



Mr Alistair Day,
Colchester Borough Council
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The Walnut Tree
Little Horkesley
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August 31st 2010

Dear Mr Day,

**Application No 090231, Horkesley Park Heritage and Conservation Centre.
Comments on Nathaniel Litchfield Report and Bunting & Sons document of
July 13th 2010 with Combined Response dated June 2010.**

1 Nathaniel Litchfield and Partners Report (NLP) dated March 2010:

The Stour Valley Action Group (SVAG) welcomes the findings of the Nathaniel Litchfield and Partners report which appears to be very thorough and objective in its conclusions. It also welcomes the fact that the Colchester Borough Council chose to appoint these nationally recognized consultants who are of course entirely independent of the Applicant and therefore have no bias in favour of, or against, the Application in contrast with the Applicant's experts. SVAG finds many similarities between the NLP report and the issues raised in its letter of April 17th 2009 and concurs with its main conclusions in that:

- The Horkesley Park proposals are not of regional significance and do not meet the exceptional circumstances where major development would be permitted in the open countryside.
- The amount of retail and other enabling development is excessive and dominates the proposals. The scheme will be a retail led scheme. There is no guarantee the tourist attractions will be delivered or maintained.
- The benefits of the tourist elements of the scheme do not outweigh the disbenefits of major development in the open countryside.

They also reach many other conclusions with which we agree including:

- None of the proposed elements at Horkesley, in isolation or combined as a whole, have sufficient draw to suggest it will be a tourist attraction of regional significance. The tourist offer is very narrow and there is no guarantee it will be delivered or maintained over a long period.
- There is no existing asset at Horkesley Park that needs to be secured by the enabling development of the 'Food Experience' and the 'Garden Centre'.
- The tourist elements of the Scheme would make a loss of over £2,000,000 per annum and the scheme is dependent on subsidy from income derived from sales of at least £9,000,000 of retail sales to make a modest profit. This would be wiped out by a mere 13% reduction in visitor numbers from the projected 485,300 to 422,000 and/or reduction in revenue per visitor from the projected £21 per person per visit.
- They compare visitor numbers with other visitor attractions in the area and conclude that the projected visitor numbers would probably not be obtained.
- They refer to the worst case scenario where the tourist attractions would close and over 12000sq m of new buildings would be located in the open countryside, and there would be pressure to find alternative uses for these buildings e.g. retail outlets, hotel and general conference facilities.

2 Bunting and Sons letter of July 13th 2010 and Combined Response dated June 2010:

We have no doubt that your department will look in detail at all the issues raised in the Combined Response (the Response). We would however wish to record our views on some of the misleading and inaccurate statements made in the Response and to make some additional comments. It is of interest that the Applicant's Lead Consultants, LDA Associates, are not apparently party to the Response; we question whether this is because they do not support the Response and may no longer support the Horkesley Park concept as a result of the Nathaniel Litchfield report. It may also be because Horkesley Park is in conflict with their earlier report for the Countryside Commission on the Dedham Vale AONB in which they reached conclusions that are not consistent with the objectives of Horkesley Park.

1 The Nursery Site and its viability:

The Applicant asserts on page 2 of the Executive Summary and in many other many places in the Response that the existing Nursery of 4.2ha is 'unfortunately no longer commercially viable'. This is a statement that should not be taken at face value and should not be allowed as a supporting reason for the development of Horkesley Park.

Studies have been carried out for SVAG by the Agricultural and Development Advisory Services (ADAS) that show that the glass houses could be viable and would generate a gross income of up to £21550 per 0.1ha per annum if used for growing tomatoes. The glass house area of the existing site is 1.93ha which would yield a gross income of £415,915 per annum. It is possible that higher income levels could be earned from other crops. The ADAS letter is attached.

In our view, the only reason that the existing nursery is not viable, is due to neglect by the present owners who have allowed the buildings to fall into a state of disrepair.

The proper use for the site in accordance with the original Planning Consent ENE/LEX/63/62 dated 27th April 1962 and its subsequent extension LEX/222/69 is for the use of the glass houses and the associated packing shed, boiler house and Dutch barn for the growing of crops under glass. If this is no longer the intention of the current owners, then it is our contention that land should all be returned to agricultural use for which it was designated before the creation of the glass houses and their associated buildings. It can properly be described as 'open countryside' as quoted by the NLP report.

It should be noted that **all** the land and buildings, other than the original nursery site, associated with the Horkesley Park Application have been acquired by the Applicant within the last five years specifically to enable the concept of Horkesley Park. The proposed development cannot be treated as a farmer seeking to diversify.

The Applicant has an unfortunate recent history of applying for planning consent retrospectively following local pressure for the use of the buildings and caravans on the site. All these Applications have now lapsed with the exception of 071084 which gave temporary permission for change of use from an agricultural building to mixed-use agriculture/brewing until October 31st 2010. This was granted with the very specific proviso that no retail sales should be made from the site in order to ***“protect the amenities of the surrounding area and to comply with the Council's retail policies”***. Furthermore the Council said that ***“temporary use hereby permitted is not appropriate for a permanent permission because of the location of the site within the countryside and on the edge of the Dedham Vale AONB”***. This would clearly seem to establish the precedent which would prevent permission being granted for the retail element of the development proposed for Horkesley Park.

It must be presumed that the Applicant is not currently using the existing buildings or site for any purpose for which Planning Consent would be required.

3 Support and opposition:

In the Executive Summary (top of page 3) of the Response and elsewhere, the Applicant once again seeks to confuse the issue about support for the Application.

The total of 29491 responses is made up as follows:

Petition in support of the Suffolk Punch	22839
Response to pre-paid postcards	4900
Letters and e-mails of support	445
Letters and e-mails of opposition	1307
Total	29491

The Petition for the support of the Suffolk Punch pre-dates the submission date of the current Planning Application and has little or nothing to do with the Horkesley Park Application. It must be disallowed.

The pre-paid postcards were originally sent out with information which gave scant and misleading information about the proposed Horkesley Park and did not allow individuals to assess the nature of the proposal and express a reasoned view. Our analysis shows that over 30% of these pre-paid cards came from people outside the CO postal area. These cards should be given very little 'weighting' in consideration of support for the Application.

The true level of support and opposition is the 445 letters and e-mails of Support and 1307 closely argued letters and e-mails of opposition. The letters of opposition include the following organizations:

- Dedham Vale AONB and Stour Valley Joint Advisory Committee
- Great Horkesley Parish Council
- Little Horkesley Parish Council
- Boxted Parish Council
- Nayland with Wissington Parish Council
- Stoke-by-Nayland Parish Council
- Leavenheath Parish Council
- Alphamstowe and Lamarsh Parish Council
- Babergh District Council
- The National Trust
- Council for the Protection of Rural Essex
- Suffolk Preservation Society
- Dedham Vale Society
- Gainsborough's House
- Colne Stour Association
- Nayland with Wissington Conservation Society
- Essex Ramblers
- English Heritage
- The Soil Association
- Natural England

Letters of support from organizations only include:

- East of England Development Agency
- Colchester Chamber of Commerce

The true balance of considered opinion is clearly very strongly **against** the Application in a ratio of nearly 3:1 and any statements to the contrary by the Applicant are clearly meant to mislead. **None** of the local Parish Councils have expressed support for the scheme and all the bodies associated with conservation oppose it.

3 The Chantry:

On page 7 of the Executive summary and in many other places in the Response, the Applicant refers to the Chantry which was acquired in 2005 from the previous owner. It is variously referred to as 'the magnificent regency property', 'the best example of a Regency Villa he had seen in East Anglia', 'a jewel in the crown of Horkesley Park'.

It should be recorded that the house is not of sufficient quality to merit listing by English Heritage and is of little architectural merit.

The house certainly cannot be regarded as a reason to justify Horkesley Park. As all local people know and as is recognised on current Ordnance Survey maps, the true historic centre of Horkesley Park is the house that is now the site of Littlegarth School. This is an 18th Century, Grade II listed house. This is not owned by the Applicant.

4 Garden centres;

The EGA document which forms a section of the Response makes many assertions with which we could take issue but the statements made about the proposed Garden Centre in Para 9 on page 18 are difficult to comprehend. It claims that the Specialist Garden Centre will be linked with show gardens to be exhibited at Horkesley Park from the likes of Chelsea and Hampton Court and to make available specialist plants found in the Horkesley Park gardens. The Show Gardens referred to will be very hard to maintain and are likely to have a very short 'shelf life' in Show condition. They will also be highly seasonal and will depend (presumably) on the originators of these Show Gardens being prepared to maintain them at Horkesley Park. It will take several years to establish the other gardens at Horkesley Park and it is unlikely that the plants in these will provide a real 'draw' in the Garden Centre – at least for the first few years. There are of course several Nurseries locally such as A Place for Plants in East Bergholt and Beth Chatto's in Elmstead Market that will provide plants for specialist gardeners of the type that Horkesley Park is hoping to attract.

It is very unlikely that the Horkesley Park Garden Centre will be the attraction anticipated for the 364 days per year that it will be open given that the gardening market is very much subject to season fluctuations. Furthermore it is disingenuous to mislead readers of the Response by classing it as a Specialist Garden Centre. The Application makes it clear in Volume 2C page 119 that will also sell 'gardening products commonly sold from high quality garden centres' thus making it just another garden centre but one which will carry the additional financial barrier of having ticketed entry. No rationale is given as to why other local garden centres and other horticultural enterprises should wish to become involved even though this is a stated objective. There can be no commercial justification for them in becoming so involved.

Comments about Fillpots on page 18 of the EGA response are particularly dismissive; it is not a small garden centre. This family-owned business has expanded remarkably in recent years and provides an excellent service to the gardening community. Its covered area is 1200 sq. m. with an even greater area of 1800 sq m outside giving a total of 3000 sq m. They sell a very wide range of well presented annuals, perennials, shrubs, trees and other garden products. This compares with approximately 2300sq.m. under cover only at Horkesley Park which cannot expand under the current Application to outside areas. Fillpots also has a very well designed restaurant and tea-room area (separate from the garden centre area) selling good local food. This is no doubt just the sort of good local business from which Buntings are hoping to take business away through 'displacement'. This should not be allowed to happen.

5 Planning policy considerations:

We make no detailed comment on the Planning Policy comments in the EGA response, the responses from Counsel and from RPS. We are sure that these will be dealt with thoroughly and in detail by your office, that of the Spatial Policy and Regeneration team and will no doubt be referred to Nathaniel Litchfield for comment where appropriate. We remain fully convinced by the arguments put forward by Nathaniel Litchfield and Partners in their document.

We stand by, and would be prepared to defend, the assertions made by our advisors, Dalton Warner Davis LLP that the Application is seriously contrary to national policy and also local plan policy. As such, in accordance with Section 38(6), the application should be refused. They state that it would be unsafe to grant planning permission for the proposed development. It is clearly contrary to the whole ethos of Government and local policy and as such, it should be refused.

We demonstrate in para 6 below that the proposed Attraction would not be of Regional significance. There is no evidence whatever that it meets the very strict criteria of Policy CO2 in the Colchester Borough Plan of 2004 where it is required to demonstrate **National** need to be permissible in its location within and adjacent to the Dedham Vale AONB. This Policy has not yet been superseded by DP22 (20?) in the LDF and presumably is still the defining Policy. The Dedham Vale AONB and Stour Valley Joint Advisory Group are of the view that it would also not meet the criteria set in this new, yet-to-be-adopted, policy

6 Tourism issues and viability:

6.1 Introduction:

The conclusions of the Sykes Leisure Projects (Sykes) report in the Response are fundamental to the viability of the Horkesley Park project. Their conclusions are very different from our expert leisure consultants, Visitor Attraction Consultants in our letter of April 2009, who reach the conclusion that visitor numbers and levels of spend would be much lower than those anticipated by Sykes and that the Horkesley Project would not be financially viable.

These issues are of vital importance to the consideration of the Application because, if the projections of the Applicant are considered to be overstated, then any projections of job generation must be totally disregarded in evaluation of the Application. Job generation cannot be secured by a Section 106 Agreement.

6.2 Financial viability:

On page 6 of the Sykes report in the Response it says that: "the financial projections and conclusions within Tourism Feasibility Study have been tested on a regular basis by Bunting and Sons and independently by financial advisors and the involved banks. They have all agreed that if the concept *is developed and marketed as proposed*, then Horkesley Park will be viable and sustainable."

This conclusion is entirely contrary to our own financial experts who conclude that even on optimistic assumptions, more in line with comparable attractions, the project would make a crippling loss. On the assumption that the Applicants are relying on considerable debt funding to fund the £24m build cost and provision of working capital, extremely difficult to arrange on the basis of the Business Plan as presented. In testing the business case, lenders will have regard to quite stringent downside scenarios. We do not believe that the projections being put forward will stand up to any reasonable level of scrutiny/due diligence. Details of our Report are included in our letter of April 17th 2009. If anything, the financial climate has got even worse since then, with inflation out-stripping wage increases leading to lower disposable incomes, and the capital cost of the project will have escalated. In addition, it is doubtful whether the Applicant will have factored in all the additional operating costs imposed by the recent Essex Highways response.

Our conclusions are fully supported by Nathaniel Litchfield who state quite clearly that the tourism elements of the Scheme would make a loss of £2m if taken in isolation and that it is dependent on at least 422,000 visitors each of whom (every man, woman, child and baby) would have to spend £21 per visit in the revenue generating Garden Centre, Food Experience and other merchandising outlets for it to break even. SVAG has shown in their letter of April 2009 that this level of expenditure is unrealistic and an expenditure of £15 per head is more appropriate. We show below that Horkesley Park will be lucky to achieve 200,000 visitors in its first year of operation.

At the very least, the Council should ask to see evidence of the testing by Bunting's banks and financial advisors and to assess their true independence. The Council might consider commissioning an expert financial review of its own.

Our conclusion is that the scheme is not financially viable and will almost certainly make a crippling loss. Any projections of job generation must therefore be set to one side.

6.3 Visitor numbers:

Sykes quote potential visitor numbers for Horkesley Park in the first year of operation as being 485,000. They calculate visitor number using a combination of penetration rates and population within the sphere of influence or catchment area of Horkesley Park. They cite Anian Leisure Consultants on page 16 of their report as experts.

Anian state that the average geographical sphere of influence of modern state-of-the-art heritage and natural attractions as being less than two hours with the majority of visitors travelling less than one hour in each direction. If they applied this catchment area to Horkesley Park it would not provide a sufficient catchment area to generate the number of visitors required by the Business Plan. Sykes therefore extend this catchment area quite arbitrarily by saying that *'for an attraction of the quality and scale proposed and promoted effectively with a realistic marketing budget, it is likely that the Horkesley Park catchment will be along the lines of Colchester Zoo and will be two hours drive time.'* They give no substantiation for this very bold and entirely subjective assertion.

The nature of the attraction of Colchester Zoo is of course totally different from that of Horkesley Park. The Zoo is a true family attraction with obvious interest for families who wish to have the experience of seeing exotic animals, reptiles and birds in a well managed environment. It is nationally recognised as a well run zoo. It has struggled to reach 480,000 visitors in its best year and has built up to this level over many years. It is stretching belief too far that Horkesley Park could hope to reach, or even exceed, this number **in its first year of operation** as claimed by the Applicant. Horkesley Park has no such obvious attraction for families and this is supported by the Nathaniel Litchfield Report.

Using the two-hour catchment area assumptions of Sykes, they arrive at a combined resident and visitor population of just under 30 million (29,701,866 to be precise). This total is made up as follows:

Primary Market (0-60 minutes drive time):

Residents	1,067 160
Visitor Market Domestic	4,300,000
Visitor Market Overseas	300,000
Total	5,667,160

Secondary Market (61-120 minute drive time)

Residents	5,924,706
Visitor Market Domestic	14,100,000
Visitor Market Overseas	4,010,000
Total	24,034,706

Total Primary and Secondary market **29,701,866**

Forecast visitor numbers are clearly very dependent on accessing the market in the two-hour drive catchment area which is over **four times** that in the one hour catchment area. We believe that it would be much more realistic to consider a market size of no more than about 20,000,000 being made up of the Primary Market of 5,667,000 and 14,333,000 from the secondary market. Even this total is probably very optimistic.

To arrive at visitor numbers, Sykes assume penetration rates (percent of population in catchment area that would visit the attraction) as follows for Horkesley Park:

Attraction:	Market size	Visitors in opening year	Penetration Rate %
Country Park	29,701,866	275,000	0.93
Gardens	29,701,866	145,000	0.49
Art gallery	29,701,866	40,000	0.14
Total		460,000	

(in order to arrive at the quoted total of 485,000 visitors they make further allowance for season ticket holders, some combined counting and add 9,200 for daytime event visitors)

No justification is given for the assumption of the penetration rates used which are, in every case, higher than penetration rates for comparative attractions considered in the Sykes detailed report shown in Table 16 on page 148 in Volume 2C of the Application. More realistic, but still very generous, penetration rates would be to use 0.72% for the Country Park (Hop Farm Country Park), 0.16% for the Gardens (being half the penetration rate for Hidcote Manor Garden – one of the pre-eminent historic gardens in the Country) and 0.04% for the Art Gallery (Gainsborough’s House Museum). Applying these penetration rates gives visitor numbers as follows:

Attraction:	Market size	Visitors in opening year	Penetration Rate %
Country Park	29,701,866	213853	0.72
Gardens	29,701,866	47522	0.16
Art gallery	29,701,866	11880	0.04
Total		273255	

(SVAG’s experts take the view that application of even more realistic penetration rates and still assuming the same market size would yield total visitor numbers closer to 170,000 as detailed in their report)

Using a more realistic, but still optimistic, market size of 20,000,000, visitor numbers would be as follows:

Attraction:	Market size	Visitors in opening year	Penetration Rate %
Country Park	20,000,000	144,000	0.72
Gardens	20,000,000	32,000	0.16
Art gallery	20,000,000	8000	0.04
Total		184,000	

The attraction has very limited family appeal and we contend that it is totally unsafe to rely so heavily on access to the two hour catchment area.

The combination of overstated catchment area and unsubstantiated penetration rates means that visitor numbers of 485,000 are grossly overstated.

It is unsafe to regard visitor numbers being in excess of 250,000 which is regarded as the threshold for an attraction of Regional significance.

This conclusion is fully supported by Nathaniel Litchfield and Visitor Attraction Consultants in comparing Horkesley Park with other similar attractions.

6.4 The nature of the attraction:

We have analyzed the various zones of the proposed Attraction as shown in the table attached. Not all the elements of the Scheme would be attractive to children and adults and various elements are weather dependent of seasonal or both. With the possible exception of the Chinese Garden, none of the elements of the Scheme is unique and equivalent facilities can be found elsewhere in East Anglia or closer to home for the anticipated visitors from south of the Thames. There is no local, regional or national need for any of them.

It is extremely difficult to see why a typical family of four should want to drive all the way from as far afield as Tonbridge in the south, King’s Lynn in the north or central London in the southwest to visit what amounts to a very limited tourist offering, much of which is weather dependent, and then spend close to £100 per family as anticipated by the Applicants.

The case is not made that the proposed Attraction would be of Regional significance and we repeat and support Nathaniel Litchfield’s conclusion that:

“None of the proposed elements at Horkesley, in isolation or combined as a whole, have sufficient draw to suggest it will be a tourist attraction of regional significance. The tourist offer is very narrow and there is no guarantee it will be delivered or maintained over a long period.”

7 Conclusion:

- We fully support the findings of the Nathaniel Litchfield Report.
- We have further demonstrated above that the Attraction cannot be regarded as being of Regional significance. There is no sound justification for the visitor numbers assumed. Furthermore, major elements of the Attraction are weather-dependent and not attractive across all ages.
- We maintain our position that the Application is contrary to Planning Policy at National and Local level for a development in, and adjacent to, the Dedham Vale AONB.
- There is no demonstrated need for the Scheme and if it were allowed to proceed it would seriously endanger the peace and tranquility of the surrounding countryside including the Dedham Vale AONB.
- We maintain our position that the Scheme is a retail led scheme masquerading as a Heritage Centre. Over 75% of projected revenues would come from the sale of goods including the Garden Centre, Food Experience, restaurants and other merchandise.
- We concur with Nathaniel Litchfield that there is a real risk that the tourist attractions could close leaving 12,000 sq m of new buildings in the open countryside and that there would be pressure to find an alternative use for these buildings e.g. retail outlets, hotel and general conference facilities.
- There is overwhelming responsible opposition to the Application including that from all local Parish Councils and organizations concerned with protection of the environment.
- There is no guarantee whatever that the jobs claimed by the Applicant would be delivered and this cannot be secured by a Section 106 Agreement. The jobs are highly dependent on the Business Plan which we have shown to be fatally flawed.

We trust that your office will recommend rejection of the Application for all the reasons listed.

With kind regards,

Yours sincerely

Will Pavry
Chairman: Stour Valley Action Group

Attachments:

- 1 Letter from ADAS to Mr Whitehair dated 15 April 2009 with two appendices
- 2 Spread sheet of Horkesley Park Attractions

