



Lewis Oliver
Principal Planning Officer
Planning Services
Havant Borough Council
Public Service Plaza
Civic Centre Road
Havant
PO9 2AX

28th May 2021

Dear Mr Oliver,

**Planning Application APP/20/01221 – Land to the West of B&Q, Purbrook Way, Havant
Response to Objection made by Aldi Stores Ltd (Aldi) – Dated 9th April 2021**

I write in relation to the objection by Planning Potential, on behalf of Aldi Stores Ltd (Aldi) and concerning the above planning application. This letter raises several queries regarding the Planning and Retail Statement (PRS), as submitted in support of planning application APP/20/01221.

For ease, we respond, using the same sub-headings as those presented by Planning Potential.

Catchment Area

The application proposals are to operate as a 'Limited Assortment Discounter' LAD store. They are intended to serve a compact and local catchment area and will, in effect, function as a neighbourhood store.

The proposals represent the smallest standard store format that Lidl currently develop. The catchment area (and, ultimately, the search area adopted) for sequential test purposes is, therefore, smaller than other larger format stores.

Owing to limited product ranges, people do not tend to travel long distances to shop at Lidl. Many customers use Lidl stores to purchase part of their main grocery shop (for example basic staples), often on foot, taking advantage of the low prices but then proceed to visit other retailers to purchase more specific or specialist food and grocery items.

The catchment has had regard to the nature of the immediate settlements and surrounding area, the location of existing food retail (including LAD) provision and consumer travel patterns. It is anticipated that the store will provide a shopping facility with a catchment focused to the west and south of the A3(M) and that customers accessing the proposed store would predominately reside in the residential areas of Purbrook, Widley and Bedhampton. Lidl have identified a clear deficiency in LAD provision within this area.

The modest neighbourhood store, proposed through this application, is anticipated to function as an 'infill' LAD store serving an identified need between the main retail concentrations of Waterlooville and Havant.

Whilst it may, theoretically, be possible to reach the edge of both Havant and Waterlooville Town Centres within a 5-minute drive-time, no regard is had to prevailing traffic and local highway conditions etc, alongside the ease and convenience of accessing LAD retail provision for which customers expect. The use of AA route plans takes a narrow and simplistic view of defining the 'true' catchment.

There are examples of LAD stores operating with small retail catchments (less than a 5-minute drive-time). Given the extensive food retail provision within and on the edge of both Havant and Waterlooville, their location on the extreme periphery of the anticipated catchment, together with the modest size of the Lidl as proposed in this instance, it is not unreasonable to anticipate that the proposals would operate from a small catchment.

This is consistent with the judgement in *Aldergate Properties v Mansfield District Centre (July 2016)* that sequential assessments should relate to the broad type of development being proposed (in this case a deep discounter foodstore), rather than the requirements of an individual retailer.

In terms of the reference to the submitted Transport Assessment, comments made by Planning Potential, appear to have misunderstood the information presented, to support the claim that the catchment has been misrepresented. Namely, paragraph 2.32 of the Transport Assessment notes the following:

"An 800m walk from the site includes some residential areas in Bedhampton accessed from Purbrook Way and Hulbert Road. Extending walking distances to 2km suggests that a large area of northwest Havant is located within an appropriate walking distance of the site."

However, the preceding paragraph of the Transport Assessment notes the following:

"The Chartered Institute of Highways and Transportation document 'Planning for Walking', published in March 2015, indicates that people will typically only walk if their destination is less than a mile away, with a typical catchment of around 800m or a 10-minute walk time based on a comfortable walking pace of 80m per minute. In relation to commuting trips, it is considered that staff may be willing to walk further than this (800m) but typically not more than 2km."

Accordingly, the 800m walk relates to customers accessing the site and 2km relates to staff accessing the site on foot. The comparison made by Planning Potential to walking distances has little bearing on the 'true' catchment of the store.

The point made with regards to existing retailers who describe their store as Havant is unclear. The mere postal address of a store cannot be used to make an assumption regarding a store's trading catchment.

Sequential Test

Notwithstanding the points made above in relation to the small catchment of the application proposals, for absolute robustness, we have extended the area of search for sequential test purposes to include the centres of Havant and Waterlooville. However, in doing so, we maintain that these centres do not represent the true catchment of the proposal, given the proliferation of alternative food retail (including LAD) provision within and on the edge of both centres.

The identification of sequential sites follows the same methodology as outlined within the original PRS. We see no merit in replicating that verbatim.

However, with regards to the sequential test, LAD stores, such as those operated by Lidl, are intended to function as neighbourhood stores serving a compact and local catchment. Accordingly, they must be located at convenient, highly accessible and visible locations with main road frontage.

For clarity, sequential sites were identified through a variety of sources including, yet not exclusively, the following:

- Relevant GOAD plans and Promap data;
- Havant and WaterlooVille Town Centres Study (October 2017);
- Town Centres Retail and Leisure Study (March 2009);
- Portsmouth Retail Study (2015);
- Portsmouth Retail and Town Centres (Background Paper 2019);
- Havant Borough Council Proposals Map (including Town and District Centre Inset Maps);
- Recent planning decisions;
- Aerial imagery/google earth.

Following a desk-top review, the additional centres of Havant and WaterlooVille were visited and assessed for sequential test purposes. All 'typical' high street units and which were vacant at the time of our assessment were discounted, owing to their, clearly, insufficient footprints.

Appraisal sheets for each site identified within the centres of Havant and WaterlooVille are provided at **Document 1**. In summary, our extended catchment considers the following sites:

Sequential Test Site/Status	Commentary	Conclusions
Havant Town Centre		
Units 4 and 5, Solent Retail Park, Havant.	▪ Vacant purpose-built retail units located within Havant Town Centre (formally occupied by Next and Laura Ashley). ▪ Solent Retail Park forms part of the Primary Retail Frontage. ▪ The site benefits from a recent planning approval (Ref. 20/00637) for sub-division. ▪ A further planning application (Ref. 20/00688) sought to remove Condition No. 3 of planning permission 06/68968/012, limiting the amount of floorspace devoted to food retail sales at no more than 470m². ▪ The application was refused on 23rd April 2021, owing to highway concerns (including under provision of car-parking). ▪ Even when allowing for flexibility, these units remain of an insufficient size to accommodate the application proposals, or a flexible form of them. ▪ The servicing arrangements, at this location, are also inferior when compared to the application site. They are constrained by the proximity of Brockhampton Lane. ▪ Even if the floor plate and servicing arrangements met with Lidl's operator requirements, these vacant units do not benefit from sufficient customer car parking for food retail purposes. ▪ Existing parking at this location (c.200 spaces) is shared across 7 individual units. The location is already recognised as being significantly under provided for in terms of car parking. ▪ Sufficient customer car parking is a prerequisite for discount food retailing. On this point alone vacant units at Solent Retail Park are unsuitable for sequential test purposes.	Unsuitable.

Sequential Test Site/Status	Commentary	Conclusions
	Based on the insufficient size of the units and under provision of customer car parking, available units at Solent Retail Park are considered unsuitable for sequential test purposes and have been discounted on this basis.	
44-54 West Street, Havant	Site is of insufficient size to accommodate the application proposals, or a flexible form of them.	Unsuitable.
East Street, Havant Town Centre	- Site is identified as a mixed-use allocation. - Site is not available for sequential test purposes. - Mobilisation (for foodstore purposes) would necessitate a complicated land assembly process which is not feasible for a standalone discount foodstore. - Furthermore, many of the buildings remain in active use.	Unsuitable and Unavailable.
Town End House, Havant	- Site identified as a potential mixed-use site (including housing and main town centre uses). - Site is too small to accommodate the application proposals, or a flexible form of them. It is also in active use.	Unsuitable and Unavailable.
Post Office, Delivery Office, Havant	- Site is too small to accommodate the application proposals, or a flexible form of them. - Site remains in active use as a post office sorting office.	Unsuitable and Unavailable.
Market Parade, Havant	- The Market Parade site is identified as a mixed-use allocation. - Site is considered a comprehensive regeneration opportunity within the existing and emerging Development Plan. - Delivery of this site will require a complicated land assembly and coordinated approach to delivery. - Many premises remain in active use and, therefore, there is no indication that the site is likely to be available within a reasonable period of time. - It is entirely unreasonable to expect Lidl to bring this site forward for mixed use development. Only the provision of a single retail unit is within their remit.	Unsuitable and Unavailable.
1 Park Way, Central Retail Park	Site is, clearly, of insufficient size to accommodate the application proposals or a flexible form of them.	Unsuitable.
Meridian Shopping Centre, Elm Lane, Havant	- Several vacant units are located within the Meridian Shopping Centre, principally at first floor level. - The largest of the vacant units equates to c.550m². - All available units are too small to accommodate the application proposals, or a flexible form of them. - Additionally, the lack of an appropriate surface level car park, adjacent to the units and poor servicing arrangements make the units unsuitable for sequential test purposes. - The vitality and footfall within the Meridian Centre would not be suitable, in commercial terms, to the operator. It is a peripheral area of the town with units at first floor level excluded from the primary shopping frontage. - Furthermore, the Havant and Waterlooville Retail and Town Centres Study (2016) notes that first floor occupancy of the Meridian Shopping Centre is a longstanding challenge. Accordingly, a strategic approach to	Unsuitable.

Sequential Test Site/Status	Commentary	Conclusions
	accommodating alternative non-retail uses (i.e., leisure) may be appropriate at this location.	
Portsmouth Water Headquarters, Havant	Site identified as a residential development opportunity (with potential to accommodate c. 135 dwellings). Site remains in active use as an Office Headquarters occupied by Portsmouth Water.	Unavailable and Unsuitable.
Waterlooville Town Centre		
Unit 1, Dukes Walk (former Waitrose)	- Vacant (former Waitrose) Unit. - Unit is not subject to any site-specific designations – other than falling within Waterlooville Town Centre. - The sales floor of the former Waitrose is significantly larger than the proposed sales floor of the application proposals (c.125% larger). - The former Waitrose is a large-split level store (as opposed to a single storey level floorplate). - From an operational perspective, the servicing and delivery arrangements of the unit would not be desirable to the retailer. They require level access from back of house accommodation direct to the sales floor. Facilitating the efficient stock handling procedures, including the movement of palletised goods, is a prerequisite for the retailer. - The reliance upon a shared pay and display car park would also be unacceptable to Lidl, from a commercial operation perspective. - The total level of car parking provision available at Dukes Walk (251) is c.64% of the minimum parking space requirements, outlined within the Havant Parking SPD. - The existing car park is shared with other adjacent retail and leisure uses, together with forming part of the wider town centre car parking provision. - Sufficient surface level customer car parking is paramount for discount food retailing. The application proposals provide in the region of 130 car parking spaces alone. The available car parking provision, at this location, would, therefore, be unacceptable to the retailer. - Even when allowing for appropriate flexibility, in respect of format and scale, the former Waitrose unit is unsuitable for the broad type of development as proposed. It is a unit that is, clearly, not designed for discount food retailing in any way. - The size of the unit is far larger than the operators identified 'need' for the catchment. - Alongside the size of the unit, its configuration also renders it unsuitable for the application proposals, or a flexible form of them. It is of an irregular footprint with excessive ancillary and back of house accommodation. - For reasons of suitability for discount food retail, the former Waitrose unit has been discounted from the sequential test assessment.	Unsuitable.
Wellington Way, Waterlooville	- Subject of allocation Policy W110 'Wellington Way' within the Council's adopted Allocation Document (2014). - Site is subject to residential led planning applications, which remain undetermined. - Whilst Wellington Way does contain a number of vacant units, none are of an appropriate size to accommodate the application proposals, or a flexible form of them.	Unsuitable and unavailable.

Sequential Test Site/Status	Commentary	Conclusions
	Site is subject to comprehensive development proposals for major residential led development. This is not, in any way, reliant on a discount foodstore to come forward.	
Asda/Community Centre, Portland Road	- Site falls within the defined town centre and forms part of Allocation W109 under Policy WA2 for WaterlooVille - Mixed Use Allocations. These consider the site being suitable for residential and commercial development. - Allocation is taken forward through Policy K2 'Waterlooville Town Centre' within the Emerging Plan. - Site is not available for sequential test purposes and remains in active use. - Nor can it be said that the site will become available within a reasonable period. - There are no indications existing occupiers are in the process of relocating and, owing to the requirements to deliver a comprehensive development, this is not likely to be achieved in the short-medium term.	Unsuitable and Unavailable.

In conclusion, extending the catchment to include the centres of Havant and WaterlooVille, does not alter the conclusion that there are no alternative sites that can be considered sequentially preferable.

Our sequential test exercise has demonstrated that there are no sequentially preferable sites within an extended catchment of the site, which has now been taken to include the centres of Havant, WaterlooVille, Leigh Park, Bedhampton, Drayton, Crookhorn, Middle Park Way and Purbrook.

Following a robust and proportionate sequential test assessment, our conclusion remains that there are no alternative sites within any identified centre that are genuinely sequential preferable. Each site fails for reasons of availability, suitability or both.

Aligned to matters concerning the sequential test, the Local Planning Authority have made us aware of an appeal decision (APP/W3005/W/20/3265806) and asked for commentary, in relation to the former Waitrose unit (Waterlooville). Having regard to this decision, at no point has the former Waitrose been discounted for sequential test purposes on the basis that Waitrose have/continue to hold an interest in the site. This position is clear from the analysis presented. The availability of this unit has not been questioned. Rather, the site has, clearly, been shown to be unsuitable for sequential test purposes. It is on this basis the site has been excluded from the sequential assessment.

Impact on the Vitality and Viability of Existing Centres

The application proposals are intended to fill a clear gap in comparable LAD retail provision within the identified catchment. They will provide a complementary facility to existing retail (including LAD) provision.

There is no dispute the application site is an out-of-centre location. Accordingly, for applications for town centre uses, located outside of defined centres the NPPF states that:

- When assessing applications for retail and leisure development outside town centres, which are not in accordance with an up-to-date plan, local planning authorities should require an impact assessment if the

development is over a proportionate, locally set threshold (if there is no locally set threshold, the default threshold is 2,500m² of gross floorspace) (our underlining).

With regards to Retail Impact, supporting paragraph (3.39) of Policy CS4 of the Havant Core Strategy notes that *“all applications for the development of town centre uses and in particular new retail floorspace outside designated centres will need to demonstrate in a robust and transparent manner the application of the sequential approach to site selection, an impact assessment and all relevant tests as prescribed in current government policies”*.

Policy CS4 sets out the requirement for Retail Impact Assessments in accordance with the NPPF. This requirement is continued in the Emerging Local Plan with the supporting text to Emerging Policy C6 ‘Local Centres, Local Shops and Services duly acknowledging:

“For all other proposals outside the designated town, district and local centres, along with A1 retail proposals that have a net sales floorspace of over 280m², a sequential test of other potentially suitable sites will need to be carried out in accordance with the NPPF. Proposals outside designated town, district and local centres for 2,500sqm or more will need to provide an impact assessment.”

The application proposals involve a discount foodstore of c.1,997m² (GEA)/1,256m² (net sales). This is significantly less floorspace than the threshold contained within the NPPF. Accordingly, consistent with the NPPF, there is no requirement to undertake a retail impact assessment in support of the proposal.

The objection from Planning Potential refers to paragraph 90 of the NPPF which states that where an application is likely to give rise to a ‘significant adverse impact’ it should be refused. Importantly, the implication of paragraph 90 is that an impact which is merely ‘adverse’ is not a direct reason for refusal and is capable of being weighed against positive social, economic, and environmental impacts in the overall planning balance exercise.

The key consideration is not, therefore, whether there is an impact but whether that impact is ‘significantly adverse’. Impacts will arise with all retail developments. However, it does not stand to reason that such impacts will always be unacceptable, not least because development often enhances choice, competition, and innovation in the retail sector. It is, therefore, necessary to differentiate between those developments that will have an impact and those that will undermine the future vitality and viability of established centres (i.e., have a significant adverse impact). If a proposal is likely to have a significant adverse impact it should be refused. This is a high threshold.

Nowhere in policy does it say that it is good practice to provide an impact assessment to assist Local Planning Authorities in their decision taking. Indeed, in setting the default threshold at 2,500m² gross in paragraph 89 of the NPPF, that suggests that the Secretary of State does not believe that stores smaller than 2,500m² are likely to have a significant adverse impact, otherwise it would be illogical for him to have said that this scale of development should not require an impact assessment.

The assertion by Planning Potential that the absence of an impact assessment is grounds to refuse the application is without any foundation. There is no mandatory requirement set out in either the NPPF or Development Plan for the application to be refused on impact grounds, quite the contrary. The likelihood, or not, of any adverse impact on existing centres is a material consideration that also needs to be weighed in the planning balance against:

- i. The benefits of developing a site identified for development within the defined settlement boundary for economic and employment generating purposes, improving choice and competition for local food shoppers and the creation of up to 40 new jobs for local people.

- ii. The Secretary of State's guidance suggesting that developments of less than 2,500m² gross are unlikely to result in significant adverse impact; and
- iii. The proposed Lidl being over 500m² below the impact threshold. Having regard to all of that the fact that the NPPF is clear that development of less than 2,500m² does not require an impact assessment, our approach set out within the PRS is entirely correct.

Planning Potential also refer to the Town Centres Study (July 2020) and the conclusion that *"there is no need for a further net increase in retail provision in the Borough"*. It is not clear why Planning Potential are querying a 'need' for the proposal. There is no requirement to demonstrate retail need. This forms no part of the key retail tests prescribed at the national level.

Protection of Other Stores

Lidl have identified a clear deficiency in LAD retail provision in this location. As articulated, the store will function as a neighbourhood store serving a compact and localised catchment. There will, inevitably, be limited overlap with other Lidl stores but not to any meaningful degree. Lidl have progressed the application proposals to provide a complementary neighbourhood store to their existing portfolio within the locality. It is the culmination of many years work in terms of identifying a suitable site that can meet their additional requirement for the catchment.

There are no plans to close any existing stores and Lidl remain wholly committed to their current trading locations (including Leigh Park). Correspondence to this effect is provided at Document 2 from James Mitchell (Regional Head of Property at Lidl).

However, the use of S106 mechanisms to ensure stores remain trading is completely unacceptable and places an unnecessary restriction on Lidl from a commercial retail perspective. It is also, we suggest, counterproductive by bringing unnecessary uncertainty, following the expiry of such periods.

Summary

National planning policy confirms that the Government is committed to securing economic growth and to ensuring that the planning system does everything it can to support and encourage sustainable economic growth. The proposals involve the development of land within the defined built-up area (acknowledged as being suitable for development) in an established settlement and in a location, which is recognised as having excellent road links and good public transport services. The proposals would help facilitate investment, development, and potential associated job opportunities in the area (for which there is recognised need). The proposals for a new foodstore in this sustainable location, clearly, contributes to the economic needs of planning policy.

The application site is located within the defined urban area of Havant. It is wholly in accordance with policies which seek to concentrate development within the urban area. There are no site-specific policies that would preclude retail development upon the application site, subject to complying with the established retail tests (i.e., sequential and retail impact).

Lidl have undertaken an extensive search for suitable and available locations for a new discount foodstore. Whilst the catchment of the store will be small and localised, an expanded sequential test search has been undertaken to incorporate the centres of Havant and Waterlooville. The conclusions remain unchanged (i.e., there are no other suitable, or available sites, closer to existing retail centres). The application site relates well to the urban area, is

within an accessible location and is a logical location having regard to the intended local catchment the store will serve.

Planning consent should be granted unless there are significant and demonstrable disbenefits of granting consent, or specific policies in the NPPF dictate refusal. The obvious policy restrictions of the NPPF which could dictate refusal are the retail policies encompassed at paragraphs 86 to 89. These include both the sequential approach and retail impact tests. The proposal satisfies both tests. As such, the NPPF does not dictate refusal of consent on retail policy grounds.

The disbenefits, to justify a refusal, must be significant and demonstrably outweigh the benefits. There are no such disbenefits of that order. Accordingly, the planning balance falls firmly in favour of the proposed development.

We trust the above provides the Local Planning Authority with the further clarity they require, however, if any additional information is required, please do not hesitate to contact me.

Yours sincerely,

A large black rectangular box redacting the signature of Alastair Thornton.

Alastair Thornton

Director

Enc.