

# **Retail Proposals at Pennylands House, High Street, Skelmersdale Retail Critique**

West Lancashire Borough Council

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## 1.0 Introduction

- 1.1 Aldi Stores Limited ("the Applicant") has submitted a planning application (reference: 19/0366/FUL) to erect a Class A1 food store with associated car parking and a flexible use unit (Class A1 to A3) at land at Westgate and High Street in Skelmersdale. The site is approximately 1.19ha.
- 1.2 The proposed Aldi store is expected to have a floor area of 1,786 sq.m gross (GIA) with a sales area of 1,315 sq.m net. The flexible use unit is 372 sq.m (GIA).
- 1.3 Aldi intends to close the existing store in the Concourse Centre in Skelmersdale Town Centre. This existing store has a net sales area of 887 sq.m net. In effect these proposals seek to relocate and extend (+48% additional sales floorspace) Aldi's retail offer in Skelmersdale.
- 1.4 A Planning and Retail Statement (PRS) has been prepared for the applicant by Avison Young (AY). AY has also submitted a response letter (dated 26<sup>th</sup> April 2020) relating to objections raised by St Modwen Developments, Lidl GB Ltd, The Skelmersdale Partnership (Concourse Shopping Centre) and the Co-operative Group.
- 1.5 Lichfields has been asked to provide an independent assessment of the retail planning issues raised by this application, i.e. the retail impact and sequential tests as set out in the NPPF.
- 1.6 This report sets out Lichfields' appraisal of AY's PRS and response letter.

## 2.0 Retail impact

### Overview

- 2.1 The NPPF (paragraph 89) indicates that impact assessments are required for applications for retail and leisure development located outside of town centres and not in accordance with an up to date plan. Paragraph 89 of the NPPF indicates where there is no locally set floorspace threshold within an up-to-date development plan, retail impact assessments will only be required for retail developments of 2,500 sq.m gross or more.
- 2.2 NPPF states that planning applications for town centre uses should be assessed against the impact of the proposal on:
- existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal; and
  - town centre vitality and viability, including local consumer choice and trade in the town centre and wider area.
- 2.3 If a proposal is likely to lead to a significant adverse impact, then it should be refused.
- 2.4 Local Plan Policy IF1 sets out a lower of local impact threshold of 500 sq.m gross. AY concedes (paragraphs 5.28 and 7.4) that a retail impact assessment (RIA) is required in this case.

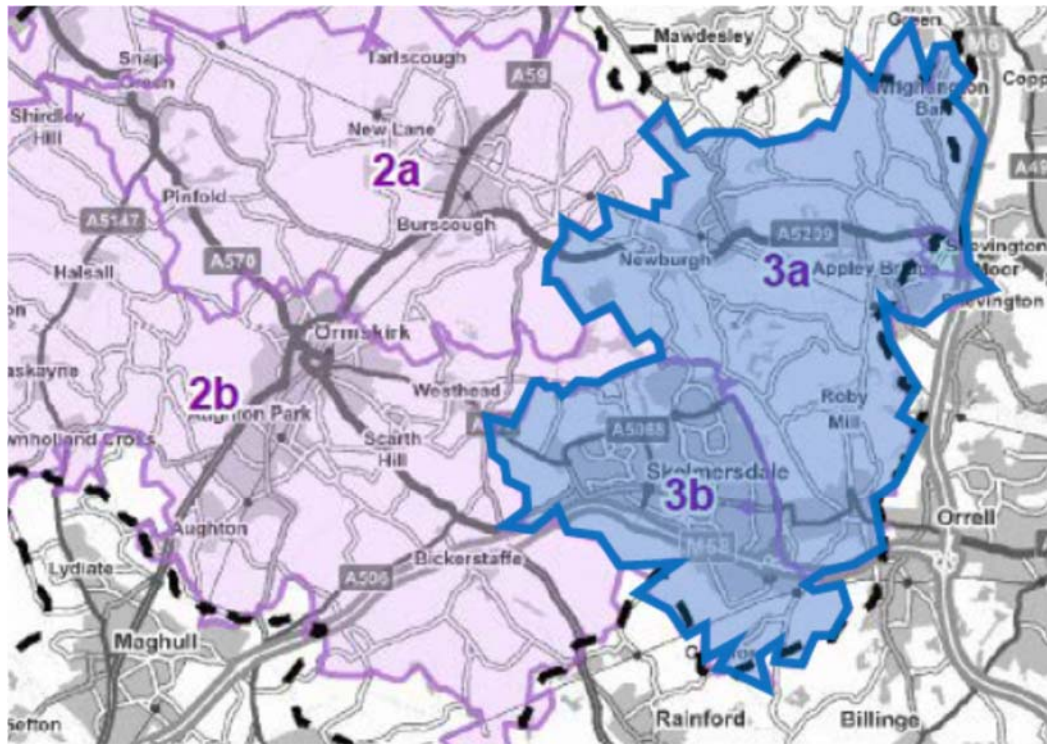
### Key data and assumptions

#### Design year

- 2.5 AY adopts a 2024 design year to assess impact based on guidance within the PPG, referring to impact over a five year period. However, the PPG was revised in July 2019 and reference to a five year period has been removed. The revised PPG states:
- “The design year for impact testing will need to be selected to represent the year when the proposal has achieved a 'mature' trading pattern. This is conventionally taken as the second full calendar year of trading after the opening of each phase of a new retail development, but it may take longer for some developments to become established.”*
- 2.6 AY suggests the proposed Aldi store is expected to open in the first half of 2021. This timetable now seems ambitious, due to delays and if construction cannot commence until demolition is completed. The Aldi store is likely to open in late 2021 at the earliest. Allowing for two full calendar years post completion to achieve full and settled trading patterns, suggests 2023 is the earliest appropriate design year to test impact.
- 2.7 The adoption of an earlier 2023 rather than 2024 design is unlikely to change the conclusions of the retail impact assessment because convenience goods expenditure is not projected to increase significantly between 2023 and 2024.

#### Catchment area

- 2.8 The RIA is based on primary catchment areas and buffer zones adopted from the West Lancashire Retail Leisure Study June 2018 (WLRLS). The primary catchment area comprises Zone 3a and 3b, as shown overleaf. The development is expected to have a localised catchment area. The WLRLS confirms that existing convenience goods shopping facilities in Skelmersdale attract most trade (over 90%) from these two zones. The proposed Aldi store is expected to have a similar trade draw. The primary catchment area and buffer zones are an appropriate basis for assessing the proposed development's trade diversion and retail impact.



**Population and expenditure**

- 2.9 AY has adopted Experian population data which is a widely used and recognised source of information. Experian MMG 3 population was adopted for the baseline population growth scenario in the WLRLS (see below). The combined catchment area population is 128,986 in 2018 which is projected to increase to 129,198 in 2019 (AY’s base year) and then to 130,354 by 2024 (AY’s design years). Population growth between the base and design years is only 0.9%.
- 2.10 The WLRLS adopted baseline and higher population growth scenarios. The pro-rata figures for 2019 to 2024 are as follows:
  - WLRLS baseline growth 2019 to 2024: 124,529 increasing to 125,113 (+0.5%)
  - WLRLS high growth 2019 to 2024: 126,772 increasing to 132,879 (+4.8%)
- 2.11 Experian’s latest population projections for the base year are marginally higher than both growth scenarios, but the design year projection (130,354) is lower than the WLRLS high growth scenario. AY has not over-estimated population growth in the catchment area and has adopted updated information from the same source used in the WLRLS baseline scenario.
- 2.12 AY adopts Experian retail expenditure data and growth projections which is the same source adopted in the WLRLS. Figures are quoted in 2017 prices and are not directly comparable with the WLRLS which adopted 2015 prices.
- 2.13 AY adopts Experian’s Retail Planner Briefing Note 16 (December 2018) to project expenditure from 2017 to 2019 and beyond and also to exclude non-store retail trade (special forms of trading – SFT). This Retail Planner Briefing Note 16 has now been superseded by Retail Planner Briefing Note 17 (February 2020).
- 2.14 If the latest (February 2020) Experian growth projection and deductions for SFT are adopted, then AY’s convenience goods expenditure per capita figures (Table 2c – Appendix IV) for the

2019 base year should be reduced by 1.1%. The design year figures at 2024 should be reduced by 1.4%. This difference is not significant.

- 2.15 AY's comparison goods expenditure per capita figures (Table 11c in Appendix IV) for the 2019 base year should be increased by 2.2%. The design year figures at 2024 should be increased by 0.5%. Again, this difference is not significant.

#### **Base year convenience goods turnover levels**

- 2.16 Base year (2019) convenience good shopping patterns are shown in AY's Table 3 in Appendix IV. These estimates are based on the NEMS household shopper survey results that informed the WLRLS in 2018. The market shares in each zone adopted by AY are consistent with the base year figures within the WLRLS. The household survey was conducted in July 2017 and is still reasonably up-to-date. It would not be proportionate to expect the applicant to undertake a new household survey in this case.

- 2.17 AY estimates the 2019 base year convenience goods turnover of facilities in Skelmersdale town centre is £68.63 million. The most comparable figure suggested by the WLRLS at 2017 was £58.34 million. The difference is due to additional expenditure/population growth up to 2019 and AY's adopted 2017 price base rather than 2015.

#### **Food store convenience goods benchmark turnovers**

- 2.18 The expected benchmark turnover of existing food stores can be calculated based on the sales floorspace and the company average sales density. Actual turnover levels can be compared with the benchmark turnover to assess how well each store is trading. The WLRLS and AY's approach do not make this helpful comparison, effectively assuming existing facilities are trading at equilibrium in the base year i.e. no under or overtrading.

- 2.19 Adopting ORC StorePoint convenience goods sales floorspace information and GlobalData's company average sales densities indicates the four main food stores in the Skelmersdale area have the following convenience goods benchmark turnovers (2017 prices):

- Asda - 3,549 sq.m net convenience sales at £12,986 psm = £46.09 million;
- Iceland - 860 sq.m net convenience sales at £6,336 psm = £5.45 million;
- Co-op, Sandy Lane, Westgate – 238 sq.m net convenience sales (as provided by PBA) at £10,652 psm = £2.54 million; and
- Co-op, Up Holland – 252 sq.m net convenience sales at £10,652 psm = £2.68 million.

- 2.20 AY's assessment suggests the Asda store (£42.29 million) is projected to trade about 8% below the company average benchmark in 2024 (before proposed developments). The existing Iceland store is also projected to trade below benchmark (£3.23 million).

#### **Turnover of the proposed development**

- 2.21 The Aldi store will have a gross floor area of 1,786 sq.m (GIA). The sales area is 1,315 sq.m net, suggesting a net to gross ratio of over 73%. This figure is consistent with recent Aldi applications assessed by Lichfields. The convenience goods turnover adopted is based on 80% of the store's net sales floorspace being devoted to food and grocery products. AY assumes that 20% of the sales floorspace will be devoted to comparison goods, which is a reasonable assumption for a discount food store of this size.

- 2.22 The flexible retail unit (372 sq.m GIA) is expected to have a sales area of 298 sq.m net, also a net to gross ratio of 80%, which seems reasonable for a unit of this size. AY assumes the sales floorspace will be split equally for comparison and convenience goods retail (149 sq.m net each).



- 2.23 AY's convenience goods turnover for the Aldi store is £11.87 million in 2024, based on GlobalData's company average sales density. By way of comparison, AY estimates the convenience goods turnover of the existing Aldi store in Skelmersdale Town Centre will be £9.7 million in 2024, pre-commitments.
- 2.24 The comparison goods turnover is £2.23 million at 2024. GlobalData is also Lichfield's preferred data source for food store company average sales densities. AY has not under-estimated the expected turnover of the proposed Aldi store.
- 2.25 The turnover of the flexible unit is £1.6 million in 2024 split £0.75 conveniences goods and £0.85 million comparison goods. This turnover adopts a base year sales density of £5,000 per sq.m net, which is a reasonable assumption for a unit of the size proposed.

### **Trade draw**

- 2.26 AY estimates the zonal convenience goods trade draw of the proposed Aldi store in Table 6a in Appendix IV. AY estimates that the majority (60%) of the convenience goods trade will come from the local Skelmersdale area (Zone 3b), with the next highest trade draw from Zone 3a (25%). In total 85% is expected to be drawn from the primary catchment area (£10.46 million), This is similar proportional draw to that achieved by the much larger Asda store in Skelmersdale.
- 2.27 By way of comparison, AY's figure suggest the existing Aldi store attracts 80% of its trade from Zone 3b and 12% from Zone 3a, or 92% from the primary catchment area. AY may have under-estimated the new store's trade draw from Zone 3b, and over-estimated the draw from Zone 3a and elsewhere, which helps spread impact more widely.
- 2.28 AY's Table 6b in Appendix IV sets out the distribution of trade drawn to the proposed development by zone and from each shopping destination. Table 7b sets out the distribution of trade drawn to the proposed Lidl store at Ingram/Northway. In our view AY has under-estimated the internal trade diversion in the local Skelmersdale Zone 3b. AY estimates £7.38 million of the development's turnover will come from this local zone, but only £4.25 million (about 58%) will be diverted from facilities in Zone 3b. Likewise, AY estimates £7.32 million of the Lidl store's turnover will come from this local zone, but only £4.21 million will be diverted from facilities in Zone 3b.
- 2.29 A disproportionately high level of trade (41.5%) is estimated to be drawn from facilities outside of the zone, and conversely a disproportionately low draw (58.5%) from facilities within the zone.
- 2.30 Current shopping patterns suggests Zone 3b retains over 70% of convenience goods expenditure in the local zone. This is likely to increase with the proposed Lidl store at Ingram/Northway. The proposed Aldi store will capture released trade from the closure of existing Aldi store (NB – 80% of turnover from Zone 3b – over £7.7 million). The new Aldi store will compete primarily with the Asda store and proposed new Lidl store. AY (Table 9 Appendix IV) assumes all the turnover released by the closure of the existing Aldi store (£9.69 million) will be reallocated to existing facilities in Zone 3b, but the new Aldi store will only divert 44% of its total turnover (£5.51 million) from facility in Zone 3b. These assumptions appears to be inconsistent.
- 2.31 We estimate at least 90% of the proposed Lidl and Aldi's store trade draw from Zone 3b will be diverted from existing/proposed facilities within the Zone.
- 2.32 As a result, we believe AY has under-estimated trade diversion and solus and cumulative impact on Skelmersdale town centre and Sandy Lane Local Centre.

## Convenience goods impact sensitivity analysis

2.33 Impact on Skelmersdale town centre and the rest of Zone 3b including Sandy Lane Local Centre is the key concern. In our view AY has under-estimated trade diversion and impact in Zone 3b. The convenience goods impact assessment need to consider five existing and future scenarios:

- 1 Base year 2019 trading levels;
- 2 Design year 2024 with no new food stores (constant market shares);
- 3 Design year 2024 implementation of commitments e.g. Lidl at Ingram/Northway;
- 4 Design year 2024 closure of the existing Aldi, including commitments; and
- 5 Design year 2024 with the new Aldi store and commitments.

2.34 The cumulative impact of the Aldi store and commitments will be a comparison between Scenarios 1, 2 and Scenario 5 listed above. The solus implication of the Aldi store can be assessed by comparing Scenario 3 and Scenario 5. In our view AY's approach does not allow this comparison to be easily made.

2.35 The timing of events is not clear, but it seems unlikely Aldi will close their existing store until the new store is ready to open in order to maintain continuity of trade, therefore Scenario 4 is only theoretical and is a required step to estimate the final outcome i.e. Scenario 5. It is possible, if permitted, the Aldi store could open before the Lidl store is implemented. AY's impact tables appear to adopt this sequence of events. However, in order to assess the potential impact on the planned Lidl investment in Skelmersdale town centre, we believe the implementation of commitments should come first.

### Scenarios 1 and 2 – base and design years with no development

2.36 If the updated Experian expenditure projections are adopted, then the base year and design turnover levels (adopting constant market shares) are shown in Table 2.1. These figures are similar to AY's figures.

Table 2.1 Base and design year turnovers in Zone 3b - £M

	2019 -base year	2024 – design year
Asda, Ingram Road	41.60	41.70
Aldi, Concourse	9.53	9.55
Iceland, Concourse	3.17	3.18
Other Skelmersdale TC	10.11	10.14
Sandy Lane LC	3.90	3.92
Other Zone 3B	1.30	1.31

### Scenario 3 – design year with commitments

2.37 The revised design year turnovers with commitments implemented is shown in Table 2.2. This assumes AY's turnover for commitments, but increased trade diversion (90% in Zone 3b rather than 57.5%) as outlined above.

Table 2.2 Design year 2024 turnovers in Zone 3b with commitments - £M

	No development 2024	Commitments trade diversion	Post commitments turnover 2024	% impact
Asda, Ingram Road	41.70	- 4.68	37.02	- 11.2
Aldi, Concourse	9.55	- 1.47	8.08	- 15.4
Iceland, Concourse	3.18	- 0.31	2.87	- 9.7
Other Skelmersdale TC	10.14	- 0.94	9.20	- 9.3
Ingram/Northway (Lidl)	n/a	+12.20	12.20	+100.0
Sandy Lane LC	3.92	- 0.25	3.67	- 6.4
Other Zone 3B	1.31	- 0.08	1.23	- 6.1

#### Scenario 4 – design year with Aldi closure

2.38

Design year turnovers with the existing Aldi store's turnover redistributed is shown in Table 2.3. This adopts the post-commitments turnovers shown in Table 2.2 above and AY's assumed redistribution patterns taken from Table 9 in Appendix IV, but with 90% (£7.27 million rather than 100% of trade (£8.08 million) redistributed to facilities in Zone 3b. In addition, Zone 3b facilities outside Skelmersdale town centre, including Sandy Lane Local Centre are unlikely to benefit significantly from the closure of the existing Aldi store. A lower uplift has been adopted.

Table 2.3 Design year 2024 turnovers in Zone 3b with commitments and Aldi closure - £M

	Post commitments turnover 2024	Aldi closure reallocated trade	Post Aldi closure turnover 2024
Asda, Ingram Road	37.02	+4.33	41.35
Aldi, Concourse	8.08	- 8.08	0
Iceland, Concourse	2.87	+0.34	3.21
Other Skelmersdale TC	9.20	+1.07	10.27
Ingram/Northway (Lidl)	12.20	+1.43	13.63
Sandy Lane LC	3.67	+0.07	3.74
Other Zone 3B	1.23	+0.03	1.26

#### Scenario 5 – design year with commitments and new Aldi

2.39

Table 2.4 shows revised design year turnovers with commitments and the new Aldi.

Table 2.4 Design year 2024 turnovers in Zone 3b with commitments and new Aldi development - £M

	Post Aldi closure turnover 2024	New Aldi trade diversion	Post development turnover 2024
Asda, Ingram Road	41.35	- 5.08	36.27
Aldi, Concourse	n/a	n/a	n/a
New Aldi development	n/a	12.31	12.31
Iceland, Concourse	3.21	- 0.28	2.93
Other Skelmersdale TC	10.27	- 0.66	9.61
Ingram/Northway (Lidl)	13.63	- 1.49	12.14
Sandy Lane LC	3.74	- 0.32	3.42
Other Zone 3B	1.26	- 0.05	1.21

**Scenario summary**

2.40 A summary of the scenario’s and impacts are shown in Tables 2.5 and 2.6.

2.41 AY’s cumulative impact figures (with commitment and the new Aldi) shown in Table 9 in Appendix IV are not directly comparable because the figures show the reduction in trade assuming the closure of the existing Aldi as the base position. As indicated above, we believe it is unlikely Aldi will close their existing store until the new store is completed. The cumulative impact figures in Table 2.6 show the overall percentage change in turnover at 2024 assuming no development compared with all closures/development implemented.

Table 2.5 Design year 2024 turnovers scenario summary - £M

	No development	Post commitments turnover	Post Aldi closure turnover	Post development turnover
Asda, Ingram Road	41.70	37.02	41.35	36.27
Aldi, Concourse	9.55	8.08	n/a	n/a
New Aldi development	n/a	n/a	n/a	12.31
Iceland, Concourse	3.18	2.87	3.21	2.93
Other Skelmersdale TC	10.14	9.20	10.27	9.61
Ingram/Northway (Lidl)	n/a	12.20	13.63	12.14
Sandy Lane LC	3.92	3.67	3.74	3.42
Other Zone 3B	1.31	1.23	1.26	1.21

Table 2.6 Design year 2024 impact summary (% reduction in turnover)

	% Commitments solus impact 2024	% New Aldi solus impact (net effect)	% Cumulative impact Lichfields	% Cumulative impact Avison Young
Asda, Ingram Road	- 11.2	-2.0	- 13.0	- 0.1
Aldi, Concourse	- 15.4	-100.0	- 100.0	- 100.0
New Aldi development	n/a	n/a	+100.0	+100.0
Iceland, Concourse	- 9.7	+2.1	- 7.9	+3.7
Other Skelmersdale TC	- 9.3	+4.5	- 5.2	+5.4
Ingram/Northway (Lidl)	+100.0	-0.5	n/a	n/a
Sandy Lane LC	- 6.4	- 6.8	-12.8	)
Other Zone 3B	- 6.1	-1.6	-7.6	) +6.4

2.42 AY estimates suggest an increase in convenience goods turnover levels except for a small reduction for the Asda store. In effect, AY figures suggest the impact of commitments will be more than offset by a net gain in turnover due to the closure and relocation of the existing Aldi store from the Concourse to the application site. Similar concerns have been raised by objector’s submissions. In our view this is implausible and Lichfields sensitivity impact figures are more realistic.

**Comparison goods impact**

2.43 AY provides a broad brush analysis of comparison goods impacts shown in Table 12 in Appendix IV.

2.44 The comparison goods turnover of the development is estimated to be £3.08 million. Half of this turnover (£1.54 million) is expected to be diverted from Skelmersdale town centre. This assumption is reasonable based on comparison goods shopping patterns within the study area. This trade diversion results in a -3.2% impact on Skelmersdale town centre at 2024.

2.45 This level impact (-3.2%) is not significant in the context of projected comparison goods expenditure growth (+14.4%) between 2019 and 2024. Most (over 70%) of the comparison goods turnover relates to the new Aldi store and a significant element of the trade diversion will come from the Asda store and proposed new Lidl store rather than small shops in the town centre.

### **Implications for designated centres**

2.46 Skelmersdale Town Centre and Sandy Lane Local Centre will be the most affected designated centres.

2.47 Based on Lichfields' experience, there is no accepted threshold for assessing whether a certain level of trade diversion or percentage impact is acceptable or unacceptable. The acceptability of the impact levels shown above will depend on local factors and the timing of development. For example, a healthy vital and viable centre can withstand much higher levels of impact than an under-performing town centre.

2.48 The inspector's report to the Secretary of State in relation to a call-in inquiry for a designer outlet development at Scotch Corner, North Yorkshire [Reference APP/V2723/V/15/3132873] stated at IR 11.21-11.22:

*"There is no percentage impact that would form a threshold or tipping point beyond which the numerical assessment of impact would become significant in Framework terms [5.49]. Whether there is a significant effect in terms of Framework policy depends on a largely subjective assessment of the underlying strength of the town centres that might be affected i.e. its vitality and viability.*

*A key element in assessing the impact of a proposal on the vitality and viability of town centres is a judgement on "health" of the centre. PPG identifies a variety of indicators and their change over time that is relevant in assessing the health of a centre. These include, amongst other things, the diversity of uses; the proportion of vacant street level property; retailer representation and intentions to change representation, pedestrian flows and the environmental quality of the centre."*

2.49 The quantitative impact figures shown above should be considered in the context of the existing health and vitality of the affected centres.

### **Skelmersdale Town Centre**

2.50 The likely impact on Skelmersdale Town Centre is a complex issue. The future scenarios involves the implementation of a new Lidl store within the town centre boundary, which is expected to enhance the town centre's overall retail offer, although there will be internal trade diversion from the Concourse Centre and Asda store within the town centre.

2.51 The closure of the Aldi store and relocation will reduce the Town Centre's convenience goods turnover and will create a large vacant unit in the Concourse Centre. Given the high vacancy rate within the Town Centre the vacated Aldi unit may not be reoccupied for the foreseeable future. The closure of the Aldi store will lead to a redistribution of convenience goods trade within the Town Centre, but the new store, 2km to the west, will divert trade from the Town Centre. AY

- suggests the net change will result in an uplift in convenience goods turnover in the Skelmersdale Town Centre.
- 2.52 The WLRLS indicated that the Town Centre had 10 convenience goods outlets (excluding Asda), 31 comparison goods outlets and 22 service uses in 2016 (source Goad). The WLRLS indicates the Concourse Shopping Centre is anchored by Home Bargains, Aldi and Iceland. The shop vacancy increased significantly between 2011 and 2016 with 47 vacant units (9,760 sq.m) in 2016. The 2016 unit vacancy rate was over 42% compared with the national average of 12%. This high vacancy rate was described as “*having a major impact on the overall vitality and overall performance of the town centre.*”
- 2.53 AY acknowledges the high vacancy rate but has not updated the number of vacant units. The Concourse Centre store plan implies there are still a large number of vacant units on both the ground and upper level. The Skelmersdale Partnership representations suggest vacant floorspace in the centre totals 7,159 sq.m. This information suggests the vacancy rate may have improved slightly since 2016 but vacancy levels are still very high. It is unclear what impact the Covid-19 crisis will have on vacancy levels, but demand for premises will be effected by an economic downturn and vacant rates could increase. The short to medium outlook for many town centres is uncertain.
- 2.54 In our view the Concourse Centre still appears to be underperforming and this existing investment is vulnerable to further reductions in footfall and trade.
- 2.55 Lichfields’ sensitivity impact analysis suggests the combined convenience goods turnover of Skelmersdale Town Centre was £64.41 million in 2019, but two thirds of this trade relates to the Asda superstore to the north of the centre and separate from the Concourse Centre. The WLRLS suggested the Asda store effectively operates as a “*freestanding store with limited linkages to the Concourse Centre*”. The base year convenience goods turnover of the Concourse Centre is £22.81 million including Aldi’s turnover of £9.53 million. The WLRLS suggested the comparison goods turnover of Skelmersdale Town Centre was about £22.8 million in 2017. The combined base year retail turnover of the Town Centre including Asda is just over £87 million.
- 2.56 The convenience goods turnover of Skelmersdale Town Centre is projected to increase to £64.57 million in 2024, assuming no development. This convenience goods turnover will then increase to £69.37 million if the Ingram/Northway commitment is implemented. Despite this increase of £4.8 million (+7.4%), there will be redistribution of trade within the Town Centre i.e. £4.68 million from Asda, £1.47 million from the existing Aldi and £1.25 million from the rest of the Concourse Centre. The post commitments convenience goods turnover of the Concourse Centre is £20.15 million, a -11.7% reduction from the base year turnover (£22.81 million).
- 2.57 The net effect of the closure of the existing Aldi store and opening the of the new store will reduce Skelmersdale Town Centre’s convenience goods turnover from £69.37 million to £60.95 million. Excluding the freestanding Asda store, the Town Centre’s convenience goods turnover will reduce from £32.35 million to £24.68 million, a -24% reduction. This reduction relates to the relocation of the Aldi store rather than a reduction in the turnover of other convenience goods facilities within the town centre. Other convenience goods facilities are expected to increase (about +1.7% on average) their turnover following Aldi’s relocation i.e. redistributed existing Aldi store trade offsets trade diversion to the new store. In overall terms the residual convenience goods turnover (£24.68 million) of the Town Centre (excluding Asda) is marginally higher than the base year turnover (£22.81 million).
- 2.58 In effect the proposed Lidl store replaces the relocated Aldi store, so the net effect on the Town Centre’s convenience goods turnover is positive and there is no reduction in the choice and

quality of convenience goods shopping within the Town Centre, provided the Ingram/Northway commitment is implemented.

2.59 In terms of impact on committed/planned investment, Lichfields' impact sensitivity figures suggest the turnover of the Ingram/Northway commitment will reduce marginally (£12.21 million to £12.14 million) due to the Aldi relocation. This planned investment appears to be at an advanced stage. In our view, it seems unlikely this planned investment will be jeopardised by the Aldi store relocation from the Town Centre.

2.60 The main impact concern relating to Skelmersdale Town Centre is the implications for existing investment in the Concourse Centre. Aldi's relocation will reduce the convenience goods turnover attracted to the Concourse Centre from £20.15 million to £12.54 million, allowing for trade redistribution. The reduction from the base year convenience goods turnover (£22.81 million) is -45%. This cumulative -45% reduction in convenience goods trade within the Concourse Centre is likely to lead to a significant reduction in footfall within the Concourse Centre. The closure of the Aldi store will create a large new void in a central position on the ground floor mall. The Skelmersdale Partnership suggests the closure of the store will increase vacant floorspace from 7,159 sq.m to 8,465 sq.m, an 18% increase.

2.61 As identified in the WLRs, the Aldi store is an important anchor within the Concourse Centre. In our view the closure of the Aldi store is likely to have knock on implications for other shops and services within the Concourse Centre which could lead to other shop closures. The loss of the anchor store will also significantly reduce the attraction of the Concourse Centre from the perspective of potential new operators. The current high vacancy rate is likely to increase rather than reduce in the future.

2.62 In overall terms, customer choice and retail provision within Skelmersdale Town Centre should improve following the successful implementation of the Ingram/Northway commitment. However, the impact on existing investment within the Concourse Centre is potentially significant if Aldi relocates as planned.

### **Sandy Lane Local Centre**

2.63 A Co-op store currently anchors the Local Centre to the north of the proposed Aldi store. The objection letter (dated 5<sup>th</sup> December 2019) submitted by Peter Brett Associates (PBA) on behalf of Co-op suggest "significant trade impacts" are envisaged on their store, which "*would threaten the viability of the store and therefore the range of other main town centre uses*" in the centre. The Local Centre is described as under-performing. PBA also suggests the prospects of linked trips between the proposed Aldi store and the Local Centre are "*minimal due to the existing very poor pedestrian linkages.*" However, AY describes the pedestrian linkages as "*straight forward and safe*". This is an important consideration because it will influence the ability of the new development to generate linked trips to the Local Centre. AY suggests the development will generate spin-off trade that will benefit the Local Centre, PBA suggests the opposite effect.

2.64 AY describes Sandy Lane as a relatively large local centre and community hub with over 30 units. The ground floor of the two storey mall is described as being "largely occupied." A detailed health check of the centre and details of the current vacancies have not been provided. Based on the information provided Lichfields cannot assess the current health of Sandy Lane Local Centre.

2.65 The PBA representations imply the Co-op store in the Local Centre could close, which as an anchor store would harm the Local Centre as a whole. Unfortunately, PBA provides limited information about the expected level of trade diversion, the current performance of the Co-op store and existing linked trips generated by the Co-op store to rest of the Local Centre.

- 2.66 Lichfields' sensitivity impact analysis suggests the convenience goods turnover of Sandy Lane Local Centre (predominantly the Co-op store) was £3.90 million in 2019. As indicated above, the company average benchmark turnover for a Co-op store of this size (238 sq.m net as provided by PBA) is £2.54 million. If the actual combined turnover (£3.9 million) estimate is correct, then these figures suggest the Co-op store is currently trading satisfactorily in line, and possibly above the company average, allowing for other convenience goods shops in the centre.
- 2.67 The convenience goods turnover of Sandy Lane Local Centre is projected to increase marginally to £3.92 million in 2024, but the impact of planned commitments (primarily the proposed Lidl store) will reduce this turnover to £3.67 million, an impact of -6.4%.
- 2.68 The net effect of the closure of the existing Aldi store and opening the of the new Aldi store will reduce Sandy Lane Local Centre's convenience goods turnover to £3.42 million. The solus impact is -6.8% and the cumulative impact with commitments is -12.8%. The residual turnover (£3.42 million) still suggests the Co-op store will be trading satisfactorily. There is no evidence that suggests the Co-op store will become unviable following a -12.8% reduction in trade. Cumulative convenience goods trade diversion from the Local Centre is -£0.5 million in 2024.
- 2.69 If the Co-op store remains trading, as suggested by the residual turnover figures, then there will be no reduction in local consumer choice within the Local Centre itself, and local residents will have access to a new Aldi store. Unless the Co-op can provide evidence that the current store is under-performing and is vulnerable to closure, then the key issue appears to be the effect on the rest of the Local Centre due to the potential loss of linked shopping trips.
- 2.70 As indicated, the pre-development convenience goods turnover of Sandy Lane Local Centre is £3.92 million in 2024. Assuming an average spend per trip of £15 on convenience goods (an appropriate average for top-up/basket food and grocery shopping), then about 260,000 food and grocery trips would be attracted to the Local Centre each year (about 5,000 per week). Based on Lichfields experience up to 50% of these trips could be linked purpose trips i.e. where food grocery customers visit other shops and services during the same trip. On this basis, Sandy Lane should attract up to 130,000 linked purpose grocery shopping trips per annum.
- 2.71 Trade diversion from Sandy Lane Local Centre to commitments is estimated to be -£0.25 million, which if 50% are linked trips (£15 per trips) implies a loss of 8,300 linked trips, a -3% reduction due to commitments.
- 2.72 The proposed Aldi store development is expected to divert a further -£0.25 million and another 8,300 linked trips. The combined loss of 6% (16,600) of existing linked trips could be harmful to the Local Centre. The significance of this 6% reduction in linked trips is unclear without a more detailed analysis of the current health of the Local Centre. If the Local Centre is under-performing as suggested by PBA then a cumulative 6% reduction in linked purpose trips could lead to a significant impact on the Local Centre.
- 2.73 However, the proposed Aldi store is within walking distance of Sandy Lane Local Centre and there could be potential to generate linked trips, which may help to offset the loss of existing linked trips described above.
- 2.74 The convenience goods turnover of the development is £12.31 million. A main and top-up food and grocery store is likely to have an average spend per trip of say around £40. The development should attract about 300,000 food/grocery trips per annum. In order to offset the additional loss of 8,300 existing linked trips, less than 3% of the total trips to the development would need to generate a new linked purpose trip to the Local Centre.
- 2.75 The application site is within walking distance (not more than 200 metres) to the Local Centre and the orientation of the development is best placed to assist pedestrian linkages. However, the



main obstacles to pedestrian movement are the need to cross the High Street and the lack of visibility from the site to the Local Centre.

2.76 At worst, the net effect on linked trips is likely to be neutral. If this conclusion is correct, then no significant adverse impact is envisaged on Sandy Lane Local Centre in terms of the loss of trade for other shops and services, provided the Co-op store is not forced to close. Clearly these are matters of judgement including the quality of the physical links between the development and the Local Centre.

2.77 The number of linked trips could be encouraged by ensuring the development layout is orientated as planned. The development should provide free shared car parking (at least for 2 hours), provision of a dedicated pedestrian crossing on the High Street and signage at the application site showing the route to the Local Centre could also assist linked trips.

## 3.0 The Sequential Approach

3.1 The sequential approach to site selection for main town centre uses is set out in paragraphs 86 and 87 of the NPPF. The application site is in an edge-of-centre location. The site's status as an edge-of-centre site has been challenged by objectors. However, this only becomes a relevant consideration if other suitable and available edge-of-centre opportunities emerge. When considering edge-of-centre sites, preference should be given to sites well connected to the centre.

3.2 If the Council is satisfied the proposed development will not have a significant adverse effect on designated centres, then the availability of suitable sites within designated centres or better connected edge-of-centre sites should be considered. The NPPF (paragraph 90) states that where an application fails the sequential test it should be refused.

### Area of search

3.3 The NPPF and PPG provide limited guidance on the appropriate area of search for sequential sites, but it is widely accepted that sequential sites should serve the same or similar catchment area when compared with the application site.

3.4 The proposed Aldi store is likely to have a relatively localised catchment area, with most trade coming from Zone 3b - Skelmersdale. This constitutes a reasonable area of search for sequential sites in this case.

3.5 Potential sequentially preferable sites within Skelmersdale Town Centre, Sandy Lane Local Centre and Up Holland Local Centre should be considered. Other centres would not serve the same catchment area as the application proposals.

### Flexibility and disaggregation

3.6 NPPF paragraph 87 requires applicants and local planning authorities to demonstrate flexibility on issues such as format and scale when applying the sequential approach. Two legal decisions that shed light on what is meant by "flexibility" within the NPPF.

3.7 The Tesco Stores Ltd v Dundee City Council legal decision (21 March 2012 in the Supreme Court) provides guidance on the sequential approach. The decision states:

*"it is the proposal for which the developer seeks permission that has to be considered when the question is asked whether no suitable site is available within or on the edge of the town centre" (paragraph 37).*

3.8 The decision also states that the exercise of applying the sequential test, should be directed:

*"to what the developer is proposing, not some other proposal which the planning authority might seek to substitute for it which is for something less than that sought by the developer" (paragraph 38).*

3.9 Whilst the judgment explains that there is still a need to apply flexibility when devising a proposal having regard to the particular local circumstances and how this might influence the format, design and scale of the development (paragraph 28), it also notes (paragraph 38) that proposals are generated by "a developer's assessment of the market and that the criteria of flexibility and realism 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".

- 3.10 The applicant is not required to demonstrate their proposals are needed, but the NPPF suggests an applicant must demonstrate the development cannot be met in sequentially preferable locations, allowing for flexibility. Applicants should be flexible in terms of the scale of development proposed and the amount of car parking required.
- 3.11 AY suggests (paragraph 6.6) sequential sites must as a minimum be capable of accommodating a discount food store of 1,786 sq.m GIA (1,315 sq.m net), a standalone retail unit of 372 sq.m, 151 customer car parking spaces, access road, serving and landscaping. AY therefore suggests the site must be capable of accommodating the development as proposed. No flexibility in terms of the scale of development has been applied.
- 3.12 In terms of minimum site area, AY indicates (paragraph 6.16) a site area of 0.7ha is typically required to accommodate a discount Aldi store of the size proposed with 100 car parking spaces. If the flexible unit is included then a minimum site area of 0.8ha is required, lower than the application site area of 1.19ha and in this respect some flexibility has been applied.
- 3.13 Whilst at least 100 customer car parking spaces may be the preferred or ideal provision for Aldi, a smaller number of spaces or shared parking could be viable. A rectangular sales area is required by a discount food store operator. The application proposal shows a sales floorplate of about 24 metres width by 55 metres depth (1,315 sq.m net). Other standard discount food store layouts also usually adopt this minimum width of 24 metres, but varying sales area depths can be considered.
- 3.14 We accept that a non-standard sales floorplate with a width of less than 24 metres may be unsuitable for a discount food store because there would be insufficient width to provide the necessary minimum aisle spaces between gondola, usually around 2 metres. Modern discount food stores normally have three central gondola with to side displays served by four aisles. However, some flexibility relating to the depth of sales area could be applied e.g. if the depth of sales area was reduced to 50 metres rather than 55 metres then the store size could be reduced by about 10%. We do not accept that the store must have a sales area of 1,315 sq.m net.
- 3.15 Given that no end user or even type of use has been identified for the smaller unit proposed, we do not accept this unit must be 372 sq.m gross. A high degree of flexibility should be applied for this proposed unit when considering sequential alternatives e.g. between 300 sq.m gross to 400 sq.m gross.
- 3.16 The Secretary of State call-in decision in Rushden, East Northampton addresses sequential and Dundee decision matters. Lichfields' reading of this decision is:
- applicants are not required to disaggregate their application proposals when applying the sequential approach i.e. they only need to look at sites that can accommodate the whole development and they don't need to split various elements of the scheme; and
  - flexibility relates to format and scale but does not mean the developer should reduce the size of development e.g. it could mean multi-level development but not reduced the size of unit.
- 3.17 However, more recent appeal decisions in Leamington (APP/Y111)/W/15/3005333), Great Yarmouth (APP/T3725/A//14/2218334) and Hull (APP/V2004/W/17/3171115) suggest that the disaggregation of proposals is not specifically included or excluded in the NPPF. These recent appeal decisions appear to accept the disaggregation of proposals in certain circumstances, in particular where more than one new unit is proposed, for example on an existing retail warehouse park. In these appeal decisions the inspectors did not accept that disaggregation would be unsuitable or unviable. In our view AY has not demonstrated that the Aldi store and flexible retail unit must be connected to be viable. If the two units were provided in Skelmersdale Town Centre they would not necessarily need to be located next to each other. These recent appeal decisions suggest the two units in this case can be considered separately,

and units of around 1,700 sq.m gross and 300/400 sq.m should be explored that are not necessarily side by side.

3.18 The flexible retail unit could in theory be accommodated in a vacant or proposed unit within Skelmersdale Town Centre i.e. within the Concourse Centre or part of the Ingram/Northway development. The nature of the end use for this unit is at this stage unknown, therefore a locational specific need has not been demonstrated, nor has the need to be adjacent to the discount food store been proven.

3.19 Another decision is relevant for the sequential test for development proposals where a specific operator is named and refer is made to the business model. This issue was addressed within the High Court in Aldergate and Mansfield and Regal Sherwood Oaks Ltd Judgment (8 July 2016) (Aldergate). The Judgment noted that the application of the sequential test *"should not depend on the individual corporate personality of the applicant or intended operator but on the content of the applications. Paragraph 24 does not require the suitability and availability of sites to be judged simply from a retailer's perspective, but according to the type of retail use for which permission was sought."*

3.20 It went on to state (paragraph 38) that *"in my Judgment, "suitable" and "available" generally mean "suitable" and "available" for the broad type of development which is proposed in the application by approximate size, type, and range of goods"*.

3.21 In this case opportunities that can accommodate a discount food store in general should be considered, rather than specifically an Aldi store.

### **Availability**

3.22 The new NPPF (paragraph 86) refers to sites *"expected to become available within a reasonable period of time"*. It is not clear what is a *"reasonable period of time"*. There are no longer references in the PPG relating to *"a reasonable period of time between 2 to 5 years"*. It is for the decision maker to decide what is a reasonable period of time relevant to the specific planning application.

### **Analysis**

3.23 AY identifies (paragraph 6.18) five potential opportunities, as follows:

- Ingram Rd/Northway, Skelmersdale;
- Land adjacent to College Way, Skelmersdale;
- existing Aldi Store, Concourse Centre, Skelmersdale;
- Unit 31, Concourse Centre, Skelmersdale; and
- Land north of Up Holland Local Centre.

#### **Ingram Rd/Northway, Skelmersdale**

3.24 The St Modwen development appears to be split into two opportunities. A unit of 2,008 sq.m gross (1,265 sq.net) is proposed, designed to accommodate a Lidl store. Two other units are proposed (2,062 sq. GIA and 1,091 sq.m GIA) on the other part of the development, with the larger units expected to be occupied by B&M.

3.25 AY appears to claim these proposed units are physically unable to accommodate Aldi's minimum format requirements and are therefore dismissed as unsuitable. However, it is not clear why the design/configuration/imposed planning conditions relating to one of the two larger units (2,008 sq.m or 2,062 sq.m GIA) cannot be amended to meet Aldi's needs.

Furthermore, we are not convinced Aldi cannot occupy either of these units as planned, if an appropriate level of flexibility is applied. Likewise, the flexible retail unit 372 sq.m could be accommodated in a reconfigured development.

3.26 Based on information provided, these opportunities cannot be dismissed on the grounds of unsuitability.

3.27 AY claims this opportunity is unavailable because Lidl has signed a contract to take one of the proposed units. If this is correct, then the unit would not be available in sequential terms. St Modwen has not clearly stated the contractual position with Lidl or B&M. Without seeing the contractual details between Lidl, B&M and St Modwen, the larger units' possible availability is unclear. In the absence of this contractual information, the progress on the construction of these units specifically for Lidl's and B&M's occupation should be considered at the time the application is determined by the Council i.e. if construction of the units is at a reasonably advanced stage then this may suggest Lidl and B&M are contractually committed to taking the units.

3.28 Notwithstanding the potential to accommodate Aldi within this development, based on the information provided there is no reason why the smaller flexible unit cannot be disaggregated and accommodated.

#### **Land adjacent to College Way, Skelmersdale**

3.29 AY concedes this site is in-centre and large enough to accommodate the proposed development. However, the site is considered to be unavailable because it is owned by West Lancashire College and has planning permission for college expansion.

3.30 Given that this site is not being actively marketed for sale, it appears reasonable to assume this site is unavailable.

#### **Existing Aldi Store, Concourse Centre, Skelmersdale**

3.31 AY indicates the existing store has a sales area of 887 sq.m net, about two thirds of that proposed within the new store (1,315 sq.m net). We accept that the existing store (unaltered) cannot accommodate the proposed development allowing for appropriate flexibility. However, we do not accept the servicing and car parking arrangements and opening hours make this store unsuitable. It is clear from AY's own figures that the Aldi store is trading successfully and healthily (projected £9.7 million turnover in 2024) and attracts both main and top-up grocery shopping trips.

3.32 The reasons set out by AY for Aldi's decision to relocate are inconsistent. The original submission suggests Aldi has outgrown the existing premises, which is supported by the healthy turnover of the store. However, there is also reference to the lack of dedicated surface car parking that will significantly impacting on the store's sales, but this is not supported by AY's own turnover estimate for the store.

3.33 The owners of the Concourse Centre (Skelmersdale Partnership) suggest the existing store can be extended into neighbouring units (No. 102 and 104) to provide enlarged premises capable of meeting Aldi needs. A plan has been prepared showing a unit of 1,786 sq.m gross (1,313 sq.m net), with improved access to the car park.

3.34 AY's response letter questions the availability of No. 102 and 104, which are currently occupied by British Heart Foundation and Field Fresh. Skelmersdale Partnership does not indicate how and when vacant possession of these units can be secured. AY suggests the lease on the British Heart Foundation runs until the last quarter of 2022. AY suggest the assembly and construction of this extended unit would take 4 to 5 years (i.e. 2024/25). In our view, the amalgamation

these two adjacent units does not appear to be particularly complex in construction terms. If vacant possession can be achieved in the last quarter of 2022 then the enlarged store could be opened before the end of 2023.

3.35 AY suggests the proposed Aldi store is expected to open in the first half of 2021. This timetable now appears ambitious. The Aldi store is likely to open in late 2021 at the earliest. This implies an extended store in the Concourse Centre would result in a two year delay compared with the likely application timetable. However, construction could commence before 2022, if vacant possession can be negotiated (presumably with compensation) with the current occupiers. There are a large number of vacant units available within the centre where these tenants could be relocated.

3.36 AY refers to the Rushden Lakes decision with references to available opportunities being immediately available. However, the new NPPF supersedes this decision and refers to sites "*expected to become available within a reasonable period of time*". As indicated above, it is for the decision maker to decide what is a reasonable period of time relevant to the specific planning application.

3.37 In these specific circumstances, where Aldi has an existing store trading healthily, a two year delay in the programme may be considered to be reasonable. Nevertheless, more information is required from the Skelmersdale Partnership to outline how vacant possession will be achieved before this opportunity can be considered to be available.

3.38 AY dismisses the extended unit as unsuitable for the same reasons set out for the existing Aldi store. As indicated above, we do not accept the store is unfit for purpose. The proposed layout for the expanded store suggests improved customer access to the multi-storey car park. It is inconceivable that the expanded store (with an extra 48% sales floorspace and better linkages to the car park) would not trade at a much higher level than the existing store. It should be noted that AY expect the proposed new Aldi store's convenience goods turnover will be £11.87 million compared with the existing store's projected turnover of £9.7 million, an uplift of 22%. Whilst an expanded store within the Concourse Centre may not achieve a 22% uplift in turnover, the extended store should still be viable.

### **Unit 31, Concourse Centre, Skelmersdale**

3.39 We understand this unit has been occupied by Poundland and is no longer available.

### **Land north of Up Holland Local Centre**

3.40 The availability of this site is uncertain and its size and irregular shape suggest this opportunity could not accommodate the proposed discount food store. The loss of green open space may also prohibit development.

4.0

## Conclusions

### Retail impact

- 4.1 A retail impact assessment is required because the floorspace proposed exceeds the locally set impact threshold. Skelmersdale Town Centre and Sandy Lane Local Centre will be the most affected designated centres.
- 4.2 Lichfields review of AY's assessment suggests trade diversion and impact on facilities within Skelmersdale has been under-estimated. AY figures suggest the impact of commitments will be more than offset by a net gain in turnover due to the closure and relocation of the existing Aldi store from the Concourse to the application site. In our view this is implausible and Lichfields' sensitivity impact figures are more realistic. The sensitivity analysis suggests:
- AY has under-estimated the new store's trade draw from Zone 3b and spread impacts too widely; and
  - the redistribution of the Aldi store's existing turnover is unrealistic with 100% of trade attracted to facilities in Skelmersdale.
- 4.3 it seems unlikely planned investment at Ingram/Northway will be jeopardised by the Aldi store relocation from the Town Centre. However, the Concourse Centre is under-performing, and this existing investment is vulnerable to further reductions in footfall and trade. The convenience goods turnover attracted to the Concourse Centre will be -45% lower than the base year turnover, which is likely to lead to a significant reduction in footfall. The closure of the Aldi store will create a large new void in a central position on the ground floor mall and will have knock on implications for other shops and services within the Concourse Centre. The loss of the anchor store will significantly reduce the attraction of the Concourse Centre from the perspective of potential new operators. The high vacancy rate is likely to increase in the future.
- 4.4 In overall terms, customer choice and retail provision within Skelmersdale Town Centre should improve following the implementation of the Ingram/Northway commitment. However, the implications for existing investment at the Concourse Centre are considered to be a significant adverse impact that, when balanced with other material considerations, could warrant refusal.
- 4.5 Based on the information provided, Lichfields cannot assess the current health of Sandy Lane Local Centre. The PBA representations imply the Co-op store in the Local Centre could close but limited evidence has been submitted to support this. Lichfields' sensitivity impact analysis suggests the Co-op store is currently trading satisfactorily and there is no evidence that suggests the Co-op store will become unviable due to the Aldi store relocation.
- 4.6 The key issue for Sandy Lane Local Centre appears to be the effect on linked shopping trips. The combined loss (6%) of existing linked trips could be harmful to the Local Centre but this is unclear without a more detailed analysis of the current health of the Local Centre. However, this loss of existing linked trips should be offset by new linked trips generated by an Aldi store within walking distance. The number of linked trips could be encouraged by ensuring the development layout is orientated as planned. If permitted, the development could also be required via conditions to provide free shared car parking, provision of a dedicated pedestrian crossing on the High Street and signage to the Local Centre to assist linked trips.

### Sequential approach

- 4.7 Potential sequentially preferable sites within Skelmersdale Town Centre, Sandy Lane Local Centre and Up Holland Local Centre should be considered. In our view Aldi's application of the sequential approach has not applied sufficient flexibility in terms of the scale and format of

development proposed. It is not accepted that the Aldi store must have a sales area of 1,315 sq.m net and the applicant has not demonstrated that the Aldi store and flexible retail unit must be connected to be viable.

4.8 The smaller flexible retail unit could in theory be accommodated in a vacant or proposed unit within Skelmersdale Town Centre. The nature of the end use for this unit is at this stage unknown, therefore a locational specific need has not been demonstrated, nor has the need to be adjacent to the discount food store been proven.

4.9 It is not clear why the Ingram/Northway development, which includes two large units (2,008 sq.m or 2,062 sq.m GIA) cannot be amended to meet Aldi's needs. Furthermore, Aldi could not occupy either of these units as planned, if an appropriate level of flexibility is applied. Based on information provided, these opportunities cannot be dismissed on the grounds of unsuitability. However, the availability of either of these two units is unclear in terms of Lidl and B&M legal obligation to occupy these units. In the absence of this contractual information, the progress on the construction of these units specifically for Lidl's and B&M's occupation should be considered at the time the application is determined by the Council. Notwithstanding the potential to accommodate Aldi, there appears to be no reason why the smaller flexible unit cannot be disaggregated and accommodated in this development.

4.10 The owners of the Concourse Centre (Skelmersdale Partnership) suggest the existing store can be extended into neighbouring units to provide enlarged premises capable of meeting Aldi needs with improved access to the car park. Based on the evidence provided, we are not convinced these proposals would be unsuitable or unviable, bearing in mind the existing Aldi store is trading healthily in this location.

4.11 In terms of availability, the Skelmersdale Partnership does not indicate how and when vacant possession of the required adjacent units can be secured, but the leases runs until late 2022. If correct, an extended store in the Concourse Centre could result in a two year delay compared with the likely application timetable. In these specific circumstances, where Aldi has an existing store trading healthily, a two year delay in the programme may be considered to be reasonable. Nevertheless, more information is required from the Skelmersdale Partnership to outline how vacant possession will be achieved before this opportunity can be considered to be available.

In our view there are potentially suitable opportunities to accommodate the proposed development within Skelmersdale Town Centre, but their availability is unclear based on the information submitted by the applicant and objectors.





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