

JAL/19-00964

17 May 2019

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LONDON
BIRMINGHAM
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Dear Michael

Re: Planning Application BE/135/18/PL: Hybrid application comprising of outline application for the principle of employment uses B1-B8. Full application for Class B8 warehouse with fuel island & car parking (Unit 2), 2 No. Class B1/B8 employment units with associated parking & servicing (Units 6 & 7), Class A1 retail food store with car parking & servicing (Unit 9), 2 No. drive thru units with car parking & servicing (Units 4 & 5), car showroom, workshops (including MOT testing), vehicle storage, external display areas, service areas & parking (Unit 8) together with access roads, associated ground & engineering works, landscaping & ancillary works at Saltbox, Shripney Road, Bognor Regis, PO22 9RP

We write on behalf of Lidl Great Britain Ltd ('Lidl') in response to the above planning application. Our representations are specifically focused on the revisions to the scheme which now include the provision of an Aldi discount foodstore on Unit 9.

Lidl already occupies an existing store on Unit 1B of The Peel Centre, and therefore already provides established discount convenience retail provision to the north of Bognor Regis. However this is a 'legacy store' and now no longer meets the requirements of Lidl's operation in terms store format and internal configuration. As you will be aware, planning permission has already been granted for a new purpose built Lidl foodstore as part of the development at Oldlands Farm development under planning application BE/114/17/PL. It is proposed that the new foodstore will be a purpose built Lidl foodstore reflecting the latest eco-store format incorporating the latest high quality materials and energy efficiency measures. This represents a significant multi-million pound investment by Lidl, as well as net additional employment generation, to ensure that customers are able to benefit from the latest in-store Lidl experience.

The proposed Aldi store potentially threatens this investment by introducing an entirely new convenience discount retailer in close proximity to the proposed Lidl store at Oldlands Farm. Indeed we note the viability appraisal report on page 13, bullet point 2 states that *"Aldi Stores Limited has signed an agreement for Lease for a 20 year term at £340,000 per annum. Reflecting the fact that the location is subject to significant competition and is within a secondary town."* This statement appears to acknowledge that the proposed Aldi store will be drawing significant trade from the new Lidl store, being the only other convenience retailer in the immediate locality.

Whilst we note that the proposed Lidl store at Oldlands Farm is reflected in the Retail Assessment as a commitment, we have a number concerns with the assumptions made in respect of the retail assessment submitted in support of the planning application. We take these in turn:

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Treatment of Lidl as a commitment

We note from Table 10 that it is assumed that at the impact year (2022), the Lidl store at the Peel Centre will have ceased trading and that the new Lidl store at Oldlands Farm will be operational. Whilst this is a reasonable assumption in relation to Lidl, it is clear that the impact assessment does not consider the likely re-occupation of Unit 9. Given that the Unit has an established A1 convenience retail use; this should be factored into the cumulative assessment to ensure robust testing of the likely impact of the proposed Aldi store.

Level of Impact on Bognor Regis Town Centre

Table 10 from the retail assessment identifies absolutely no quantitative impact from the proposed Aldi on the following in-centre destinations Iceland, Tesco Express and 'local shops'. Furthermore only a £1.02m trade is proposed to be diverted from Morrisons equating to just 4% of the store's forecast total turnover at 2022. Such lack of - or very limited in relation to Morrisons - trade diversion is not a credible position. Specifically it is inconsistent with paragraph 4.35 of the retail assessment where it acknowledges that there will be an adverse impact on Bognor Regis Town Centre. Therefore we consider that the retail assessment should be adjusted to reflect the more realistic levels of trade diversion likely from the Aldi proposal. This should also take into account the cumulative impact of assuming that Unit 9 of the Peel centre will be reoccupied by a convenience retailer as detailed above.

Additionally a combined figure for the impact on all destinations within Bognor Regis Town Centre should be provided as the judgement of impact should be on a whole town centre basis.

Level of trade diversion from Lidl, Oldlands Farm

The retail assessment in Table 10 indicates a trade diversion from Lidl, Oldlands Farm to the application proposal of £3.27m or 24% of the Lidl's forecast turnover in 2022. We consider that this figure under-represents the actual level of trade diversion from Lidl, which is likely to be materially greater. This is because of two main factors:

- The 'like trades with like' principle - Aldi is the main discount retail convenience competitor to Lidl; and
- The close proximity of the proposed Aldi store to the Lidl, Oldlands Farm committed scheme.

Our assessment is that a trade diversion of £5.54m or 41% from Lidl at Oldlands Farms to the proposed Aldi foodstore at Saltbox is more likely. As a consequence of the aforementioned points, we consider that the retail impact assessment should be adjusted to reflect a more robust and realistic trade draw pattern.

Summary and Conclusion

In summary we object to the provision of an Aldi foodstore as part of the mix of uses proposed under planning application BE/135/18/PL because:

- The proposed Aldi store potentially threatens the provision of the committed Lidl store on Oldlands Farm investment by introducing an entirely new convenience discount retailer in close proximity to the proposed Lidl store at Oldlands Farm;
- The retail impact assessment submitted with the planning application requires updating to reflect the fact that:
 - There will be a greater level of trade diversion from existing convenience retailers in Bognor Regis Town Centre to the proposed Aldi store than identified;
 - Unit 9 of the Peel Centre could become re-occupied for other convenience retail; and

- o The level of trade diversion to the proposal from the Lidl, Oldlands Farm store is likely to be greater than that forecast in the applicant's retail assessment

Given the nature of the above points, we request that the Council urgently ask the applicant to provide a revised retail impact assessment to address the points made above. This will ensure that a more robust assessment of the likely impact both upon Bognor Regis Town Centre and Lidl's proposed store on Oldlands.

I trust the above is clear, however please do not hesitate to get in touch should you wish to discuss our representations further.

Yours sincerely,

A black rectangular redaction box covering the signature of Jason Lowes.

Jason Lowes
BSc (Hons) DipTP MRTPI
Partner - Town Planning

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