

**App/N2345/V/09/2113472**

**The Preston Tithebarn Partnership**  
**Heart of Tithebarn Regeneration Area**

**Proof of Evidence**

**Richard Coppell**



## Table of Contents

1.0	Introduction and Scope of Evidence	3
2.0	Lend Lease	4
3.0	Preston Tithebarn Limited Partnership (PTLP)	7
4.0	Preston – The Opportunity	10
5.0	Heart of the Tithebarn Regeneration Area (HTRA) – Delivery	13
6.0	Implications of Planning Permission being refused	18
7.0	Conclusions	19

### Appendices (bound separately)

Appendix 1 - Track Record

Appendix 2 - Community Development

Appendix 3 - Sustainability

Appendix 4 - Changes to Preston Tithebarn Partnership Announced

Appendix 5 - Letter from JLP

Appendix 6 - Letter from M&S

## 1.0 Introduction and Scope of Evidence

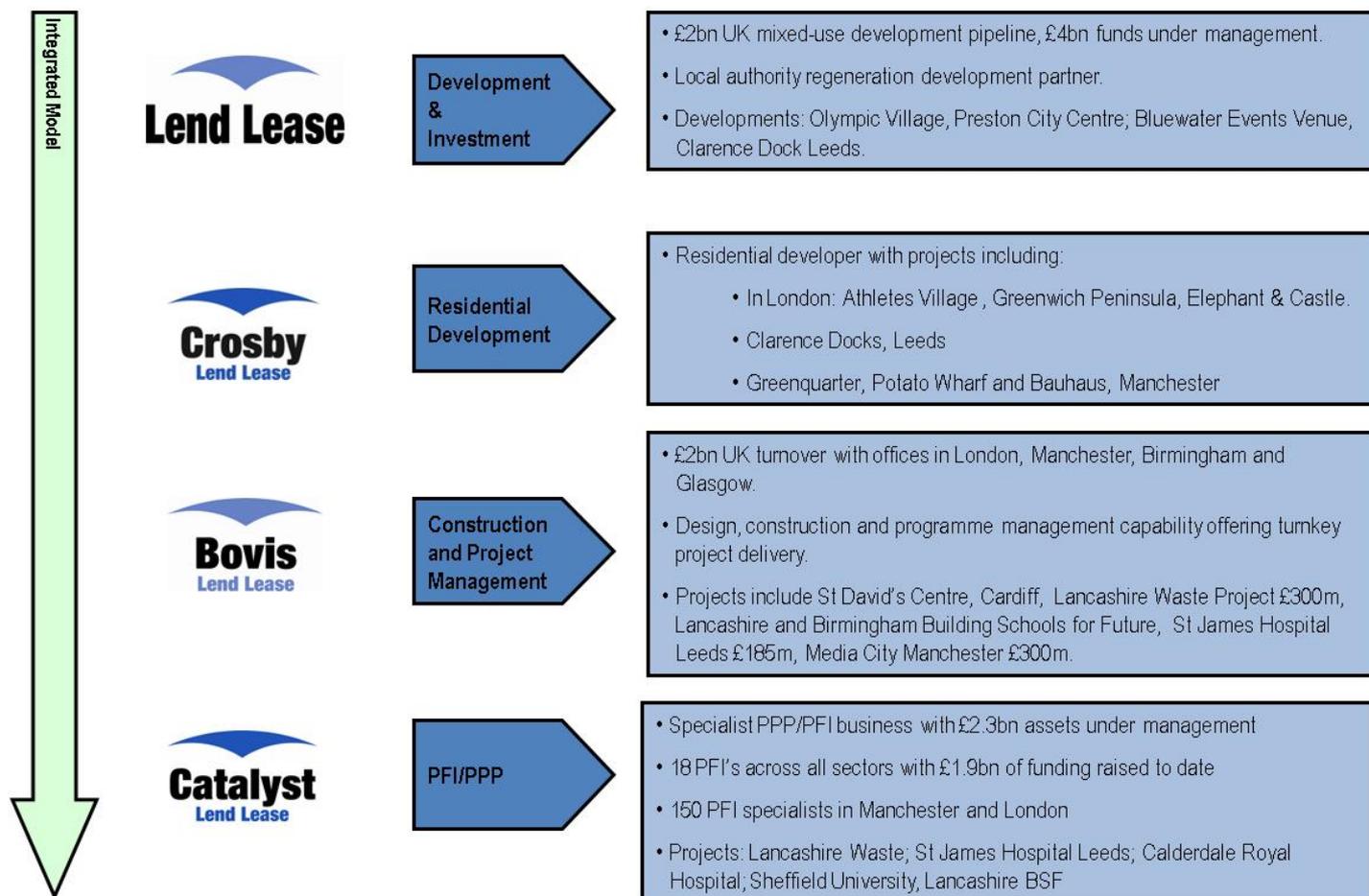
- 1.1 My name is Richard Coppel and I am a Development Director of the Major Projects division of Lend Lease, responsible for the company's retail development pipeline including Preston Tithebarn, Bluewater Events Venue, the future evolution of Bluewater and Touchwood shopping centres.
- 1.2 I have an honours degree in Estate Management from Oxford Polytechnic. I am a member of the British Council of Shopping Centres and have spent the last 18 years working in the town centre development arena and specialise in the planning and implementation of complex retail led development projects.
- 1.3 Before joining Lend Lease, I held positions with three of the UK's leading development companies, Chelsfield, Westfield and Centros working on a number of high profile mixed-use developments projects.
- 1.4 On joining the company in 2007, I took a joint lead role with Grosvenor in managing the Preston Tithebarn project. Since Grosvenor's decision not to continue to pursue the scheme and to exit the partnership, I am now responsible for the project reporting to the Lend Lease UK Development Board. I am familiar with the background prior to Lend Lease's involvement and over the last two and a half years I have become immersed in the project and remain committed to securing planning permission to deliver the scheme for all stakeholders.
- 1.5 The Preston Tithebarn is a key project in our UK development pipeline. Despite the withdrawal of our joint venture partner, Grosvenor, and the fact that the scheme has been called-in, we remain firmly committed to the scheme and the city and continue to fund its advancement.
- 1.6 We are looking not only to create a valuable asset for the city but also to remain involved as a long term stakeholder, through active asset management. We anticipate Preston Tithebarn becoming a significant part of our retail asset management portfolio.

### Scope of Evidence

- 1.7 I am providing the following statement as a company witness and confirm that I have authority to provide this evidence on behalf of Lend Lease.
- 1.8 My scope of evidence, in particular section 4, sets out the rationale for Lend Lease's continued commitment to Preston and why we strongly believe that the Tithebarn scheme is the right solution for the city, by not only improving the retail offer, but by bringing a raft of benefits including job creation, City Centre housing, enhanced leisure facilities, improved accessibility and public realm, and repairing the damage of some of the post war interventions.
- 1.9 Section 4 also highlights some of the weaknesses in the City Centre and the opportunity that exists that is unique to Preston compared with other towns in the sub-region.
- 1.10 Section 6 deals with the implications for the city if planning permission is refused. Section 7 provides my conclusions.

## 2.0 Lend Lease

- 2.1 Lend Lease is a global business whose reputation is grounded on the delivery of complex long term projects. Our company has a track record of understanding and interpreting stakeholder requirements necessary to deliver a project of this scale and ambition.
- 2.2 The company operates in over 40 countries around the globe and has in excess of 11,000 staff. We are a creative property group with global experience, long-term partnerships and world-class local capability. We offer a range of property related services and are involved in the creation, improvement and management of real estate assets. This includes expertise in development and capital raising, programme management, project and construction management, design and engineering, as well as facilities and asset management across all sectors. Over the last 12 months we have raised significant capital to allow the funding of our future development programme in the short to medium term. We have over A\$1.7 billion of cash and a net debt position of circa A\$200 million. This means we are very well placed to progress our projects.
- 2.3 We operate four core businesses, (Development & Investment; Residential Development; Construction Project Management; and PFI / PPP). We are the only fully integrated property company in the UK. This provides us with the unique opportunity to see this project from its inception, through construction onto the management of the completed project:



- 2.4 We focus on solutions that add value by understanding the impact of our work on the end user. We engage with local people and integrate their visions with our own. We are passionate about creating sustainable environments for people and our aim is to create and manage property in a way that services individuals, communities and businesses in an innovative, safe and efficient manner.
- 2.5 Creating special places summarises our approach, we create neighbourhoods where work, leisure and home life all come together. This philosophy is at the heart of the Preston Tithebarn project.

### Track Record

- 2.6 Lend Lease has an extensive track record in the delivery of complex mixed-use and retail led town centre schemes in partnership with local authorities throughout the UK, including:
- Touchwood, Solihull
  - Golden Square, Warrington
  - Chapelfield, Norwich
  - Overgate, Dundee
  - Bluewater, Kent

Please see **Appendix 1** for details of the schemes along with awards won.

- 2.7 Although we are facing some of the worst economic conditions that this country has faced for a generation we are continuing with some of the UK's largest and most complex projects, including:
- Stratford Olympic Village, London;
  - Greenwich Peninsula, London;
  - Events Venue, Bluewater;
  - Elephant and Castle, London; and
  - Stratford Stage II.
- 2.8 The UK business continues to seek and explore other town centre mixed-use development opportunities.

### Community Development

- 2.9 We understand the importance of working in partnership with key stakeholders in order to achieve successful and long term solutions for local communities and have experience with working with many local authorities and other public sector organisations in the UK as well as a number of government funded regional development agencies.
- 2.10 A large retail led mixed-use development such as the Tithebarn development creates socio-economic ripples that spread throughout the local and regional area. These ripples can add value to communities and stakeholders, many of whom are not directly involved in the development process but remain strongly affected by its outcomes. We also recognise that they can do harm, through insensitive or ill-conceived schemes or through failure to consider the views of relevant stakeholders.

- 2.11 Lend Lease is dedicated to meeting the social, cultural and environmental demands of our stakeholders to create complete, sustainable communities. Our philosophy is to adopt a flexible approach and to include the communities in which we operate in developing the vision for the future. Please see **Appendix 2** for details of our guiding principles and community development plans that we seek to incorporate in our schemes.

### Sustainability

- 2.12 Sustainability has always been an integral part of our culture. Today it is a central part of our core business strategy. We are working towards social, environmental and economic aspirations, and have established ambitious targets against which we are measuring and reporting the performance of the organisation..
- 2.13 Our Vision is to be a sustainable organisation and be the leading provider of sustainable property solutions. Please see **Appendix 3** for details of our approach and recent successes.

### 3.0 Preston Tithebarn Partnership (PTP)

- 3.1 In March 2007, Grosvenor confirmed that Lend Lease had been selected as their preferred development partner. From the outset Lend Lease recognised the opportunity presented by the city. Our commitment to this substantial investment was based on an extensive period of due diligence and on the significant commitment already made by Preston City Council to secure the regeneration of the centre evidenced by the City Council. The Council entered into a Development Agreement and actively developing a planning policy framework to support the proposals through the formulation of the Tithebarn Supplementary Planning Guidance (SPG) dated December 2001 and an Updated Planning Statement dated September 2005.
- 3.2 In July 2007, Preston Tithebarn Limited Partnership, (PTLP) a 50/50 joint venture between Lend Lease Europe Limited and Grosvenor Limited, was formed to progress the Preston Tithebarn development.
- 3.3 The development agreement between Preston City Council and Grosvenor Limited dated 7th October 2005 was novated to Preston Tithebarn General Partnership on 26<sup>th</sup> September 2007.
- 3.4 The purpose of the Development Agreement was to establish a framework with the Council to progress the development and sets out the mechanisms for land assembly. The Council is itself the dominant landowner within the Heart of the Tithebarn Regeneration Area (HTRA), however it has agreed in principle to use its CPO powers for the remaining interests. All land assembly costs are being met by the Partnership.
- 3.5 The agreement is a typical arrangement found in many joint ventures between developers and local authorities, particularly in the pursuit of town centre regeneration. The terms of the arrangement between Preston City Council and the Partnership are confidential, although I set out below an outline of the significant progress we have made against the conditions precedent that are to be satisfied prior to the start on site.
- 3.6 The latest position on the satisfaction of the conditions is summarised as follows:
- |   |   |
|---|---|
| • Exchange of pre-let to Primary Anchor store | Satisfied   |
| • Exchange of pre-let to Second Anchor store  | Satisfied   |
| • Exchange of pre-let to Leisure Anchor       | Satisfied   |
| • Pre-lets on 40% of floorspace               | To be completed post determination                            |
| • Exchange of bus station agreement           | Substantially progressed but on hold until post determination |
| • Satisfactory Planning Permission            | Post call-in  |
| • Site Acquisition and Vacant Possession      | Post determination  |
| • Confirmation of a Road Closure Order        | Post determination  |
| • Satisfactory Funding                        | Post determination  |
- 3.7 Despite the call-in we are further ahead in the satisfaction of these conditions than we would have ordinarily anticipated. In short we are delighted with the progress we have made to date. It is perfectly normal in schemes of this nature that further work on design, land assembly, leasing and funding, is pursued following the grant of planning permission.

- 3.8 In October 2007 the partnership acquired the head leasehold interest in the Guild Tower for a sum in excess of £10m, representing a significant step in the land assembly for the project. Whilst the City Council is the majority land owner in the HTRA other third party interests will also need to be acquired either by private treaty or compulsory purchase. This will only be progressed once planning has been secured and the detailed design has been progressed.
- 3.9 In July 2009 Grosvenor announced it was exiting the partnership. Since this time Lend Lease has taken the lead role in managing the development. Grosvenor's desire to exit the partnership has been a result of its strategic decision to concentrate predominantly on residential and smaller mixed-use schemes. A copy of Grosvenor's press release announcing its exit is included at **Appendix 4**.
- 3.10 At that stage Lend Lease reviewed the project and decided to continue pursuing the opportunity and re-affirmed its commitment to Preston. This involved reviewing a number of issues including the progress and milestones achieved to date, our relationship the stakeholders including Preston City Council and Lancashire County Council, timescales along with our overall view of deliverability. From this review we concluded that the opportunity for Preston and Lend Lease presented by a scheme of this scale meant that it remained a key project. When the scheme was called-in in September 2009, we again reviewed the scheme and decided to continue to support the city and commit the necessary funds in order to promote the project through the inquiry.
- 3.11 Since Grosvenor's announcement, to exit PTP, all project costs including the call-in are being met by Lend Lease.
- 3.12 At this stage in the process we have achieved a number of key milestones that we feel has well positioned the project in terms of the development process and will lead to successful delivery following a positive determination by the Secretary of State.
- 3.13 The significant milestones that have been achieved to date include:
- October 2005 completion of Development Agreement;
  - July 2007 PTP formed;
  - October 2007 purchase of Guild Tower;
  - November 2007 JLP agreement to lease completed;
  - January 2008 SPD adopted;
  - March 2008 commencement of land referencing for CPO purposes;
  - September 2008 planning application submitted;
  - September 2008 M&S agreement to lease completed;
  - October 2008 Cineworld agreement to lease completed;
  - November 2008 English Heritage support the HTRA application proposals and the impacts on the heritage assets;
  - March 2009 4 North West (Regional Planning Body) confirm HTRA proposals are acceptable in the terms of the Regional Spatial Strategy;
  - July 2009 resolution to grant planning permission by PCC; and
  - January 2010 DCMS confirm that Preston Bus Station and Car Park will not be statutorily listed.
- 3.14 Both JLP and M&S have re-affirmed their commitments to the scheme by way of letters of support for the Partnership through the call-in, which are included within **Appendix 5 and 6**.

- 3.15 Within proof reference PTP/6/B, Mr Goddard outlines how the proposals and the policy base for the scheme were developed.

## 4.0 Preston – The Opportunity

- 4.1 At the time of Lend Lease's entry to the PTP, neither JLP or M&S had committed to the scheme. However, based on independent research commissioned by Lend Lease in 2007, we were confident that the city had the correct demographics and location characteristics to attract both of these anchor stores to the development. This coupled with the emerging planning policy convinced us that Preston was the only centre in the sub-region in which to commit our investment.
- 4.2 We recognise that Preston is not fulfilling its potential and lacks the quality and diversity of offer expected in a city today. As outlined in Mr Goddard's proof of evidence (PTP/6/B), the city centre has failed to secure any significant retail investment in over 20 years, with its retail offer trading from largely out-dated units that no longer meet modern retailer requirements. The centre lacks an anchor department store that we would ordinarily expect a city of this size and this, combined with the out dated floorspace, has severely impacted upon its ability to attract new and higher quality retailers. The lack of other key City Centre attractions, such as a cinema, and a limited food and beverage offer, contributes further to the failure of the city to take full advantage of its catchment.
- 4.3 The poor quality and condition of some of the buildings in the heart of the City Centre are not commensurate with a city of this standing. Mr Wakes's proof of evidence (PTP/3/B) refers to a number of these failings, which would be addressed by the scheme. These include the St John's Centre, Lowthian House, Guild Tower and the Tradex Centre. The city also lacks a coherent or quality public realm to entice people to enjoy the City Centre to its full extent. The impenetrable barrier caused by the bus station severs any linkage between the City Centre and the residential hinterland to the east. There is therefore an opportunity to repair many of the dysfunctional aspects of the City Centre through a comprehensive development.
- 4.4 The poor quality retail offer is attributable to and symptomatic of a number of factors, summarised below:
- Structural deficiencies in the retail circuit – the current circuit is fragmented and does not promote footfall to all the retail areas of the City Centre. The lack of major retail attractions means that visitors are not drawn through the city, resulting in an underperformance of those areas immediately outside of the prime retail frontages.
  - Representation – there is limited representation of high order and fashion multiples accompanied by a concentration of volume retailers and discount operators.
  - Limited availability of modern retail accommodation. - there is a shortage of modern retail accommodation with large, floorplates, with the result that some national multiples occupy restricted accommodation which is inconsistent with their representation in competing centres.
  - Existing retail stock is dominated by small units (80 per cent of units are less than 2,500 sq ft) - these do not provide retailers with the type of space that they now require, and national multiple retailers commonly occupy units of between 2,500 and 5,000 sq ft. These account for 14 per cent of current Preston retail floorspace compared with 21 per cent for other comparable modern centres.

- Increasing emphasis on comparison shopping - the loss of convenience retail floorspace in the town centre has been marked, as has the movement of household and furniture retailers to out of town retail developments. This has further narrowed the range of the town centre retail offer.
  - An indistinct shopping experience - the retail offer is not seen as distinct from competing centres locally e.g. Bolton, Wigan and Southport.
  - The centre is already at a low base in terms of values and rents as a result of its existing low quality retail offer and outdated accommodation and this provides the scope to increase margins through the introduction of high quality retailers and development, ensuring a more commercially attractive scheme.
- 4.5 The city is blessed with some fine historic and important buildings, a number of which are within or close to the HTRA. The setting of many of these buildings is marred by more recent physical interventions. The Tithebarn scheme will go a long way in restoring not only the built architecture but perhaps more importantly the public realm which provides the context for the city's heritage. Mr Wakes provides further detail on our proposals in his proof of evidence (PTP/3/B).
- 4.6 It is against this back drop that we consider Preston is well placed to commit significant investment into retail-led town centre regeneration. Whilst the centre does not perform as well as it could, we feel that the presence of a JLP and additional quality retailers will help to recapture the expenditure from the city's catchment that is currently lost to locations outside of the sub-region. Moreover, the presence of major new retail attractions such as JLP are key to improving the retail circuit by drawing shoppers around the City Centre.
- 4.7 It is our view that the scale of the development at Tithebarn provides the opportunity to deliver a high quality sustainable scheme, with a mix of uses, creating jobs, a safer more pleasant environment with a thriving leisure and evening economy.
- 4.8 We feel that the economic drivers of Preston remain strong and are confident that once the Tithebarn development is delivered it will breathe new life into the heart of the city enabling it to recover, and sustain its own on-going success and fully serve the needs of the existing catchment.
- 4.9 The scheme will deliver a rich mixture of City Centre uses, including shopping, leisure, cafes and restaurants, residential, offices and hotel, to meet the local needs and provide the necessary uplift for Preston to become a strong, vibrant and competitive centre. The scheme will provide the required critical mass and range of retail floorspace configured to meet retailers needs and to draw people through the City Centre.

- 4.10 We do not consider that the proposals will have any material adverse impact on the vitality and viability of Preston City Centre or any neighboring town centre. As Mr Goddard explains in his proof of evidence (PTP/6/B), there has been a significant amount of research and assessments undertaken identifying capacity for Preston in the region of 60,000 – 65,000 sq m of new comparison floorspace, to be largely accommodated within the Tithebarn area, which would not significantly impact on nearby centres. Whilst there might be a small impact on one or two nearby centres this needs to be balanced against what I consider will be an overwhelming positive contribution to Preston. Moreover both Blackburn and Blackpool have continued to secure significant comparison shopping investment despite the proposed enhancements to Preston City Centre being widely known for many years.

## 5.0 Heart of the Tithebarn Regeneration Area (HTRA) – Delivery

5.1 PTP is committed to assisting the delivery of a lasting and sustainable regeneration of Preston City Centre and the wider region. The HTRA proposals that form the basis of the planning application have been designed to respond to the key challenges of Preston and the City Centre identified through planning policy and in response to the extensive consultation undertaken by the Partnership.

5.2 From our experience elsewhere, we understand stakeholder engagement can maximise the positive social and economic impacts of the project, whilst minimising any negative impact, which is essential to delivering long term sustainable regeneration. As part of the development process for Tithebarn, the Partnership undertook an extensive public consultation exercise in order to engage with local stakeholders and to gain a full appreciation of the community's aspiration for Preston and the project. These included:

- A programme of Marketing, PR and communications activity was undertaken to co-ordinate and promote the public consultation for Tithebarn. Activities ranged from promotional campaigns such as the town crier launch to newspaper advertisements and media briefings.
- The Preston Tithebarn Information and Exhibition Centre was established, manned by a dedicated community development manager.
- The pre-application public consultation commenced on the 16th May 2008 with a presentation to Preston City Council members and the Preston Vision Board. Members of the public were invited to view the public exhibition centre from 17th May to 11th June 2008.
- The centre had over 2,170 visitors with 820 written comments submitted. It provided the following key benefits:
  - Accurate information about the scheme had been communicated;
  - Increased public understanding of the scheme; and
  - An increased public acceptance of the proposals;

5.3 Respondents provided both positive and negative views on a range of subjects related to the Preston Tithebarn proposals. Analysis of all responses as either 'positive', 'mixed' (positive comments with suggestions for improvements) or 'negative' showed that:

- 65% of respondents made wholly positive comments;
- 15% of respondents made wholly positive comments with suggestions for improvements;
- 20% of respondents made negative comments.

5.4 There was an overwhelming acknowledgement that the Tithebarn scheme is critical for the success of Preston and the most frequent response from members of the public was to progress with the development as soon as possible. Since the consultation period formally ended the information suite has remained open by appointment only, and we continue to engage with a number of stakeholder groups in Preston.

- 5.5 The on-going consultation undertaken since our involvement has influenced the final scheme proposals for the HTRA, with the development proposals seeking to meet the wide ranging needs of the stakeholders within the city's catchment. Through this process, it has become clear that the aim of the PTP is to regenerate Preston City Centre with new shops, hotel, daytime and evening leisure activities, homes, offices, revitalised markets and a new bus station.
- 5.6 The Tithebarn scheme is not just about shopping – it is to deliver wholesale City Centre regeneration, offering a more cosmopolitan city based working and living culture. It will expand Preston's leisure offer through cafes, bars and a new multi screen cinema, creating a destination for living, working and recreation.
- 5.7 A key element of the scheme is the refurbishment of the listed 1875 structure to house a reinvigorated market for Preston, alongside significant improvements to the surrounding public realm. This will re-establish the market area as a major attraction for the city and reinforce the new retail circuit.
- 5.8 In order to bring forward the wholesale regeneration a substantial comprehensive mixed use development, is required. The wider benefits generated by Tithebarn will only be created by introducing critical mass. We do not consider piecemeal development will deliver a coherent restoration necessary to achieve the city wide improvements.
- 5.9 We aim to:
- Create a new coherent retail circuit to be more attractive to retailers and shoppers alike;
  - Create a development that is viewed as part of the natural architectural evolution of the city, whilst still maintaining the uniqueness of Preston;
  - Provide a genuine mixed-use development, which includes retail, leisure, hotel, office and residential uses to rejuvenate an under-utilised area in the City Centre;
  - Provide a development which is fully integrated into the City Centre and a place of interest for visitors and their companions through the creation of a high quality public realm;
  - Create a destination that enhances the quality of life in the City Centre as a place to visit; work, relax, or live in, both night and day;
  - Provide the catalyst for the surrounding area to maximise its potential;
  - Provide a range of new employment opportunities; and
  - Provide a safe, secure and comfortable environment that promotes pedestrian accessibility.
- 5.10 Economic forces have made the viability of any major development project within the UK challenging. Lend Lease firmly believes that the market is cyclical and that fundamentally Preston is well positioned in terms of demographics, transportation links, infrastructure and local economy for our investment to revive this vital city of the north-west. It is for these reasons that Lend Lease remains committed to securing the planning permission for the scheme, despite losing its joint venture partner.

5.11 It is intended the scheme will:

- Change the perception of the city;
- Prevent leakage to other major regional competing centres;
- Introduce a department/anchor store with a complementary retail mix;
- Increase the quality of the retail offer;
- Attract new retailers to the City Centre;
- Complement the existing retail offer in the city core; and
- Increase permeability and accessibility of the centre with the wider city.

5.12 The proposed redevelopment will be integrated with and complementary to the existing retail and leisure provision in the City Centre. The approach to the letting campaign will focus on the delivery of a high quality mixed use retail led environment.

5.13 The success of securing the Department Stores anchors, together with the Cinema as the leisure anchor provides the platform to realise the aim of bringing new retail and catering tenants to the City Centre who might not otherwise have considered Preston.

5.14 A series of interlinked streets and squares will be created to provide a successful retail pattern, drawing visitors between different areas, and integrating the scheme with the existing City Centre. Pedestrian circuits, linking the St Georges Centre, the Flag Market and Fishergate will be created through new retail routes along Liverpool Street, the new reinvigorated market, New Old Vicarage, New Tithebarn Street and Guildhall Arcade, and secondary routes allowing permeability in and around the site. The scheme will place the civic function and the Flag Market back in to the heart of the city, as part of a new and improved pedestrian circuit.

5.15 Reference has been made by objectors to a number of sites that are claimed to be sequentially preferable, where it has been suggested that some or all of the proposed development could be located. Mr Goddard in his proof reference PTP/6/B assesses whether they are in fact sequentially preferable within the meaning of PPS4 (CD/A5). My thoughts on the suitability of the sequential sites and their potential to deliver a comprehensive regeneration are summarised below.

- Fox Street / Corporation Street

Whilst the site benefits from good accessibility it is too small to accommodate any significant element of retail floorspace and fails to support the introduction of a new high quality anchor store. The site also has a number of barriers which would make development difficult including the operational Grade II listed Primary School and an ancient burial ground. The majority of the site also lies within the Fishergate Conservation Area which unlike the HTRA scheme, would be seriously compromised by any development. I therefore do not believe that the site is suitable for any meaningful development.

- Avenham Street

The site has limited frontage and is too small to accommodate any significant element of the retail needs identified for the city, including the introduction of a new quality anchor store. The site would not add any improvements to the existing retail circuit or public realm provision. Mr Goddard also identifies the site as being located outside of the PRC and would be viewed as edge of centre and as such not sequentially preferable.

- Land at the Rear of the Fishergate

The site is again identified as lying largely outside of the Primary Retail Core (PRC). The site is severed from Fishergate by the existing shopping centre and the only realistic prospect of developing the site for retail will be extending or redeveloping the existing stores. As Mr Goddard's evidence shows there is sufficient capacity for both sites to come forward by 2020, however we have reservations as to how this scheme would integrate with the existing retail circuit. Moreover I fail to see how the regeneration benefits presented by Tithebarn can be replicated by the development of this site.

- 5.16 The scale and location of the HTRA proposals are the most appropriate in order to secure the long standing objectives for City Centre regeneration. The HTRA seeks to address the fact that there has been relatively little economic investment over the last 20 years in the City Centre, and provides opportunities for local businesses at all levels.
- 5.17 The scheme will result in £700m of investment in Preston and prove a significant boost to the leisure sector and complimentary evening economy, and firmly establish Preston as a safe place to visit and enjoy.
- 5.18 PTP have already invested £26.4m in the project, including commencing site assembly at a cost of in excess of £10m.
- 5.19 The project will involve £120 million of public infrastructure consisting of a bus station, extensive public realm, highway changes, utilities and public car parking.
- 5.20 I am of the opinion that it is imperative for the scheme to progress as the city has lacked any investment for the last two decades compared with Blackburn and Blackpool. Blackburn has recently secured the 9,000 sq m extension to the Blackburn Shopping Centre on Lord Square, at a cost of £66m; and Blackpool has benefited from the 18,500 sq m extension to the Hounds Hill Shopping Centre, which is anchored by Debenhams, as well as the Talbot Gateway redevelopment which was recently consented to include over 15,000 sq m of retail, along with the acquisition of the Blackpool Tower and the Winter Gardens complex for £38.9 million.

### Timescale

- 5.21 It is anticipated that the HTRA proposals could be completed and trading by 2017 / 2018, if a positive Secretary of State decision is issued in early 2011. Following a positive decision, PTP expects to progress the scheme sequentially de-risking the project as we move through the development process. Following the granting of planning permission we anticipate evolving the scheme design to allow for reserved matters submissions to be made. Progressing detailed design will allow us to be clear about the precise physical extent of the scheme prior to land assembly (including, if necessary, the City Council embarking on any CPO process).

- 5.22 Providing all relevant approvals are in place by Spring 2013, demolition and construction on-site can commence, with a planned completion in late 2017, early 2018. I set out an indicative phasing programme below.

HTRA Call-in Inquiry	Summer 2010
HTRA Call-in SoS Decision	Early 2011
Scheme Design	Spring / Summer 2011
Preparation of Reserved Matters Applications	Summer / Autumn 2011
Submission and Determination of Reserved Matters	Winter / Early 2012
CPO Process Commences	Autumn 2011
Making the CPO	Early 2012
CPO Inquiry	Autumn 2012
CPO Confirmation	Spring 2013
Site Preparation and Demolition	Summer 2013
Commence Construction	Early 2014
Scheme Completion	Autumn 2017 / Spring 2018

## 6.0 Implications of Planning Permission being refused

- 6.1 If the Secretary of State decides to refuse planning consent for a comprehensive development at Tithebarn, it is likely that this would have serious long term implications for the city.
- 6.2 Failure to grant planning permission would deny Preston the opportunity to:
- create a quality destination;
  - substantially improve the retail offer including a reinvigorated market;
  - dramatically improve the evening economy;
  - create additional jobs;
  - restore the fabric, in particular a number of listed buildings of the City Centre;
  - broaden the range and diversity of housing opportunities in this sustainable location;
  - improve its public realm;
  - remove the Bus Station, as a major impediment to physical regeneration; and
  - create a modern transport interchange.
- 6.3 Without a scheme of an appropriate scale to justify the public realm, transport interchange, department stores and other city wide benefits, Lend Lease would have no option but to withdraw. Having committed significant capital and resources to the project it is unlikely that we would have the appetite to pursue a completely new application.
- 6.4 Moreover, with two of the UK's most prominent developers, Grosvenor and Lend Lease, having spent over £26m pursuing the opportunity and not achieving planning, would greatly diminish investor confidence. It is unlikely that another investor would feel that they would have a reasonable chance of success of achieving a major development in the city even if they were to commit vast resources to it.
- 6.5 As previously highlighted Preston has lacked any investment for some 20 years and by denying the opportunity for investment now it is likely that the much needed regeneration of this neglected city will fail to be secured for possibly the next decade. We consider that failure to grant planning permission could lead to years of inactivity.
- 6.6 The long gestation periods of complex City Centre regeneration projects such as Tithebarn is such that failure to grant planning permission will result in the city failing to benefit from the considerable progress on the project made thus far. Lend Lease's commitment to the city represents a tangible opportunity to capitalise on the investment made to date. The Partnership has made significant progress on the development which would in effect be lost.
- 6.7 Frustrating progress in Preston will not lead to investment being re-directed to other alternative towns in the region. It has been clearly indicated by the key anchor stores for the scheme, that if major development does not happen in Preston they would not look at alternative towns in the region. Aside from the regeneration opportunity we consider the commercial prospects presented by the HTRA and Preston's catchment are unique and would not be met by the other sequential sites nor in other adjoining towns. This investment would therefore be lost.

## 7.0 Conclusions

- 7.1 Lend Lease is looking to deliver a high quality retail led regeneration of the city, with a mix of uses, creating jobs, a safer more pleasant environment and a thriving leisure and evening economy. Preston Tithebarn will become a significant part of our retail asset management portfolio, with Lend Lease remaining a long term stakeholder in the city.
- 7.2 Lend Lease has continued to review the scheme and concludes that the strength of the existing catchment, the current weaknesses of the City Centre and its retail offer continues to represent a major investment opportunity. The progress made to date including securing the three anchors, support our ongoing commitment. We therefore continue to support the city and commit the necessary funds in order to promote the project through the inquiry and beyond, to a successful delivery.
- 7.3 The Partnership has invested over £26m in the city to date including over £10m on land assembly for the site.
- 7.4 Only a substantial development as proposed by the Tithebarn application can generate the benefits required for the city such as the improvement in the public realm, creation of jobs, modern offices, leisure facilities and an improved transport interchange. We do not consider piecemeal development will deliver a coherent restoration necessary to achieve these improvements.
- 7.5 Failure to grant planning permission after 10 years of commitment from the stakeholders and developers will be disastrous for the long term future of the city and will in all likelihood lead to years of inactivity for Preston.