

Station Approach Draft Development Brief

South Kesteven District Council

June 2009







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1. Foreword

Grantham is at a key stage in its growth and development and the next decade will see further changes.

A Development Brief for Grantham Station Approach

In addition to the planned growth as part of the emerging Local Development Framework, Grantham has secured Growth Point Status as part of the Regional Spatial Strategy for the East Midlands, (2006-2026). Grantham Town Centre has to develop and improve if it is to secure its position as a sub-regional centre. Accessibility of the centre and the quality of its built environment must be addressed and opportunities for new investment must be created.

Impressions of a town are formed by the buildings and the spaces between that make up the public realm and the townscape; the quality of its facilities; services; places to visit and the ease of connectivity and movement between key areas. It is through these first impressions that people make decisions, whether to visit, work or to invest. There are significant social and economic benefits to be gained in ensuring that a town realises its potential and can be re-vitalised into a thriving, vibrant and attractive centre that all its residents, workers and investors can take pride in. The successful, sustainable development of Station Approach, as one of the key opportunity sites within Grantham is the beginning of this process.

South Kesteven District Council is delighted to present this Station Approach Development Brief. The Brief provides guidance on how this important site should be developed in line with the vision for Grantham and relevant planning and design policies. It provides an indicative but flexible vision of future development form that will integrate and complement Grantham's charming historic core.

Councillor Frances Cartwright

Cabinet Member for Economic Development
South Kesteven District Council
June 2009





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2. Introduction

The purpose of the Station Approach Development Brief is to provide a framework for the development of a series of sites around Grantham Station.

Purpose

Station Approach site was identified as part of the Grantham Town Centre Issues and Development Options, August 2007. The site previously referred to as Station Point proposes a mixed use business quarter linked to the rail station and town centre, with a view to targeting regional businesses requiring strategic access to London and other regional markets. The Grantham Town Centre Issues and Development Options was formally endorsed by South Kesteven District Council's Cabinet in November 2007.

The purpose of the Station Approach Development Brief is to provide a framework for the development of a series of sites around Grantham Station.

The Station Approach Development Brief (hereafter referred to as the Brief) has been prepared by GVA Grimley on behalf of South Kesteven District Council, in conjunction with KMW Architects and MVA Consultancy.

The Brief is a written statement to guide future developments for Station Approach. Visuals and drawings have been included to provide illustrative guidance. A Transport Assessment has been undertaken to support the work.

Vision for Grantham

The Grantham Town Centre Issues and Development Options, (2007), prepared by Gillespies states, "The vision for Grantham is that of an economically, socially and physically connected sub-regional centre. The future will be bustling and vital, providing a distinctive and complementary retail, visitor, living and work environment".

South Kesteven District Council, in endorsing the Grantham Town Centre Issues and Development Options establishes that, "The lively centre of Grantham will provide an attractive traffic calmed environment which allows the enjoyment of its historic spaces, buildings and streets. Varied shopping opportunities will be on offer associated with larger stores and a range of smaller independently owned specialist shops which offer distinctive products and produce associated with the area".

The Grantham Town Centre vision promotes, "New retail stores meeting contemporary development needs will operate from re-generated sites and be associated with mixed uses which will in particular include opportunities for living in the town centre".

The vision for Grantham encourages "New employment focused on knowledge based and emerging service industries reversing the trends to out commuting and providing employment within walking distance of the centre. Grantham will have a much enhanced appeal to visitors. This will encourage an extended stay based upon the enhanced and better interpreted town heritage, enhanced role for the town park and riverside setting and the story of notable personalities including Sir Isaac Newton supporting the notion of Grantham as a "Birthplace of Genius".

Grantham Station Approach Development Brief sits in an overarching vision that seeks to:

- Provide a connected public realm;
- Create sustainable transport solutions;
- Consolidate, improve and diversify the town centre retail offer; and

- Create a town centre of different parts.

Other key projects identified as part of the vision for the town centre include:

- Greyfriars;
- Wharf Place; and
- Canal Basin.

South Kesteven District Council is seeking to encourage redevelopment in Greyfriars and Wharf Place within Grantham Town Centre. In addition the District Council is promoting the Grantham Heritage and Environmental Trail, known as The Green Mile (Draft Concept Statement 2007), that seeks to promote the town's built, natural, retail and night time offer.

Aims of the Development Brief

The key principles for Station Approach as defined in the Grantham Town Centre Issues and Development Options, (2007), are:

- To make better use of this strategic site linking the station and town centre in enhancing the town centre vitality and viability;
- To increase economic development potential and increase town centre footfall; and
- To encourage the consequential affect of new development in uplifting the surrounding area; making it a more desirable place to live; improving connections to the station and setting the basis for long-term change.

This framework is intended to guide the development of the site to achieve the following objectives:

- To set overall design principles and parameters for Station Approach;
- To provide a guide to the overall development parameters for the site – preferred mix and scale of development;
- Ensure maximum development values are achieved for the site;
- To provide quality standards for the site;
- To achieve the comprehensive redevelopment of the site;
- Give clarity to developers and investors regarding the Council's requirements for the site; and
- Provide an indicative approach to the delivery and phasing of the development.

Status

This brief supplements existing planning policy and will be a material consideration that the Council will take into account when determining any planning application for the site. It is understood that the Council's Core Strategy is expected to be adopted as part of the Local Development Framework in early 2010.

This Brief, subject to adoption, will be used by South Kesteven District Council and any future developers for the site as a framework against which

to judge the suitability of proposals and the standards of design expected from future development.

Location

Station Approach is located on the A52 Wharf Road adjacent to Grantham Station. The site is currently in a combination of light industrial and semi-industrial uses. A large proportion of the site is currently serving the station as a car park. The site is currently owned by a number of landowners.

Local Context

Grantham is typical of many market towns that need to adapt to the challenges and demands of the 21st Century. Whilst Grantham has retained its charming historic core and has a number of natural assets the town needs to meet the opportunities and challenges that have been presented through receiving Growth Point Status in 2007, making it eligible for additional funding from central government to facilitate housing growth and infrastructure provision. Commitments have been secured for the financial years as follows: 2008/09 - £1.95m; 2009/10 - £2.4m and for 2010/11 - £2.8m.

Regional Context

The East Midlands Regional Spatial Strategy identifies the potential role for Grantham as a sub-regional centre supporting the larger urban centres of Nottingham, Leicester and Derby in providing services and employment opportunities for the region. The East Midlands Regional Strategy provides a vision for Grantham, along with other smaller centres in the sub-region, as a consolidated centre taking advantage of its locational and labour market assets to drive the economic growth and wealth of the wider region.

In 2007 Grantham's resident population was estimated at 41,000. By 2016 this is projected to increase to 49,400 and to 60,300 if the overall growth ambitions are achieved, supported by major housing development in the town. As part of its Growth Point designation, Grantham will be expected to deliver 6,500 additional homes by 2026. Consolidation of the town centre will be a major component of achieving the overall growth ambitions for Grantham.

The Grantham Town Centre Issues and Development Options (2007) sets out a framework for providing a consolidated retail and leisure offer; new parks and open spaces; residential opportunities; new business and commercial premises to support the economic growth of the town.

The Grantham Growth Board has identified Station Approach as a priority project which will deliver significant economic benefits to the town centre and act as a catalyst to further investment in the town.

In addition, South Kesteven District Council, Lincolnshire County Council and its partners, including Lincolnshire Enterprise are keen to encourage a Business Innovation and Incubation Centre as part of the Station Approach development.

Summary of Development Proposal

The scale of development recommended by this Brief is:

Site 1

- Office Development - 12,800 m²;
- Retail – 1,200 m²;
- Hotel – Approximately 117 rooms (3600m²); and
- Residential – 17 townhouses and 45 x 1,2 and 3 bedroom flats.

Site 2

- Light Industrial – 5200 m²;
- Residential – 46 townhouses (as an alternative to start up units);
- Small start up units 2,900 m² (as an alternative to residential); and
- Multi-storey car park, approximately 760 spaces.

Structure

The structure of the Brief is summarised below:

- **Section 3 – Policy Review and Guidance**
- **Section 4 – Site Development and Context**
- **Section 5– Planning and Development Principles**
- **Section 6 – Implementation**
- **Section 7 - Appendices**





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3. Policy review and guidance

The purpose of this chapter is to provide a review of the relevant planning and regeneration strategy and policy within which the Development Brief for Grantham Station Approach sits. The review considers policy at a national, regional, sub-regional and local level to guide the development of proposals for the regeneration of Station Approach during the Plan Period.

National

National strategy and policy in the main takes the form of Planning Policy Guidance notes (PPG's) and their successors Planning Policy Statements (PPS's). These are supplemented by policy direction covering regeneration and growth such as the Sustainable Communities Plan.

Planning Policy Statement 1 Sustainable Development sets the broad overarching principles for growth and development within England and the parameters within which the planning system operates.

PPS1 focuses on the delivery of development in sustainable locations maximising the re-use of previously developed land and fully integrates them into the existing urban fabric, promoting good quality design which complements and enhances the character of places.

Most pertinently **PPS1** seeks to achieve the effective planning for and delivery of developments which enhance access to jobs, shops, community facilities and housing to enhance the vitality and viability of communities and towns.

Planning Policy Statement 3 Housing advocates that local planning authorities consider the suitability of existing sites allocated for employment and whether these may be more appropriately redeveloped for residential uses once other constraints have been taken into account.

PPS3 specifically highlights the need to consider the option of reusing vacant or derelict commercial stock and land as part of mixed use town centre development.

Draft Planning Policy Statement 4

Economic Development promotes an evidenced based approach to employment land allocation and argues in favour of protecting employment sites or areas which are functioning well. Draft **PPS4** seeks to facilitate the delivery of a range of business space to accommodate a range of business activities and sizes, in line with PPS6 draft PPS4 advocates the location of large office development within town centres to promote mixed use development.

Whilst draft **PPS4** seeks to protect and enhance employment space provision it does not do so blindly and indeed recommends local planning authorities consider the future viability and deliverability of land allocated for employment use, and, where this is not likely to come forward, consider alternative uses such as residential or leisure.

Planning Policy Statement 6 Town Centres seeks to preserve and enhance the viability and vitality of existing towns by encouraging growth and development to be accommodated within centres over out of town locations through more efficient use of land and buildings.

Planning for town centre growth should include an assessment of the potential to develop office based employment over the plan period and should reflect the broad locations identified within regional planning documents and the regional hierarchy of centres.

In general **PPS6** seeks to encourage the diversification of town centre uses and views the introduction or maintenance of 'above retail or leisure uses' office and residential provision as making a

positive contribution to the vitality of existing centres.

Regional

Planning and development at the regional level is directed by the Regional Spatial Strategy and the Regional Economic Strategy for the East Midlands.

Regional Spatial Strategy (2009)

The Regional Spatial Strategy (RSS) was adopted by the Government Office for the East Midlands in March 2009 and provides the broad planning and development framework for the East Midlands to 2026.

Within Policy 1 the RSS identifies ten core objectives for growth within the region:

- To ensure that the existing housing stock and new affordable and market housing address need and extend choice in all communities in the region.
- To reduce social exclusion
- To protect and enhance the environmental quality of urban and rural settlements
- To improve the health and mental, physical and spiritual well being of the Region's residents
- To improve economic prosperity, employment opportunities and regional competitiveness
- To improve accessibility to jobs, homes and services
- To protect and enhance the environment

- To achieve a 'step change' increase in the level of the Region's biodiversity
- To reduce the causes of climate change
- To reduce the impacts of climate change
- To minimise adverse environmental impacts of new development and promote optimum social and economic benefits

Beyond the Core Strategy the RSS considers policy through both spatial considerations (identifying the principal areas for growth – Policies 3 to 12) and also by topic (identifying priorities for growth such as employment, housing and transport – Policies 13 to 57).

Policy 3 identifies the "Distribution of New Development" within the East Midlands and sets out the regional hierarchy for focussing economic activity and development with Grantham featuring within the third tier and identified as a Sub-Regional Centre and suitable for "appropriate development of a lesser scale." The policy identifies the priorities for development locations as Brownfield sites (with a target set for 60% of housing development to be on Brownfield land), with further development on other sustainable sites.

Policy 4 sets the priorities for regeneration and development within the Eastern Sub-area, highlighting the need to ensure Growth Point targets are achieved within Grantham through the consolidation and strengthening of its role as a Sub-Regional Centre.

The RSS sets the housing targets for each administrative area within the Region, with a target during the Plan Period of 13,600 in Policy 13a, which provides an annualised target of 680 dwellings for South Kesteven.

Policy 19 sets the Regional Priorities for Regeneration for the Plan Period and whilst it sets no specific priorities for Grantham or South Kesteven more widely it does reinforce the need to strengthen the role and function of the Sub-Regional Centres where there are high or concentrated levels of deprivation.

The RSS provides direction for the delivery of employment land within the region, recognising the need to ensure sites are available which are attractive

to investors but meet the needs of small businesses. Priority is placed on delivering sites which are sustainable and located within regeneration areas, with the provision of necessary intervention and assistance to bring these forward.

Development within town centres is guided by Policy 22 which supports the principles of PPS6 and seeks guide development towards the town centres of the region, diversifying the offer to include retail, leisure and commercial (office) uses.

Regional Economic Strategy (2006)

The Regional Economic Strategy (RES) for the East Midlands (2006-2020) sets out the priorities for economic development within the region to improve the four key economic drivers of Skills, Innovation, Enterprise and Investment and therefore increase regional productivity. It sets out that:

"By 2020, the East Midlands will be a flourishing region. Increasingly prosperous and productive, we will enjoy levels of sustainable economic well-being and a quality of life higher than the European average and comparable with the best in the world."

The RES identifies three structural themes and ten strategic priorities for economic growth. The "Land and Development" strategic priority aims to ensure a balanced supply of quality development land which contributes to the sustainable growth of the regional economy.

The delivery of employment land is required to closely meet the needs of the RES priority sectors (Transport Equipment, Food & Drink, Construction, Healthcare) and enable the development of innovative businesses through the provision of quality sites and buildings which support enterprise development.

Priority Action 7b identifies a range of interventions required to ensure the supply of good quality employment sites, central to this is making use of brownfield sites and the upgrading and promotion of unattractive sites for other economically beneficial uses, ensuring relocation strategies are in place for those displaced by new development.

The approach to bringing forward employment sites through the LDF process should take into account the infrastructure and other needs for the site to be attractive for end users. This should encourage job creation through private investment but target public sector resources to key sites.

The RES also considers the supply of land for residential development and sets priority actions under 7c to ensure the development of sustainable communities through integrated delivery of housing with transport, economic, green and community infrastructure.

The RES moves on to focus on the sub-regional geographies within the East Midlands and the particular local priorities and challenges facing each sub-area.

The Eastern sub-area is perceived to be economically peripheral within the East Midlands and the RES identifies the existence of weaknesses within the local labour market and the extreme disparities in economic performance within the sub-area as key focuses for intervention.

To address these challenges four of the Strategic Priorities within the RES are considered most relevant to the Eastern Sub-Area, these are:

- Enterprise and business support;
- Employment, learning and skills;
- Land and development; and
- Transport and logistics.

Sub-Regional and Local

National and regional policy direction is translated and interpreted at the sub-regional and local level via specific strategies and research which, largely, support the delivery of the Local Development Framework for South Kesteven.

Sub-Regional

Peterborough Sub-Regional Strategic Housing Market Assessment (2008)

The Strategic Housing Market Assessment (SHMA) provides an assessment of the future housing requirements within the functional housing market area surrounding Peterborough, which includes Grantham. The SHMA assesses the state of the current housing market, considers future needs and demands within the area, and sets out the implications for local policy against this context.

The SHMA identifies the requirement for the delivery of 15,750 new dwellings within South Kesteven to 2026, of which 3,179 had been constructed by 2007, implying an annual build rate of 638 units per annum. The SHMA reflects the local Housing Needs Assessment and identifies a target of 50% affordable housing delivery in South Kesteven, with a 60:40 split between social rented and intermediate tenures.

It recognises that Grantham itself is distinct from Peterborough and appears to have a relatively self contained housing market area even within South Kesteven let alone the wider sub-region, as such it is contained in a sub-section of the main report.

The Growth Point status assigned to Grantham sets specific housing and jobs growth targets and reinforces the detachment of the town from the rest of the housing market area. Grantham itself has an additional housing target of 2,750 new homes by 2016, of which 30% are identified as affordable.

Rutland, South Holland and South Kesteven Strategic Housing Land Availability Assessment (2008)

The Strategic Housing Land Availability Assessment (SHLAA) provides an assessment of the potential land available to deliver housing growth within the northern half of the housing market area identified through the SHMA. The SHLAA identifies potential sites, their housing potential and when and whether they are likely to be developed.

The SHLAA identifies sufficient land within South Kesteven to accommodate housing development in excess of housing targets identified within the RSS. Within Grantham itself there is identified potential to accommodate 12,220 units over a fifteen year period, however no sites have been identified beyond this.

Underpinning the land supply for housing within and around Grantham are identified Greenfield 'Urban Extension' sites, these are also identified within the Submission Version of the South Kesteven Core Strategy.

Lincolnshire Employment Sites and Premises Study (2005)

The Lincolnshire Employment Sites and Premises study sought to provide an assessment of the demand and supply of employment sites for traditional 'B Class' uses both at present and in the future.

Grantham was identified as one of ten core market areas within Lincolnshire with analysis suggesting a shortage of serviced employment land for new development, a shortage of small/medium units, and an unmet demand for managed workspace. Particular conditions within Grantham have contributed to disinvestment and underperformance within the existing business parks.

The Study concludes that given the need to develop two strategic business parks within the County Grantham (as a regional centre) is ideally placed to accommodate such a development, with the public sector encouraged to facilitate delivery to ensure it meets identified needs.

Local

South Kesteven Local Plan

The South Kesteven Local Plan was adopted in April 1995 and was proposed to cover the period from April 1990 to April 2001. As a result of the change in legislation the 'saved' policies and proposals will remain valid until the adoption of a new Local Development Framework (LDF).

On 24th September 2007 South Kesteven District Council received confirmation from the Government Office for the East Midlands that a number (45) of policies from the South Kesteven Local Plan (adopted 1995) will continue to be saved in accordance with paragraph 1(3) of Schedule 8 of the Planning and Compulsory Purchase Act 2004.

The policies contained within the schedule attached to the Direction will be saved until they are superseded by new, adopted policies contained within the emerging Local Development Framework (LDF). All other policies not listed in the schedule will expire from September 2007.

It should be noted that the extended saved policies must be read in context. It is possible that new material considerations (particularly the emergence of a new national and regional policy) or evidence will be afforded considerable weight in planning decisions.

The Local Plan sets out detailed policies and proposals for the development and other use of land in the district. This includes the allocation of sites for specific purposes and guides most decisions on planning applications.

Reference should be made to the saved policies within the following key chapters of the Local Plan which are considered to be of particular relevance:

- Employment;
- Environment;
- Housing; and
- Retail Development.

South Kesteven Core Strategy Submission Version (2009)

The LDF Core Strategy provides the central principles and direction for growth and development within South Kesteven to 2026 and provides high level spatial, environmental, sustainability and economic policy for the District.

The Core Strategy sets three over-arching Spatial Objectives for the District to ensure sustainable settlements over the Plan period.

Objective One – “To facilitate a pattern of development that meets the diverse economic, social and cultural needs of the whole community and contributes to the environment in a way which ensures that development does not compromise the quality of life of future or existing generations.”

Objective Two – “To contribute towards a more sustainable pattern of development by directing the majority of all new development to the towns of Grantham, Stamford, Bourne and The Deepings.”

Objective Three – “To make effective use of land by maximising the amount of development on suitable previously developed sites and on sites in locations which reduce the need to travel to achieve National and Regional targets.”

Further objectives seek to reinforce and enhance the role of Grantham as a sub-regional centre, SP1 Spatial Strategy seeks to direct all new development to Grantham on appropriate and sustainable Brownfield sites and Greenfield land (where needed to meet growth targets). Policy SP3 seeks to locate development in locations which are particularly accessible by public transport, balancing land uses to reduce the need to travel.

Policies H1 and E1 (Housing and Employment development respectively) seek to support the principles of the spatial policies by directing new development towards Grantham town centre, seeking to broaden the housing mix and offer and diversify the employment base. As the principal retail centre within the District Grantham is also promoted as the ‘first choice’

location for new retail development under policy E2.

South Kesteven Employment Land Review (2005)

The Employment Land Review (ELR) for South Kesteven provides an assessment of the current employment land stock within the District and uses secondary data to assess future opportunities and threats to supply over the longer term. The over-arching theme for Grantham is that it lacks deliverable sites in appropriate locations to attract inward investment.

The ELR recognises current provision within Grantham of approximately 7.28ha of deliverable employment land, stating this falls short of expected levels of demand and stated planning policy. It is recommended that all types of employment space are brought forward, including the potential to develop a new business park which focuses on B1 space rather than manufacturing/production facilities.

The identified potential sites within Grantham are expected to deliver at least 60ha of new land for employment uses, with the potential for other sites to increase this further as part of mixed use developments. The ELR suggests future development should be split across use classes, with 30% for B1, 20% for B2 and 50% for B8.

South Kesteven Retail Needs Study (2006)

The Retail Needs Study provides an assessment of shopping patterns with South Kesteven to establish the need and requirement for additional retail development within the District's four main settlements.

Grantham is identified as the primary retail centre within the District and has a strong level of containment with regard to convenience goods and bulky comparison goods, however there is significant leakage to Peterborough, Nottingham and Leicester for non-bulky comparison goods.

Assuming current market shares are maintained there is a theoretical capacity for an additional 20,000sqm net comparison goods floorspace by 2021, however this could be revised

upwards if market share can be increased.

Grantham Growth Point Programme of Development

Following confirmation of Growth Point status for Grantham local partners were required to submit a Programme of Development (PoD) to CLG which sets out the vision for the growth area, the target and trajectory for housing delivery, and the projects which contribute to the delivery the Growth Point's aims.

The PoD identifies the potential to deliver an additional 4,295 homes in the 10 year Growth Point period, with the potential to significantly increase delivery post 2016 with a further circa 6,000 units. Allied to housing growth is the identified potential for increased employment opportunities and an associated need to increase the skills base within the area.

The aspirations of the PoD are underpinned by the identification of four key development sites within Grantham which provide capacity to accommodate the additional growth required alongside a series of smaller sites which have previously been identified through an urban capacity study.

- **Southern Quadrant** – an urban extension site with potential for mixed use development to accommodate 4,000 new homes alongside a new employment area, shops and community facilities. Delivery of the Southern Quadrant proposals will also enable the provision of the East/West Relief Road.
- **North West Quadrant** – an urban extension site for predominantly residential development (3,500 units) with small scale employment opportunities and new education provision.
- **Town Centre** – redevelopment of key areas to reinforce and enhance viability and vitality of the town including an expanded retail offer, improved office provision, greater residential units and improved transport interchange and Station facilities. The Town Centre proposals also include Station Approach, Greyfriars and Wharf Place.

- **Canal Basin** – redevelopment of the Canal Basin to provide a high quality residential and office-led business district to transform the town's image and offer.
- **Urban Capacity Sites** – a series of Brownfield opportunities covering 72ha with the potential to deliver in excess of 1,000 dwellings.

The successful delivery of these sites is recognised to require significant infrastructure improvements and investment, alongside comprehensive masterplanning to ensure opportunities within Grantham are maximised.

Conclusions

Having extensively reviewed the planning and regeneration context it supports the mixed use development of the Station Approach area of the town.

Policy direction at both a strategic and local level is focussed on reinforcing and enhancing the role of Grantham as a sub-regional centre through enhancement of its offer as a retail, employment and residential centre. Mixed use development would assist in achieving this whilst also enhancing the quality and perception of Grantham at one of its key gateway sites.

Fundamental to the development of proposals for the site should be the ease of access via public transport which serves to enhance any proposed development's sustainability and the opportunities redevelopment offers to better integrate the Station in to the wider town centre and the potential to enhance interchange facilities.





04

4. Site and development context

Introduction

Wider Context

Grantham Railway Station is located to the south of Grantham town centre. The station is located approximately 500 metres from the main retail area of the town centre and is physically disconnected from the town centre by a lack of clear pedestrian routes and the physical dominance of the town centre highways network. Pedestrian connectivity to the town centre is currently restricted by the vehicular dominance of the A52 Wharf Road junction that manages traffic travelling north, south, east and west through the town centre.

Station Approach comprises two sites that are included in the study area for this brief. The sites are referred to as Site 1 north of Station and Site 2, south of the Station. The sites comprise 13 acres of land situated on the eastern side of Grantham Railway Station and the East Coast Mainline. **Figure 1** establishes the Station Approach site boundary.



Fig 1. Station Approach Site Boundary



Fig 2.



Fig 6.



Fig 3.



Fig 7.



Fig 4.



Fig 8.



Fig 5.



Fig 9.

Adjacent uses

The built environment in the vicinity of the site varies considerably (**Figure 2**). To the north of Site 1 and along Wharf Road is the edge of the town centre. The uses on the south side of Wharf Road are predominately commercial on the ground floor with residential above whilst the north side is dominated by the south wall of the Isaac Newton Shopping Centre and associated car parks as well as the existing bus station. (**Figures 3 and 4**). The approach from Wharf Road to Westgate (across from the north corner of the site) is marked by The Maltings, a three storey listed building converted to commercial uses (**Figure 5**).

The eastern side of Site 1 is bounded by a low rise compact residential area which stretches east along the southern boundary of the Town Centre. This area is characterised by small terraced cottages fronting narrow lanes (**Figure 6**). Station Road and the East Coast Mainline form the western boundary of both Sites with Grantham Railway Station located in the southern tip of Site 1 (**Figure 7**).

The north boundary of Site 2 is marked by Station Road East (**Figure 8**) with a mix of residential and commercial uses. On the south and east Site 2 borders an established commercial warehouse and light industrial area (**Figure 9**).

Photographs illustrating adjacent uses



Fig 10. Adjacent residential area

Urban Form

The residential area adjoining Site 1 to the east is characterised by a fine grain of predominately 2 storey inter-war housing (**Figure 10**) often higher at street corners and along Wharf Road. A network of narrow roads with north to south orientation follows the medieval urban structure of the Town Centre.

The heavily trafficked A52 Wharf Road, which borders the site to the north, is the main east to west link through the Town and marks the edge of the Town Centre. To the north is the main retail area which extends from Westgate to the High street with a fine grain of 2-3 storey buildings towards Market Place and a much coarser grain of post-war additions towards Wharf Road.

The area to the east of Site 2 and stretching out along London Road is dominated by large retail warehouses and light industrial buildings with an average height of approximately 6m to eaves.

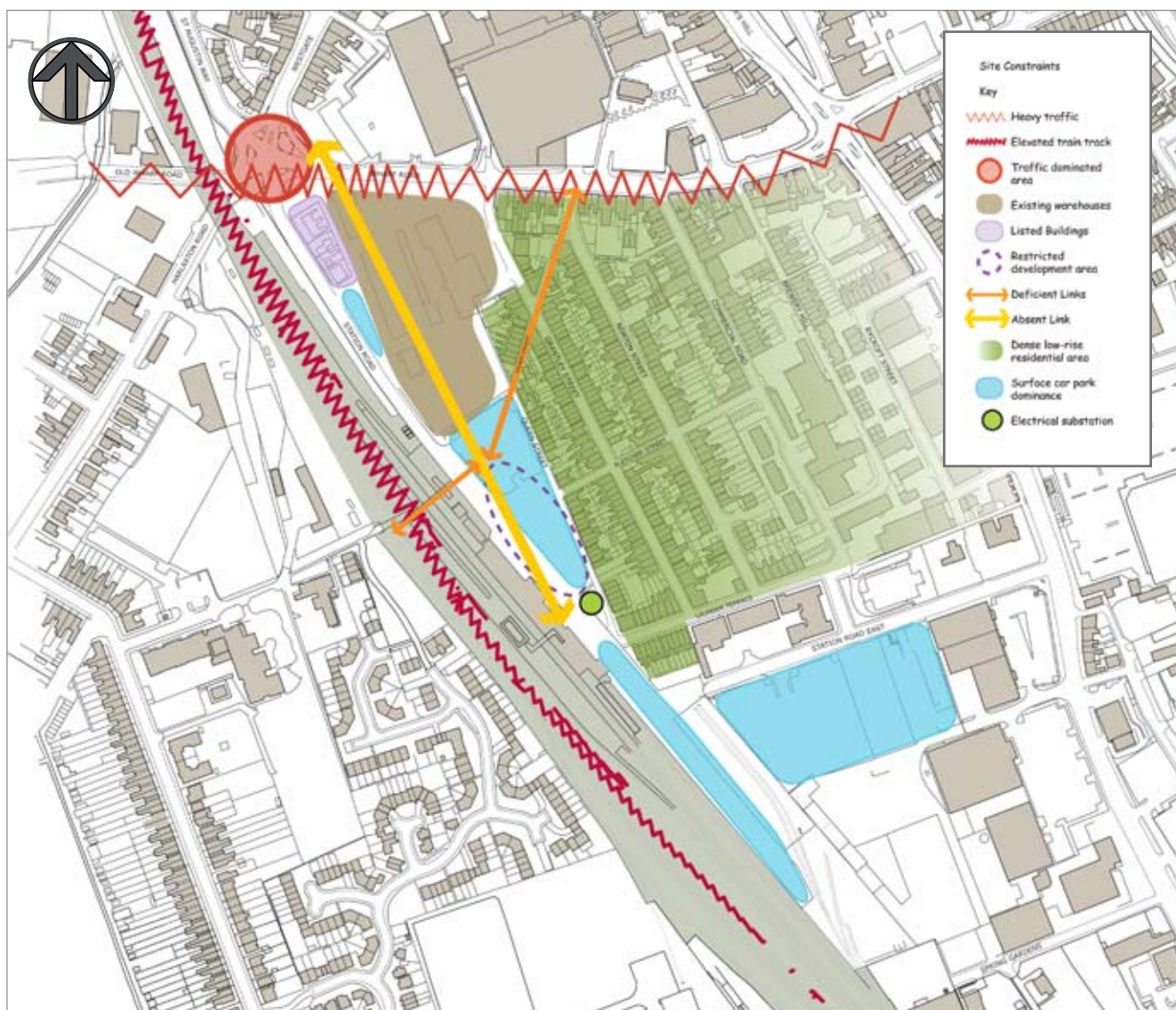


Fig 11. Constraints above ground

Site Descriptions

Site 1 – North of the Railway Station

The site slopes gently from a high point of approximately 64.3 m Above Ordinance Datum (AOD) close to Grantham Railway Station to a low point of approximately 55.5m AOD alongside Wharf Road in a north and then north-western direction. The Site area is 22,150m² / 5.47 acres.

The site benefits from good road and rail connections with Grantham railway station located at the southern tip of the site whilst Wharf Road is one of the

main arteries connecting Grantham with neighbouring towns. Existing access arrangements to the north part of the site are restricted due to the heavy trafficked nature of the A52 Wharf Road. However, there is an under utilised side access from Grantley Street and this creates the possibility of a new link with Station Road. The public car parks are approached via Station Road, which is currently owned by Network Rail.

The East Coast Mainline borders the site to the West and is elevated to a maximum height of 5m towards Harlaxton Road. As a result it severely hinders visual links with West Grantham and the Canal Basin area. The site is

further constrained by the fine-grained residential area to the East, as well as the group of Grade II listed buildings to the northwest of the site (Please refer to [Figure 11](#) illustrating the constraints above ground).

The north part of Site 1 is principally divided between the ownerships of Jewson and Tanvic. There are Grade II listed buildings on the site. A thin slice of land to the south is owned by South Kesteven District Council, Autumn Park Ltd and other private owners. The two public car parks that form the south part of Site 1 are owned by Grantham Estates and Network Rail (Please refer to [Figure 12](#) Land ownership map).

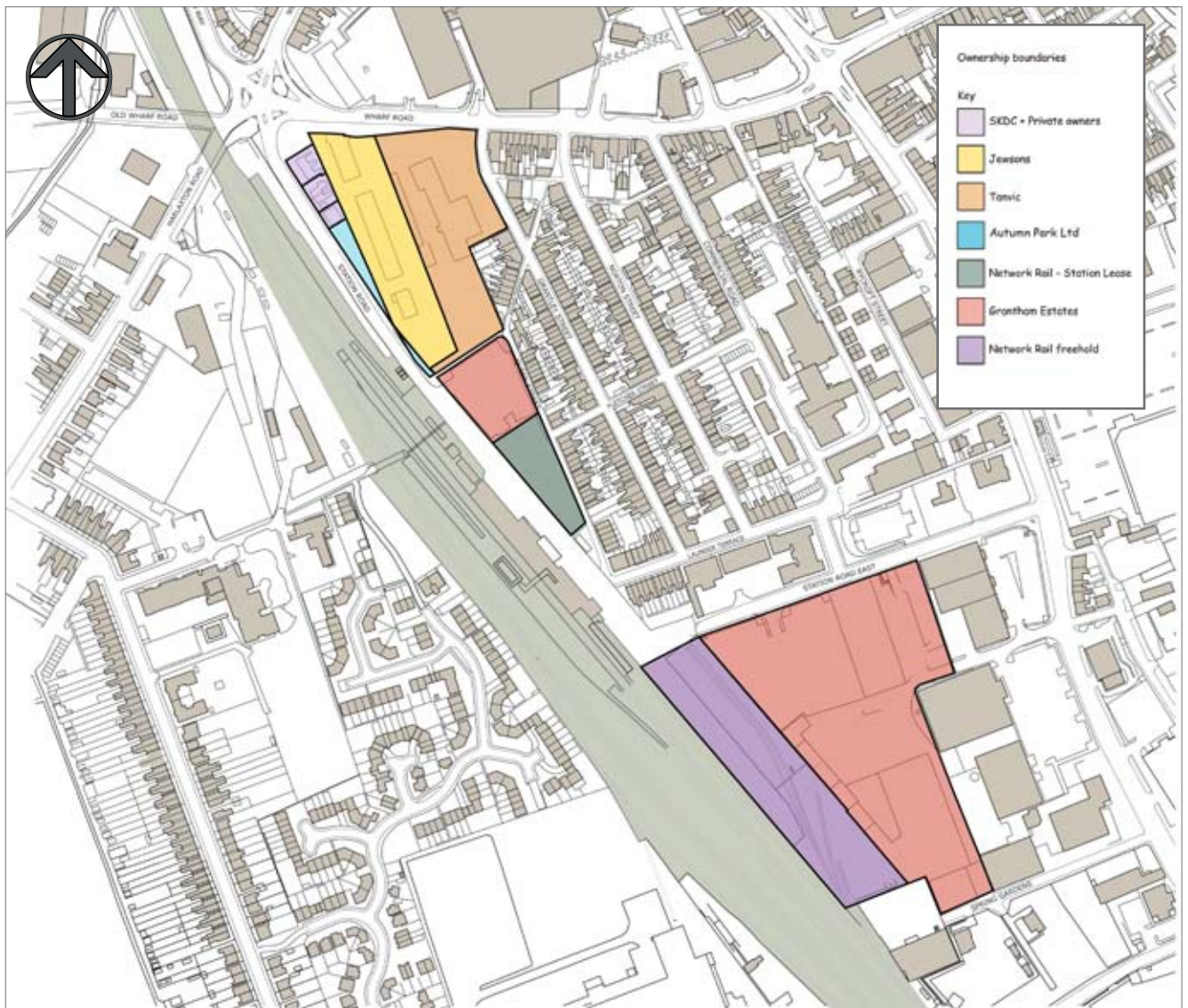


Fig 12. Land ownership

Site 2 – South of the Railway Station

Located to the Southeast of Grantham Railway Station with the East Coast Mainline as its West boundary, Site 2 comprises of 30,698m² / 7.59 acres mostly utilised for car parking. The levels across the site vary from maximum height of 64m AOD to approximately 58m AOD currently arranged as three descending platforms. The ownership of the site is split between Grantham Estates

and Network rail, with the latter in possession of approximately 1/3 of the overall area adjacent to the rail line (Figure 12).

Access to Site 2 is predominately via Station Road East although there is a secondary access from London Road to the southern part of the site and a further possibility for a link with Spring Gardens at the bottom of the site. Access to Station Road from Station Road East is currently blocked as a temporary traffic calming measure.

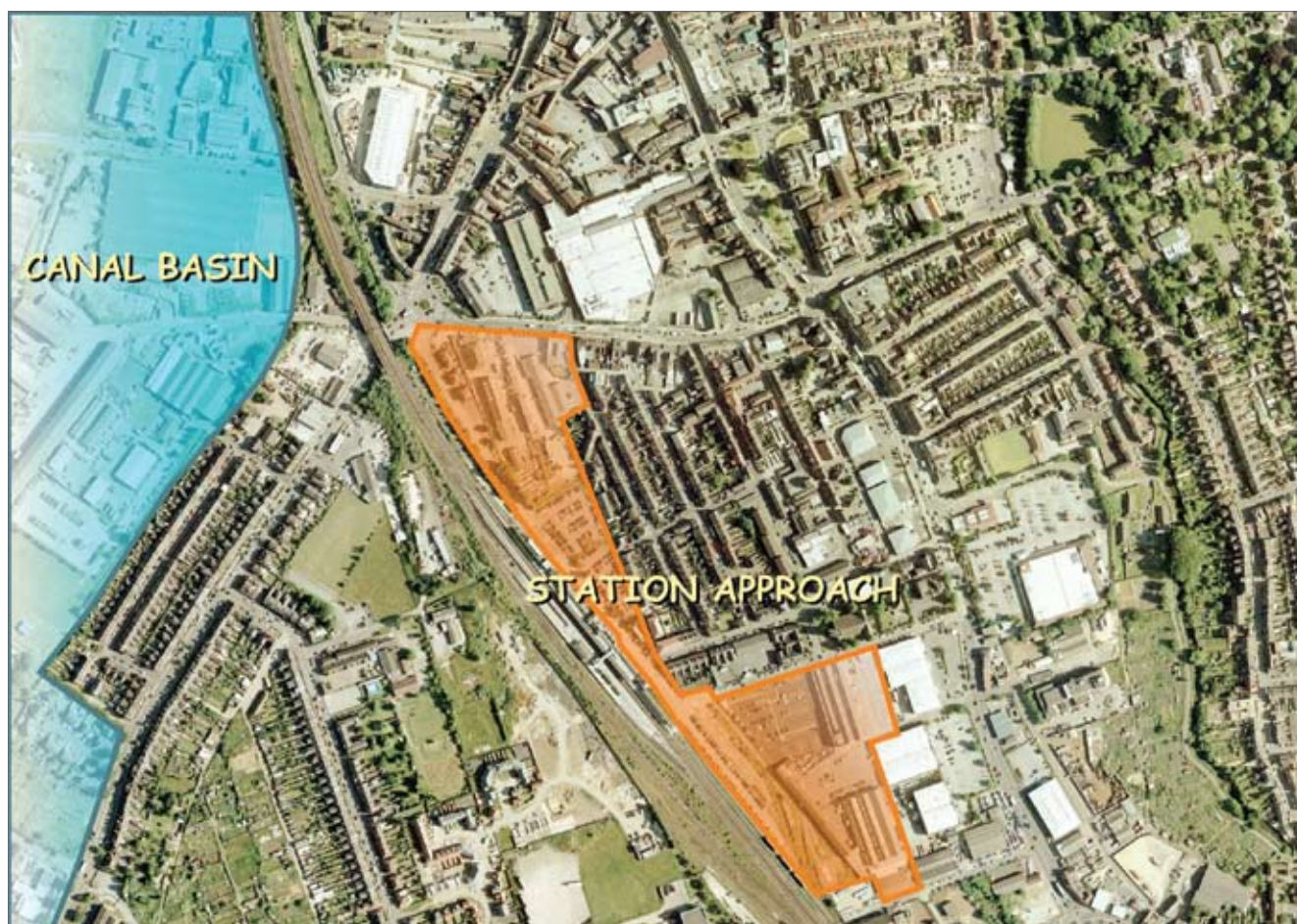


Fig 13. Canal Basin proposals in relation to Station Approach

Other development sites in proximity to Station Approach

As well as promoting Station Approach the Council and the Growth Board are seeking to promote Canal Basin as part of the overall growth agenda for Grantham. Canal Basin sits on the west side of the mainline railway and covers a site area of approximately 28 hectares. Canal Basin was formerly the terminus for Grantham Canal and has been closed for 70 years; the area is under-utilised brownfield land and occupied by a number of low density business units. The Council has prepared a Masterplan to develop the site as a mixed use business, residential and leisure quarter to complement the regeneration of the town centre and deliver the wider growth objectives for Grantham.

The relationship between the Canal Basin proposals and Station Approach is illustrated in **Figure 13**.

It is understood that the regeneration of Canal Basin has a longer implementation programme that will be brought to fruition in a number of phases and require significant public funding investment.

The proposed Masterplan for Canal Basin suggests the following level of development:

- C 40,000sqm of employment floorspace – B1 and B8;
- C 6,500sqm leisure floorspace and ancillary retail space.
- C 830 residential units;

The purpose of including the Canal Basin proposals is to ensure that the Station Approach development aspirations are complementary to those

suggested for Canal Basin in terms of scale and mix of uses.

South Kesteven District Council, together with Lincolnshire County Council will support and promote development for both Station Approach and Canal Basin.

Station Approach is regarded as an earlier development opportunity that will support the economic development of Grantham to provide opportunities for office development in the Town Centre. The development will also seek to maximise opportunities arising from the sites' proximity to Grantham station.

The Canal Basin proposal provides a longer-term development opportunity that will support wider growth objectives for Grantham, supported by significant levels of housing provision and further investment in the town centre.

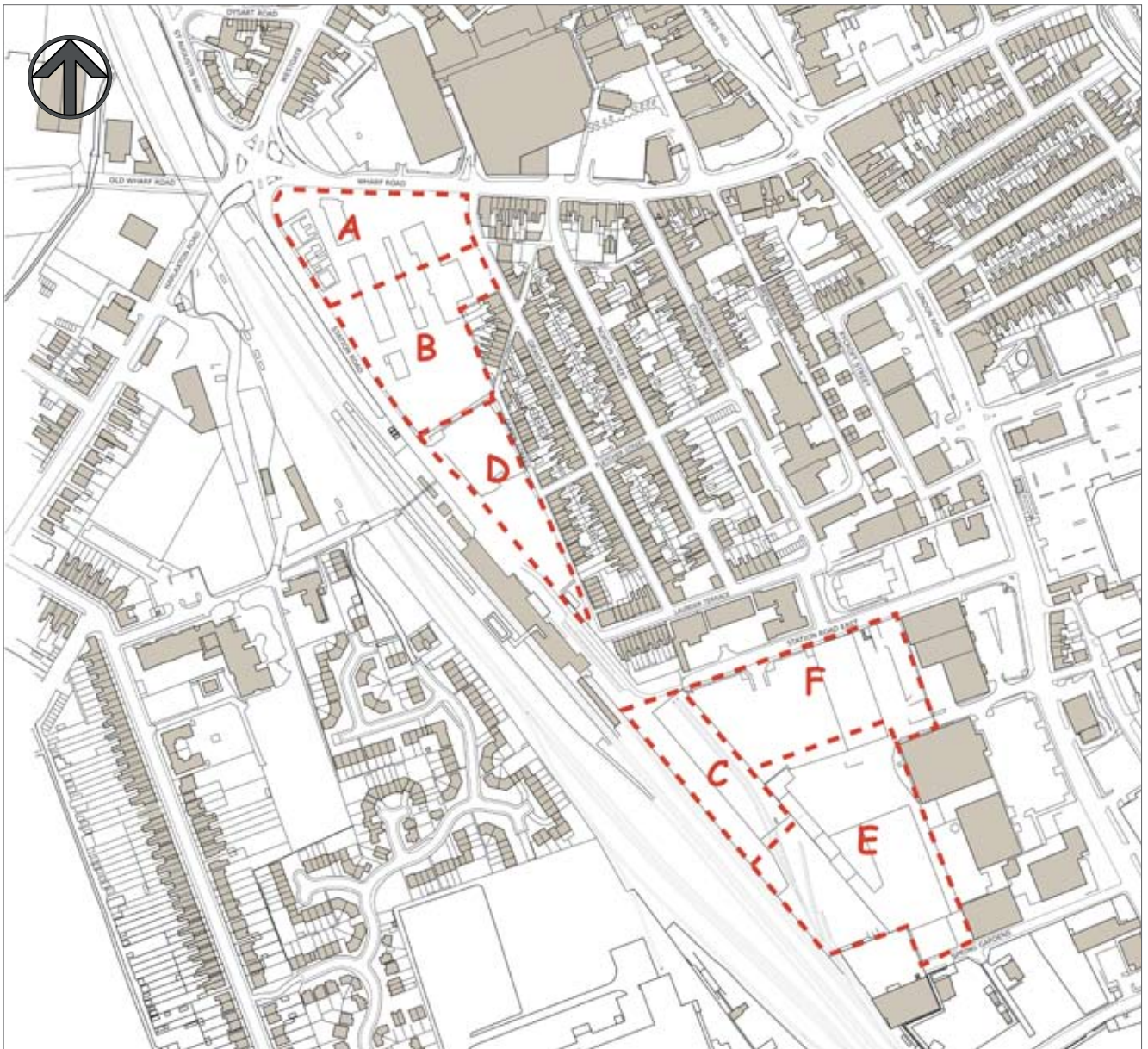


Fig 14. Site Specific Map

Site Specific Description

The Station Approach development proposal has been identified into six areas for the purpose of this Brief, as an indication of how the individual sites could be brought forward for delivery. Sites A, B, C, D, E and F are illustrated in [Figure 14](#) and details provided in the table overleaf.

Site A – Land fronting Wharf Road;

Site B – Land to the west of Grantley Street and Railway Terrace;

Site C – Land on Station Road East;

Site D – Land adjacent to the Station;

Site E – Land adjacent to the railway lines;

Site F – Land adjacent to Station Road East and west of London Road.

Site Specific Description

Location	Uses	Occupier	Area Sqm	Additional Comments
Site 1 - Area A			7261	
Land fronting Wharf Road	Retail and storage	Jewsons Builders Merchants		Closest proximity to Grantham Town Centre. Three buildings on site. Main frontage onto Wharf Road.
	Retail and storage	The Tanvic Group		One main building. Area for car parking.
	Car Parking			Site currently leased from the Council by Jewsons Builders Merchants for staff car parking.
	Listed Railway Cottages	Private occupiers		Nos. 2-4 and 6-8 are owned by the Council. Several of the cottages are vacant. No. 5 Station Road North is privately owned.
				Area A is level with Wharf Road and slopes gently up towards the station.

Site 1 - Area B			10495	
Land to the west of Grantley Street and Railway Terrace	Open storage	Jewsons Builders Merchants The Tanvic Group		Unmade ground with some hard standing. Area B has been leveled and slopes gently upwards to the station. Significant level change between the southern boundary of the Tanvic and Jewson sites and the public right of way.

Site 2 - Area C			3263	
Land adjacent to Station Road East	Short and long stay car park. Industrial Estate			Split into two sections. Site currently leased from Grantham Estates by National Express (operator for East Coast Mainline) for station car parking.

Site 1 – Area D			4958	
Land adjacent to the station	Short and long stay car park			Public right of way along northern boundary. National Express leases both car parks from Network Rail. Southern tip of Site D is an electricity sub-station owned by Network Rail Infrastructure Ltd. Central Networks own high voltage cable to sub-station.

Site 2 – Area E			14781	
Land adjacent to the Railway Lines	Car park Redundant railway sidings Industrial warehouses			Northern part of Site E used for car parking. Southern part currently redundant railway sidings.

Site 2 – Area F			11012	
Bounded by Station Road East and London Road	Car park Industrial Estate			Entry to the industrial estate via London Road and Station Road East.

When reading the above table please cross reference with **Figure 12** (Land Ownership Map, page 21) and **Figure 14** (Site specific map, page 23).

Key Constraints

The maps shown in [Figures 11](#) (page 20) and [11a](#) (overleaf) identify constraints above and below ground for the development site. The key constraints are listed below:

- To maintain the electricity sub-station in the area adjacent to the station;
- To respect adjacent residential properties on Queen Street;
- To achieve sufficient station facilities immediately outside the station;
- To maintain and maximise pedestrian connectivity between the station and the town centre in accordance with the urban spaces and routes hierarchy outlined in this Brief;
- To respect the Grade II Listed railway cottages within the overall development scheme; and
- To incorporate the change in ground level between the station and the northern boundary of the scheme within the overall development.

Land Contamination

A desk top assessment of existing data has been undertaken to understand the potential of ground contamination within the development area. The main objectives of the assessment were to identify any material ground related issues that could pose a constraint to development or have cost and time implications.

The assessment identified that both sites have current activities that could lead to contamination. In addition both sites have historically been used for industrial purposes and a legacy of contamination may exist. Therefore, is it possible that localised areas of contamination may be present particularly in Site 1 given its current use. Contamination may be more widespread in Site 2 given the extensive iron works that previously occupied the site area although we understand that this area was last used as an Iron Works in 1932 therefore some natural degradation of contaminants is likely.

Based on the information available, it is unlikely that the ground conditions will impact the spatial arrangement of the proposed development as shown on the plans provided. Significant remedial works are unlikely given the low sensitivity end use although this can only be confirmed following development specific ground investigation. [Appendix 1](#) provides a non technical summary of the Contamination Desktop Survey.

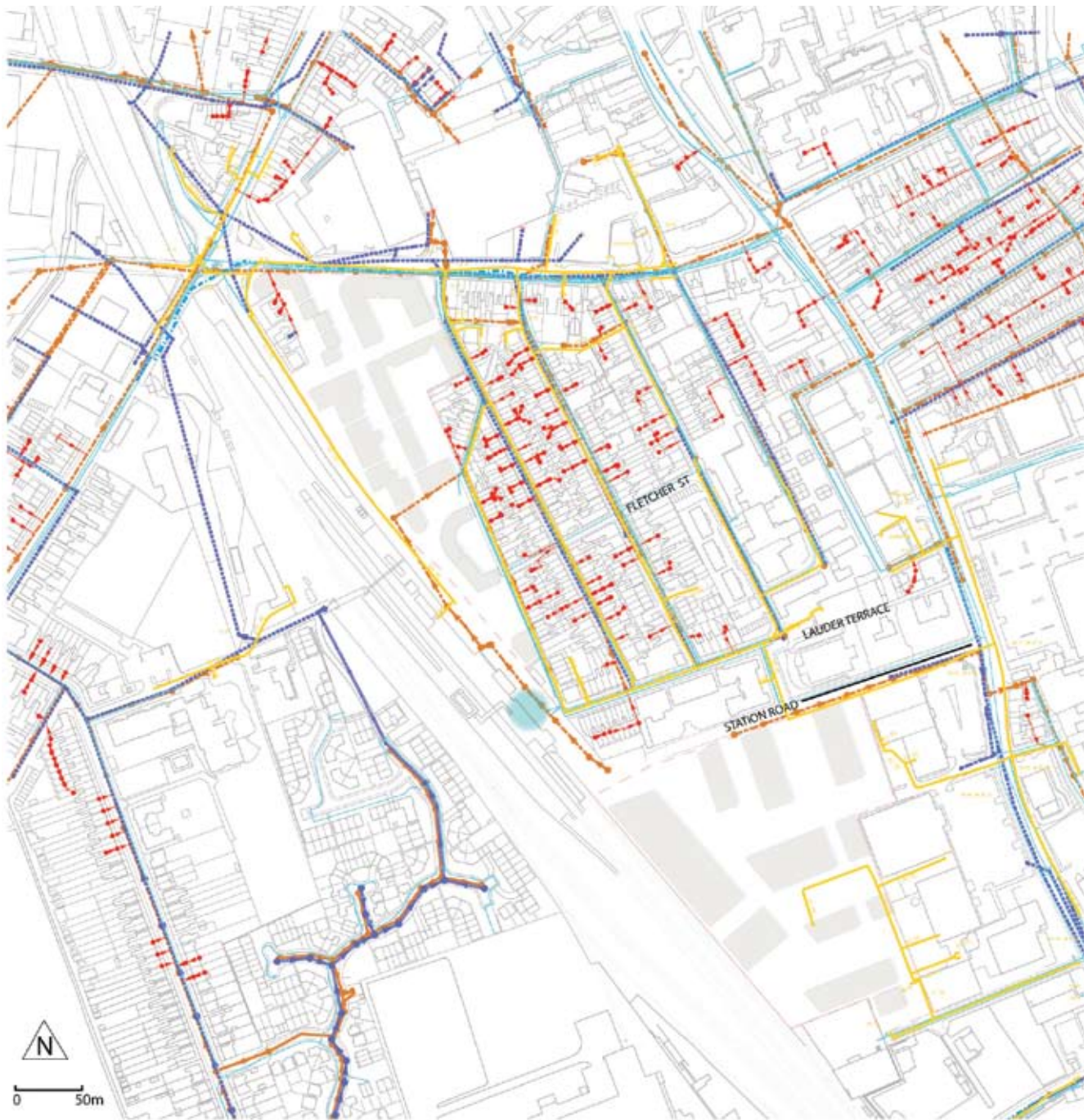
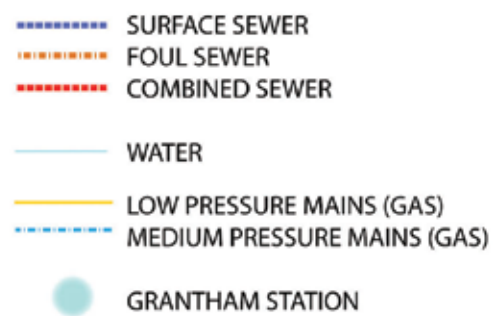


Fig 11a. Physical constraints below ground



Property Market Context

Residential

The Station Approach Site lends itself to residential use given its proximity to the Town Centre, as well as the Station. Any dwellings would be attractive to those seeking an urban living lifestyle close to major services, facilities and the station. The existing housing, surrounding the northern end of the site, sets a precedent for residential development. Despite the difficulties currently experienced in the housing market, local agents were supportive of bringing residential uses forward on the site. However, given the risk of oversupply in a struggling market, it should not be the primary use in any development of this site in the near or medium term.

Office

The office market in Grantham is currently suffering from a poor supply of serviced land meaning that the current level of stock cannot be increased easily. The quality of the majority of existing space, coupled with the lack of precedent means that Grantham suffers from a poor reputation as an office location. Rents and yields reflect this, with values averaging at £1,000-1,150 sqm for Victorian conversions and £1,300/1,400 per sqm for newer, better quality space. This, coupled with relatively high overall build costs of £2,200-2,500 per sqm, excluding land, means that there is little incentive for speculative development.

However, given Grantham's good transport links to local business centres and London, there is consensus that Grantham could develop into a good office location should a flagship development come forward. If successful, it would serve to attract investment from businesses not currently located in Grantham. This would serve to raise Grantham's profile as an office location.

Given its proximity to Grantham Station and to the Town Centre, the Station Approach Site is a natural location for such an office development.

Retail

It is clear that there is a need in Grantham for greater diversity and higher quality in its retail offer to make it more competitive with nearby towns such as Newark and Peterborough. However, it is not felt that Station Approach is the correct location to bring a retail development forward. It would be more appropriate to concentrate such improvements closer to the town centre retail core. However, there is potential for some supporting convenience retail on the Station Approach Site, which could service commuters, office workers and residents.

Industrial

Local agents and developers are positive about industrial uses on the southern part of Station Approach, despite it being located on the eastern side of the railway. Achievable rents at this location are indicated by local agents to be at a maximum of £59 per sqm. Units should be between 185-465 sqm, with possibly a larger unit of 929 sqm. Lease terms should be flexible in order to encourage ease of letting.

Hotel

Given Grantham's Growth Point Status and the potential demand for office space on the Station Approach Site, there is potential demand from the business sector for a hotel of circa 120 rooms. The nature of the business demand indicates that any hotel coming forward on this site should be a budget hotel. However, research indicates that Travelodge and Whitbread are both satisfied that they are already adequately represented in the area. These are the hotels which have the strongest covenant in the sector.

Given that much of the expected demand for the hotel is associated with any office development coming forward, it may be that the hotel is contingent on the successful creation of a new office market on the Station Approach Site.

Conclusion

The site and development context provides an initial understanding of the locational; adjacent uses and urban form together with an overview of the geographical; technical and existing ground conditions. The Property Market Review also provides a commercial context within which this development can be taken forward.

Notwithstanding the existing constraints and current economic climate, the proposed development for Station Approach can enhance and re-vitalise a key gateway to Grantham Town Centre. It is apparent that the site is not currently maximising its potential with respect to neither existing uses nor location.

The key positives for Station Approach development are:

- The availability of land;
- Proximity of the site to the Railway Station and Grantham Town Centre; and
- The surrounding existing uses and amenities.

The Station Approach proposals offer significant re-development opportunities for the site to better integrate the station into the wider town centre and the potential to develop a diverse mix of uses to create a vibrant quarter.



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5. Planning and Development Principles



Fig 15. Station Approach development proposals

The Planning and development principles for Station Approach are aimed at achieving:

- Clear connection between the Station and the Town Centre;
- A distinctive arrival point to Grantham by creating Station Square;
- An engaging route through a series of urban spaces that encourage people to visit the Town Centre;
- A versatile character area with a sustainable mix of employment and residential uses;
- Appropriate scale and massing of development that respects the Listed Buildings and adjacent residential area;
- Minimising the visual impact of surface parking; and
- Creating a public transport interchange with bus services extended to the rail station.

Overarching Principles

The aspiration for Station Approach is to transform the existing under utilised land of surface car parks and warehouses into a distinctive gateway to the town centre. The development principles set a new direction for the future of this area, encouraging a mix of diverse land uses in order to create a vibrant area. **Figure 15** illustrates the Station Approach Development Proposals.

The development principles aim not only to encourage visitors to the Town Centre but, more importantly, to create a new business hub by providing suitable office accommodation and start up units. The aim is to attract a wide range of businesses to encourage economic development and create employment opportunities thus benefiting the wider community. The development will also enhance the neighbouring residential area with the provision of new homes alongside new local shops and cafés.

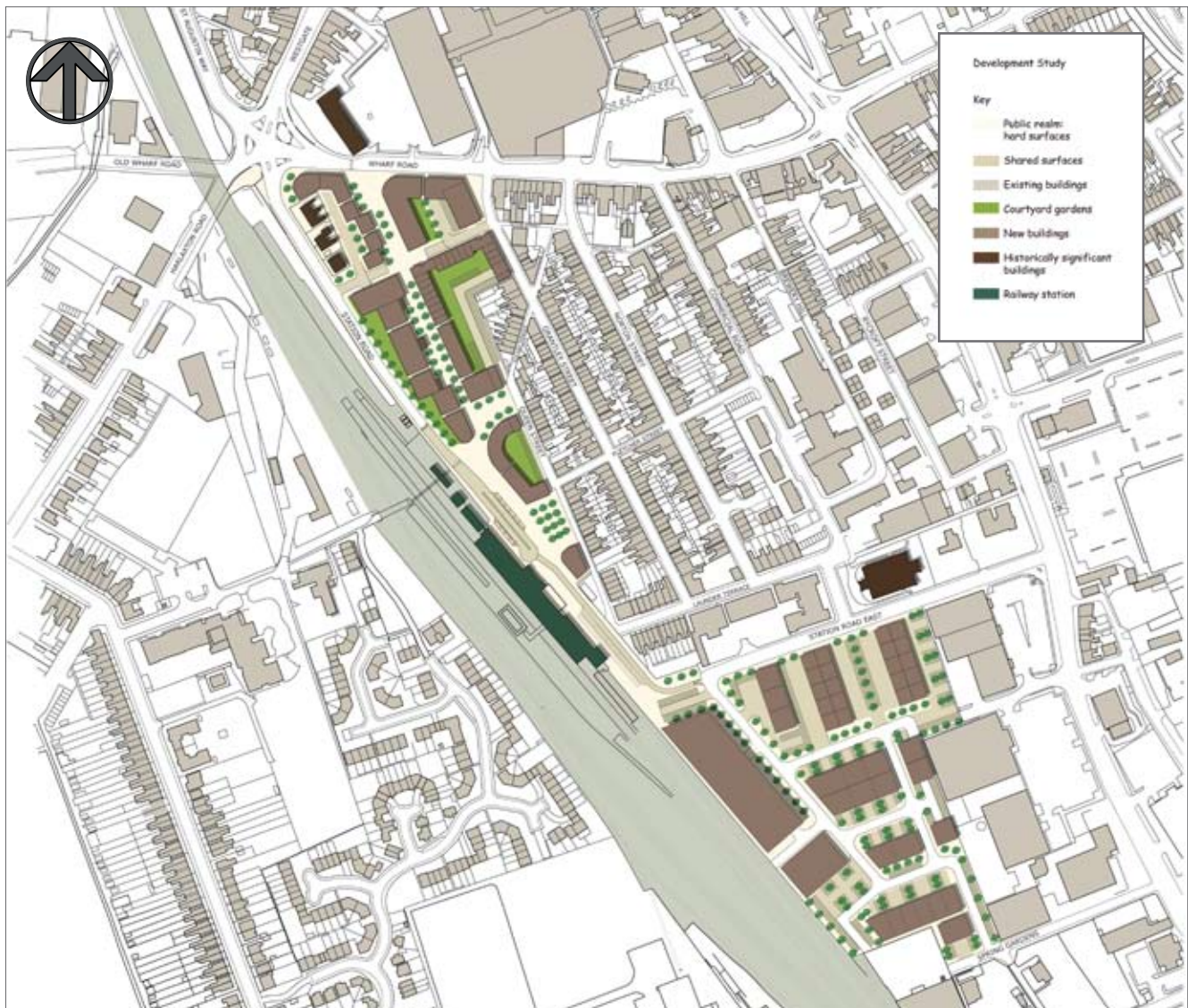


Fig 16. Overview of development study area

A number of public spaces will create animated areas where the active frontages of surrounding buildings will provide passive supervision and promote safety (Figure 16). Ornamentation and artwork will also help to create a strong sense of arrival and place. High quality design, material quality and sustainability must be an integral part of any development proposal for this area. Good quality architecture will create an appealing and inspiring streetscape with a mix of buildings including landmark buildings. This will assist in raising the profile of the area, particularly to visitors.



Fig 17. Proposed re-development of Site 1

Site by site development principles

Site 1

The focus for the redevelopment of Site 1 is provided by the pleasant tree lined pedestrian route linking the railway station to the Town Centre (**Figure 17**). The aim is to create a busy and active route that is both appealing and safe. Therefore, active ground floor uses, such as shops, offices and a hotel, are encouraged. An Innovation and Incubation centre is also proposed for Site 1 as part of the mix of uses. These can be combined successfully with homes and offices on upper floors. The residential schemes along the route will

afford the benefits of city living close to shops, restaurants and civic facilities combined with the close proximity of the rail station. Along this key route, there is an opportunity to design a privacy strip between the public thoroughfare and the building front for residential uses.

Along the west side of this route, high quality office accommodation is proposed with a view to attract new businesses offering the advantage of good rail connections to London and neighbouring towns. The ground floor units should be flexibly configured for the commercial uses with rear access and service areas where possible. Any development proposal should create

a legible urban structure with the aid of landmark buildings; terminal focal points; features and interconnecting urban spaces along the visual links (**Figure 18**), please see overleaf.

The traditional street pattern of the adjacent residential area should be extended, providing cross site links that create a well connected and permeable network of routes. The streetscape should be designed for maximum pedestrian enjoyment and convenience with widening approaches towards the town centre and railway station, spill-out areas for cafes and restaurants and well enclosed spaces with the right proportions of width to height (**Figure 19**), please see overleaf. Also refer to (**Figure 24**) on page 39 for indicative building heights.

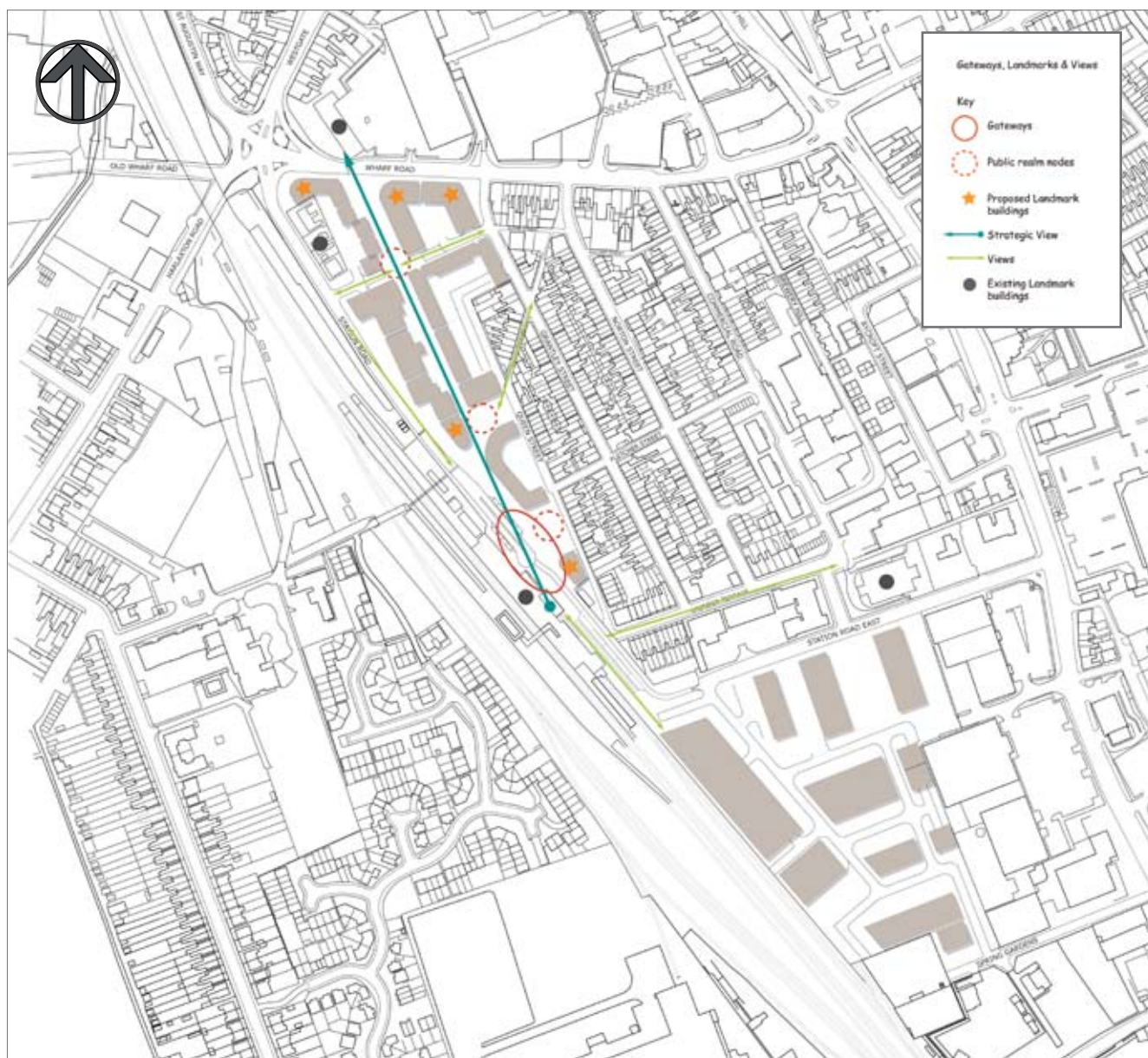


Fig 18. Site 1 promoting inter connecting urban spaces



Fig 19. Site 1 proposing greater connectivity between Grantham Station and Town Centre



Fig 20. Site 2 development proposals

Site 2

The area currently occupied by the existing surface car parks on Site 2 provides the opportunity to introduce a variety of employment uses to enhance the surrounding industrial and commercial warehouse area. For the south part of the site an employment zone is suggested with single storey warehouses and surface car parking (Figure 20). The north part of the site could also offer a suitable location for an Innovation and Incubation Centre or small start up units, encouraging the employment led theme for the development. Alternatively, this area could be utilised as an extension to the adjacent residential area where a layout of townhouses enclosing residential courtyards would be appropriate.



Fig 21. Site 2 proposed development

A key aim for the redevelopment of Site 1 is to release the land currently occupied by surface car parking by providing a multi-storey car park capable of containing all the public parking provision for the Station and surrounding area (Figure 21). The proposed location for the multi-storey car park is in the north western area of Site 2, within close proximity of the station entrance, thus releasing land for re-development on Site 1.

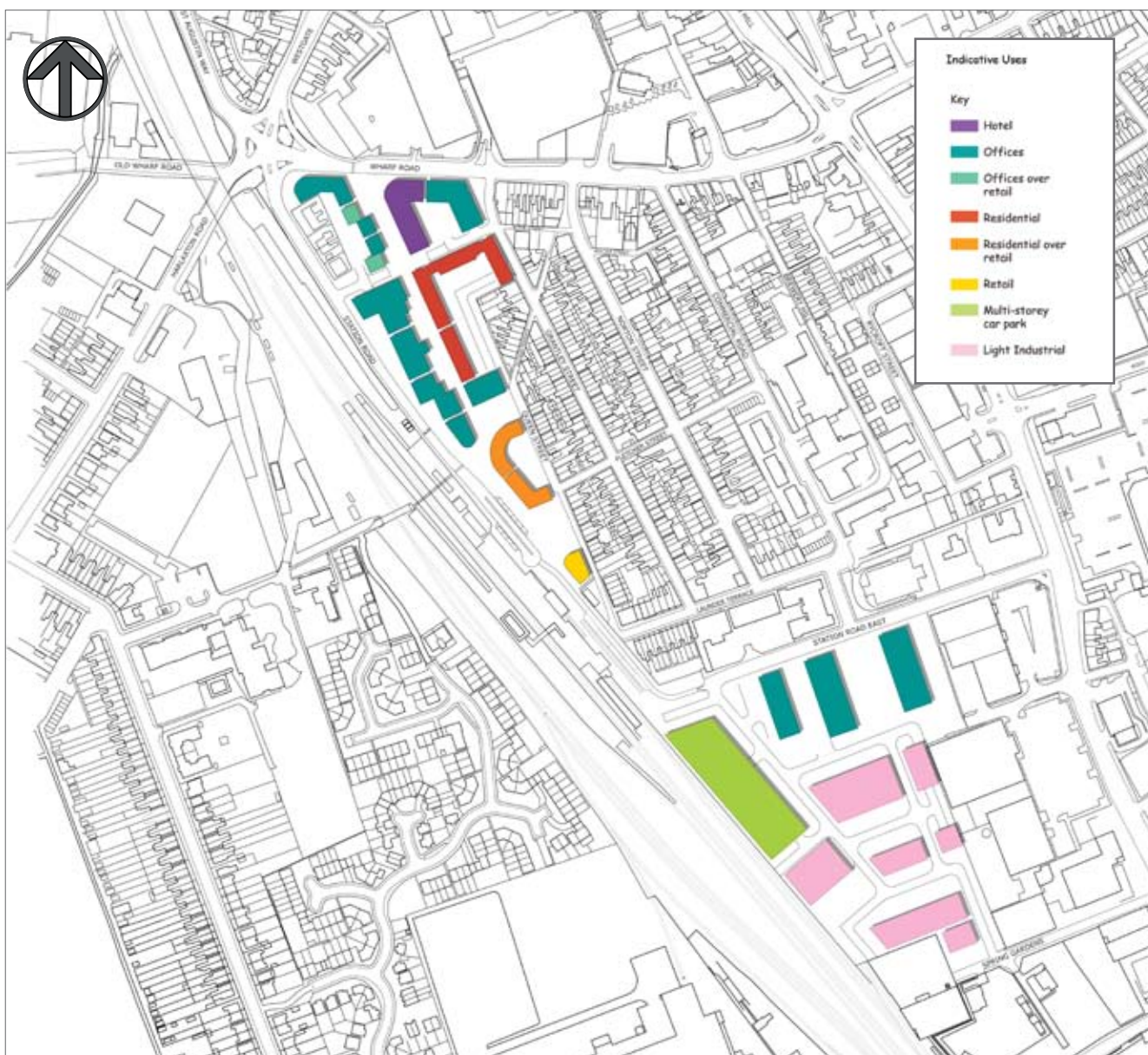


Fig 22. Proposed mix of uses

Proposed Land Uses

A diverse mix of uses including offices, residential, retail and hotel accommodation is proposed to create a dynamic and vibrant development (Figure 22).

For Site 1, a highly accessible B1 office led development is suggested, combining office, commercial and residential. The majority of the offices are positioned within phases A & B, (please refer to map on page 23) framing this new development along Wharf Road and Station Road as well as setting the character for the redevelopment. Any development

proposals should also incorporate a concentration of high quality homes, from apartments to family townhouses along the eastern side of the site within phases B & D. This will act as an extension of the adjacent dense residential area and provide a transition area towards the commercial and office uses. A Hotel is also proposed along Wharf Road, enclosing one side of the newly created public square engendering greater vibrancy for the area. There may also be scope for an Innovation and Incubation Centre within this redevelopment. This could be located next to the Hotel, at the corner of Wharf Road and Grantley Street. A suitable alternative location,

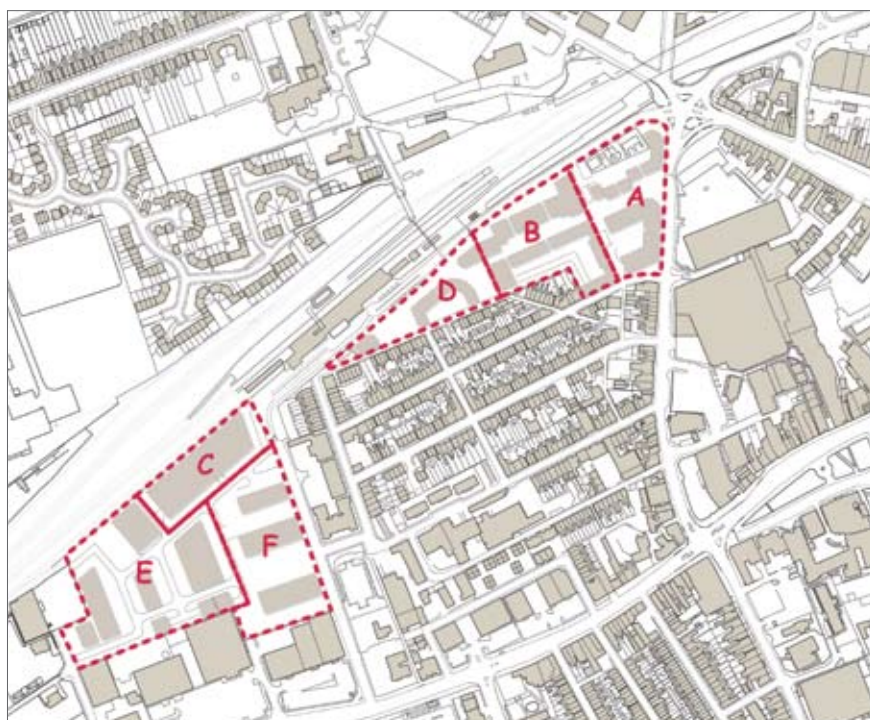
depending on the proposed building size, would be within phase F of Site 2.

On site 2, part of the existing Network Rail Land is suggested as a suitable location for the proposed multi-storey car park (phase C). The south part of site 2 (phase E) is earmarked for light industrial uses to complement the existing adjacent uses whilst for the north part a combination of small start up units is suggested. This location would also be suitable for residential uses.

The following quantum of development (overleaf) provides a guide to the suggested mix and amount of each use for Sites 1 and 2.

Proposed Quantum of Development								
Use	Site A Approx GEA in m ²	Site B Approx GEA in m ²	Site C Approx GEA in m ²	Site D Approx GEA in m ²	Site E Approx GEA in m ²	Site F Approx GEA in m ²	Total	Alternative Site F
Office	4,700	7,119	0	988	0	2,875	12,800	
Hotel	3,604	0	0	0	0	0	3,604	
Retail	240	0	0	949	0	0	1,189	
Light Industrial	0	0	0	0	5,210	0	5,210	
Residential	0	4,363	0	1,606	0	0	5,969	6,345
Start up units	0	0	0	0	0	2,900	2,900	
Covered Parking	460	100	13,580	0	0	0	14,140	
Total by phase	9,004	11,582	13,580	3,543	5,210	2,875	45,794	
Car parking accomodated	66	148	760	15	215	138	1,342	47

- It will be necessary to consider the provision of affordable housing in accordance with the Council's prevailing policy and housing need at the time any application is submitted.
- The Council will seek planning obligations to secure the improvements necessary to make the development and its wider impacts acceptable in line with planning policies. Planning obligations are likely to be required in respect of: education facilities; health facilities; public open space and highway improvements. This list is not exhaustive.



Larger scale map can be referenced on page 23

Site Specific Description

The Station Approach development proposal has been identified into six areas for the purpose of this Brief, as an indication of how the individual sites could be brought forward for delivery.

Site A – Land fronting Wharf Road;

Site B – Land to the west of Grantley Street and Railway Terrace;

Site C – Land on Station Road East;

Site D – Land adjacent to the Station;

Site E – Land adjacent to the railway lines;

Site F – Land adjacent to Station Road East and west of London Road.



Fig 23. Proposed scale and massing

Scale and Massing

All proposed buildings should be of the highest architectural and environmental design. The heights of new buildings across the sites should be carefully configured to respond to their context and the desire to enhance the character of the area. The human scale should be endorsed in order to achieve a safe, accessible and inclusive environment with a sustainable mix of uses that bring life to streets at all times. Perimeter block development with active ground floor uses is encouraged in order to provide natural surveillance of the public spaces.

Existing townscape and historic buildings should be preserved and enhanced where possible. Furthermore, the area of development adjacent to the listed buildings requires a particularly sensitive detailed design approach

for any development proposal. Developers will be encouraged to break the length of facades into series of narrower elements that relate to human scale and create an appealing street scene (Figure 23).

The indicative buildings heights are illustrated on the Building Heights diagram (Figure 24). Any new development, and variety of built form including feature detailing, should be of sufficient scale to create a sense of place and identity to provide appropriate landmark buildings to aid orientation.

Design and sustainability standards

South Kesteven District Council is committed to promoting a design led sustainable re-development, incorporating high quality urban design principles that can establish a benchmark for Grantham. Further design guidance including sustainability standards can be found at Appendices 3 and 4.

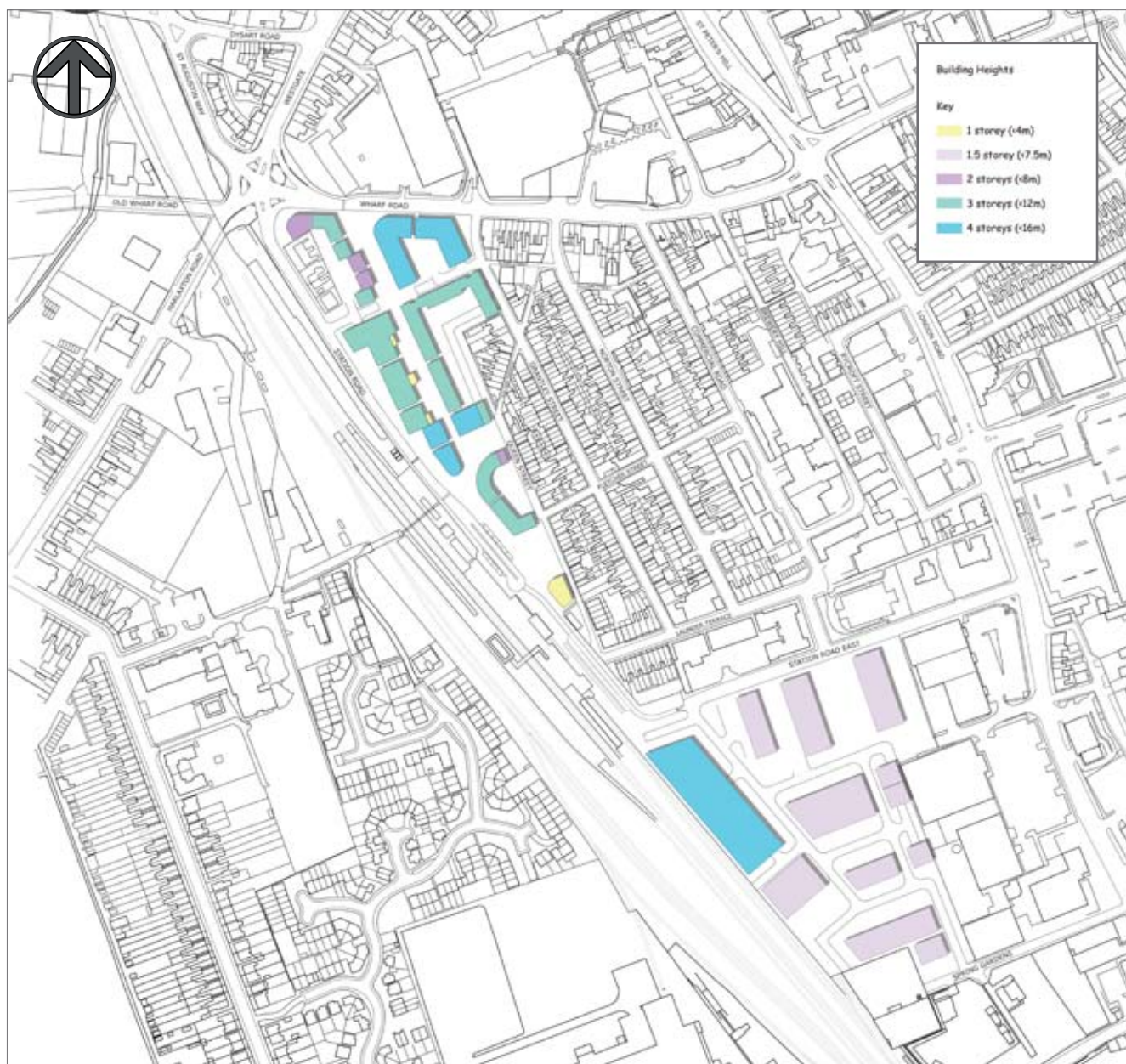


Fig 24. Indicative building heights

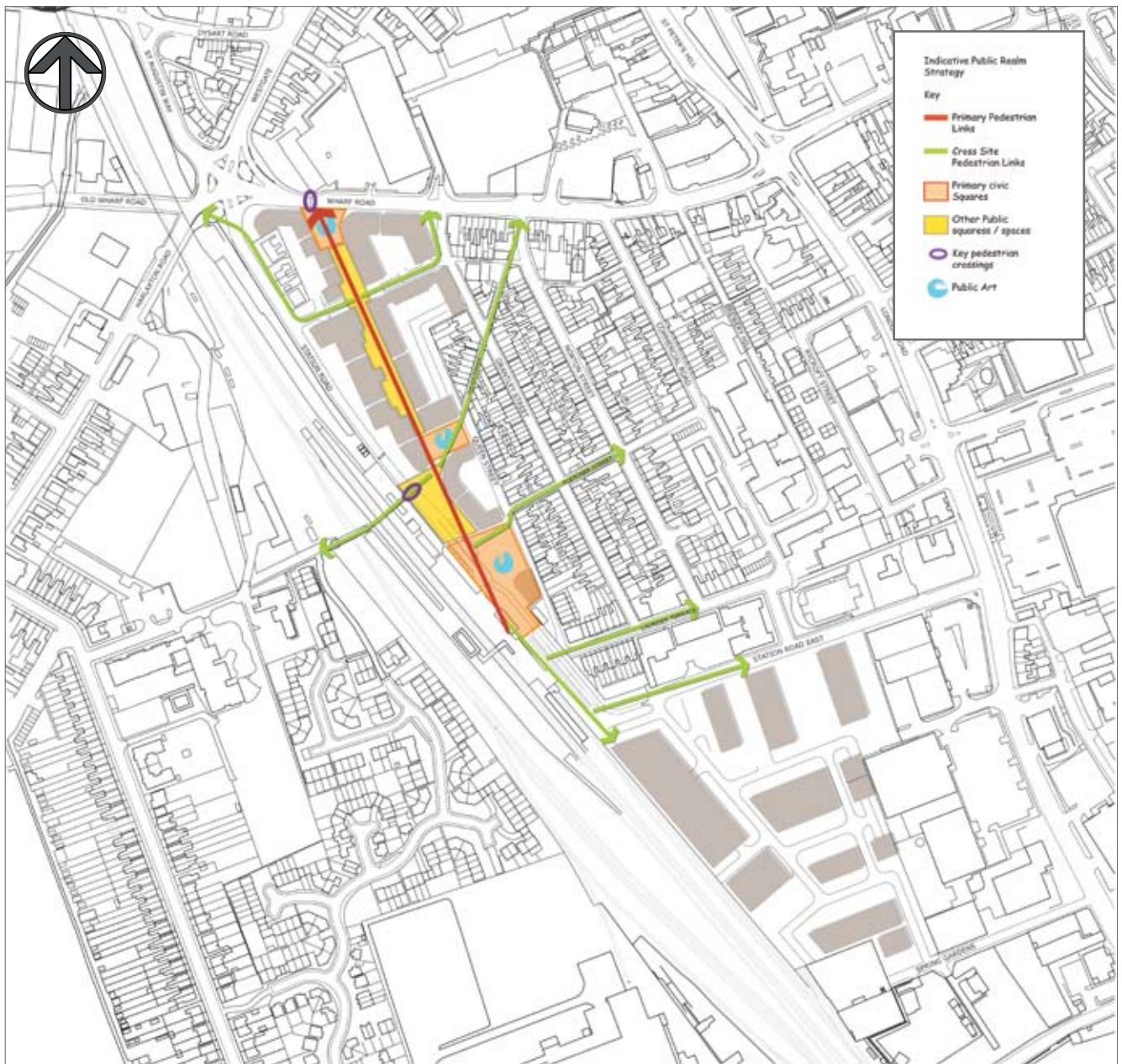


Fig 25. Encouraging connectivity between Grantham Railway Station and Town Centre

Public Realm Strategy

The suggested public realm strategy aims to address the current lack of connections between the Railway Station and Town Centre as well as enhance pedestrian movement throughout the site. A sense of expectation and arrival should be created by the formation of a clearly identifiable route from the Railway Station to the Town Centre as illustrated in [Figure 25](#). Public realm improvements along the A52 Wharf Road with the proposed pedestrian crossing and the

introduction of a formal public square as a focus will help overcome the current barrier effect. A variety of public squares and open spaces along the route will assist towards an animated and distinct pedestrian experience. The three proposed public squares provide a hierarchy of formal squares along the significant visual link from the Station towards the Town Centre.

Arriving in Grantham by rail should be a much improved experience with the introduction of a public square forming the gateway to the Station

Approach and the Town Centre. Existing neighbouring links should be reinforced with new cross site routes, embedding the new development to the surrounding communities.

The design of the key public spaces should accommodate high levels of pedestrian activity whilst providing gathering and resting places; seating; planted areas; feature and ornamental paving and art installations which provide distinctiveness and interest.

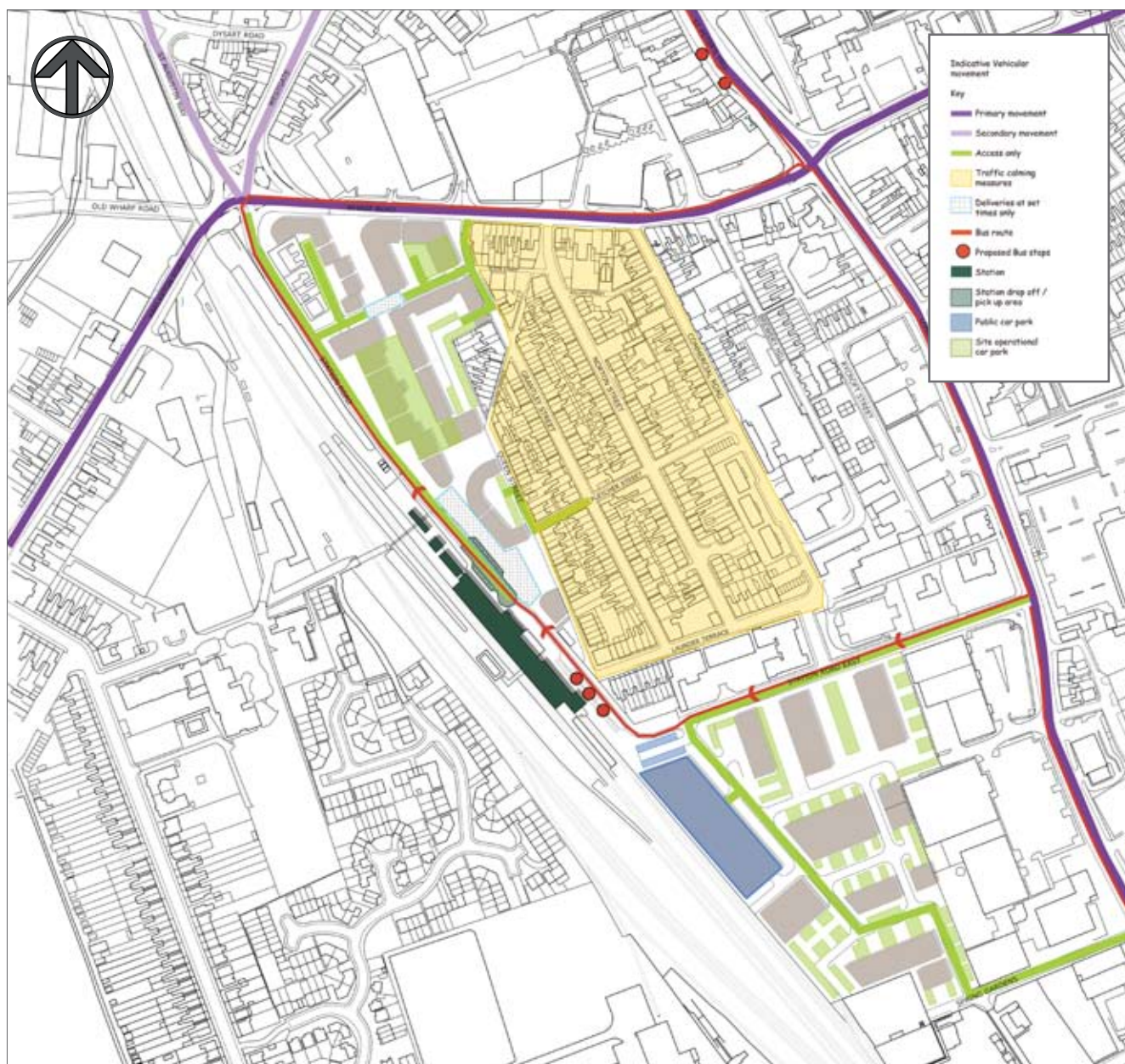


Fig 26. Proposed access arrangements

Wayfinding elements such as paving and signs should be specially designed and integrated into the space. The pedestrian areas between buildings should be seen as extensions of the activities in the buildings with design materials and landscape elements blurring the boundaries between interior and exterior space. Vertical art installations could also be used to add light at night and an interesting sculptural experience in daylight hours.

Access Arrangements

The transformation of this area requires an effective and sustainable transport strategy. The key issue to be addressed is the lack of interchange between rail and bus for commuters and visitors. Currently the bus network is detached from this area with the bus terminal located on Wharf Road at the Isaac Newton shopping centre, although it is understood that this facility will be discarded in lieu of enhanced bus facilities located on the high street.

This proposal also suggests a new one way bus loop via Station Road East and Station Road which is endorsed in this brief. New bus stops are proposed to be located close to the station entrance to provide easy interchange between rail and bus for commuters. There is also provision for taxi and passenger pick-up and drop-off points along Station Road (Figure 26).

The parking strategy aims at minimising the visual impact of surface parking by concentrating the provision for

public car park in the proposed multi-storey car park and adjacent short term parking. The proposed development operational parking will be provided either in secure parking courtyards or undercroft car park for the offices. Vehicular access to the pedestrianised area will only be permitted for deliveries at set times with the prior agreement of the South Kesteven District Council. A shared surface in front of the Rail station will allow the creation of the proposed bus route as well as the taxi and passenger drop off point whilst giving priority to pedestrians.

For further details please refer to the Transport Assessment undertaken as part of this brief. The non-technical summary can be found at [Appendix 2](#)

Conclusion

The planning and development principles for station approach seek to transform Station Approach from its existing under utilised land of surface car parks and warehouses into a distinctive gateway to the town centre.

The proposed development seeks to establish a new direction for the future use of this area; encouraging a mix of diverse land uses in order to create a vibrant area and acting as a regenerative catalyst for Grantham.

Summary of Development Proposal

Site 1

- Office Development - 12,800 m²;
- Retail – 1,200 m²;
- Hotel – Approximately 117 rooms (3600m²); and
- Residential – 17 townhouses and 45 x 1,2 and 3 bedroom flats.

Site 2

- Light Industrial – 5200 m²;
- Residential – 46 townhouses (as an alternative to start up units);
- Small start up units 2,900 m² (as an alternative to residential); and
- Multi-storey car park, approximately 760 spaces.





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6. Implementation

South Kesteven District Council has set out its aspirations to bring forward a series of developments for Station Approach.



Fig 27. Encouraging connectivity between Grantham Railway Station and Town Centre

It is anticipated that the Station Approach development will act as a catalyst to begin the process of regeneration and deliver the vision for Grantham Town Centre. In order to encourage development this chapter sets out the key issues that will need to be considered if the vision for Station Approach is to become reality.

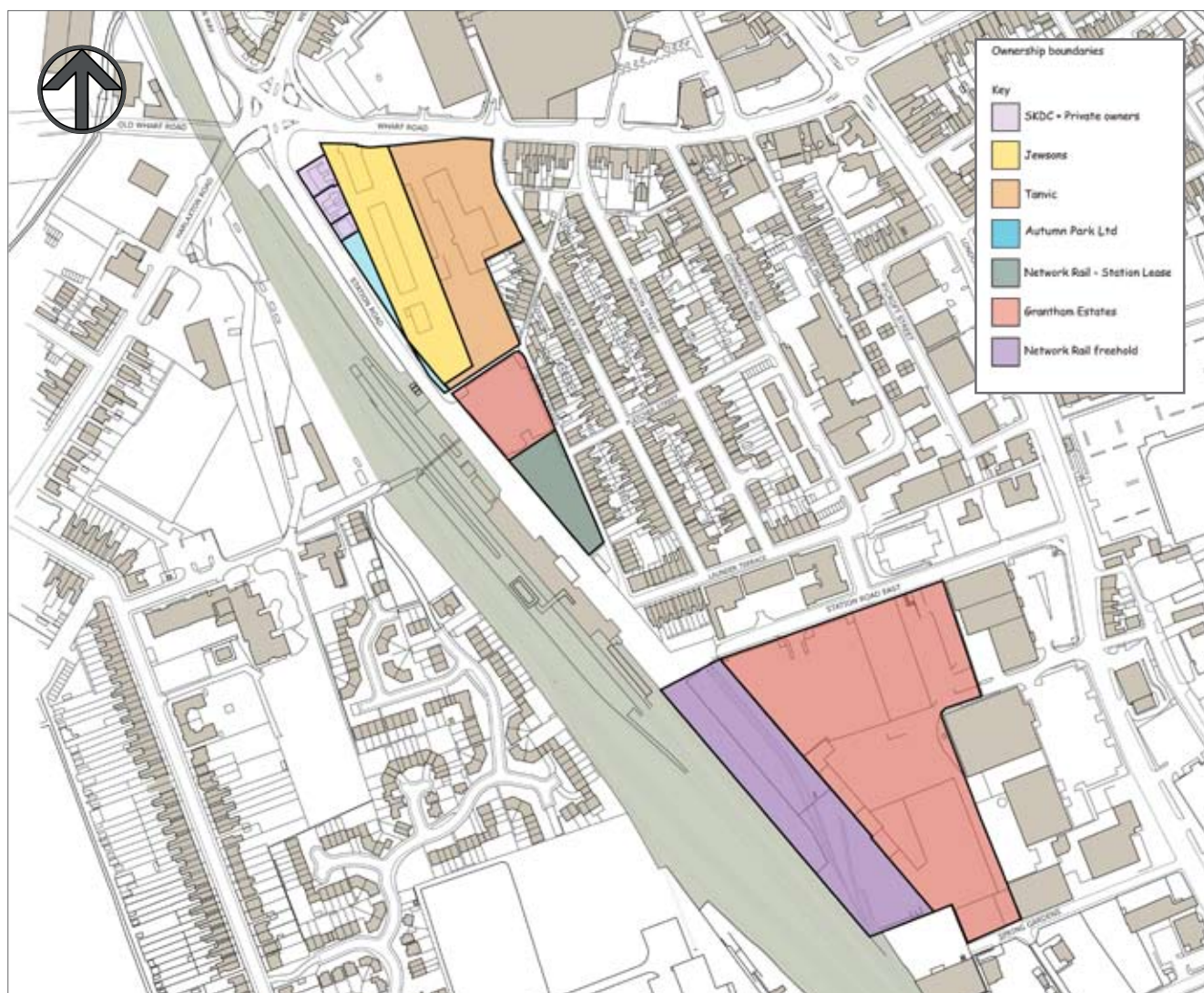


Fig 28. Land ownership

Land ownership

There is multiple land ownership for Site 1 and Site 2 comprising public agencies and private organisations. In order to bring forward a series of comprehensive and coherent developments it will be necessary to encourage dialogue between the principal parties, to ensure land is available and capable of assembly. It is understood that at this stage no formal agreement exists between the landowners on the future of Sites 1 and 2.

In order to ensure the successful development of Station Approach; to achieve the aims and objectives of the Grantham Town Centre Vision and this Brief, the Council encourages owners and prospective developers to negotiate and engage in dialogue to achieve the most efficient use of land for mutual benefit.

Financial

The viability of the proposed development is subject to the current state of the residential and commercial market, thus making it sensitive in terms of its deliverability. It will therefore be appropriate for the public sector to take a significant lead for the proposed re-development of Station Approach. The Council may therefore use its powers to bring the scheme forward. The following options will be considered by the Council:

- Establishing a partnership with landowners governed by a "Memorandum of Understanding";
- Establishing a strong policy basis within the emerging Local Development Framework;

- Establishing a programme of enabling works;
- Undertake further surveys, i.e. Environment Statement; Site Investigations;
- Deployment of Growth Point Funds;
- Exploring public sector funds;
- Assembly of land; and
- Assist with the re-location of existing uses.

It is suggested that the cost for re-development may be met directly by the landowners, through a reduced land receipt on the basis that the developer undertakes works, or indirectly, for example via s106 contributions.



Fig 29. Indicative phasing plan

Phasing

To assist the implementation process, a phased approach is suggested based on current land ownerships and a logical sequence of redevelopment. The proposed phasing will also bring development sites forward of a scale which will be more attractive to local and regional developers, commencing at Site A and concluding at Site F.

The assumptions relating to the development phasing are predominantly informed by the following factors:

- A key driver for Site A is to create a sustainable office development that will serve as a catalyst for the future redevelopment of Station Approach. Site A will be promoted as a commercial quarter thus generating employment opportunities. In addition to the provision of high quality office space a hotel is also suggested as part of the mix of uses. Site A promotes a Business Innovation and Incubation Centre to help create future office demand and to establish an office market. Site A will also bring forward important public realm benefits to create and support the connectivity between the Railway Station, Station Approach and the Town Centre;

- Site B is a continuation of the office development and introduces a further mix of uses that includes residential. The phasing of Sites A and B also has important cashflow implications with the potential to pump prime the proposed multi-storey car park on Site C. Developing Sites A, B and C in a co-ordinated manner will also support the operational rail facilities throughout the re-development period.
- A multi-storey car park is suggested on Site C and this releases land on Sites D, E & F. Site C will consolidate the existing surface car parking that currently dominates the land around the Railway Station. Site D will complete the urban strategy to integrate the Station in to the wider town centre and whilst enhancing the interchange facilities. The proposed mix of uses for Site D is retail with residential above. However, the future mix of uses on Site D will also depend on the success of the office developments on Sites A and B. Site D can therefore be adapted to incorporate more offices.

- Sites E and F concludes the re-development of Station Approach and are contingent upon the provision of a multi-storey car park on Site C. Site E promotes light industrial to reflect the surrounding existing uses and Site F, due to ease of access and availability of frontage, suggests either residential or the provision of start up units.

The above phasing approach will have important implications for the wider regeneration benefits for Grantham to attract future investment to the town, not only for Station Approach but for other key opportunity sites.

Conclusion

The Station Approach Development Brief sets out an ambitious scheme to rejuvenate Grantham. At the heart of this proposal is the aspiration to create bespoke quality office space that will act as a catalyst for further development proposals to come forward.

The regeneration of Station Approach has the potential to deliver a significant level of new development that will have a direct impact on the transport, social and public realm infrastructure of the area. Notwithstanding current market conditions, South Kesteven District Council considers this scheme to be the first in a series of opportunity sites that will serve as a regenerative catalyst for Grantham Town Centre.



Appendices

Appendices

Appendix One

Contamination Desk Top Survey

Site 1

Site 1 is currently occupied by retail use comprising a builders merchant operated by Jewsons and a tyre centre (Tanvic Tyre and Service Centre). A small area to the north east has been cleared of all buildings in preparation for development. The northwest corner comprises a terrace of residential houses and an area of open ground fronting Station Road and Wharf Road.

The remaining area comprises two car park areas fronting Station Road. In general, there is an increase in elevation from the corner of Station Road and Wharf Road up towards the station. However, both the builders merchants and the tyre centre are generally level across their entire extent, although it appears that to accommodate the site layout the builders merchants has been cut into the existing topography along the boundary with Station Road.

A public footpath separates the builders merchant and tyre centre from the adjacent property. The changes in levels are evident here with the rear of both properties approx 1m lower than the footpath.

Access to Jewsons and the tyre centre was not possible and observations could only be made from the boundaries, no inspections within the buildings were carried out. The ground surface in both retail areas is variable comprising concrete and tarmac of varying

standard around the sales areas and unsurfaced or loosely surfaced in the rear areas which are predominately used for storage. Initial observations suggest that a number of potential contaminant sources are located on both the tyre centre and Jewsons site. These include an above ground fuel tank (unbunded), waste batteries, waste oil containers and other waste car parts including a quantity of waste tyres. Given the current use of these properties, localised contamination may be present.

Asbestos sheeting was noted cladding some of the buildings. The land adjacent and to the south of Jewsons and the tyre centre comprises 2 separate car parks used by rail passengers. Whilst no current sources of contamination were noted these areas have historically been occupied by a factory or works before redevelopment as the current car park areas. Given the presence of a former industrial use, a legacy of ground contamination may remain. Although the site has been redeveloped it is unlikely that extensive remediation would have been undertaken given the low sensitivity end use.

Site 2

Site 2 comprises predominately car parking used by rail passengers and some industrial units mainly utilised for car maintenance purposes. The western boundary is situated adjacent to old railway sidings and the original rails and sleepers are still evident. There is a change in elevation across the site, the highest point being the recently laid car park nearest the station with the ground sloping gently to the east and south.

The ground surface is variable but in general comprises tarmac.

The area of the old railway sidings is unsurfaced and was noted to contain some fly tipped material.

Generally, the site is open, any buildings are located along the south west boundary and towards the south east corner and comprise industrial units. Based on initial observations there are a number of potential contaminant sources which include the railway sidings to the east and the individual industrial units containing in the main, car maintenance activities. Specific contamination sources in this area are expected to include waste oils and fuels, spent batteries, brakes pads, waste parts, etc. An internal inspection of the industrial units was not possible and we therefore can't comment on the internal activities.

It is understood that historically the site area was occupied by an Iron Works. There is no information concerning the remediation of the area prior to redevelopment, however, based on the low sensitivity of the site area, remediation is unlikely to have been required.

Councils Contaminated Land Strategy

Discussions have been held with the Councils Contaminated Land Officer who provided relevant information from their database although no ground investigation data was available. The Council is continuing with its obligation under Part 2A of the EPA 1990 to identify sites that could be classified as Contaminated Land. So far none of the properties within Sites 1 or 2 have been identified as priority areas of high risk that warrant further intrusive

investigation. They hold no records of any remediation treatment 50 undertaken or other records relating to the pollution incidents at either sites.

In addition, we have also been informed that Wharf Road has been identified as an Air Quality Management Area because of exceedances of Nitrogen Dioxide from traffic emissions. More recent air quality monitoring has identified an improvement in air quality along Wharf Road and continuous monitoring, due to commence in April 2009, may provide sufficient evidence to revoke the air quality management area.

Conclusions

Both sites have current activities that could lead to contamination. In addition both sites have historically been used for industrial purposes and a legacy of contamination may exist. Therefore, is it possible that localized areas of contamination may be present particularly in Site 1 given its current use. Contamination may be more widespread in Site 2 given the extensive iron works that previously occupied the site area although we understand that this area was last used as an Iron works in 1932 therefore natural degradation of contaminants is likely.

Based on the geology map and historical borehole information, geologically the site area can be divided in two. Site 1 is generally underlain by mudstone with a veneer of drift deposits comprising sand and gravels towards the northern end. Site 2 appears to be underlain by Marlstone Rock Formation underlain by clays and mudstone with some drift deposits to the south. Therefore, geologically the site's are considered to be of low to moderate sensitivity.

Given the low permeable geology, it's unlikely that significant quantities of groundwater will be present. Any groundwater is likely to be perched and at shallow depth and if groundwater clean up is required this is likely to be on small scale and localised. It's difficult to determine the cost of remediation without any ground investigation data. However, given that the proposed end use of both sites are generally of low sensitivity i.e. commercial/retail

with some town houses/flats in Site 1, significant remedial works are unlikely based on the information available to date.

Some localised clean up is likely to be required around the point sources listed above and other localised sources may be present that we are not currently aware of such as underground fuel tanks. Based on experience from other sites, a nominal allowance per acre should be allowed for to address remediation. An accurate figure can only be provided on receipt of more representative data on ground/ groundwater conditions.

Clearly the cost of demolition and asbestos removal needs to be factored in and will be subject to the results of a Type 3 asbestos survey. Given the industrial past of the area, the Local Authority are likely to impose a condition requiring intrusive ground investigations which will determine the precise ground conditions and the need for any remediation.

In terms of foundations, from the limited information available, it would appear that natural materials should be present near surface with Marlstone Rock predominating in Site 2. Made Ground deposits are expected and in some circumstance there may be localised areas of deep made ground particularly in those areas where there is an industrial legacy. Intrusive investigations would be needed to confirm the precise ground conditions, presence of relict foundations and foundation requirements. It is noted that a multi-storey car park is proposed in Site 2 on Network Rail land and more substantial foundations may be required in this area.

In summary and given the information available, ground conditions are not anticipated to impact the spatial arrangement of the proposed development as shown on the plans provided. Based on the information available significant remedial works are unlikely given the low sensitivity end use although this can only be confirmed following development specific ground investigation.

Appendix Two

Transport Study

MVA Consultancy has been commissioned to provide transport advice relating to the two redevelopment sites located adjacent to Grantham Railway station. This advice has culminated in the preparation of a detailed transport assessment for the site.

The design incorporates a number of transport infrastructure improvements which form part of an overall transport masterplan for the town as well as ensuring the proposed development can be accommodated in a sustainable manner without significant impact on the existing transport infrastructure.

This section of the report summarises the transport strategy for the site and also the predicted impact on the surrounding transport networks the details of which are to be found in the Transport Assessment report.

Rail Station Transport Improvements

The rail station forms the epicentre of the transport strategy for the site. As part of the development proposals access to the rail station has been significantly improved for users of all travel modes including;

- The provision of a pedestrian/cycle only route between the main station access and Wharf Road which allows improved access to the town centre retail areas. The cycle mode is enhanced by the covered cycle

parking facility located close to the main entrance to the station.

- The opportunity for buses to access the station, which cannot be provided at present, through the provision of a bus route past the station and stop facilities located adjacent to the station entrance.
- The identification of a formal taxi drop off and pick up area adjacent to the station that allows ordered taxi queuing replacing the uncontrolled area that is presently provided.
- The removal of the majority of the surface parking in the vicinity of the station which is re-provided in a high quality multi-storey facility that is reached via a short covered walkway from the station.
- The provision of a dedicated short stay parking area within sight of the main entrance to the station which allows for station pick up.

Site Access and traffic Management

Access to the southern part of the site for general traffic will be via Station Road East. It is proposed to upgrade the junction between station Road East and London Road to a signal controlled junction to ensure that congestion is limited during the main peak periods. This access route also serves the station parking areas.

Access to the northern part of the development is provided from Station Road. Only buses will be permitted to travel between Station Road East and Station Road on a formal bus lane in front of the station to prevent this route being used as a 'rat run'.

Limited access to a small number of residential units is provided from Grantley Street. In order to reduce the impact of the development and existing 'rat running' traffic on the residential area to the east of the station, a traffic management scheme consisting of raised junctions and access restrictions is proposed for the routes which access onto Wharf Road.

Cycle and Pedestrian Facilities

In addition to the proposed pedestrian/cycle boulevard that links the station to Wharf Road through the northern development site, high quality pedestrian crossing facilities are proposed across Wharf Road linking the site and the station to the town centre and London Road within the Station Road East signal controlled junction. It is suggested that these crossing facilities are raised to enhance the movement of pedestrians to and from the site.

Public Transport

The proposed bus only route past the station provides the opportunity to divert existing bus services that terminate in the bus station on Wharf Road through the site via the railway station. This encourages sustainable access to both the development and the station reducing the existing high reliance on private vehicle access to the area.

Stops will be provided on Station Road and Station Road East to ensure that the entire development is within a suitable walk distance of a public transport route.

Junction	Conclusion
Harlaxton Road/A52 Wharf Road/Old Wharf Road/Saint Augustine Way/Westgate junction;	The development has little impact on this gyratory as the net increase in traffic through the junction is insignificant.
A52 Wharf Road/London Road/St Catherine Road/High Street junction	No improvements to this junction are required to accommodate the proposed developments
London Road/ A607 Springfield Road/Bridge End Road/ B1174 South Parade	No improvements to this junction are required to accommodate the proposed developments.
Harlaxton Road/A607 Springfield Road/Trent Road	There is little impact on this junction as a result of the development proposals over the existing situation.
Station Road East/London Road	Recommended that signalisation of this junction is provided to cater for the proposed development traffic.

Traffic Impact

The table above shows the impact of the development on the local highway network following the detailed assessment work undertaken as part of the Transport Assessment.

Overall Conclusion

The development proposals for the site significantly enhance transport access to the station using all transport modes and provide the opportunity for bus and rail interchange which is not currently available at the present time. High quality pedestrian and cycle links are provided between the scheme, station and the town centre which will encourage improved connectivity and linkages between the two principle areas.

The development proposals demonstrate no significant impact on the highway network and where potential issues have been identified these have been mitigated through both on and off site traffic management and local highway improvement schemes, thus ensuring that the transport impact of the development proposals on the surrounding area is minimised.

Further copies of the detailed Transport Assessment is available from granthamgrowth@southkesteven.gov.uk

Technical documents Grantham Station Approach Development Brief.

Appendix Three

Residential Design Standards

Standards for new housing development which are essential in order to achieve high quality in urban design best practice terms.

The scheme should comply with the following housing standards:-

- The 'Code for Sustainable Homes' – Code Level 3 is recommended as minimum;
- 'Secured By Design' – Full compliance not just Part compliance;
- 'Building for Life' – silver or gold standard – pre-planning application scoring on the 20 criteria at design stage so prior to construction start or completion to indicate standard likely to be achieved at a very early stage;
- 'Lifetime Homes' – higher standard than Building regulations Part M;
- 'Lifetime Neighbourhoods';
- Housing Corporation 'Scheme Development Standards' and 'Housing Quality Indicators' : 'plan compliant' or higher – necessary for Housing Association adoption of affordable homes; and
- 'Building in Context: new development in historic areas', (January 2002).

It is preferable that Living Roofs (green/brown) and Green Walls should be incorporated into all new development and building refurbishment (with the possible exception of listed buildings). The environmental and economic benefits are well documented and include:

- Improvements to mental and physical health – accessible green space;
- Energy conservation – improved thermal performance – cooling insulation barrier in summer and thermal insulation in winter to reduce heat loss;
- Amelioration of urban heat island effect;
- Increased biodiversity and wildlife attraction;
- Cleaner air;
- Noise and sound insulation;

- Many of the materials used in green roof construction are from recycled sources and reduce roof construction costs;
- Storm water alleviation and rainwater harvesting; and
- An extended roof life and reduced maintenance costs.

Car parking provision based on "tenure" which strongly influences car ownership (please refer to) The Communities and Local Government publication "Residential Car Parking Research" May 2007 and 'Manual for Streets' references PPG13 Transport, PPS3 Housing and confirms that "dwelling size, type and tenure" are important factors affecting car ownership; and also advises that a combination of allocated and unallocated parking spaces is advantageous.

Sustainability

At Design and Planning Application Stage Consideration should be given to:

- What is the energy efficiency rating of each house and the development as a whole? What renewable energy systems will be incorporated? A Building Physics Diagram should be submitted which details these performance criteria;
- To what extent will the development be carbon neutral?;
- How does the configuration of the built form affect solar penetration and shadowing of open space and gardens and internal spaces. (Diagrams should be submitted to evidence);
- The proposed micro-climate mitigation measures;
- Sustainable Urban Drainage Systems should be designed into the development scheme;
- Are locally sourced construction materials proposed?;
- What will the carbon and ecological footprint of the development be (Documents calculating these should be submitted);
- A Deconstruction Plan should be submitted;
- An Environmental Profile (EP) should be submitted;

- The evidence should take the form of a design stage Sustainability Report comprising a Carbon Footprint, Environmental Profile (EP) and a Deconstruction/Recycling Plan; and
- Adhering to Building Regulations by producing an Energy Performance Statement, in draft form at the design stage, i.e. a 'working document' which can be developed throughout the design and planning processes into a final version with full details.

Adaptability

All homes should have the capacity for adaptation to meet the changing needs of both individual families and new occupants over time. Similarly, all buildings should be able to respond to a variety of uses over the lifecycle period. Flexible internal layouts and building envelope construction are key factors to facilitating cost effective alterations with minimal disruption and technical expertise. Meeting the ever-changing needs of a community is a keystone of long term sustainability.

Use of Modern Methods of Construction should be maximised.

Tenure Mix and Density

The suggested tenure, mix and density of uses is suggested:

- A table detailing tenure mix;
 - A statement of density or density mix;
 - Consideration of SKDC 'Housing Needs and Demand Study';
 - Consideration of SKDC Affordable Housing SPD;
 - An analysis of local demographic data;
- In addition consideration should be given to:
- Contextual Character – SKDC Affordable Housing SPD;
 - House Type & Distribution – evidence evaluating appropriate household type & distribution;
 - Spatial requirements for internal spaces – to include adequate storage space, support & special needs additional spatial requirements, home office/study/working space; and
 - Compliance with the 'Manual for Streets' in all street design – pedestrian priority – balance between vehicular, pedestrian, cycle, children's play and social interaction in the street.

Appendix Four

Sustainability Standards – Commercial Development

- **Hotel : BREEAM 'Bespoke' ;**
- **Office : BREEAM 'Office' – minimum Very Good rating** – in terms of score values for each section greater emphasis should be given/ higher scores should be attained for 'Land Use & Ecology', 'Materials', and 'Energy';
- **Retail : BREEAM 'Retail' – minimum Very Good rating** – in terms of score values for each section greater emphasis/higher scores should be attained for 'Health & Well-being', 'Energy' and 'Materials & Waste';
- **Industry - this might cover 'Live-Work Units' : BREEAM 'Industry' – minimum Very Good rating** – in terms of score values for each section greater emphasis/higher scores should be attained for 'Health & Well-being', 'Land Use & Ecology', 'Materials', and 'Energy' ; and
- **Community : BREEAM 'Community' minimum Excellent rating** – (Currently being drafted). The following requirements will need to be adhered to: Climate Change & Energy CE3 Rainwater SUDS'; 'Climate Change & Energy CE4 Heat Island'; 'Placemaking PM3 Green Areas –Open Space'; 'Placemaking PM6 Affordable Housing – Inclusive Communities'; 'Placemaking PM7 Secure by Design – Mix of Use'; 'Placemaking PM8 Active Frontages – Form of Development'; 'Placemaking PM9 Defensible Spaces - Form of Development'; 'Community COM2 Inclusive Design – Inclusive Communities'; 'Transport TRA1 Capacity – Public Transport'; 'Transport TRA3 Facilities

– Public Transport'; 'Transport TRA6 Facilities – Cycling'; 'Transport TRA11 Transport Impact – Traffic'; 'Resources RES1 Low Impact – Materials'; 'Resources RES4 Water Efficiency – Water Management'; 'Business BUS3 Employment'; 'Business BUS4 New Business'; 'Business BUS5 Investment'.

Design Stage Assessments and BREEAM Assessors are required for:

- Pre-Planning Application discussions and Planning Applications. A BREEAM Assessor should be appointed at the outset of feasibility/ Concept design stages and be consulted throughout concept/ outline/detail design stages through to tender documentation for advice – evidence of this appointment should be submitted to SKDC. A Design Stage Assessment ('Design & Procurement Pre-Assessment Estimator') should be drafted out for initial Planning negotiations and submitted in final form together with the Planning Application.

In addition the following are required and should be adhered to:

- **Environmental Profile (EP)** : be submitted at the design/Planning Application stage;
- **Deconstruction Plan** : to be submitted at the design/Planning Application stage;
- **Building Physics Diagram** : What is the energy efficiency rating of each house and the development as a whole? What renewable energy systems will be incorporated? A Building Physics Diagram should be submitted at the design/Planning Application stage which details these performance criteria.

Adaptability :- All Buildings should have the capacity for adaptation to meet the changing needs of new occupants over time. Similarly, all buildings should be able to respond to a

variety of uses over the lifecycle period. Flexible internal layouts and building envelope construction are key factors to facilitating cost effective alterations with minimal disruption and technical expertise. Meeting the ever-changing needs of a community is a keystone of long term sustainability.

Use of Modern Methods of Construction should be maximised.

Appendix Five

Property Market Context

This Appendix details an overview of the property market context in Grantham. It is based on desk research and interviews with local agents and developers including Bairstow Eves, Pigott & Hall, Pygott & Crone, William H Brown, Humberts, Evans Easyspace and Grantham Estates.

Private Residential Market

National Overview

Prices in all regions in England are declining on both monthly and an annual basis. House prices are c 20% below their peak, according to data from Nationwide and Halifax, and c 14% according to Land Registry data. Relative to consumer prices, the fall is comparable with those seen in the housing market in the 1970s and 1990s. Indicators of activity largely remain very weak. Although the RICS has noted an increase recently in viewings, the latest mortgage approved figures are up 19%, and there are slightly more positive returns from lenders regarding credit conditions over the next 3 months. However, these are all in the context of very low figures. The majority of indicators point to further price falls. Many commentators predicted that prices could drop by up to 35% from their peak, which would then bring them back in line with long term average relative to their incomes. Moody's, the credit agency, has recently down graded the credit rating of a number of building societies, including Nationwide, on the basis that their finances would find it difficult to cope with a fall of 40% from peak to trough.

We predict that house prices will continue to fall during 2009. However, we also predict that in the longer term, above inflation price growth will return. In the decade up to December 2007 it was 8.5% per annum. This reflected a number of factors, which we do not expect to be repeated. However, given projected increases in the number of households and the lack of new house building activity, even before the decline

in house prices began, we consider that there will be upward pressure on prices leading to real price growth i.e. in excess of retail price inflation, of c 2.7% pa.

Grantham Overview

Supply

Grantham is the largest settlement in South Kesteven with 19,916 households. Despite the District-wide emphasis on detached housing, according to agents operating within Grantham and the surrounding area, current stock in Grantham is predominately terraced housing. There are also some flats, predominately two-bed and some three-bed flats with the recent Riverside development representing the newest stock. The residential market in Grantham is fragmented in terms of character and location, with no easily identifiable centres. The Peterborough Strategic Housing Market Assessment 2008 (SHMA) gives the breakdown as:

Table 1	
Detached	34.7%
Semi Detached	34.5%
Terrace	21.6%
Flats	8.2%
Caravan or temporary structure	0.9%

Source: Peterborough Sub Regional Strategic Housing Market Assessment 2008

Data from the SHMA regarding the mix of tenures are:

Table 2	
Owner Occupied	70.9%
Shared Ownership	0.7%
Rented from Council	16%
Other Social Rented	1.9%
Private Rented	10.6%

Source: Peterborough Sub Regional Strategic Housing Market Assessment 2008

There is currently a glut of rental property in the town caused by the exodus of large numbers of immigrant workers, following the closure of the Fenland Foods factory in the latter half of 2008 resulting in 700 job losses. Consequently, the private rental market is experiencing a period of oversupply coupled with very low demand. This mirrors a national problem, albeit to a greater extent, of an oversupplied rental market in which owners, who would previously have been inclined to sell but have been unable to, have been forced to rent.

Demand

The total number of households across Grantham is projected to rise to 69,000 by 2026, an increase of 26%. Within Grantham, the population is forecast to increase by c 12,000. This equates to an increase of c 6,000 households. The average size of household is projected to decrease from 2.35 persons per household to 2.09 persons per household. According to the Peterborough Sub Regional Strategic Housing Market Assessment 2008, these changes are expected to translate into a net extra demand for one or two bedroom properties of nearly 70%.

According to local agents, demand has been badly affected by the recession and the financial crisis. Historically, with the stock in Grantham dominated by terraced housing and flats, it has been predominately a first-time buyer's market. However, this market, along with the buy-to-let market, has almost completely dried up with very few reported completions since May 2008. The lack of demand has exerted downward pressure on prices, and agents report that values have fallen in line with the national decline, c 20%.

This decline notwithstanding, local agents report that the properties that are currently most in demand are:

- 2 & 3 bed semi-detached houses
- Smaller detached houses
- Town houses

Values

Table 3 shows average property prices in the NG31 postcode according to Land Registry data.

Station Approach Site

The Station Approach Site lends itself to residential use given its proximity to the town centre, as well as the train station.

Any dwellings would be attractive to the commuter market. The existing housing, surrounding the northern end of the site, sets a precedent for residential development. Despite the

	NG31		Grantham		Lincolnshire	
	Jul-Sep 08	Oct-Dec 08	Jul-Sep 08	Oct-Dec 08	Jul-Sep 08	Oct-Dec 08
	(£'000s)	(£'000s)	(£'000s)	(£'000s)	(£'000s)	(£'000s)
All Properties	147	138	147	137	151	143
Detached	195	178	192	171	209	198
Semi Detached	122	131	122	131	126	121
Terraced	126	115	126	115	104	100
Flats	86	95	86	95	101	97

Source: Land Registry

According to Land Registry data, the number of sales in Grantham has declined by 46% since Quarter 4 2007. This decline in sales due to the downturn in the wider economy and the residential market specifically, point to a drop in values which is evidenced by local agents' sentiment and in line with statistical evidence provided by leading indicators such as Halifax which records a drop in value in the East Midlands of 15.94% since Quarter 1 2008 (all buyers, seasonally adjusted).

According to our research, property prices within the NG31 area match prices achieved in the wider Grantham area. However, values in Grantham are approximately 95% of those in Lincolnshire.

Table 4 shows average asking prices for houses and new build flats near to the Station Approach Site in Grantham based on a review of property databases and agent consultations.

Conversations with local agents suggest that actual, achieved prices are approximately 5% lower than the asking price.

There have been few sales recently completed and a lack of strong evidence on which to base a view of actual, current prices in Grantham. Taking into account the evidence available and our conversations with local agents, our view on current, actual prices in the NG31 postcode is detailed in **Table 5**.

Unit type	No. of Bed	Actual average price (£000s)
Flats	1 bed	£50-55
	2 bed	£60-85
	3 bed	£75-100
Terraced	3 bed	£75-90
	4 bed	£85-100
Semi Detached	3 bed	£95-105
	4 bed	£110-130
Detached	3 bed	£155-165
Town House	4 bed	£155-165

Source: GVA Grimley

Unit type	No. of Bed	Average asking price (£000s)
Flats	1 bed	£55-60
	2 bed	£80-90
	3 bed	£80-120
Terraced	3 bed	£80-90
	4 bed	£90-100
Semi Detached	3 bed	£100-110
	4 bed	£120-140
Detached	3 bed	£160-170
Town House	4 bed	£160-170

Source: GVA Research

difficulties currently experienced in the housing market, local agents were supportive of bringing residential uses forward on the site. However, given the risk of oversupply in a struggling market, it should not be the primary use in any development of this site in the near or medium term.

Office Market

National Overview

Activity across all sectors of the coActivity across all sectors of the commercial property market has declined sharply as a result of both the financial crisis and the recession. Both factors have forced businesses to focus on cost efficiency and investment in buildings has been reduced in consequence. The RICS has noted that occupier demand and enquiries have declined at the fastest pace since its surveys began (1998) with retail the worst sector followed by offices. The amount of available floorspace for occupation has also increased at a fast pace across all regions and in all sectors. Landlords are offering increasingly larger value incentives in order to secure lettings. At the same time that inducements have increased, the length of leases being taken by new tenants has declined. This decline in leasing activity is coupled with a large fall in capital values as a result of a rise in yields required by investors. Capital values have fallen by c 34% since July 2007, and capital values are now broadly in line with those that prevailed at the end of 2001.

To date the downturn in values has been driven largely by yield movement rather than declines in rent. However the fall has now been given further impetus as credit conditions have tightened and the economic slowdown has weighed on the outlook for commercial rents. History suggests that, even once economic growth resumes, there will be a lag before this is translated into demand for accommodation.

According to Experian, average office rents in the East Midlands will be approximately 11.2% lower by 2012 than the 2008 average. Capital values in the region are likely to decline by approximately 16.8% over the same period. Whilst this may appear pessimistic, it is worth noting that national average rents fell for more than 3 years during the recession in the early 1990s, and the current recession is considered to be more severe. On the positive side, the development cycle which preceded the recession has been much less pronounced than that of the late 1980s and there was less overbuilding.

Grantham Overview

Supply

Local agents have reported that Grantham currently has a poor office offer. There has been almost no change in the amount of office stock over the last 10 years. **Table 6** presents data at District Level.

The Table indicates that South Kesteven has had the least amount of new office floorspace built over the last ten years (an increase of 23%) with the exception

of West Lindsey which had an increase of 18%.

This data is corroborated by local agents, who advise that there have been no new large scale office developments in Grantham for some years. There have been examples of small office developments, such as Hill Court, on Turnpike Lane currently owned by Grantham Estates. The Maltings is the only large office block in Grantham, which was completed in the 1970s. The stock is fragmented with poor quality accommodation spread throughout the town, mostly located above retail premises.

Demand

Current demand is mostly from small businesses already located within Grantham. Larger businesses from outside Grantham tend to gravitate towards larger and better known office locations such as Nottingham. According to local agents, this is largely due to the fact that the existing stock in Grantham is of poor quality. The lack of a large office market means that potential occupiers will discount Grantham in favour of taking advantage of agglomeration elsewhere. However, there is a consensus locally that there is latent demand for quality office space in Grantham, which could be realised if the right development came forward. Indeed, informal conversations with a local developer, Evans Easyspace who have developed new office space in Newark, have revealed that there has been interest in Grantham as a location for new development, but that there has been a shortage of available land. This is a view also supported by the Lincolnshire Employment Sites and

Premises Study 2005.

Local agents suggest that demand for office space in Grantham is mainly for units of up to 279sqm.

Current Office Availability

Analysis of commercial property databases suggest that there is currently in the region of 3,160 sqm of office floorspace available in Grantham. On the basis of average take-up rates, this equates to approximately 4 years of notional supply. **Table 7** shows how this is split over various size brackets.

Size	SqM Available	Annual Average Takeup (SqM)	Notional Years Supply
<185 sq.m	784	215	4
185-465 sq.m	1791	123	15
465-1,850 sq.m	583	147	4
1,850 sq.m +	0	382	0
Total	3158	867	4

Source: Focus

The amount of available space is very low in comparison with other local centres of similar size, Newark currently has approximately 14,876 sqm available and Spalding has 7,880 sqm available according to the same property database. However, it is also an indication of the lack of activity in the Grantham office market that such a

	000s Sq M				Change 1998-2008	
	Apr08	Apr05	Apr01	Apr98	Sq M	%
Boston	56	51	48	39	17	44%
East Lindsey	92	79	80	66	26	39%
Lincoln	194	181	178	155	39	25%
North Kesteven	83	64	53	50	33	66%
South Holland	53	46	38	36	17	47%
South Kesteven	107	99	90	87	20	23%
West Lindsey	67	62	62	57	10	18%

Source: VOA

low amount of available space equates to 4 years supply.

Station Approach Site

The office market in Grantham is currently suffering from a poor supply of serviced land meaning that the current level of stock cannot be increased easily. The poor quality of the majority of existing space, coupled with the lack of precedent means that Grantham suffers from a poor reputation as an office location. Rents and yields reflect this, with capital values averaging at £1,000-1,150 sqm for Victorian conversions and £1,300/1,400 per sqm for newer, better quality space. This, coupled with relatively high overall build costs of £2,200-2,500 per sqm, excluding land, means that there is little incentive for speculative development.

However, given Grantham's good transport links to local business centres and London, there is consensus that Grantham could develop into a good office location should a flagship development come forward. If successful, it would serve to attract investment from businesses not currently located in Grantham. This would serve to raise its profile as an office location.

Given its proximity to Grantham Station and to the town centre, the Station Approach Site is a natural location for such an office development.

Retail Market

National Overview

Many of the comments made previously in respect of the office market and the decline in capital values apply equally to the retail market. Further, the fall in values for retail property have recently become more pronounced as the retail sector has been hit particularly hard. The evergrowing list of retailers going into administration is adding to the vacant accommodation and rental values are falling.

Recent growth projections provided by Experian Business Strategies, February 2009, now suggest that trends influenced by the spending boom up to 2007 is unlikely to be repeated for

many years. It predicts a weak upturn, and suggests that up to 2016 the growth in comparison goods will be c 1.3% (3.7% post 2016) and 0.2% p.a. for convenience goods (0.3% post 2016).

According to Experian, average high street retail rents in the East Midlands will continue to decline until 2012. Rents in the region will be approximately 16.9% lower by 2012 than the 2008 average. Capital values will decline by approximately 10.4% over the same period.

Local agents indicate that the existing retail floorspace in Grantham is largely of low quality and modest in size. This acts as an inhibitor to large multiple retailers moving into the town, who traditionally require larger, higher quality space.

Demand for Retail

Grantham's retail catchment overlaps with those of nearby Newark and Stamford. As a result, Grantham's core shopping catchment is limited to a ten mile radius around the town. PROMIS estimates Grantham's shopping

Table 8: Change in Retail Floorspace (1998-2008)

	000s Sq M				Change 1998-2008	
	Apr08	Apr05	Apr01	Apr98	Sq M	%
Boston	157	155	168	136	21	15%
East Lindsey	278	265	294	263	15	6%
Lincoln	333	326	341	312	21	7%
North Kesteven	87	83	104	87	0	0%
South Holland	133	128	141	134	-1	-1%
South Kesteven	319	309	301	242	77	32%
West Lindsey	109	91	101	85	24	28%

Source: VOA

Grantham Overview

Supply of Retail

Table 8 shows the change in retail floorspace at District level between 1998 and 2008, the latest date for which VOA data is available.

According to PROMIS, around 13% of the total retail floorspace in Grantham is within the town's two managed shopping centres – the Isaac Newton Shopping Centre, which opened in 1985, and the George Shopping Centre, which opened in 1992. According to local agents, there is a poor retail offer in Grantham in comparison with local competitors such as Newark and Nottingham. Occupiers are mainly standard market town retailers made up of a mix of local businesses and multiples. Key multiple retailers include Marks & Spencer, Asda, Co-op, Morrisons, Boots, WH Smith and Superdrug.

population to be about 50,000 and ranks the town 184 of the PROMIS centres, which is below the average for PROMIS Average Towns. This is corroborated by local agents, who indicate that many of Grantham's potential shoppers choose to travel to Newark or Peterborough where they can find greater variety. Another reason for shoppers choosing to travel elsewhere is that travel by vehicles through Grantham's town centre has been compromised by two years of road works; these have recently come to an end. Nevertheless, it is clear that Grantham needs to improve the variety and quality of its retail offer if it wishes to retain existing demand from shoppers and attract new demand from elsewhere.

According to local agents, occupier demand is muted with one agent indicating that the big high street names she had spoken with had no plans to enter Grantham for another 2-3

years. Her enquiries were carried out before the current recession, and so it is possible that any plans for entry into Grantham will be postponed until the economy recovers. This lack of interest in Grantham from high-profile retailers is corroborated by the findings of the South Kesteven District Council Retail Needs Study 2006, which indicates that, as of June 2006, retailer requirements for comparison floorspace in Grantham are limited.

As of end of 2008, local agents placed prime Zone A rents at £592 sqm with prime retail yields at approximately 7%. Yields are likely to have moved to 8% since this time.

Current Retail Availability

Analysis of commercial property databases suggest that there is currently in the region of 5,600 sqm of retail floorspace available in Grantham. On the basis of average take-up rates, this equates to approximately 3 years of notional supply. **Table 9** shows how this is split over various size brackets.

Table 9: Office Availability and Take-up by Size in Grantham

Size	SqM Available	Annual Average Takeup (SqM)	Notional Years Supply
<185 sq.m	2255	168	13
185-465 sq.m	2171	520	4
465-1,850 sq.m	1,163	850	1
1,850 sq.m +	-	465	0
Total	5589	2003	3

Source: Focus

The majority of the vacant floorspace is within the smallest size bracket, equating to 13 years notional supply. There is no space available in the largest size bracket and only 1,163 sqm in the second largest size bracket (465-1,850 sqm), equating to 0 and 1 years notional supply respectively. These figures illustrate the view that retailers favour larger units.

Station Approach Site

It is clear that there is a need in Grantham for greater diversity and

higher quality in its retail offer to make it more competitive with nearby towns and cities such as Newark and Peterborough. However, it is not felt that the Station Approach Site is the correct location to bring a quality retail development forward. It would be better to concentrate such improvements closer to the town centre. However, there is potential for some supporting convenience retail on the Station Approach Site, which could service commuters and office workers.

Industrial Market

National Overview

A rapid deterioration in the outlook for both the manufacturing and retailing sectors will undoubtedly impact on rental growth over the next 2-3 years. Recent changes to empty rates relief are also having a negative impact.

Prime industrial rents have held broadly steady, with weakening occupier demand being reflected in increasing incentives. However, on the IPD average measure, rents are now falling and we expect average rental values to fall.

According to Experian, average industrial rents in the East Midlands will continue to decline until at least 2013. Average industrial rents in the region will be approximately 24% lower by 2013 than the 2008 average. Capital values will decline by approximately 16.6% over the same period.

Grantham Overview

Supply of Industrial

South Kesteven is the major location for industrial stock in Lincolnshire, as shown in **Table 10**.

Of the commercial markets reviewed in this section, the industrial market is the largest, with the most amount of total floorspace.

Grantham Estates has recently completed construction of a new industrial scheme at Inner Street, south west of the southern part of the Station Approach Site on the western side of the railway. The units are brick clad, business/trade counter units finished to shell ready for use as offices, workshop or warehouse and are between 80 -700 sqm. The rent is quoted at £60 per sqm on easy in and easy out terms.

Demand for Industrial

Demand for industrial space is mainly from local businesses already located in Grantham or who are looking to locate to Grantham from nearby. Local agents indicate that demand for industrial space in Grantham is mainly for 180-500 sqm units with eaves height of 6.5 m. However, there is some indication that a small number of 950 sqm units

Table 10 – Change in Industrial Floorspace (1998-2008)

	000s Sq M				Change 1998-2008	
	Apr08	Apr05	Apr01	Apr98	Sq M	%
Boston	662	625	625	625	37	6%
East Lindsey	822	794	893	840	-18	-2%
Lincoln	644	682	742	743	-99	-13%
North Kesteven	658	584	599	566	92	16%
South Holland	889	819	827	760	129	17%
South Kesteven	1136	1134	1200	1178	-42	-4%
West Lindsey	622	597	644	689	-67	-10%

Source: VOA

could be accommodated.

Occupiers favour Grantham as an industrial location due to its proximity to the A1. As a result, higher rents are achievable on the western side of the railway. The height restriction of the railway bridge is also a factor. This has resulted in most new development taking place to the west of the railway.

Local agents suggest that average rents are at £54 per sqm with a yield of around 9.5%. This equates to a capital value of approximately £570 per sqm, less purchaser's costs.

notional years supply. **Table 11** shows how availability is split over various size brackets.

The majority of the vacant floorspace is within the largest size bracket of more than 1,850 sqm, comprising 67% of the total available space. The poor quality of the annual take-up figures makes it difficult to draw any strong conclusions regarding where the current demand is targeted at in terms of the size of units. **Table 12** breaks down the available floorspace in Grantham in terms of length of time it has been on the market.

sqm, with possibly a larger unit of 929 sqm. Lease terms should be flexible in order to encourage ease of letting.

Hotel Market

National Overview

Hotel investment over the past few years has increasingly entered the mainstream of property investment, providing the attractions of a secure long-term income stream, generally strong covenants and limited obsolescence. The budget hotel sector is experiencing particularly rapid growth, with some 150,000 additional rooms forecast to be built by the end of 2010.

The hotel sector is highly competitive with hotels becoming attractive real estate assets and with hotel real estate values increasing. This has brought to the forefront a diverse range of private investors seeking property investments with predictable income streams. Private equity firms have been particularly active, securing ownership of approximately 38.4% of the hotel transactions completed globally in 2005 and 2006, with this trend continuing throughout 2007 and into 2008.

Size	SqM Available	Annual Average Takeup (SqM)	Notional Years Supply
<185 sq.m	2107	117	18
185-465 sq.m	3194	446	7
465-1,850 sq.m	23555	707	33
1,850 sq.m +	58,595	5280	11
Total	87451	6551	13

Source: Focus

	0-3 Months	3-6 Months	6+ Months	Total
Size	SqM Available	SqM Available	SqM Available	
<185 sq.m	1529	316	262	2107
185-465 sq.m	1562	186	1446	3194
465-1,850 sq.m	1671	-	21884	23555
1,850 sq.m +	36,463	12,099	10,033	58,595
Total	41225	12601	33625	87451

Source: Focus

	2007	2008	Change
Occupancy	80.6%	77.4%	-3.2 Pts
Room Rate	£92.89	£91.43	-1.6%
Room RevPar	£74.89	£70.79	-5.5%

Source: TRI Hospitality

Current Industrial Availability

Analysis of commercial property databases suggest that there is currently in the region of 87,500 sqm of industrial floorspace available in Grantham. On the basis of average take-up rates, this equates to approximately 13 years of notional supply. However, it should be noted that GVA Grimley has reservations about the quality of the data sitting behind the annual average take-up figures. It is likely that they under-represent the level of take-up resulting in inflated figures for the

The Table shows that of the 23,555 sqm of space available in the 465-1,850 sqm size bracket, 21,884 sqm (92%) has been on the market for 6 months or more. This suggests an oversupply of units of this size.

Station Approach Site

Local agents and developers are positive about industrial uses on the southern part of the Station Approach site, despite it being located on the eastern side of the railway. Achievable rents at this location are indicated by local agents to be at a maximum of £59 per sqm. Units should be between 185-465

The performance of the UK hotel sector was strong in 2007, and growth continued into 2008. Figures from TRI Hospitality show that revenue per available room (RevPar) grew nationally at 8.9% in 2007 with further growth of 4.4% in the 5 months to May 2008. This has generally been driven by higher room rates. However, more recent figures from TRI Hospitality, for October 2008, show an overall decline in occupancy, room rate and room RevPar across the UK, indicating a dramatic decline in the latter half of 2008. The results are summarised in **Table 13** below.

Recent forecasts by Deloitte, PwC and TRI are now pessimistic as to revenue and occupancy. Regional hotels are not expected to suffer as much as those in London, with Rev Par falling c 7.9-11.6%, occupancy down by c 2.9-7.9% and average room rates down by 4-5%. However, the outlook for 2010 suggests that hotels across the regions could start to recover.

The property investment market has witnessed rapid falls in values over the past 12 months, with the IPD index recording a fall in capital values of 19.3% over the period. This has been driven principally by an upward movement in yields, with some sectors experiencing yields rising typically by 1.5% since the peak of the market in mid-2007. Hotel investments have

hotels currently located in Grantham. These are listed in [Table 14](#).

Demand for Hotels

User demand for hotel rooms in Grantham is mainly derived from business travelers. There is also some demand from leisure visitors, although this is not significant in comparison to the business demand. Business demand is usually for budget hotel rooms. Moypark, a local food distribution business, has particularly high demand for rooms for directors, often requiring more than 20 rooms per month. The company currently uses Belton Woods, Angel & Royal and Ramada – these are the better quality hotels in the Grantham area.

Given that much of the expected demand for the hotel is associated with any office development coming forward, it may be that the hotel is contingent on the successful creation of a new office market on the Station Approach Site.

The only party to have expressed an interest in the Station Approach Site is Millennium and Copthorne Hotels, who would wish for a management contract of a 150 bedroom, 4 star hotel under its Copthorne brand.

Table 14: Branded Hotels in the Grantham Area

Hotel	Rooms	Conference Capacity	Stars	Facilities
De Vere Belton Woods	136	245	4	Country estate resort
The Olde Barn Hotel	112	300	3	Restaurant, bar, spa
Premier Inn Grantham	92	-	2	Limited service
Ramada Grantham	89	200	2	Restaurant, bar
Travelodge South Witham	32	-	2	Limited service
Travelodge A1	30	-	2	Limited service
Travelodge Colsterworth	30	-	2	Limited service
Angel & Royal	29	-	2	Restaurant, bar
Best Western Kings Hotel	21	20	2	Restaurant, bar
TOTAL	571	765	-	-

Source: Draft Lincolnshire Hotel Market Prospectus 2008

generally followed this trend, although have been cushioned slightly in some cases by the strength of tenant covenants (such as Travelodge and Whitbread), the usually 25 to 30 year terms offered, and the fixed or RPI linked increases available in many leases.

Grantham Overview

Supply of Hotels

The Grantham area has the highest density of hotel supply in the county. The Draft Lincolnshire Hotel Market Prospectus 2008 identifies 9 branded

Station Approach Site

Given Grantham's Growth Point Status and the potential demand for office space on the Station Approach Site, there is potential demand from the business sector for a hotel of circa 120 rooms. The nature of the business demand indicates that any hotel coming forward on this site should be a budget hotel. However, GVA Grimley's research indicates that Travelodge and Whitbread are both satisfied that they are already adequately represented in the area. These are the hotels which have the strongest covenant in the sector.

London West End

10 Stratton Street
London
W1J 8JR

Belfast

Rose Building
Third Floor
16 Howard Street
Belfast
BT1 6PA

Bristol

University Gate
Park Row
Bristol
BS1 5UB

Edinburgh

Quayside House
127 Fountainbridge
Edinburgh
EH3 9QG

Leeds

First Floor, City Point
29 King Street
Leeds
LS1 2HL

Newcastle

Yorkshire Chambers
112/118 Pilgrim Street
Newcastle upon Tyne
NE1 6LL

London City

80 Cheapside
London
EC2V 6EE

Birmingham

3 Brindleyplace
Birmingham
B1 2JB

Cardiff

One Kingsway
Cardiff
CF10 3AN

Glasgow

206 St Vincent
Street
Glasgow
G2 5SG

Liverpool

Mercury Court
Tithebarn Street
Liverpool
L2 2QP

Manchester

81 Fountain Street
Manchester
M2 2EE

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