

Our Ref: 2995/MY/20190830

2<sup>nd</sup> September 2019

Mr David Evans  
City Growth and Development Manager  
Gloucester City Council  
PO Box 3252  
Gloucester, GL1 9FW

**MRPP**  
**MARTIN ROBESON  
PLANNING PRACTICE**

*Town Planning Consultants  
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Dear Mr Evans,

**PROPOSED LIDL SUPERMARKET (CLASS A1)  
LAND AT PLOT J, KINGSWAY GATE, NEWHAVEN ROAD, QUEDGELEY  
PLANNING APPLICATION REF: 19/00058/FUL**

We act on behalf of Tesco Stores Ltd in relation to their 'Extra' superstore at Bristol Road, Quedgeley, and have been monitoring the above application. We wish to object to several aspects of the application, and also to aspects of the Council's assessment thereof, as set out in its Report to the Planning Committee for the meeting of 3<sup>rd</sup> September 2019.

Tesco in Quedgeley

Our client's superstore at Severnvale Shopping Centre first opened for trade in September 1984. This is a 'full offer' store, providing a wide range of fresh and other food counters, along with other retail services, including ATMs, Timpson, Vision Express, Rug Doctor, travel money bureau and phone shop, etc. The store also provides a Pharmacy, Café and Petrol Filling Station, alongside 'Click & Collect' facilities. Planning permission for a substantial extension was granted in January 2010, taking the total sales area of the store to 5,779m<sup>2</sup>. The permission also provided for the creation of six small retail units. Occupiers presently include TSB, Bernardos, Coral and The Post Office.

Our clients' store plays an important role in the community, both in terms of providing a wide range of retail facilities but also generating substantial local employment. The store is acknowledged as anchoring the commercial centre of Quedgeley and falls wholly within the designated District Centre here, affording it the full protection of relevant retail policies.

Planning Policy Environment

By contrast, the proposed Lidl supermarket comprises a main town centre use in an out-of-centre location, not in accordance with an up-to-date development plan. As such, local and national policy provisions require the proposal to undergo and pass the sequential test. Furthermore, although the proposed development falls below the national threshold for retail impact (2,500m<sup>2</sup>), Paragraph 90 of the NPPF is clear that where development is 'likely' to have significant adverse impacts, it should be refused; this applies, even where the proposal is below the threshold.

It is unusual, in the circumstances, that the Council's consultant, Avison Young (AS), who has separately been instructed by the Council to advise on locally set thresholds for retail assessment, and who has advised that Lidl's application raises a number of issues and concerns, should not have advised the Council to press the applicant to provide a fuller and more detailed quantitative assessment. Indeed, AS appear to not '*go the extra mile*' merely because the application is below the national impact threshold. But that is to misconstrue retail policy and guidance. If a proposal is 'likely to have' significance adverse impacts, then it must be refused, irrespective of a particular threshold for assessment. In short, planning applications cannot hide behind this veil.

Irrespective of AS' conclusions (which we say generate, in any event, sustainable reasons for refusal), we now demonstrate a number of flaws in their review of the application and also the failure of officers to properly present their conclusions to Members.

### The Sequential Approach

The advice given by AS in respect of the sequential test has not translated into appropriate advice to the Planning Committee. AS advise that the vacant units at Quedgeley Retail Park (formerly Next and Brantano) amount an appropriate scale to accommodate Lidl's requirement but that the degree of comprise at ground floor level would make it unsuitable. AS also advise that approval of an application for the change of use of one of these units (to a gym) would appear to render the site unavailable. Further, they recommend that the County Council provide further advice in respect of available parking.

Yet these three issues are not taken further in the Committee Report, raising the risk that permission may be granted where there is, potentially, a sequentially preferable site. Thus, the following matters become relevant:

- On suitability, the Council must be satisfied that there are, indeed, unacceptable compromises. This requires an appraisal of the retailer's operating model and of the appeal and case law precedent which defines the application of policy in this regard;
- Also on suitability, the Council requires advice in terms of the level of parking which can be made available to serve the vacant retail units. We have been unable to identify such advice, whether from the applicant or County Council; and
- On availability, the Committee Report fails to advise Members on the materiality of the decision to be made by the Planning Committee on application 19/00537/FUL (change of use of the 'Next' unit to a gym).

Clarification is required on each of these matters before the Committee can properly reach a decision on the sequential approach.

### Retail Impact Assessment

Whilst we endorse AS having prepared its own assessment (rather than merely reviewing the work of the applicant's agent) we are concerned that, having found a number of issues and concerns, AS do not then investigate these further, on the basis that policy does not support the local authority seeking a more detailed assessment. This is a wholly incorrect interpretation of policy and one heightened by a number of deficiencies within the work undertaken by AS, as follows:

1. Both DPP and AS fundamentally underestimate the scale of our client's store and thus are in error when stating that its convenience floorspace trades in excess of benchmark. This is particularly concerning when AS is presently instructed by the Council to prepare wider retail evidence to support the Local Plan review, and indeed, that Lidl's agent, DPP, secured permission for Tesco's extension. That permission increased Tesco's net sales area to 5,780m<sup>2</sup>, of which around 65% (3,750m<sup>2</sup>) trades as convenience goods floorspace. This results in a benchmark turnover of around £43m, compared to the benchmark stated by AS of £25m; the practical effect being, that AS' pre-impact (£35m) and post impact (£30m) turnovers are both substantially lower than Tesco's benchmark (ie, the store may be said to be under-performing, with potential issues for the wider District Centre);
2. A similar issue arises in respect of Aldi. AS estimate that this store trades at £12.5m, a figure said to be in excess of its benchmark of £8.5m. However, again, AS underestimates the size of the store, claiming it has a sales area of 746m<sup>2</sup>; whereas, pursuant to permission granted in 2006, Aldi in fact extended its store to a total sales area of 950m<sup>2</sup>, the majority of which trades as convenience goods floorspace. The effect is that Aldi presently trades far closer to its benchmark than AS claim. Thus, the two foodstores stores located in Quedgeley District Centre are trading either at or below benchmark levels, despite the claims of AS that these are healthy, over-trading stores; and
3. Although AS give some consideration to the health of the District Centre, they fail to proceed to the next logical step by considering the impact of Lidl on the centre as a whole (in terms of convenience goods and all goods turnovers). On the basis that Tesco and Aldi comprise the majority of the centre's convenience turnover, a loss of £9m<sup>1</sup> from those stores (against existing turnover of £47m), equates to **an impact of 19%** which, in our view, equates to significant adverse impact, particularly in the context of the vulnerability of the centre (see below). Whilst this figure reduces when comparison goods are included, AY rightly identify that a large proportion of that floorspace is not presently trading. A permanent reduction in comparison goods floorspace would, of course, increase the relative impact of Lidl, increasing the overall level of impact on the centre.

Although AS identify the significant reduction in Tesco and Aldi's trade as concerns, they do not then establish the practical harms arising. Whereas, it is established above that Tesco undertrades relative to its benchmark and that Aldi will be impacted substantially relative to its scale and function. Whilst there is certainly no suggestion that our client's store would close as a result of Lidl's proposal, the substantial reduction in convenience trade, coupled with the fragility of the District Centre (noting the loss of two major retailers), means the effects of Lidl's proposals could be very significant.

### Conclusions

The Council's retail consultant has advised that despite a number of shortcomings in the applicant's retail work, it does not consider that there is a basis to resist the application on retail grounds. However, it reaches this position having carried out only a partial assessment of the retail aspects of the development (on which we have found important flaws), on the basis that policy does not support the Council seeking more information. To follow this advice however, would be to rely upon a flawed interpretation of policy.

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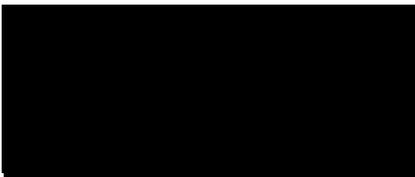
<sup>1</sup> ie, to the proposed Lidl store and other retail 'commitments'

Thresholds for assessment are but a starting point. AS identify a series of concerns but stop short of exploring these in more detail or giving appropriate context to its more limited appraisal, despite Para 90 of the NPPF stating that development should be refused where significant adverse impacts are "likely". That, to us, signals one of two things; either (i) the need for more effective analysis (ie, remove the application from the agenda or seek a deferral); or (ii) refuse the application on the basis the applicant has failed to demonstrate that significant adverse impacts are not likely. The Committee Report fails to properly explain these issues, how AS reaches its position and importantly, the operation of national policy in this regard.

We would go much further. The anchor role of our client's store, and that of Aldi, is crucial in terms of maintaining the health of other facilities in Quedgeley. The Council's retail consultant has identified that these stores will be impacted significantly, with **reductions in convenience goods turnovers of 13% and 37% respectively**. These are very significant alterations to the trading performance of stores located within a protected District Centre. AS also fail to identify a total centre impact of 19% (convenience goods) which, in the context of: (a) the risk of a loss of linked trips to other services and facilities within the centre; (b) the extent of vacant floorspace; and (c) the implication for confidence and the re-letting of vacant premises, can only equate to a significant adverse impact.

With the above in mind, we urge you to remove the application from the agenda for the Planning Committee meeting of 3<sup>rd</sup> September in order to allow your consultant, in the context of their own concerns, and those additional issues identified herein, to undertake the work that is evidently now required in respect of the sequential and impact tests. It is for this reason that we have written direct to you, and copied this letter to the Committee Chairman and Vice Chairman.

Yours sincerely,



**Director**



Cc: Cllr Gordon Taylor – Chair of the Planning Committee, GCC  
Cllr Andrew Lewis – Vice Chair of the Planning Committee, GCC  
Ms Caroline Towney – Planning Case Officer, GCC  
Ms Louise Ford – Town Planning Manager, TSL