

Date: 21st February 2018

Representations by HHGL Ltd to the Draft London Plan Review (December 2017)

These representations are submitted on behalf of HHGL Ltd, which trades as Bunnings and Homebase in the UK & Ireland. This submission relates to the Draft Plan's retail strategy and policy approach to existing edge and out-of-centre retail warehouses and retail parks within London.

Background to Representations

Bunnings is the leading home improvement and outdoor retailer in Australia and New Zealand. Its success has been built on the three strategic pillars of lowest prices, widest range and best service.

Bunnings acquired Homebase in February 2016 as a platform to build the Bunnings brand within the UK & Ireland. That investment has already commenced with the first Bunnings Warehouse store in St Albans Griffiths Way opening in February 2017. Since then, a total of 19 Bunnings stores have opened, details of which can be found at <https://www.bunnings.co.uk/our-stores>.

Bunnings employ 12,000 team members within the UK & Ireland, including over 1,500 team members in London. These numbers are expected to grow as Bunnings converts existing Homebase stores and invests in new site opportunities.

Bunnings' are a fair and community-focused employer, paying the National Living Wage for all team members aged 18+. Many of its stores inside the M25 have starting pay rates at a higher level than the national living wage, recognising their proximity to London.

Bunnings are highly active in the communities they inhabit, with a track record of local activity of more than 25 years, details of which can be found at <https://www.bunnings.com.au/about-us/in-the-community>. In Australia and New Zealand, Bunnings has helped raise more than A\$37 million for local community groups.

Bunnings is keen to replicate this community commitment in the UK & Ireland and this has already been demonstrated with its most recent store openings. Between February and June 2017, the four Bunnings Warehouse stores opened helped raise more than £30,500 for local charities and participated in and supported over 35 community activities.

Included with this submission is a copy of the Bunnings UK & Ireland Property Guide November 2017, which provides further background to the business and its strategy moving forward. Also included is a copy of Bunnings Community & Sustainability Guide November 2017, which provides further background to the businesses' community initiatives and sustainability policies

Representations to Draft London Plan

The current network of Homebase/Bunnings stores in the UK & Ireland extends to 255 stores. Of these, approximately 30 are located within the London area.

Four of the existing stores in the London area have or are currently in the process of being converted to a Bunning Warehouse. These are the stores at Hanworth, Penge, Walthamstow and Walton on Thames. This investment involves the complete refurbishment of the individual stores and is likely to secure new employment as stores converted to the Bunnings brand see, on average, a 50% increase in staff numbers.

Policies SD8 and E9 of the Draft London Plan relate to retail development. Part 5) a) to Policy SD8 and part 8) to Policy E9 suggest that Borough's, through their Development Plans, should seek to encourage higher density development or the more intensive use of edge and out-of-centre retail sites and retail parks for a diverse mix of uses including specifically new housing. This is expanded further in paragraph 2.8.3, with the proviso that redevelopment should not generally result in an increase in retail floorspace given the town centre first approach.

Our clients recognise the general need for new housing within London and support those policies that seek to increase housing provision on appropriate sites. However, they are very concerned that the policies as drafted appear not to recognise the important role of existing retail businesses on edge and out-of-centre sites and neither do they provide any clarity or commitment to those businesses. For example, it is unclear as to whether this policy approach is seeking to promote the retention of existing retail uses within any future redevelopment schemes and if it is not, what the implications of that approach will be for these businesses. These are businesses, such as Homebase/Bunnings, that perform important roles not only just in terms of providing Londoners with access to bulky comparison goods that cannot be sold or accommodated within existing town centres, but also as a source of a significant number of local jobs.

A policy approach that fails to cater for edge and out-of-centre retail businesses or which failed to address the need for large format retail warehousing, would be inconsistent with the retail policies of the National Planning Policy Framework (March 2012). It would also appear to contradict part A of Policy 9, which suggests that the draft Plan recognises and supports the benefits of a diverse retail sector.

In addition, the statement in paragraph 2.8.2 that edge and out-of-centre retail uses are often car dependent, not sustainable and poorly integrated, is a sweeping generalisation that does not appear to be supported by any specific analysis or evidence.

Bunnings growth (and future investment) is focused on driving energy efficiency, waste reduction and ethical sourcing. Its sustainability policies seek to ensure that the business, moving forward, is socially responsible and environmentally aware. It actively supports local communities and included amongst its recent projects in London was support (from 6 stores) for Bromley in Bloom involving the donation of wheelbarrows to 24 local schools to design and plant. Bunnings is, therefore, highly committed to reducing its carbon footprint and to fully integrating and supporting the local communities that its stores inhabit.

Given the above, our clients would request that draft Policies SD8 and E9, together with their supporting text, be amended to:

- Recognise the important contribution that edge and out-of-centre retail stores make to the comparison offer of individual Borough's, in complementing existing town centres, offering the opportunity for linked trips, providing access to bulky goods that cannot be accommodated within existing town centres and in promoting access for all modes of transport
- Recognise the importance of these retail businesses as a source of a large number of local jobs and the need to protect those jobs and the role that retail warehouses perform given the lack of alternative sites for this form of large format retail use within London
- Confirm that within any redevelopment scheme the existing retail use will be retained as is or reincorporated within the new development and if this is not possible, for planning, operational, design or viability reasons, to include a firm commitment to relocating those businesses to alternative sites