

Proposed Lidl, Unit 1, George Richards Way, Altrincham

Appraisal of Retail and Town Centre Issues

on behalf of Trafford Council

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1.0 Introduction

Instruction

- 1.1 Trafford Council (hereafter referred to as 'the Council') has instructed Nexus Planning to provide advice in respect of planning application reference 98127/FUL/19. The application seeks planning permission for the extension, refurbishment, subdivision and reconfiguration of the existing Homebase store at Unit 1, George Richards Way at Altrincham Retail Park.
- 1.2 The application was submitted by the joint applicant of Lidl UK and Orchard Street Investment Management LLP, and was validated on 5 August 2019. It is accompanied by a number of supporting documents, including a Planning and Retail Statement (dated July 2019), prepared by Rapleys. The purpose of this appraisal report is to consider the merits of the application in terms of its compliance with retail and town centre planning policy, as set out by the statutory development plan and by the National Planning Policy Framework ('NPPF').
- 1.3 In drafting this report, we have reviewed representations received from interested parties, including the objection letter of 9 September 2019 submitted by Avison Young on behalf of its client, Aldi Stores Limited.

Proposal and Application Site

- 1.4 The application site comprises approximately 1.8 hectares of previously developed land and is bounded by: Huxley Street and residential properties to the north; Manchester Road to the east; George Richards Way to the south; and, car parking at Altrincham Retail Park to the west. The application site is situated just over a kilometre to the north of Altrincham town centre¹. As such, the site is clearly 'out of centre' for the application of retail and main town centre planning policy.
- 1.5 The application site currently accommodates the existing Homebase store, its associated garden centre and car parking. The applicant identifies, at paragraph 1.2 of the Planning and Retail Statement, that:

'The purpose of the application is to extend and sub-divide the existing Homebase retail unit, to create two retail units. Unit 1 will comprise a retail warehouse unit and associated garden centre for occupation

¹ As defined with reference to the main shopping frontages and mixed use frontages defined by Plan 6 of the Altrincham Town Centre Neighbourhood Business Plan ('made' in November 2017)

by Homebase and Unit 1A will comprise a discount convenience foodstore for occupation by Lidl. This application also proposes a new left-out egress from the site, a new pedestrian access from George Richards Way, and related reconfiguration of the existing car park.'

- 1.6 The floorspace proposed by the application is summarised by Table 3.1 of the submitted Planning and Retail Statement. In order to confirm our understanding of the application, we provide Rapleys' Table 3.1 below as our Table 1.1.

Table 1.1: Proposed Retail Accommodation as Identified by Table 3.1 of Rapleys' Planning and Retail Statement

Area	Existing Homebase (sq.m)	Proposed Homebase (sq.m)	Lidl (sq.m)	Total Proposed (sq.m)	Difference (sq.m)
Ground Floor	3,664	2,833	1,858	4,691	+1,027
First Floor	1,352	779	0	779	-573
Total GIA	5,016	3,612	1,858	5,470	+454
Garden Centre	1,295	1,231	0	1,231	-64
Total	6,311	4,843	1,858	6,701	+390

- 1.7 The new Homebase unit would have a total gross floorspace of 3,612 sq.m, with a further 1,231 sq.m comprising an outdoor garden centre. We are unaware of any clarification in respect of the net sales area associated with the new DIY store and it would be helpful for Rapleys to confirm this. However, it is accepted that the new DIY store would be unlikely to have a greater sales area than the existing.
- 1.8 Paragraph 3.4 confirms that the proposed Homebase operation will be consistent with the existing, focusing on a product range that will include **'...paint and decorating equipment, kitchens and bathrooms, garden and outdoor products, lighting and electrical, furniture and home storage, and other products associated with the DIY retail market.'**
- 1.9 Paragraph 3.10 of the applicant's Planning and Retail Statement indicates that the proposed Lidl foodstore would have a net sales area of 1,272 sq.m, of which 80% (or 1,018 sq.m) would be dedicated to the sale of convenience goods and 20% (or 254 sq.m) would be dedicated to the sale of comparison goods.

Structure of Our Report

- 1.10 In the above context, our appraisal focuses on the proposal's compliance with retail and town centre planning policy as set out by the statutory development plan and by the NPPF. All other planning

policy matters and other material considerations fall outside the scope of our instruction and it will be necessary for the Council to take appropriate account of such matters in its determination of the application.

1.11 Our report is therefore structured as follows:

- Section 2 sets out the retail and town centre planning policy of relevance to the application proposal;
- Section 3 considers the compliance of the proposal in respect of the sequential approach to development;
- Section 4 considers the applicant's approach in assessing the impacts arising from the proposal; and
- Section 5 provides our conclusions in respect of the compliance of the application proposal with retail and town centre policy, and our recommendations in respect of the Council's consideration of the application.

2.0 Planning Policy Context

2.1 We identify below the principal applicable planning policies of relevance to retail and town centre matters.

National Planning Policy Framework

2.2 The most recent iteration of the National Planning Policy Framework ('the NPPF') was published in February 2019. It emphasises the Government's commitment to securing economic growth and building a strong, responsive and competitive economy. With regard to the assessment of proposals for main town centre development, the revised NPPF provides two principal national policy tests relating to the sequential approach to development and to impact.

2.3 In respect of the first of the two tests, paragraph 86 of the NPPF states that local planning authorities should apply a sequential test to planning applications for main town centre uses that are not in accordance with an up-to-date plan.

2.4 Paragraph 86 goes on to state that:

'Main town centre uses should be located in town centres, then in edge of centre locations; and only if suitable sites are not available (or expected to become available within a reasonable period) should out of centre sites be considered.'

2.5 Paragraph 87 then identifies that:

'When considering edge of centre and out of centre proposals, preference should be given to accessible sites which are well connected to the town centre. Applicants and local planning authorities should demonstrate flexibility on issues such as format and scale, so that opportunities to utilise suitable town centre or edge of centre sites are fully explored.'

2.6 Paragraph 89 of the NPPF sets out a twin impact test, stating 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 floorspace threshold (if there is no locally set threshold, the default threshold is 2,500 sq.m of gross floorspace). This should include assessment of:

- a) **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**
- b) **the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and wider retail catchment (as applicable to the scale and nature of the scheme).'**

2.7 Paragraph 90 indicates that, where an application fails to satisfy the sequential test or is likely to have a significant adverse impact on one or more of the above factors, it should be refused. However, this direction cannot extinguish the requirement set out in statute to first consider development plan policy and then all material considerations in assessing the 'planning balance' when making a decision.

Adopted Development Plan

2.8 Section 38(6) of the Planning and Compulsory Purchase Act 2004 provides that:

'...if regard is to be had to the Development Plan for the purpose of any determination to be made under the planning acts, the determination must be made in accordance with the plan unless material considerations indicate otherwise.'

2.9 The statutory development plan for Trafford comprises the 'saved' policies of the Revised Trafford UDP (adopted June 2006), read together with the Trafford Core Strategy (adopted January 2012). The Altrincham Town Centre Neighbourhood Business Plan (which was 'made' in November 2017) also forms part of the development plan and is of relevance in this instance.

2.10 We outline key retail and town centre planning policies below.

Revised Trafford UDP

2.11 UDP Policy S11 relates to development outside established centres and remains saved² in the absence of an adopted Trafford Local Allocations Development Plan Document. Policy S11 indicates that proposals for retail development not on land within town and district centres, will not be permitted unless all of the following criteria apply:

- there is a demonstrable need for further retail development locally that cannot be met by existing provision in the Borough;

² As confirmed by Appendix 5 of the adopted Trafford Local Plan Core Strategy

- it can be demonstrated that a sequential approach to site selection has been adopted, giving first preference to sites within town and district centres, followed by edge of centre sites at town and district centres, sites within local and neighbourhood centres, and only then by out of centre sites;
- the scheme would be highly accessible by a choice of means of transport allowing for the minimisation of car use;
- the development would not lead to the sporadic siting of comparison goods shopping units along a road corridor;
- there is no realistic chance of the site being developed for any other use for which it may be allocated specifically in this Plan; and
- the development meets the requirements of other proposals in the Plan, notably Proposals D1 and D2.

2.12 Policy S11 then goes on to indicate that, in all cases, it will be necessary to demonstrate by means of an impact study, that development would not have a serious adverse effect on the vitality and viability of any town or district centre within or outside Trafford.

2.13 In considering Policy S11, it is important to note that Proposals D1 and D2 have not been saved. As such, there is only a need to apply the requirements of the first five bullet points set out above (along with the need for an impact assessment) to the application.

Trafford Core Strategy

2.14 The principal Core Strategy policy of relevance to the application proposal is Policy W2, which relates generally to town centre and retail matters.

2.15 Policy W2 identifies that Altrincham, as the main town centre in the Borough, will be the focus for high quality comparison retail supported by a range of retail, service, leisure, tourism, office and other town centre-type uses, including residential. The policy sets out a range of developments that could be located within Altrincham town centre (some of which have now been secured).

2.16 Policy W2.3 identifies that:

'The main development opportunity within Altrincham Town Centre is Altair which is a high quality, high density multi-storey mixed-use development on a 3 hectare brownfield site immediately to the east of the Altrincham transport interchange. The mixed-use development is expected to deliver:

- **Retail, café, bar and restaurant accommodation (15,000 sq.m);**
- **Commercial office accommodation (8,500 sq.m);**
- **Hotel accommodation (7,700 sq.m);**
- **Ice Rink and other leisure development (11,600 sq.m);**
- **Residential apartment accommodation (150 units) comprising a mix of sizes and tenures;**
- **Hospital and healthcare facility;**
- **New areas of public realm; and**
- **Improvements to pedestrian linkages to the rest of the town centre, in particular a new pedestrian bridge link between the development and the Interchange.'**

2.17 Policy W2.12 goes on to identify that, outside of the centres, there will be a presumption against the development of retail, leisure and other town centre-type uses except where it can be demonstrated that they satisfy the tests outlined in current Government Guidance.

2.18 Policy W2.14 states that:

'Proposals to expand any of the three existing retail warehouse parks (White City, Trafford and Altrincham) should be justified against the tests set out in national guidance. Further development within the retail warehouse parks should be limited to the sale of bulky comparison goods only.' (Our emphasis.)

[Altrincham Town Centre Neighbourhood Business Plan](#)

2.19 The Altrincham Town Centre Neighbourhood Business Plan seeks to support a focused retail core in order to create a fully occupied and competitive heart of the town centre.

2.20 In this context, Policy 'R' relates to new retail development and indicates that new retail developments will be restricted to those areas of the town centre designated as Main (Primary) Shopping and Mixed Use with Ground Floor Active Frontages on Plan 6 of the Neighbourhood Business Plan.

2.21 Policy 4.3.2 of the supporting text that accompanies Policy 'R' indicates that the Neighbourhood Plan strongly supports the Government's 'town centres first' strategy. Paragraph 4.3.4 of the supporting text indicates that the Neighbourhood Plan opposes any new retail development outside of Altrincham's Main (Primary) Shopping and Ground Floor Mixed Use Active Frontages.

2.22 In addition, the Neighbourhood Business Plan allocates six sites as having potential for redevelopment, including Allocations D, E and F, which are considered suitable to accommodate a range of main town

centre uses³ (Allocation D has since been built out). In addition, the Neighbourhood Business Plan recognises the Altair development site, which benefits from planning permission for residential, offices, car parking and leisure uses, including leisure based retail.

2.23 Whilst none of the allocations seeks to accommodate substantial convenience goods retailing, supporting text at paragraph 4.2.7 identifies that:

‘The Plan also recognises the importance of the town centre attracting one or more small or medium size convenience stores in response to the growing desire to shift from the one-stop out-of-centre facilities to convenience at the local level, with positive effects on the role of the high street.’

Overview in Respect of Relevant Retail and Town Centre Planning Policy

2.24 UDP Policy S11 predates the publication of the NPPF and its policy requirements differ from that set out at NPPF paragraphs 85 to 90. In addition, the more recent Core Strategy Policy W2.12 identifies that, outside of the centres, there will be a presumption against the development of retail, leisure and other town centre-type uses except where it can be demonstrated that such development satisfies the tests outlined in current Government Guidance.

2.25 As a consequence of the above, we consider it appropriate to consider first the proposal’s compliance with the sequential and impacts tests as articulated by paragraphs 86, 87 and 89 of the NPPF, before then returning to the matter of the development plan in the concluding section of our appraisal.

³ Allocations A, B and C are identified as being principally residential opportunities

3.0 The Sequential Test

Requirements of the NPPF and Planning Practice Guidance

- 3.1 Paragraph 86 of the NPPF sets out the order of preference in applying the sequential approach. The first preference is for main town centre uses development to locate in town centres, followed then by edge of centre locations, and only if no other suitable sites are available should out of centre sites be considered. Paragraph 87 indicates that, when considering edge of centre and out of centre proposals, preference should be given to accessible sites that are well connected to the town centre. Applicants and local planning authorities should demonstrate flexibility on issues such as format and scale.
- 3.2 Additional guidance on the application of the sequential approach is provided by the Town Centres and Retail Planning Practice Guidance ('the Town Centres PPG'), which was published on 22 July 2019.
- 3.3 Paragraph 011 of the Town Centres PPG provides a 'checklist' for the application of the sequential test in decision taking. It indicates the following considerations:
- With due regard to the requirement to demonstrate flexibility, has the suitability of more central sites to accommodate the proposal been considered? Where the proposal would be located in an edge of centre or out of centre location, preference should be given to accessible sites that are well connected to the town centre. Any associated reasoning should be set out clearly.
 - Is there scope for flexibility in the format and/or scale of the proposal? It is not necessary to demonstrate that a potential town centre or edge of centre site can accommodate precisely the scale and form of development being proposed, but rather to consider what contribution more central sites are able to make individually to accommodate the proposal.
 - If there are no suitable sequentially preferable locations, the sequential test is passed.
- 3.4 In this instance, the application site is out of centre. As such, there is a need to consider in and edge of centre sites, and the potential offered by well connected out of centre sites.
- 3.5 In reviewing sequential alternative sites, it is first necessary to consider parameters of relevance to the application of the test. As such, we consider the appropriate area of search for the test below, before then reviewing the matter of 'disaggregation' and the minimum requirement in terms of the scale of alternative sites or premises.

Area of Search

3.6 Rapleys considers the area of search for sequential alternative sites at paragraphs 6.7 to 6.9 of its Planning and Retail Statement.

3.7 Paragraph 6.7 states that:

'Typically, any centre located within the catchment area of a proposed store should be assessed for sequentially preferable sites. As set out in Section 5 of this statement, Lidl stores serve a relatively compact catchment area that provides a local shopping facility. The Lidl locational strategy is based on stores in urban area that serve an area that normally broadly equates up to a 5 minute drive-time of the site. However, through previous discussions with Trafford Borough Council in regard to the Lidl store at Chester Road, Stretford (planning permission ref. 92714/FUL/17), a 'primary catchment area' of 5 minutes was adopted and then a further 'secondary catchment area' encompassing a 7 minute drive-time. In light of these previous discussions, a similar approach has been adopted here.'

3.8 In our view, it is helpful to review the catchment area of the proposed store with reference to:

- i) local geography and congestion; and
- ii) the location of competing stores.

3.9 In respect of the first matter, we are aware that the A56 (which effectively acts as the principal north to south distributor road to and from the site) is generally rather congested. In addition, most of the highways leading in easterly or westerly directions from the site are relatively minor residential streets, thus inhibiting the extent of the seven-minute drivetime identified by Rapleys. As a consequence of the above, there are certain areas that one might expect to be within the catchment area of the store that are not within the identified seven-minute drivetime. These areas include Oldfield Brow to the south-west of the application site, residential areas surrounding Timperley tram stop, and parts of southern and eastern Altrincham.

3.10 This leads to the second matter identified above. In some areas located outside of the defined seven-minute catchment, there is no existing provision capable of accommodating main food shopping trips that is more conveniently located than Altrincham Retail Park. Whilst the Sainsbury's and Tesco Extra within the wider Altrincham town centre boundary have a locational advantage in meeting the needs of residents of central and southern Altrincham, such residents already have to travel to Altrincham

Retail Park area if they wish to access a discount foodstore (in the form of the Aldi currently situated at Davenport Lane).

- 3.11 It is notable that Table 5 of Appendix 6 of Rapleys' Planning and Retail Statement identifies that the seven-minute drivetime would account for 80% of the proposed store's turnover. This in itself indicates that the proposed foodstore would be able to draw a notable proportion of its expenditure from beyond a seven-minute drivetime.
- 3.12 Given the above, we believe that Altrincham town centre falls within the catchment area of the proposal and that, in practice, there would be substantial overlap between the catchment of existing and future grocery operators in Altrincham town centre and the proposed operation at Altrincham Retail Park. Therefore, we are firmly of the view that Altrincham town centre falls within the area of search for the purpose of the sequential test.

Disaggregation

- 3.13 The matter of 'disaggregation' (i.e. the need to consider whether constituent elements of a proposal should be sub-divided to be accommodated on separate sites) is not addressed within the NPPF. Notwithstanding this, Secretary of State decisions⁴ issued subsequent to the publication of the original iteration of the NPPF in have indicated that there is no general 'default' national policy requirement that necessitates the disaggregation of a proposal in all circumstances.
- 3.14 However, we note the Inspector's comments in reporting on the recovered appeal for a planning application to provide large-scale main town centre uses at Tollgate in Stanway, Essex (PINS reference APP/A1530/W/16/3147039). The Tollgate Inspector's report indicates that, in some circumstances, there will be a need to consider the matter of disaggregation as part of the sequential test.
- 3.15 Whilst the prevailing circumstances at Tollgate are not replicated by this application proposal, we believe that it is appropriate to consider the Broadheath proposal on the basis of whether the proposed discount foodstore could be accommodated on a sequentially superior site. This is because the DIY store is already in situ at the Altrincham Retail Park site and the principal purpose of the application is to provide for the introduction of the foodstore use.

⁴ Notably the 'Rushden Lakes' (PINS reference APP/G2815/V/12/2190175) and 'Braintree' (PINS reference APP/Z1510/A/14/2219101) decisions

- 3.16 Whilst paragraph 6.14 of the submitted Planning and Retail Statement seeks to argue that the DIY store is an **'essential component'** of the proposal, the current operation could continue to trade irrespective of whether the site is reconfigured to include a foodstore. Indeed, if a planning application came forward that just provided for the reconfiguration of the Homebase DIY store in isolation, then it would be somewhat illogical for such a proposal to be the subject of the sequential test (given that it would provide for the same broad use as existing).
- 3.17 As such, we believe that the appropriate approach, which is reflective of the flexibility required by paragraph 87 of the NPPF, is to consider the ability for the foodstore to be sited at a more central location. We note that this is how Rapleys has actually approached its consideration of sequential alternative sites, identifying (at paragraph 6.15 of its Planning and Retail Statement) that it is representative of a **'robust'** approach.

Other General Operational Requirements

- 3.18 It is accepted that any sequential alternative site should have some visual prominence and provide access to nearby car parking. Paragraph 6.15 of Rapleys' Planning and Retail Statement also identifies that only sequential alternative sites above 0.6 hectares should merit consideration on the basis that this reflects Lidl's proven business model.
- 3.19 In this regard, it is important to note that the Courts have found that an individual operator's particular requirements are generally not of relevance to the application of the sequential test. In considering proposals for a discount foodstore in Mansfield (*Aldergate v Mansfield District Council & Anor [2016] EWHC 1670 (Admin)*), Ouseley J concludes (at paragraph 35 of the Judgment) 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. This incorporates the requirement for flexibility in [24] NPPF, and excludes, generally, the identity and personal or corporate attitudes of an individual retailer. The area and sites covered by the sequential test search should not vary from applicant to applicant according to their identity, but from application to application based on their content.'

- 3.20 As such, it is very clear that any sequential alternative site must be capable of accommodating the broad use proposed and not the particular store format favoured by a particular operator. Notwithstanding this, we accept that retailers that would occupy a store of the type proposed in

practice have relatively similar requirements and we therefore believe that it is appropriate to approach the sequential test on the basis that an alternative site will likely need to be around 0.5 hectares in size in order to offer genuine potential.

3.21 We consider the sequential test on this basis below.

Sequential Alternative Sites

3.22 Rapleys identifies a single site which merits consideration as part of the sequential test, this being land bounded by Oakfield Road, Thomas Street and Altrincham Interchange (commonly referred to as the 'Altair' site). The Altair site is a short distance from the primary and mixed-use frontages identified by Plan 6 of the Altrincham Town Centre Neighbourhood Business Plan. As such, we consider Altair to be a very well located edge of centre site in retail planning policy terms. Its location is sequentially preferable to Altrincham Retail Park.

3.23 At the outset, we confirm that we are unaware of any other site in the Altrincham area that merits consideration as part of the sequential test. Site E of the Altrincham Town Centre Neighbourhood Business Plan is allocated for non-retail uses and Site F is not suited to foodstore development by virtue of its size, shape and access. As such, we do not believe that either is suitable to accommodate the proposed foodstore.

3.24 The table provided at paragraph 6.18 of Planning and Retail Statement provides Rapleys' consideration of the Altair site's potential. It states that:

'The site is being taken forward by Nikal Developments. Outline planning permission was approved in 2014 for a residential-led mixed use scheme with other key uses comprising office and leisure. Reserved matters for both Phases 1 and 2 have also now approved with development planned to start in June 2019. Under the current planning permission, no additional retail space is being proposed. However Lidl has an active requirements for a store for central Altrincham and are in advanced discussions with Nikal to revise the scheme to accommodate a Lidl foodstore. Subject to terms being agreed with Nikal, this is likely to be advanced shortly. Therefore a Lidl foodstore will be taken forward on this site separately to the proposed Broadheath store, fulfilling the central Altrincham requirement. This commitment to the Town Centre would be in addition to the proposed new store at Altrincham Retail Park, demonstrating that the two sites have different catchments, and that Lidl has an identifies need for both stores. Lidl's requirements list is shown in Appendix 9.'

- 3.25 In considering the above, we reiterate that the Altair site needs to be judged in terms of its general suitability to accommodate a foodstore and not with specific reference to Lidl's requirements. Notwithstanding this, we note that the Lidl requirements list provided by Rapleys identifies a single requirement in the immediate area for 'Manchester – Altrincham'. In addition, this requirement is not subject to any further qualification in terms of the exact area; the requirement is simply for a store in Altrincham.
- 3.26 As we set out above, we believe that Altrincham town centre falls within the catchment area of the application proposal. In such circumstances, we believe that the purpose of the sequential test is to secure the development of the sequentially preferable site before less central opportunities are considered. From Rapleys' own submission, it appears clear that the Altair site is both available and suitable to accommodate a foodstore that can serve the Altrincham area. We do not believe that the suggestion that both sites could come forward is reflective of the requirements of the test. Indeed, such an argument is more directly relevant to the NPPF impact test, which seeks to ensure that there will be no significant adverse prejudicial impact on town centre investment.
- 3.27 We are aware that the Planning Inspectorate has previously clarified that the sequential test has a temporal, as well as spatial, dimension. In particular, we note the appeal decision in respect of a proposal to provide a foodstore on land off Pershore Road, Stirchley in Birmingham (PINS reference APP/P4605/A/12/2187738). In the Stirchley case, planning permission already existed for a foodstore of broadly comparable scale at a sequentially preferable site (at Hazelwell Lane) within Stirchley's primary shopping area.
- 3.28 At Stirchley, it was the appellant's case that both the consented and proposed foodstores would come forward in practice. The Inspector considers this matter at paragraph 34 of his report, which states that:
- '...the Appellants argue that, given adequate available expenditure and acceptable impact, there is no reason why development of the proposal should await the sequentially preferable site at Hazelwell Lane. Fundamental to this approach is the idea that the proper application of the sequential test is spatial rather than temporal. However, the NPPF clearly states, at paragraph 27, that where an application fails to satisfy the sequential test, it should be refused.'**
- 3.29 The Inspector goes on to conclude at paragraph 40 that:

‘Overall, I find that, the Hazelwell Lane site is sequentially preferable to the appeal site. There is no persuasive evidence to suggest that there would be sufficient expenditure capacity for both sites to proceed successfully. Nor, if there were, that development of the appeal site should precede development of the Hazelwell Lane site.’ (Our emphasis.)

3.30 The Sturchley decision is widely referred to in considering the proper application of the sequential test and, whilst it predates the current iteration of the NPPF and the Town Centres and Retail Planning Practice Guidance, we believe that the principles that underpin it remain of relevance.

3.31 As a consequence of the above, it is our view that the Altair site is:

- within the relevant catchment area;
- available for foodstore redevelopment within a reasonable period, based on Rapleys’ own submission⁵;
- suitable to accommodate a foodstore, given Rapleys’ statement⁶ that discussions are now ‘advanced’ in respect of securing a foodstore development as part of the scheme; and
- required to come forward for development before sequentially inferior sites are considered, in accordance with paragraphs 86 and 86 of the NPPF.

Conclusion in Respect of the Sequential Test

3.32 As set out above, we believe that the appropriate, flexible approach to the sequential test is to consider alternatives sites on the basis of whether they are able to accommodate the foodstore, which is effectively comprises the new use proposed by the planning application. The relocation of the foodstore element of the proposal to a sequentially preferable site would still allow a DIY operation to continue to trade from the application site, thus providing for a beneficial outcome in retail planning policy terms (i.e. retention of an out of centre DIY store and implementation of an edge of centre foodstore). We do not believe that the applicant has provided any persuasive justification that supports a different approach.

3.33 As a consequence of the above and based on the information submitted by the applicant, we believe that the application fails to accord with the requirements of the NPPF sequential test.

⁵ Paragraph 6.18 of the Planning and Retail Statement

⁶ Ibid

4.0 The Impact Test

Requirements of the NPPF and the Ensuring the Vitality of Town Centres PPG

- 4.1 Paragraphs 89 and 90 of the NPPF state that application proposals for retail and leisure development should be refused planning permission where a significant adverse impact is likely to arise from development.
- 4.2 It should be recognised that impacts will arise with all retail developments, but that these will not always be unacceptable, not least because development often enhances choice, competition and innovation. 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.
- 4.3 In this context, the two key impact tests identified by paragraph 89 of the revised NPPF are considered below. The tests relate to:
- the impact of the proposal on existing, committed and planned public and private sector investment in a centre or centres in the catchment area of the proposal; and
 - the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and wider retail catchment (as applicable to the scale and nature of the scheme).
- 4.4 UDP Policy S11 indicates that, in all cases, it will be necessary to demonstrate by means of an impact study that development would not have a serious adverse effect on the vitality and viability of any town or district centre within or outside Trafford. As such, we believe that the matter of impact is of relevance to the application proposal.
- 4.5 We first review the impact of the proposal on town centre vitality and viability, before then going on to consider the impact on existing, committed and planned public and private sector investment. At the outset, we accept that the proposal would largely serve a different market to both Sale town centre and Timperley district centre, and that the impacts arising at these centres would not likely be of material consequence as a result. As such, the review that follows is principally focused on impacts arising at Altrincham town centre.

The Impact of the Proposal on Town Centre Vitality and Viability, Including Local Consumer Choice and Trade in the Town Centre and Wider Area

- 4.6 The applicant's approach to trade diversion impact is set out at paragraphs 6.22 to 6.82 of the submitted Planning and Retail Statement. Paragraph 6.26 indicates that, as the reconfiguration of Homebase's requirement would not increase the turnover of this store, the assessment focuses solely on the new foodstore element of the proposal.
- 4.7 We consider the principal inputs and assumptions relied upon by Rapleys in its assessment, before then providing our conclusions in respect of the matter of trade diversion impact.

Assessment Period

- 4.8 Rapleys undertakes its impact assessment at the test year of 2024. Paragraph 017 of the Town Centres PPG specifically directs that the design year for impact testing should be the year that the proposal has achieved a 'mature' trading pattern. It states that this is conventionally taken to be the second full calendar year of trading after the opening of a new retail development.
- 4.9 In this regard, paragraph 6.53 of the applicant's Planning and Retail Statement indicates that the proposal could be trading within six months of the grant of planning permission, i.e. by 2020. This would suggest that the second full calendar year of trading is 2022.

Baseline Position

- 4.10 Table 6 of Appendix 6 of the Planning and Retail Statement provides Rapleys' assessment of the turnover of existing stores at 2024. The turnover of stores has been calculated with reference to a number of varied sources, namely:
- 'benchmark' turnovers, which have been arrived at either with reference to Mintel Retail Rankings figures or through utilisation of unspecified '**Rapleys assumptions**'⁷;
 - the Retail Impact Assessment submitted in support of the Tesco Extra at Old Trafford, which dates from nearly ten years ago; and
 - planning documents submitted in association with the planning applications for the Aldi, Asda and Waitrose supermarket proposals in Altrincham.

⁷ As referred to as Footnote 1 of Table 6 of Appendix 6

- 4.11 It is therefore evident from the above, that the baseline evidence generally fails to relate to local circumstances or is based on evidence that is so dated that it cannot identify the trading performance of stores in an accurate manner. As such, we do not believe that Rapley's Table 6 is capable of acting as an appropriate basis for its consideration of trade diversion impact.
- 4.12 Nexus Planning has recently completed the Trafford Retail and Leisure Study on behalf of the Council. The Study draws upon the findings of an October 2018 household shopper survey to identify the turnover of foodstores across the Borough (and beyond). We understand that the Retail and Leisure Study should shortly be available to Rapleys in order to allow for an appropriate assessment of the trade diversion impacts arising from the proposal.
- 4.13 We accept that the focus for the trade diversion exercise should be convenience goods expenditure and that the comparison goods turnover of the foodstore is unlikely to be an issue (subject to convenience goods impacts being acceptable).

Turnover of the Application Proposal

- 4.14 Rapleys estimates the turnover of the proposal on the basis of a Mintel company average sales density. Whilst no price base is specified for the applied sales density of £10,367 per sq.m, it is broadly similar to our understanding of Lidl's average convenience goods trading performance. As such, subject to confirmation of the relevant price base, Rapleys' assumed convenience goods turnover for the proposed Lidl store of £10.5m may well be appropriate.

Commitments

- 4.15 The retail impact assessment fails to take into consideration the additional floorspace that will be brought forward through the relocation of the existing Aldi foodstore to Atlantic Street. This planning permission (reference 96088/FUL/18) should be incorporated within any revised assessment.

Assumed Patterns of Trade Diversion

- 4.16 Given the fundamental issue in respect of the baseline position adopted by Rapleys at Table 6 of Appendix 6 of its Planning and Retail Statement, it is not appropriate to review its assumed patterns of trade diversion in detail (given that these would change in any event, should the applicant decide to address our comments through a revised submission). However, it is accepted that application

proposal will trade most directly against competing facilities that are broadly comparable in respect of both their offer and proximity to the application site. As such, it is accepted that a significant proportion of the turnover of the application proposal will likely be diverted from the nearby Aldi and Asda foodstores.

- 4.17 Notwithstanding the above, we note that Rapleys fails to consider the origin of 20% of the identified turnover of the proposed foodstore on the basis that this reflects 'inflow' from outside a seven-minute drivetime. Any such inflow will typically arise from custom that is already in Altrincham (through people working, visiting or simply passing through the area). As a consequence, such expenditure will generally be available to competing foodstores in the area and will be passing through their tills. As such, all of the convenience goods turnover of the proposed foodstore should be accounted for in undertaking the retail impact assessment.

The Impact of the Proposal on Town Centre Vitality and Viability, Including Local Consumer Choice and Trade in the Town Centre and Wider Area

- 4.18 Given our reservations in respect of the trade diversion assessment undertaken by Rapleys, we believe that it will be advantageous to allow the applicant the opportunity to respond before forming our view on the proposal's compliance with both aspects of the impact test.
- 4.19 However, in respect of the other part of the impact test (i.e. the requirement that proposed development should not result in a significant adverse impact upon in-centre investment), the Altair development is again of relevance.
- 4.20 In this regard, we note that paragraph 6.29 of the submitted Planning and Retail Statement refers to the Altair development in the context of the sequential test and concludes that:

'The current Altair scheme is a residential-led missed use scheme with other key uses comprising office and leisure. Whilst the current configuration of the scheme doesn't propose any significant retail floorspace, Lidl are in advanced discussions with Nikal to revise the scheme to accommodate a Lidl foodstore. This is because Lidl has a separate, active requirement for a new store in central Altrincham. Subject to terms being agreed with Nikal, a revised planning application is likely to be submitted shortly. If Lidl take occupation at the site, this would represent a key commitment to Altrincham Town Centre, and demonstrate that Lidl has identified a need for two stores to serve both catchment areas.'

4.21 We are aware that – after many years of delay – enabling works have recently commenced at the Altair site. However, given Rapleys’ indication that the applicant intends to revise the planning permission to incorporate a foodstore, there would appear to be some potential for the Broadheath application proposal to impact on the delivery of Altair in practice.

4.22 As such, given that the Planning and Retail Statement is dated July 2019, we believe that it is appropriate for Rapleys to provide an up to date position in respect of:

- contractual progress in securing Lidl as part of the Altair scheme;
- the timetable for submission of a revised planning application; and
- confirmation directly from Lidl as proposed operator that it will trade from both sites in practice.

Conclusion in Respect of the NPPF Impact Test

4.23 As we set out above, we believe that the submitted trade diversion assessment is fundamentally flawed, such that we are currently unable to form a view in respect of the proposal’s impact on the general vitality and viability of Altrincham town centre. We recommend that Rapleys refers to the recently completed Trafford Retail and Leisure Study in order to appropriately establish the performance of existing retail destinations at base year and to undertake a meaningful impact assessment. We would be happy to assist Rapleys directly in advising on the use of this evidence base in order to reach agreement on any potential matters of contention.

4.24 In terms of the first part of the paragraph 89 NPPF impact test – relating to impact on in-centre investment – we believe that it would be helpful for Rapleys to provide clarification in respect of the up to date position.

4.25 As a consequence, we reserve judgment on the proposal’s compliance with the impact test in advance of Rapleys’ response to our appraisal.

5.0 Summary and Recommendations

- 5.1 Planning application reference 98127/FUL/19 seeks full planning permission for the extension, refurbishment, subdivision and reconfiguration of the existing Homebase store at Unit 1, George Richards Way at Altrincham Retail Park. The planning application provides for the development of a new foodstore alongside the reconfigured Homebase store.
- 5.2 The proposal is located over a kilometre to the north of Altrincham town centre and is out of centre for the purpose of retail planning policy.
- 5.3 The NPPF indicates that planning applications for retail and leisure uses that are neither in an existing centre nor in accordance with an up to date development plan can be refused planning permission where they fail to satisfy the requirements of the sequential approach or are likely to result in a significant adverse impact.
- 5.4 In respect of the sequential approach to development, the proposed foodstore comprises the 'new' use introduced to the site. Based on the applicant's submission, we consider that a reasonable approach is to consider the sequential test on the basis that the foodstore could be disaggregated from the remainder of the proposal (i.e. the reconfigured DIY store) in order to be sited more centrally. We note that Rapleys has considered sequential alternative sites on the same grounds, and confirms that this is representative of a 'robust' approach.
- 5.5 We believe that the Altair site in Altrincham town centre (which is bounded by Oakfield Road, Thomas Street and Altrincham Interchange) falls within the catchment area of the application proposal, and that there would be overlap between the markets served by Altair and Broadheath foodstores in practice. Rapleys has considered the site but has discounted it from the sequential assessment on the basis that Lidl is to agree terms to bring forward a foodstore at Altair (and would operate the two Altrincham stores in practice).
- 5.6 In our view, the proper application of the NPPF sequential test requires the development of the sequentially preferable site in advance of the less central site.

- 5.7 This is consistent with the decision reached in respect of a proposal to provide a foodstore on land at Pershore Road in Stirchley in Birmingham (PINS reference APP/P4605/A/12/2187738). The Stirchley decision is widely referred to in demonstrating how the sequential test should be applied in practice.
- 5.8 As a consequence of the above and based on the applicant's submission, we believe that the Altair site is both available and suitable to accommodate a foodstore development. From the information provided, we find that the application fails to accord with the requirements of the NPPF sequential test.
- 5.9 In addition, we have identified fundamental issues in respect of the applicant's approach in seeking to demonstrate compliance with the NPPF impact test. In particular, we consider the submitted trade diversion impact assessment to be flawed on the basis that it:
- does not correspond to the most appropriate assessment year (which we believe should be 2022);
 - fails to appropriately identify the pre-impact turnover of foodstores; and
 - fails to account for the Aldi relocation commitment at Altantic Street in Broadheath.
- 5.10 In terms of the potential for the application proposal to impact on planned investment in Altrincham town centre, we request that the applicant provides additional information to clarify progress made in securing investment at Altair and the form that this investment will take in practice. Most particularly, it will be helpful to confirm whether contracts been exchanged to commit Lidl to operating a foodstore from Altair, subject to the grant of planning permission.
- 5.11 Given the outstanding issues in respect of retail and town centre planning policy matters, we recommend that Rapleys is given the opportunity to respond to this appraisal report before we provide our final recommendations. As such, we believe that it will be appropriate to consider the proposal's compliance with relevant development plan policy on receipt of any further information that the applicant may wish to submit.

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