

From: [REDACTED]
Sent: 10/10/18
Subject: Regent Arcade Unit 30, Ormond Place and Public Realm Application

Dear Councillors

Re: Regent Arcade Unit 30, Ormond Place and Public Realm Application

I am emailing you (with a copy to the Chairman of the Planning Committee Garth Barnes, Planning Officer Michelle Payne and Committee Clerk Judith Baker) to give you more background information regarding our planning application which is due to be considered at your meeting on Thursday 18 October 2018. Outline consent has already been granted for the redevelopment so detailed consent is sort.

Attached is a report by retail expert James Merrett, a Partner at Cushman and Wakefield, summarising the current position regarding UK retailing in general and more specifically the situation prevailing in Cheltenham.

With regard to the public and consultee comments received regarding this application I provide our response to each in turn below.

If you have any further questions regarding the application I will be happy to answer them.

Regards

Scott Lahive
Centre Manager

Carrying out the Works

Comment: I own a business on Ormond Place. The works to be carried out to the Ormond Place entrance will likely cause an obstruction to customers entering my business. I need to know how this will affect access to us. And if the view of my business will be obstructed to Regent Street. I am hoping any works will be undertaken with minimal affect to my business and I'd like to know how you plan to protect my business from these disruptions.

Regent Arcade Comments:

We pride ourselves on being a considerate neighbour and have a proven track record of carrying out even the most major works with minimal disruption and inconvenience. Access to the shopping centre and neighbouring units on Ormond Place will be protected during trading hours. We will consult with all neighbours before commencing, everyone will be made aware of the schedule of works and kept up to date throughout the project.

Protecting Locations and Pitches for Street Trading

1st Comment: The elevational changes to the bottom end of Regent Street look most attractive and I welcome them. (How all these new restaurants will survive is another matter!) Whilst the new paving to Ormond Place looks quite attractive, I do wonder if it will be suitable for vehicular traffic as well as pedestrian. Most importantly - and the reason why I object - is that the plan of Ormond Place shows no indication of the Promenade flower seller - a well-established trader of many years and part of the varied offer that the Prom makes.

2nd Comment: The Planning Forum welcomes the proposed improvements to the lower end of Regent Street. The Planning Forum is concerned that the proposed street furniture layout in Ormond Place which leaves no space for the florist's stall. The Planning Forum's opinion is that the florist's stall adds variety to the Promenade, and its presence should be encouraged.

Regent Arcade Comments:

The flower seller was recently granted a new licence to trade from the junction of Ormond Place and The Promenade and we respect this decision. The location of street furniture was for indicative purposes only therefore the placing of such items can and will be adjusted to ensure they do not impact on adjacent retailers and street traders.

Ward Councillor Concerns

Comment: I am writing as one of the ward councillors for College (unfortunately this website does not offer that option so I have chosen other) which this application falls in I would like to request that this application comes to planning committee for decision rather than being a delegated decision by planning officers. This is due to the significant change of use proposed, loss of town centre retail space and for the committee to consider all relevant issues regarding the application in terms of impact of the development on the character and appearance of the area. I believe as this is a significant application a committee decision will be more transparent and enable a public debate on conditions relating to the construction, hours of operation or any other relevant issue that might be of interest to neighbouring residential and business properties.

Regent Arcade Comments:

The Regent Arcade is a major employer and financial contributor in College Ward and as such we would expect our ward councillor to have engaged with us at the outline planning stage when the masterplan was agreed and before planning permission was granted. We hope our democratic representatives would wish to support the regeneration of the core town centre and repurposing of vacant space to establish Regent Street as the town's cultural quarter.

1. Loss of retail

(Please refer to the attached Cushman and Wakefield report). Demand for retail space has fallen significantly and shows no sign of improving. The number of vacant units in the town and indeed nationally has increased as customers find more convenient ways of shopping online and out of town. A local case in point worth noting in the Promenade which now has a number of empty shops; whereas the town's flagship retail destination once had a waiting list of retailers wanting to occupy space. Nationally over 60% of former BHS stores remain empty. The former BHS space has been marketed since 2016 and there is no retailer in the market place to take such a large amount of space in what is deemed a more secondary retail location. The proposed plan gives Cheltenham the opportunity not to be another statistic and continue to be a regional draw for shopping and leisure creating numerous jobs in the process. Repurposing what would otherwise remain as redundant space into a mixed-use development with a diverse offer will in turn encourage more shoppers to come to town and increase dwell time.

2. Character and appearance

The current Regent Street elevation of the former BHS is large, blank and unappealing, so the character and appearance of Regent Street will be improved by this development thanks to the introduction of active open frontages and an improved public realm. The façade will deliver vibrancy and vitality to an otherwise negative and utilitarian section of Regent Street. One of our neighbours Andrew Leeke of Pinkerton Leeke & Co (7-8 Ormond Terrace Regent Street) whose offices face the proposed development has said: *"I have looked at the blank wall opposite my office since it (the Regent Arcade) was built and the prospect of some life and movement across there is a great relief."*

3. Hours of operation

The A3 restaurant units directly accessed from Regent Street. The environment will be similar to that of Gloucester Quays, so occupiers will be responsible operators of family friendly venues. The prospect of plugging the current time gap between when the shops close and late-night venues open will enhance Regent Street and create a vibrant all-day destination. It will help reinvigorate the current offer and further attract a different customer demographic to that of the nightclubs further down Regent Street, thus creating an environment suitable for all ages. The proposed development will close earlier than existing venues adjacent to it:

- To the left of the development is 21 club which is licenced to 3am
- Opposite is office space empty in the evening and a late-night bar (Lily Gins) open until 2am
- To the right of the proposed development there are 2 night clubs (Moo Moo's and Fever) which are open until 4am.

I would therefore like to reiterate that the proposed hours of operation are well within the timeframes where consent has been granted for our neighbours.

4. Effect on neighbours and residents

There are no residential properties in the immediate vicinity of the scheme. The proposed development is in an area that is currently biased towards late night venues and as such already has an established evening economy. We believe the introduction of restaurants will encourage better behaviours and improve the overall customer offer. We have been working with our neighbours to shape the scheme. In the case of Everyman Theatre, the proposed development will deliver a safe well-lit passage to the car park for their visitors, with direct lift access for the first time as the shopping centre will remain open into the evening. The Everyman has long had a requirement to improve access to the car park for guests with mobility issues. This is just one example of how the development will benefit our neighbours.

Arboreal Issues - Comment: (Tree Officer)

The Tree Section welcomes this application provided that: The large London Plane tree as marked on the Public Realm Plan (drawing no 247-037-102) is retained and that no works within the tree's Root Protection Area are to be undertaken. Given the likely nature of the soil conditions, it is strongly recommended that sufficient new imported soil is incorporated into sufficiently large planting pits. It is also recommended that all new trees are fitted with grilles and guards so as to protect them as they establish and grow into maturity. All such details should be incorporated into a planting plan which shows all tree pit details as well as tree species, size, root type, aftercare and maintenance proposals. No trees should be planted in the planters suggested for Ormond Place. All such details should be submitted and agreed prior to any work commencing on site.

Regent Arcade Comments:

All noted. The Plane tree is an important feature of the area and we will take great care not to disturb its roots. We will ensure any new planting will benefit from improved soil.

Environmental Issues - Comment (Environmental Health)

I have no objection to the proposed development in principal, however I offer the following comments:

The kitchens to all the catering premises will need extraction equipment suitable for the type and volumes of food being produced. I would therefore request a condition is attached requiring details of each unit's extractor system to be submitted for approval before first use of the premises. This is required in order to ensure there is no loss of amenity for other nearby premises due to noise or odours from kitchen extractor plant. Note that this requires the applicant to submit a report predicting the noise levels as they will affect the nearest noise sensitive property. Merely providing the measured levels from a specific system will not be sufficient.

Given the scale of work to this site I must also recommend a condition requiring the developer to produce a scheme for the control of noise, dust and other nuisances from the site during the demolition and construction phases. This is required in order to prevent loss of amenity for users of nearby property. Note that the council's recommended hours of work on such sites are: Monday ' Friday 7:30 ' 18:00, Saturday 8:00 ' 13:00.

Regent Arcade Comments:

We have developed an excellent working relationship with Environmental Health during the four previous phases of the Regent Arcade's redevelopment. As with all works we have undertaken, all units will feature adequate ventilation and be in accordance with legislation and building regulation requirements. All plant will be located within the shopping centre's existing service yard and designated plant area both of which are screened from neighbouring properties. They do not cause any noise disturbance and are unlikely to do so given their concealed locations, however this will be taken into account.

Planning Committee Members
Cheltenham Borough Council
Municipal Offices
Promenade
Cheltenham
GL50 9SA

By email**Our Ref:** JM/Cheltenham

16 October 2018

CHELTENHAM – UNIT 30 REGENT ARCADE**Introduction**

Cushman and Wakefield are together with KBW Chartered Surveyors instructed by The Regent Arcade Trust as the joint leasing advisor of the Regent Arcade Shopping Centre, Cheltenham.

This report is written to support the conversion of Unit 30, formerly occupied by BHS, at Regent Arcade from a single large retail unit into multiple new A1, A3 and D2 units. The aim is to provide sustainable provision of accommodation that meets market demands and to ensure that Regent Arcade continues to contribute to a vibrant town centre.

Background

Cushman & Wakefield (C&W) is one of the world's leading global commercial real estate services providers with 400 offices in 70 countries and over 48,000 employees. In the UK, the firm has one of the largest and strongest dedicated retail teams employing over 80 professionals across a national network of regional offices in Scotland, the North and the Midlands as well as our headquarters and City office, in London.

In the UK C&W are advising on over 100 shopping centres, active on over 300 high streets and involved in more than 6 million sq ft of retail parks. In addition, C&W have an enviable list of retailer mandates ranging from luxury brands such as Gucci and JP Tod's to the value sector including Deichmann, Select and Dunelm.

Cushman & Wakefield have been leasing agents on Regent Arcade for more than 8 years. KBW Chartered Surveyors are the joint agents on Regent Arcade and are a leading independent practice of Chartered Surveyors, offering a personal commercial agency and property consultant service throughout Gloucestershire and surrounding counties. KBW have considerable experience in the letting of shopping centre units in the area and have acted as leasing agents in respect of Regent

Arcade for more than 10 years.

National Retail Commentary

The traditional retail and leisure markets in smaller towns and cities (i.e. outside the Top 20 retail destinations) are being directly challenged by technological changes and the emergence of multi-channel retailing.

These factors have resulted in consumers shopping in greater volume and frequency via digital channels at the expense of visiting physical shops. At the same time discretionary spend has been put under pressure by inflation rising faster than wage growth.

Shopping as an activity can now be done from any location and a physical presence is not a necessity for consumers. This has placed a greater emphasis on the need for town centres that offer more than just retail in order to drive footfall.

Many retailers are as confused as every other industry as to what the numerous vague Brexit scenarios might mean for their businesses going forward, and this means that the easiest decision to make is to not do anything too dramatic.

Rationalisation continues across most segments of the retail market, with limited store openings underway or planned. Where retailers are expanding or consolidating into new stores they are finding landlords are becoming increasingly flexible on rents and terms, and this is expected to remain the tone of the market for the foreseeable future.

2018 has been as challenging as 2017 and retailers remain cautious and are looking to cut costs. There has been a well-publicised rise in CVAs and administrations. The dividing lines between online and 'bricks & mortar' continue to blur.

Marketing of Unit 30 Regent Arcade

The following commentary details the current state of the UK large space retail occupier market:

- The Local Data Company have recently confirmed over half of the once 160 strong BHS estate are lying vacant on a UK wide basis. BHS went into Administration in April 2016.
- Further supply of large retailing space on a national basis is likely to be realised following the recent CVA and administration of House of Fraser. Whilst Sports Direct have bought the House of Fraser stores, stock and brand names there is uncertainty over which stores will be retained longer term and what Sports Direct can do differently to turn around the fortunes of this failed department store.
- There is also continued speculation over the short-term prospects of Debenhams. Debenhams has brought in advisers from KPMG to assess a number of options to improve the fortunes of the department store chain. It is in the midst of a turnaround plan designed to cut costs and boost sales. We understand KPMG are reviewing a number of potential options, including a CVA, but it is just one possible measure under consideration.
- Marks & Spencer have also announced the closure of 100 stores by 2022, accelerating a

reorganisation that it says is 'vital' for the retailer's future. Of the 100 stores, 21 have already been shut and M&S has recently revealed the location of 14 further sites due to close.

The Joint Agents have undertaken a thorough targeted marketing campaign focusing on large space occupiers since Q2 2016 to lease the premises and it is apparent there is no A1 occupier in the market either on a local or national basis who has a requirement for the unit.

The consensus of occupier feedback is that retailers either have no requirement for Cheltenham or the location of the premises is considered to be in a secondary retailing pitch at the end of the mall with poor sightlines and lacking visibility. Whilst there is the potential to increase the unit's visibility on to Regent Street through the introduction of new glazing panels it has not proved compelling enough to attract retailers to this location.

Conclusion

There is no retailer interest for the former BHS unit.

The proposals do however have the opportunity to create an enjoyable retailing experience combining a mixture of retail, restaurants and leisure activities to create an all-day and evening attraction which will appeal to the Cheltenham customer and wider catchment to enhance Regent Arcade and the town centre provision.

There are structural changes in the retail sector that mean locations that are heavily dependent on retail need to evolve to ensure their future vitality. With this in mind, Landlords are continuing to actively manage their assets to add to the mix of uses, including through increased leisure operations and hotel and residential development.

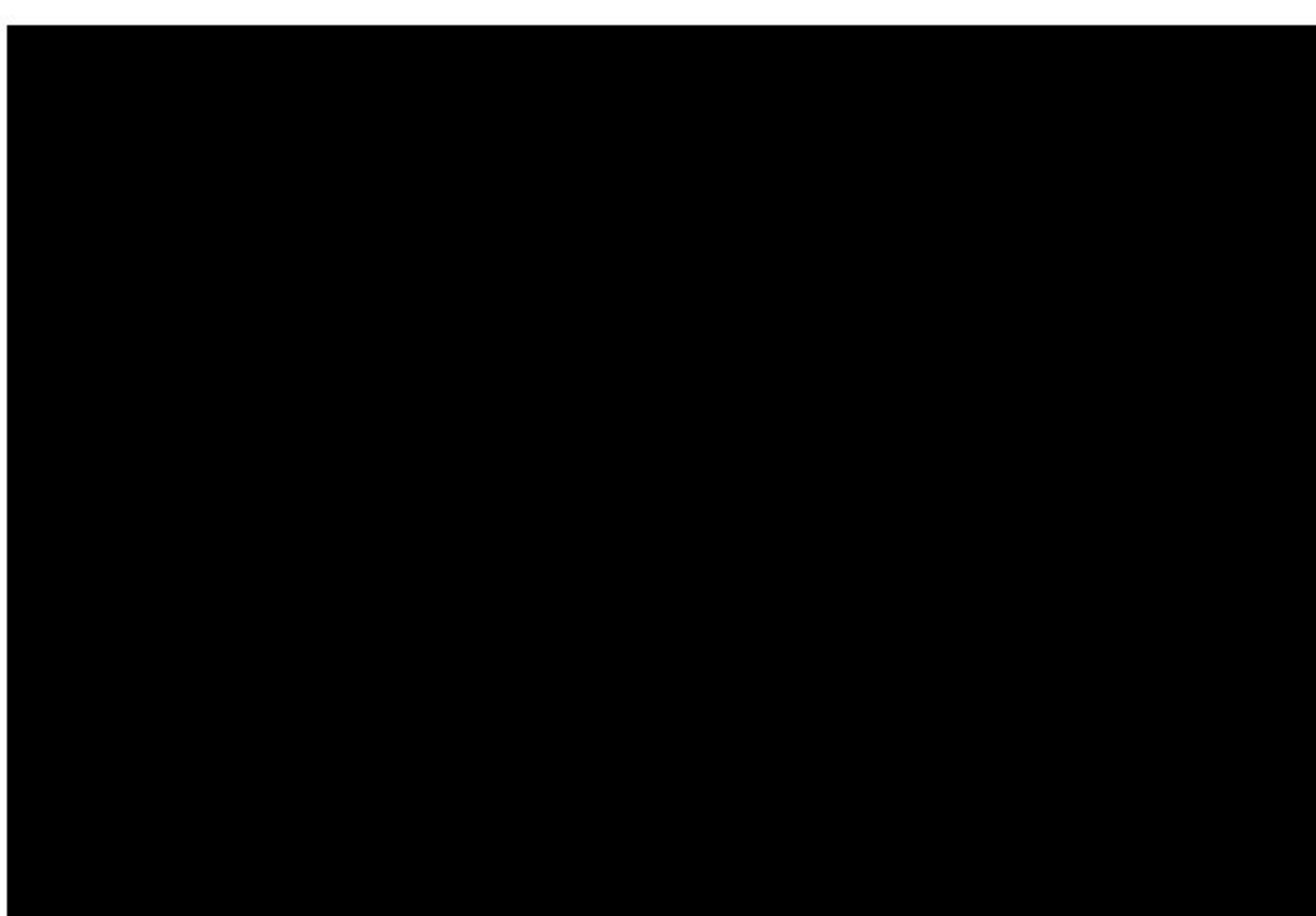
Town centres have always been about much more than retail. They are places at the heart of our communities where people live, work and play. Leisure and food and beverage operations have dramatically risen over the last decade and the UK is very much part of the burgeoning café culture – these are all positive uses that play a key role in attracting people to our town centres through the day and into the evening.

In light of the above commentary we fully support The Regent Arcade Trust's proposals.

If you require any further information, please do not hesitate to contact either Richard Knightley or I.

Kind regards

Yours sincerely



CC Michelle Payne Judith Baker