the Kennet Centre to provide a predominately residential scheme, and the associated loss of retail floorspace, would not harm the vitality or vibrancy of Newbury. Rather, the proposal would support Newbury's existing and future retail function by significantly increasing footfall within the Town Centre, and the associated increase in consumer spending from the future residential of the site.

6.3 The proposed development should be recognised as a key regeneration opportunity, supporting a mix of uses, including residential development, to assist in the vitality and viability of Newbury Town Centre as a whole, which is a key principle in the most relevant draft policy within the emerging plan (Policy SP22), and should be supported by the local planning authority. The proposed development is also entirely in accordance with the Newbury Town Centre Masterplan.

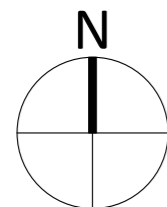
Appendix 1

Site Location Plan



NOTES
 CONSULTANTS
 - Refer to highways consultant's drawings for details
 - Refer to landscape consultant's drawings for details

AREAS
 - Refer to area schedule



Rev	Notes	Date	By	Auth
PA	Issued for Planning Submission	06/09/2023		



VISUAL SCALE 1:1250 @ A2

KEY
 APPLICATION BOUNDARY

ColladoCollinsArchitects

17-19 Foley Street
 London W1W 6DW
 T 020 7580 3490
 F 020 7580 2917
 info@colladocollins.com
 www.colladocollins.com

Date: 06/09/2023
 Drawn By: LK
 Checked by: RC
 Scale @ A2: 1 : 1250
 Scale @ A4: 1 : 2500
 CAD File No:

LOCHAILORT

Eagle Quarter, Newbury
 Site Location Plan

PLANNING
 20011

P0-001

PA
 Revision

Appendix 2

Photographs of the Centre







Appendix 3

Letter from Rivington Hark



Hugo Haig
Lochailort Newbury Ltd
c/o Ocorian
Level 5
20 Fenchurch Street Level 5
London
EC3M 3BY

2nd December 2024

Dear Hugo

Re: Kennet Centre, Newbury

As your asset manager for the shopping centre, you have asked me to write to you concerning its current occupation; the basis of that occupation and the how this will compare to the new proposals.

1. Current position

The “old” Kennet shopping centre (i.e. excluding the new cinema block which is being retained) contains 50 units. It is fair to say the shopping centre is in a poor state due to historic lack of investment going back many years, outdated design, and impact of better and newer space elsewhere in the town. Of note is the fact that:

- There are currently 14 vacant units but we have been informed a further 4 will close after Christmas
- Of the let units, all bar one are temporarily occupied, i.e. both landlord and tenants can break at short notice
- A significant number of tenants are occupying on the basis of contributing (in some areas only part) to rates/ service charge and pay NO rent. Indeed, were we to seek (as we can due to the temporary nature of leases) rent from many of these units, the tenants would vacate.
- The net rent from the old centre is negative. It is being cross subsidised by the cinema block. You are aware that we are forecasting that the whole centre will go negative in 2025 when we expect a number of tenants to vacate post-Christmas.

The current asset is not a viable investment as a shopping centre. Were it not for the plans to redevelop and radically improve what is there, then we would expect the asset to close and be boarded up.

RivingtonHark Ltd
7th Floor
13 Charles II Street
London
SW1Y 4QU
Tel No: 0207 182 1840

Company Number: 03261496

Cont'd.....

2. New proposals

In your latest plans you have designed some 317 residential units and 5 new retail shops. The shops are being built ready to take tenants fixtures and fittings and these reflect the size and specification of the demand as we know it. Moreover, they will be considerably cheaper for occupiers than the current centre due to a significantly lower service charge and rates burden. This is due to the modern design, low maintenance cost, open aspect and efficiency of operation.

Wider Newbury Context

We have undertaken a survey of the vacant units within Newbury town centre. This is appended to this letter but in brief:

- 49 vacant units identified
- Circa over 100,000 sqft vacant floorspace although this could be higher as we are not counting the upper parts.

The survey results, and map showing locations of vacant units, are attached to this letter.

3. Scheme Advantages

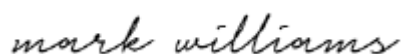
The Old Town proposals will significantly reduce the oversupply of poor retail space in Newbury. The new shops will provide affordable floorspace for start-up and established businesses. Unlike the vacant floorspace identified within the town centre, the proposals offer the following advantages/ incentives:

1. The size of the units is relatively small. This keeps rents but more importantly business rates to a minimum.
2. The units will be built to "white box" standard. This means that fit out costs for new businesses will be minimised.
3. Service charges will be much lower than the Kennet Centre.
4. New tenants will be offered highly competitive and flexible terms. It is entirely in the interest of the developer to ensure that all units are occupied.
5. Revitalising the commercial offer underneath the Vue Cinema by reconfiguring two commercial units (to white box standard) and retaining two existing commercial units.

We are confident that your units will be more attractive than existing retail units in the town centre, particularly for start-ups, because of the reduced operational costs. If a new business took on an existing unit in the town centre, these are likely to require significant renovation works. They are often larger, so business rates will be higher, and letting terms will not be as flexible.

Kind regards,

Yours sincerely

A handwritten signature in cursive script that reads 'mark williams'.

Mark Williams
Executive Director

Vacant unit Information, Newbury town centre, October 2024



ADDRESS
Unit B, Block B, Garter House, Weavers Yard
SIZE, SQFT
1,339
NOTES
Under offer to Sundae Gelatos, our current tenant



ADDRESS
Unit A, Block B, Garter House, Weavers Yard
SIZE, SQFT
871
NOTES



ADDRESS
Unit D, Linen Place, 1 Echo Walk, Weavers Yard
SIZE, SQFT
1,463
NOTES



ADDRESS
Unit 5, Block H, Weavers Yard
SIZE, SQFT
361
NOTES



ADDRESS
Unit 3, Block H, Weavers Yard
SIZE, SQFT
616
NOTES
Under offer



ADDRESS
Unit A, Farrow House, Weavers Yard
SIZE, SQFT
364
NOTES



ADDRESS
Unit A, Block C, Weavers Yard
SIZE, SQFT
813
NOTES



ADDRESS
Unit A, Block A, Weavers Yard
SIZE, SQFT
Approx 2,000
NOTES
Former F45 gym, under offer to another tenant



ADDRESS
Marketing Suite of Weavers Yard
SIZE, SQFT
Approx 800
NOTES
Planned to be turned into a business hub



ADDRESS
20 Market Street
SIZE, SQFT
722
NOTES



ADDRESS
18 Cheap Street
SIZE, SQFT
Unknown
NOTES



ADDRESS
62 Cheap Street
SIZE, SQFT
528
NOTES



ADDRESS
4 Cheap Street
SIZE, SQFT
1,300
NOTES



ADDRESS
42 Cheap Street
SIZE, SQFT
9,000
NOTES
Building being sold, tenant vacating Apr 25, planned development



ADDRESS
41 Cheap Street
SIZE, SQFT
2,767
NOTES
Under offer for sale, development planned for apartments



ADDRESS
33 Cheap Street, ground floor
SIZE, SQFT
1,315
NOTES



ADDRESS
11 - 13 Market Place
SIZE, SQFT
1,517
NOTES



ADDRESS
23 Market Place
SIZE, SQFT
268
NOTES



ADDRESS
5 Wharf Street
SIZE, SQFT
2,393
NOTES
Building for sale as offices



ADDRESS
3 Northbrook Street
SIZE, SQFT
2,178
NOTES



ADDRESS
101 Northbrook Street
SIZE, SQFT
2,089
NOTES



ADDRESS
81 Northbrook Street
SIZE, SQFT
8,836
NOTES



ADDRESS
26 & 26B Northbrook Street
SIZE, SQFT
2,854
NOTES



ADDRESS
28 - 29 Northbrook Street
SIZE, SQFT
2,533
NOTES



ADDRESS
30 Northbrook Street
SIZE, SQFT
1,600
NOTES
Possible to join with 31 NB below, to make 2,896 SQFT unit



ADDRESS
31 Northbrook Street
SIZE, SQFT
1,485
NOTES
Possible to join with 30 NB above, to make 2,896 SQFT unit



ADDRESS
3 Brook House, 60 - 62 Northbrook Street
SIZE, SQFT
1,128
NOTES
Under offer



ADDRESS
54 Northbrook Street
SIZE, SQFT
1,162
NOTES
Recently shut down for illegal activities, lease may still be in place



ADDRESS
Shop 2, right hand side, 15 Broadway
SIZE, SQFT
415
NOTES



ADDRESS
Saddles Court
SIZE, SQFT
5 units of various sizes, ranging from 600 to 2,000, most are not serviceable
NOTES
Alleyway for sale, owner wants £400,000, only worth about £200,000



ADDRESS
Middle unit, 49 Northbrook Street
SIZE, SQFT
Approx 700
NOTES



ADDRESS
G11 Parkway
SIZE, SQFT
1,970 ground floor
NOTES



ADDRESS
G11A, 50 Parkway
SIZE, SQFT
Approx 2,000 on ground floor
NOTES
Former Joules unit



ADDRESS
52 Parkway
SIZE, SQFT
2,486 on both levels, don't believe this figure
NOTES
Former Isabels unit



ADDRESS
G15, Parkway
SIZE, SQFT
Approx 5,000, don't believe this either
NOTES



ADDRESS
K3 + K4, 72 - 73 Parkway
SIZE, SQFT
400
NOTES



ADDRESS
74 - 75 Parkway
SIZE, SQFT
3,350
NOTES



ADDRESS
LSU4R
SIZE, SQFT
Unknown
NOTES
Unit that is planned for Everyman cinema



ADDRESS
10 Weavers Walk, off of Northbrook Street
SIZE, SQFT
655
NOTES



ADDRESS
4 Weavers Walk
SIZE, SQFT
731
NOTES



ADDRESS
154 Bartholomew Street, ground floor only
SIZE, SQFT
1,025
NOTES



ADDRESS
8 Bartholomew Street
SIZE, SQFT
850
NOTES



ADDRESS
31 - 34 Bartholomew Street
SIZE, SQFT
896
NOTES



ADDRESS
109 Bartholomew Street
SIZE, SQFT
474
NOTES



ADDRESS
41 Bartholomew Street
SIZE, SQFT
Approx 750
NOTES



ADDRESS
107 Bartholomew Street
SIZE, SQFT
Approx 700
NOTES



ADDRESS
91 Bartholomew Street
SIZE, SQFT
2,217
NOTES
Former Nags Head public house



ADDRESS
6 London Road
SIZE, SQFT
1,114
NOTES
Offices under offer



ADDRESS
Under Travelodge Hotel, London Road
SIZE, SQFT
1,250
NOTES

Appendix 4

Ground Floor Layout

- NOTES
- Contractors must check all dimensions on site. Only figured dimensions are to be worked from. Discrepancies must be reported to the Architect or Engineer before proceeding. © This drawing is copyright.
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 - Direct scaling off the drawing is permissible for planning purposes only.



Proposed highway improvements to facilitate access into the site.

BUS STOP

CHEAP STREET

REV	DESCRIPTION	DRN	CHD	DATE	
<input type="checkbox"/>	PRELIMINARY	<input type="checkbox"/>	INFORMATION	<input type="checkbox"/>	TENDER
<input type="checkbox"/>	CONSTRUCTION	<input type="checkbox"/>	AS BUILT		

SCALE: 1:200 @ A0 DATE: FEB 2024

DRAWN: AT/JPG CHK: JAL

DRAWING NO.: 19401/1003 REV:

TITLE: Old Town, Newbury.

DETAILS: Ground Floor Plans, Site Layout.

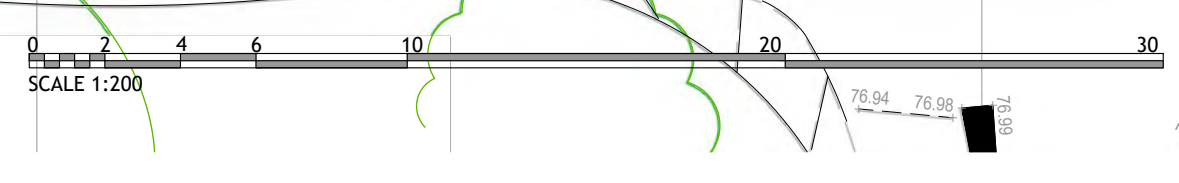
LOCHAILORT

Woods Hardwick
Architecture | Engineering | Planning | Surveying

BEDFORD : HEAD OFFICE
15-17 Goldington Road
Bedford MK40 3NH
T: +44 (0) 1234 268862
ONLINE: mail@woodsardwick.com | woodsardwick.com

BIRMINGHAM
Fort Dunlop, Fort Parkway
Birmingham B24 9FE
T: +44 (0) 121 6297784
woodsardwick.com

PLEASE CONSIDER THE ENVIRONMENT BEFORE PRINTING THIS DRAWING



Proposed new layby parking.
Existing Vehicular Ramp to be made into a Pedestrian Access and Retained by the Existing Dwellings.

New