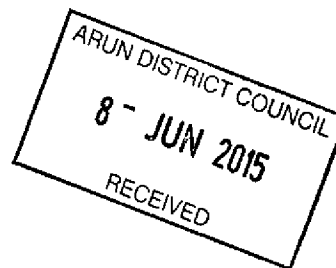


M&S

EST. 1884

Mr McEwan
Planning Department
Arun District Council
Arun Civic Centre
Maltravers Road
Littlehampton
West Sussex, BN17 5LF



4th June 2015

Dear Mr McEwan

LPA Ref A/23/15/OUT: LAND SOUTH OF NEW ROAD (A259) AND EAST OF BROOK LANE, ANGMERING

Marks and Spencer Plc (M&S) are joint applicants in respect of the above planning application which seeks full planning permission for a retail unit (Class A1) (which will be occupied by M&S). The proposed retail unit has a gross floorspace of 1,487 sqm (1,022 sqm at ground floor with a 465 sqm mezzanine).

We have reviewed the report prepared by DPDS for the Council which assesses the Retail Assessment prepared by Blue Sky Planning (BSP) to accompany the planning application. The DPDS report highlights the recent announcement regarding the closure of the Waitrose in Littlehampton (and its relocation to Rustington) and recommends that the applicant updates the sequential assessment in relation to both the Waitrose unit and its implications for the wider St Martin's Lane car park site.

Whilst the response being undertaken by BSP (now Montagu Evans (ME)) focusses on the key planning issues we have been asked to provide our comments on the former Waitrose site and the extent to which it may be suitable and viable for occupation for the proposed M & S Simply Food store. Our comments are provided in the context of the recent Tesco Stores Ltd v Dundee City Council Supreme Court Judgment (March 2012) in which Lord Hope observed (para 38) that *"the [sequential test] criteria are designed for use in the real world in which developers wish to operate, not some artificial world in which they have no interest in doing so"*. The response from ME also refers to the subsequent Zurich vs North Lincolnshire case which relates specifically to a proposed Marks & Spencer store and recognises the viability issues facing M&S in the context of the sequential approach.

Waitrose Unit, Littlehampton

We are very familiar with this retail unit, indeed M&S considered occupying it in Spring 2011 when it was still occupied by Somerfield. We undertook a detailed Feasibility Study which included preparing an internal layout (extracts of our 2011 feasibility study are attached – we request that these are treated in confidence). This process demonstrated however that the unit was significantly larger than our requirement (indeed our plans responded to the size of the store by proposing a "fallow" area of some 280 sqm).

Marks and Spencer plc
Registered Office:
Waterside House
35 North Wharf Road
London W2 1NW
Registered No. 214436
(England and Wales)

In 2011 we were in fact seeking a slightly larger store than our current proposals and these proposals would have resulted in a store with a gross area of 2,436 sqm and a net sales area of 1,115 sqm (including a café of 223 sqm). In other words the store was so oversized that it would have resulted in a highly inefficient store that had a net : gross ratio of 46:100 which is entirely inconsistent with our, or any other food store operators, business model for new acquisitions. Our current proposals, with a lower net sales area of 835 sqm would result in an even more inefficient net : gross ratio.

The inappropriate size of the store was a key factor in our 2011 proposal failing to obtain M&S board approval (alongside concerns about its location and the physical state of the unit). The recent experience of Waitrose in trading from the unit for such a short period confirms both that this location was clearly not viable for Waitrose, and that it was not, and is not, a viable site for us. In summary therefore this site was a marginal location for M&S in 2011 and the experience of Waitrose means that we now have even greater concerns about locating there.

On the basis of the above, the Waitrose unit in Littlehampton is clearly not suitable or viable for M&S. The Operator Statement prepared by NLP on our behalf to accompany this application emphasises that M&S has a limited capital expenditure programme nationally for their Simply Food programme and strong competition from different locations for these monies. This means that if an opportunity being pursued proves not to be viable, the capital expenditure is likely to be reallocated to another location elsewhere in the Country where M&S are confident there are good prospects of a deliverable viable alternative and indeed this was the approach that we followed in 2011.

Conclusion

Our summary above clearly demonstrates that, based on an extensive analysis in 2011, the Waitrose unit is not suitable or viable for M&S. We therefore hope the Council will recognise this and support the application proposals which will result in significant economic benefits. The M&S store alone will provide about 55 jobs in a mix of full and part time positions with most being recruited locally.

We are happy to meet with you and your colleagues, or Council members, to discuss the above and any other queries they may have in relation to our proposals.

Yours sincerely,



Chris Smith
Simply Food UK Acquisitions Manager



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