



**South Ruislip, Former Focus Unit,
Victoria Road Retail Park**
Aviva Investors Ltd

Planning and Retail Assessment

July 2014

BLUE SKY

P L A N N I N G

Bourne House
475 Godstone Road
Caterham
Surrey
CR3 0BL
Fax: 01883 621 043

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1. INTRODUCTION

1.1 We act on behalf of AVIVA Investors Ltd, the owners of the former Focus Do It All (Unit A) and the former Land of Leather (Unit B) on Victoria Road Retail Park, South Ruislip. Unit A has been vacant since March 2008, and Unit B has been Vacant since 2009. Aviva Investors Ltd has now agreed terms with Aldi and B&M Home Stores to occupy to take space in the development assuming a reconfiguration of the existing accommodation. To facilitate Aldi's and B&M Home Stores occupation of the respective units, variations to the permitted range of goods to be sold from their floorspaces is proposed. In addition, the existing external sales area/garden centre will be removed and replaced with car parking (with no change in overall provision) and changes to the external appearance of the property as proposed.

1.2 For commercial and procedural reasons, three separate planning applications are made:-

- A full planning application for the refurbishment of the building including demolition of garden centre and installation of shop fronts, alterations to elevations, car parking, entrance porch and canopy, installation of trolley bays and associated landscaping.
- A section 73 application to vary condition 1 of planning permission 64445/APP/2008/1295 in relation to the proposed Unit A to facilitate its letting to Aldi
- A section 73 application to vary condition 1 of planning permission 64445/APP/2008/1295 in relation to the proposed Unit B to facilitate its letting to B&M Home Store.

1.3 The Victoria Road Retail Park is an established retail destination within the Borough, although it is afforded no formal policy protection within either the emerging or adopted development plan. This Planning and Retail statement has been prepared to address the retail planning issues that arise as a result of the proposed development, particularly in relation to retail policy contained within the NPPF. It comprises the following: -

- A review of the background of the site in terms of its location, characteristics and planning history in Sections 2 and 3;
- An explanation of the proposed developments in Section 4;
- A review of planning policy considerations in Section 5;
- The consideration of sustainable economic development, sequential approach and retail impact considerations, in Sections 6-8.
- Section 9 sets out our consideration of other planning issues and Section 10 our conclusions that the planning application should be granted permission.

1.4 In addition to this Planning and Retail Statement, the application is supported by:

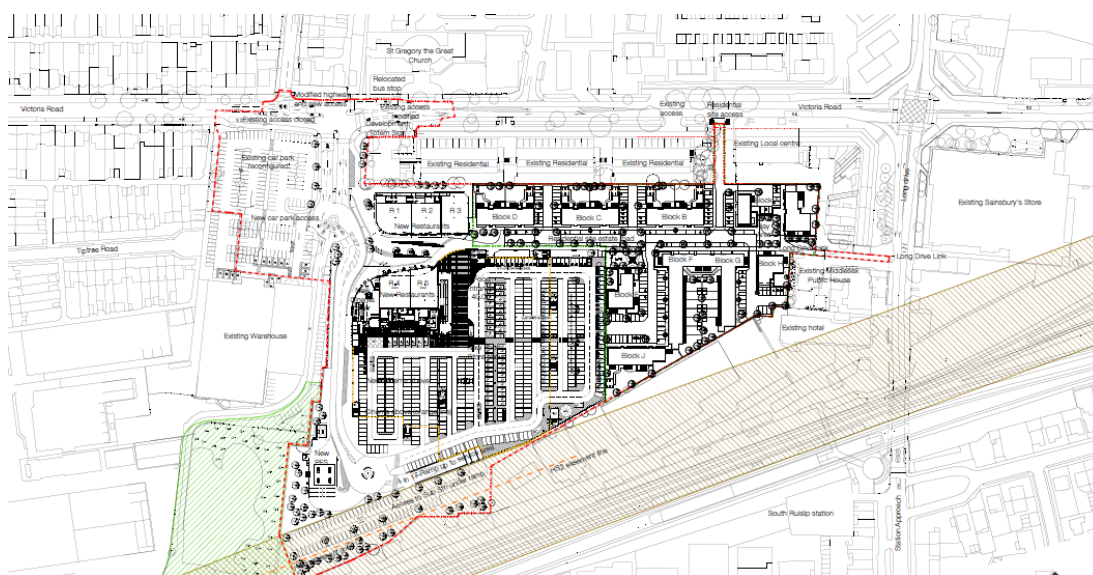
- A Transport Statement and draft Travel Plan prepared by Vectos
- A Design and Access Statement prepared by LDA Architects
- A Marketing Report prepared by Wilkinson Williams

2. SITE AND SURROUNDING AREA

2.1 Victoria Road Retail Park is a recognised retail location some 200 metres north of South Ruislip District Centre. The units are bounded to the east by industrial uses (former ARLA Foods site) and Victoria Road to the north with residential properties being located to the north, west and beyond.

2.2 Immediately to the south east of the site is the former Arla Foods factory, which has been vacant for a number of years and is the subject of a planning application for a mixed use retail led scheme (Ref. No. 66819/APP/2014/1600).

2.3 Figure 1 below is the Proposed Site Layout Plan for the Arla foods scheme. The proposals include a new shared access with the AVIVA site so as to provide a comprehensive solution to access, including for pedestrians and cyclists.



The Subject Property

- 2.4 The site comprises two retail warehouse units in a single block as summarised in Table 1 below:

Table 1: Floorspace as existing

Unit A	SQM (GEA)	Unit B	SQM (GEA)
Ground Floor (inc entrance lobby)	2,967.9	Ground floor	997.4
Mezzanine	139.2		
External Sales Area/Garden Centre	866.2		
Total	3,974		997.4

- 2.5 Unit A was occupied by Focus Do It All until March 2008. The unit has been vacant since this time.
- 2.6 Unit B was occupied by Land of Leather until January 2009. The unit has been vacant since this time.
- 2.7 The principal access to the site is via Victoria Road. There is a secondary access, also from Victoria Road, to the south east corner of the site. This also provides access to the former ARLA Foods site.
- 2.8 A total of 218 car parking spaces are provided on site.
- 2.9 There are no dedicated cycle parking spaces.
- 2.10 There is minor, low level landscaping on the perimeter of the Retail Park and sporadically within the car park.
- 2.11 The property has been subject of anti-social behavior despite on-site security and other management initiative's. Currently, the property is covered in graffiti.

3. PLANNING HISTORY

- 3.1 The Retail Park was granted permission in May 1996 (3953/DS/93/1523) as follows:

“Demolition of existing buildings and the erection of 3,716 sqm of non-food retail warehousing (Class A1), 929 sqm of open garden centre plus servicing, car parking, landscaping and access (outline application).”

- 3.2 The permission imposed a range of goods condition limiting the property to the sale of DIY and garden goods, furniture and carpets (Condition 11).

- 3.3 In 1997, the original permission was varied to allow for the sale of a wider range of predominantly bulky goods (Ref. No. 3953EG/96/1602). Condition 2 of this permission restricted the range of goods which can be sold from the unit as follows:

“..DIY articles, garden materials and goods, building and decorating equipment and related goods, self-assembly furniture, carpets, office goods and equipment, white goods and other electrical goods and accessories, gas appliances and computers.”

- 3.4 The 2008 consent referred to below in relation to the potential letting to Smyth's Toys in Unit A, and extended this range of goods further to include the following items (64445/APP/2008/1295) (**see Appendix 1**):

“..sports goods and equipment, bicycles and associated equipment, play equipment, baby equipment and products, electronic games and equipment and other products associated with toys and children's entertainment.”

- 3.5 In 2014 planning consent was granted subject to a S106 relates to facilitate the potential letting of Unit A to Matalan:

“Variation of condition No.1 of planning permission ref. 64445/APP/2008/1295 dated 03/09/2008 to allow the sale of A1 non-food goods and preclude the sale of food and drink”. (64445/APP/2013/1050).

- 3.6 Revised condition 1 sets out the range of goods permitted to be sold (**see Appendix 2**). Unit A as proposed to be occupied by Matalan totaled 3,252 sqm.

Notwithstanding the provisions of The Town and Country Planning (Use Classes) Order 1987 (as amended) or The Town and Country Planning (General Permitted

Development) Order 1995 (as amended), the premises shall be used solely for the sale of the following non-food goods: DIY articles, garden materials and goods, building and decorating equipment and related goods, self-assembly furniture, carpets, office goods and equipment, white goods and other electrical goods and accessories, gas appliances and computers, sports goods and equipment, bicycles and associated equipment, play equipment, baby equipment and products, electronic games and equipment and other products associated with toys and children's entertainment, clothing and footwear, soft and hard furnishings, household goods and homewares and for the sale of ancillary goods which are part of the usual product mix of retailers of the foregoing and for no other purposes, unless prior written consent is obtained from the Local Planning Authority. (Condition 1 of planning permission 64445/APP/2013/1050).

Marketing

- 3.7 Unfortunately, during the lengthy period of time it took to secure the 2014 planning permission, negotiations with the prospective tenant, Matalan, broke down and they have moved their requirement elsewhere.
- 3.8 Despite extensive marketing by a number of specialist retail warehouse commercial agencies, there has been no serious expressions of interest in the units resulting in a potential letting.
- 3.9 The Marketing Report prepared by Wilkinson Williams summarises the marketing that has been carried out by that company and previously by Harvey Spack Field over a combined period of circa 7 years. Wilkinson Williams and Harvey Spack Field are leading commercial practices specialising in the retail warehouse sector.
- 3.10 It will be noted that the marketing initiatives have included:
- The production of 2 X marketing brochures
 - Listing on the Wilkinson Williams web site
 - Listing on the Completely Retail web site
 - Direct mailing
 - Site marketing boards
- 3.11 Much of the interest was from retailers that would require additional trading floorspace (in the form of a mezzanine) and a variation in the prevailing range of goods restriction.

3.12 Whilst a number of expressions of interest were received, for the reasons set out in the Marketing Summary, only interest from Smyth's Toys and Matalan progressed to a potential transaction in 2008 and 2014 respectively. The lettings did not complete. This is despite the grant of permission of a variation of goods to suit both Smyth's Toys and Matalan.

3.13 The interest of Aldi and B&M Home Store present the only realistic opportunity to secure the long term occupation of both Unit A and B in 7 years.

Examples of Anti-Social Behaviour

3.14 The site is secured and manned by 24 hour security at a cost of circa £100,000 per annum to AVIVA Investors Ltd. The security measures have included manned dog patrols. Despite this, the property has and continues to experience significant issues of anti-social and criminal behaviour. We are advised by the security firm, via the managing agents, that it is regularly necessary for police to attend the site.

- Incidents reported by the security company include:
- Drug and alcohol related incidents
- Abusive behaviour
- Property damage, including graffiti
- General anti-social behaviour and trespass.
- Traveller's seeking to gain access to site

3.15 Full incidents reports, logs, etc are available on request from the security company and Police if required.

3.16 The long term vacancy of the property and its deteriorating condition is potentially a factor in the continued incidents of anti-social behaviour. The application proposal will facilitate the occupation of the unit by a quality retailer and the refurbishment of the property. In addition to the clear presence on site, this investment will be a deterrent to further incidents of anti-social and criminal behaviour.

4. THE PROPOSAL

- 4.1 The proposals assume a package of works to facilitate the re-letting of the building to Aldi and B&M Home Store in Unit A and Unit B respectively as set out in the table below:

Table 2 - Floorspace As Proposed

Unit	Area	Existing floorspace (sqm) (GIA)	Proposed floorspace (sqm) (GIA)	Difference (GIA)
Retail A	Ground floor retail (excluding porch)	2807.2	1507.4	-1299.8
	Mezzanine	116.1	0	-116.1
	Garden Centre	866	0	-866
Retail B	Ground floor retail (excluding the porch)	997.4	2257.8	+1318.5

- 4.3 Three separate planning applications are submitted as follows:

- Full planning application for the refurbishment including demolition of garden centre and installation of shop fronts, alterations to elevations, car parking, entrance porch and canopy, installation of trolley bays and associated landscaping. The proposals allow for the integration of the site with the proposed Arla foods development should it be granted planning permission and be implemented. If the Arla food scheme does not progress, the existing access arrangements will prevail.
- An application under S73 for the variation of the range of goods permitted to be sold from Unit A as proposed to be occupied by ALDI as follows:

Notwithstanding the provisions of The Town and Country Planning (Use Classes) Order 1987 (as amended) or The Town and Country Planning (General Permitted Development) Order 1995 (as amended), Unit A as shown on Drawing No. 1242-PL120 shall be used for the sale of food and other convenience goods or the following non-food goods: DIY articles, garden materials and goods, building and decorating equipment and related goods, self-assembly furniture, carpets, office goods and equipment, white goods and other electrical goods and accessories, gas appliances and computers, sports goods and equipment, bicycles and associated

equipment, play equipment, baby equipment and products, electronic games and equipment and other products associated with toys and children's entertainment, clothing and footwear, soft and hard furnishings, household goods and homewares and for the sale of ancillary goods which are part of the usual product mix of retailers of the foregoing, and for no other purposes, unless prior written consent is obtained from the Local Planning Authority.

- An application under S73 for the variation of the range of goods permitted to be sold from Unit B as proposed as follows:

*Notwithstanding the provisions of The Town and Country Planning (Use Classes) Order 1987 (as amended) or The Town and Country Planning (General Permitted Development) Order 1995 (as amended), Unit B as shown on Drawing No. ** shall be used solely for the sale of the following goods: DIY articles, garden materials and goods, building and decorating equipment and related goods, self-assembly furniture, carpets, office goods and equipment, white goods and other electrical goods and accessories, gas appliances and computers, sports goods and equipment, bicycles and associated equipment, play equipment, baby equipment and products, electronic games and equipment and other products associated with toys and children's entertainment, clothing and footwear, soft and hard furnishings, household goods and homewares and for the sale of ancillary goods which are part of the usual product mix of retailers of the foregoing, including food and drink from no more than 10% of the floor area, toiletries from no more than 5% gross floor area and pet products, including food for non-human consumption, from no more than 5% of the floor area unless prior written consent is obtained from the Local Planning Authority.*

4.4 Works internal to the building to reconfigure the existing accommodation to form Units A and B as proposed do not require planning permission. Similarly, works to remove the existing mezzanine does not require planning permission.

4.5 As a result of the application proposals, there will be a reduction in the amount of retail area on the site by some 1,005 sqm due to the loss of the garden centre and mezzanine in Unit A.

ALDI

4.6 Unit B is proposed to be occupied by Aldi. Aldi is a discount retailer who opened its first store in the UK in 1989, and now has over 500 stores across England, Scotland and Wales. Aldi do not confirm to the stereotypical perceptions levelled at discount retailers when they first entered the UK market. Discount prices are achieved through specialisation of the

number of lines, considerable bulk buying power and maximising efficiency in their stores, the basis to their business model. Prices are not lower because the quality of the good is less, rather the highest quality goods are sold for the lowest price. Indeed, the quality of the brand receives wide recognition, winning 'Which?' supermarket of the year, 'The Grocers' – Discounter of the year 2014, Grocer Own Label 2014 and others in this year alone.

- 4.7 ALDI distinguishes itself from other supermarkets in the way in which its stores operate. ALDI recognises the need for flexibility where this will assist in meeting planning policy requirements. However, when considering the scope for flexibility the inherent nature of ALDI's operation as a discount food retailer must be considered, for there are a number of key areas where such alterations would undermine the viability of the store.
- 4.8 Unlike larger supermarket formats, ALDI does not offer a 'one-stop-shop' meaning that customers will also have to visit other shops and services to complete their shopping trip. ALDI do not sell cigarettes or lottery tickets and stock only a small range of branded wines and spirits, as well as a limited range of breadlines and a small number of boxed cakes. The ALDI store format does not include specialist butcher, fishmonger, bakery, delicatessen or a chemist, which are commonplace with larger supermarket chains. Further, stores have only a limited amount of non-food floorspace (15%-20%), which mostly contains weekly specials. This is a further difference to larger supermarkets, which can have between 30%-50% non-food floorspace.
- 4.9 Aldi stores are modest supermarkets, providing a limited product range of approximately 1,200 lines, which is considerably limited compared to other supermarkets that carry between 2,500 and 40,000 lines, and superstores carrying up to 60,000 lines. Aldi do not stock numerous types of one product but rather one line of a given product range, and only 5% of such products are recognised brands. This limited selection of goods includes:
- pre-packed seasonal fruit and vegetable lines;
 - general tinned, bottled and pre-packed groceries;
 - frozen and chilled goods;
 - beers, wines and spirits;
 - pre-packed bread, morning goods and cakes;
 - a limited everyday range of non-food household items.
- 4.10 Given the above, ALDI complements, rather than competes with, existing local traders and generates considerable tendency for linked trips and associated spin-off trade. Store opening hours are also more limited than traditional convenience shops/newsagents, which further limits direct competition with such outlets.

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- 4.11 Store layouts are highly practical reflecting the company's philosophy of offering unrivalled value for money through cost effective management. Crucial to the business model is a tried and tested store format that has been designed to enable goods to be handled, displayed and sold efficiently. Merchandise is displayed in specially designed cases to eliminate stocking time and allow easy and efficient re-stocking. Goods themselves are unloaded directly into the store (up to two deliveries per day) via a dock leveller and can be transferred directly to the shop floor to go on display. The resulting savings are reflected in the stores low prices.
- 4.12 The internal store layout and operation has been designed to be efficient and practical for use by customers and ALDI are committed to improving operations and shopping experience to meet the demands and expectations of customers. Features to facilitate this include:
- long till conveyors that hold a customer's full shop so as to allow goods to be unloaded, scanned and then packed quickly by customers.
 - level store access, automatic entrance doors, and wide aisles and checkouts for easy access by all.
 - gondolas and shelving that allow goods to be easily reached.
 - store opening hours of 8am-9pm, and Sunday opening times to enable general flexibility in choice of shopping (within Sunday trading laws).
- 4.13 The Company's stores and their distribution warehouses are laid out to reflect the internal shop layout, which ensures efficient loading, unloading and stocking of shelves. This requires a consistent proportion of layout to floorspace.
- 4.14 Stores are required to have adjacent car parking facilities. In particular, customers purchasing large and heavy items, and less able-bodied customers, must have the opportunity to take their goods home by car irrespective of the accessibility of the store location via sustainable modes of transport.
- 4.15 Specific areas of the design and layout of an ALDI store and how they contribute to their business model are as follows:
- Retail sales area: The retail sales area is the most critical aspect of the building's design, and is central to the trading and operational success of ALDI's business. It is required to be rectangular for appropriate stock transfer and retail display allowing for appropriate circulation space and retail display space. Departing from this core design would undermine its trading viability.

- Storage and ancillary non-retail floorspace: such space can exhibit some flexibility in terms of its size and shape, but nonetheless an essential component.
- Urban design: ALDI recognises the importance the buildings response to its urban context, in which ALDI is able to demonstrate some flexibility in exterior design and finish.
- Parking: ALDI is committed to ensuring that its stores are accessible by a variety of modes of transport, but in recognition of the fact that a proportion of customers will wish to travel by car, ALDI normally seeks parking provision in line with local parking standards, subject to maintaining overall store viability.

4.16 The nearest Aldi stores to the application site are Yiewsley some 4.6 miles to the south west, Kingsbury some 5.3 miles to the north-east, and Hounslow some 6.6 miles away to the south.

4.17 ALDI stores will normally employ approximately 30 staff members across a range of levels, providing employment opportunities for local people.

B&M HOME STORE

4.18 Unit B is proposed to be occupied by B&M Home Store. B&M is one of the UK's fastest growing retailers with around 280 stores in the UK. The business is based on a discount retail format, targeting shoppers on a restricted income. The business model of B&M is driven typically by selling branded goods at a heavily discounted prices. They operate three formats:

- B&M Home Store;
- B&M Home and Garden; and
- B&M Bargains

4.19 Typically, where suitable and viable opportunities exist, the Bargains format stores are generally located within town centres. In some locations of larger size and catchment area, the company will operate both formats. The company has over 70 Home Stores in retail warehouse locations selling predominately bulky goods.

4.20 For clarity, this application relates to a B&M Home Store.

4.21 B&M Home Store primarily retails bulky comparison goods which account for approximately 70% of the floorspace within their stores. These include: indoor and outdoor furniture,

greening products, home textiles, household goods, housewares including domestic electrical goods, home adornment, seasonal items, paint, wallpaper and DIY products. The retailer is principally founded on a business model of selling goods that are typically permitted at out-of-centre retail destinations. For instance, there is a significant cross-over between the product ranges of B&M Home Store and retailers such as B&Q and Homebase. The remaining 30% of the floorspace of an average B&M Home Store accounts for the sale of ancillary product areas such as food, confectionery, drink and recreational goods. Normally not any one of those categories on an individual basis accounts for more than 10% of the floor space.

4.22 The B&M Home Store business model involves:

- A retail model which offers an integrated range of products albeit predominately bulky ones.
- Minimising the amount of storage space within the store to facilitate maximum sales area floorspace.
- A customer base that makes purchases from various ranges.
- Staff that are trained in all business ranges and rotated across roles within the company.

4.23 Due to the business model, B&M Home Store does not:

- Provide separate entrances/exits for the different product ranges
- Offer separate tills or services for the different product categories
- Staff different product departments with dedicated specialist staff for those categories

4.24 B&M is able to keep prices low by displaying their product range efficiently and effectively on one site. The business model is not reliant on a single product - all ranges contribute to the overall viability of the store. If one range was removed, the viability of the operation as a whole would be prejudiced.

4.25 The net profit margin of B&M Home Store is 6%. This profit margin is largely achievable due to the nature of impulse and ancillary sales of non-core products. The ancillary sales element of B&M Home Store is therefore essential to ensure that the fixed overhead costs can be accounted for and the way in which the business operates remains viable and supports its store, head office and distribution centre costs.

4.26 Typically, of the stores average basket spend of £10.00 (2006 prices), £1 equates to impulse buys. Given the low average spend per trip; this proportion of sales is highly material to the viability of the store. The food range is extremely limited and relates to

ambient, non-perishable packaged goods such as confectionary, soft drinks and alcohol, and cupboard staples such as tins, cereals, teas and coffee. As a result, shoppers categorically do not and cannot visit B&M Home Store in order to purchase their weekly shop. There is no sale of fresh vegetables, meat, fish, chilled or frozen products.

- 4.27 The ancillary sales element is fundamental to the success of B&M Home Store's ability to trade successfully as a discounter. The strength of many retailers trade and, particularly in the case of B&M Home Store's core product sales, is reliant on a high quantity of lower value items at small net margins in order to maintain their profitability. Well over 95% of B&M Home Store's products are actually priced less than £20 per item.
- 4.28 The display and sale of bulky goods requires a retail unit with a large floorspace. There is an essential requirement for sufficient space for the display of the bulky goods for sale as well as space required for customers to examine the goods and try them where necessary. There is also a requirement for customer circulation space and customer service areas.
- 4.29 B&M Home Store require at least 1,500 sqm of sales floor space on a single floor, resulting in a minimum store size of approximately 2,000 sqm. The availability of parking close to the store is important in meeting the needs of older shoppers, for the customers are required to carry bulky goods to their car.
- 4.30 The display and sale of bulky goods requires a retail unit with a large floorspace, an essential requirement to allow for the display of bulkygoods so that customers can examine and try and necessary. The company displays goods in context as they may be used in the home or garden to demonstrate how the product may meet their needs. This includes the display of otherwise flat packed goods, and garden furniture.
- 4.31 B&M Home Store does not operate online sales and does not provide a home delivery service. Given this, and the predominant sale of bulky goods, it is not practical for the store to operate over split or multiple floors. Due to the size of the products sold, customers require a trolley to transport them around the store. Furthermore, it is unreasonable on health and safety grounds for customers and employees to carry bulky goods between levels or from the shop to the customer's car. Retailers of bulky goods are therefore generally situated over a single level.
- 4.32 The target audience for a B&M Home Store are those of retirement age who are 'time-rich: cash poor' who are drawn to B&M Home Store by its low prices. A significant proportion of products are clearance or short-dated discontinued goods purchased from factories. These socio-economic groups are attracted by clearance and end-of-line products. B&M are

dependent on the impulse and ancillary sales of non-core products in order to make it viable and support its head office and distribution centre costs.

- 4.33 The nearest B&M store to the application site is Hayes 4 miles to the south (Bargains), Yiewsley 4 miles to the south west (Home and Garden), and Watford 6 miles to the north (Bargains).
- 4.34 B&M Home Stores will normally employ approximately 35 staff across a range of levels.

5. POLICY CONTEXT

National Policy Context

- 5.1 On 27 March 2012, the National Planning Policy Framework (NPPF) was published. This supersedes and replaces all existing planning policy guidance and statements. The Town Centre Practice Guide on need, impact and the sequential approach to former PPS4 has not material changed by has been cumulated with other PSS' into the new online Planning Practice Guidance.
- 5.2 NPPF restates that the statutory context for the determination of applications (i.e. in accordance with the development plan unless material considerations indicate otherwise) remains but the guidance introduces a new “presumption in favour of sustainable development”. In relation to determination of planning applications, this is defined as:
- approving development proposals that accord with the development plan without delay;
 - and where the development plan is absent, silent or relevant policies are out-of-date, granting permission unless:
 - any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole;
 - or specific policies in this Framework indicate development should be restricted.
- 5.3 One of the Core principles of the NPPF includes encouraging the effective use of land by reusing land that has been previously developed (brownfield land) and promoting mixed use developments. There is a clear and strong presumption to supporting sustainable economic growth. Both the reuse of the existing vacant site and supporting sustainable economic growth would be supported by the application proposals.
- 5.4 For clarity, we have reproduced the relevant paragraphs of NPPF in full below:
- Planning policies should be positive, promote competitive town centre environments and set out policies for the management and growth of centres over the plan period. In drawing up Local Plans, local planning authorities should:
 - recognise town centres as the heart of their communities and pursue policies to support their viability and vitality;

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- define a network and hierarchy of centres that is resilient to anticipated future economic changes;
 - define the extent of town centres and primary shopping areas, based on a clear definition of primary and secondary frontages in designated centres, and set policies that make clear which uses will be permitted in such locations;
 - promote competitive town centres that provide customer choice and a diverse retail offer and which reflect the individuality of town centres;
 - retain and enhance existing markets and, where appropriate, re-introduce or create new ones, ensuring that markets remain attractive and competitive;
 - allocate a range of suitable sites to meet the scale and type of retail, leisure, commercial, office, tourism, cultural, community and residential development needed in town centres. It is important that needs for retail, leisure, office and other main town centre uses are met in full and are not compromised by limited site availability. Local planning authorities should therefore undertake an assessment of the need to expand town centres to ensure a sufficient supply of suitable sites
 - allocate appropriate edge of centre sites for main town centre uses that are well connected to the town centre where suitable and viable town centre sites are not available. If sufficient edge of centre sites cannot be identified, set policies for meeting the identified needs in other accessible locations that are well connected to the town centre;
 - set policies for the consideration of proposals for main town centre uses which cannot be accommodated in or adjacent to town centres;
 - recognise that residential development can play an important role in ensuring the vitality of centres and set out policies to encourage residential development on appropriate sites; and
 - where town centres are in decline, local planning authorities should plan positively for their future to encourage economic activity.

5.5 Local planning authorities should apply a sequential test to planning applications for main town centre uses that are not in an existing centre and are not in accordance with an up-to-date Local Plan. They should require applications for main town centre uses to be located in town centres, then in edge of centre locations and only if suitable sites are not available should out of centre sites be considered. 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.

5.6 This sequential approach should not be applied to applications for small scale rural offices or other small scale rural development.

5.7 When assessing applications for retail, leisure and office development outside of town centres, which are not in accordance with an up-to-date Local 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 sqm). This should include assessment of:-

- 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
- The impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and wider area, up to five years from the time the application is made. For major schemes where the full impact will not be realised in five years, the impact should also be assessed up to ten years from the time the application is made
- Where an application fails to satisfy the sequential test or is likely to have significant adverse impact on one or more of the above factors, it should be refused.

5.8 We would also draw attention to paragraph 70 which states:

- “To deliver the social, recreational and cultural facilities and services the community needs, planning policies and decisions should:
- Ensure that established shops, facilities and services are able to develop and modernise in a way that is sustainable, and retained for the benefit of the community
- In the overall context of a “presumption in favour of sustainable development”, we would highlight that NPPF is also clear that local planning authorities should seek retail impact assessments only for proposals of more than 2,500 sqm unless there is a locally set threshold. It is of note that NPPF maintains the requirement for a sequential assessment.

5.9 On 6 March 2014, the Department for Communities and Local Government (DCLG) launched the planning practice guidance web-based resource or NPPG.

5.10 With specific regards the sequential test the NPPG provides the following guidance:

The checklist below sets out the considerations that should be taken into account in determining whether a proposal complies with the sequential test:

- 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.

5.11 With regards impact, the NPPG confirms:

- The impact test **only** [our emphasis] applies to proposals exceeding 2,500 square metres gross of floorspace unless a different locally appropriate threshold is set by the local planning authority. In setting a locally appropriate threshold it will be important to consider the
 - scale of proposals relative to town centres
 - the existing viability and vitality of town centres
 - cumulative effects of recent developments
 - whether local town centres are vulnerable
 - likely effects of development on any town centre strategy
 - impact on any other planned investment

5.12 As a guiding principle impact should be assessed on a like-for-like basis in respect of that particular sector (e.g. it may not be appropriate to compare the impact of an out of centre DIY store with small scale town-centre stores as they would normally not compete directly). Retail uses tend to compete with their most comparable competitive facilities. Conditions may be attached to appropriately control the impact of a particular use.

5.13 Where wider town centre developments or investments are in progress, it will also be appropriate to assess the impact of relevant applications on that investment. Key considerations will include:

- the policy status of the investment (i.e. whether it is outlined in the Development Plan)
- the progress made towards securing the investment (for example if contracts are established)
- the extent to which an application is likely to undermine planned developments or investments based on the effects on current/ forecast turnovers, operator demand and investor confidence

Development plan policy

5.14 The development plan consists of the following documents

- The London Plan, as updated 11th October 2013
- The Hillingdon UDP (Saved policies) 1998
- Hillingdon Local Plan Part 1: Strategic Policies (Adopted November 2012)

5.15 The London Plan was adopted in July 2011 and amended by their “Revised Early Minor Alterations” document reviving the London plans policies to be consistent with the NPPF. In relation to retail matters, the Mayor supports a strong, partnership approach to assessing need and bringing forward capacity for retail, commercial, culture and leisure development in town centres. In relation to planning decisions, policy 4.7 states that the following principles should be applied:

- *the scale of retail, commercial, culture and leisure development should be related to the size, role and function of a town centre and its catchment*
- *retail, commercial, culture and leisure development should be focused on sites within town centres, or if no in-centre sites are available, on sites on the edges of centres that are, or can be, well integrated with the existing centre and public transport*
- *proposals for new, or extensions to existing, edge or out of centre development will be subject to an assessment of impact.*

5.16 The document therefore reinforces the sequential approach to site selection as set out in the Planning Practice Guidance

5.17 Local planning documents identified below.

The Hillingdon UDP (adopted 1998)

- 5.18 There are a number of saved policies from this document which are still used for development control purposes. The adopted UDP provides a detailed schedule of the existing retail hierarchy within Hillingdon. The closest centre to the application site is South Ruislip, which is noted as a Local Centre. The other centres in close proximity to the application site are Ruislip, Eastcote and Ruislip Manor which are all noted as minor centres with a further local centre at Ickenham. The remaining centres within the Borough are then classified as either minor, major or strategic of which only Uxbridge falls into this category.
- 5.19 There are also a number of saved policies which addresses issues such as amenity, transport and highways and design issues. As the application site is an existing retail facility, and no physical extension to the building is proposed, it is not deemed necessary to set out these policies for the purposes of this report. Furthermore, only minor changes are proposed to the car park and layout of the site to improve the existing situation. An assessment of these works in the context of these saved UDP policies is included within the accompanying transport statement.

Hillingdon Local Plan Part 1: Strategic policies (adopted November 2012)

- 5.20 The document identifies the key elements of the planning framework for the borough and strategic policies for the next 15 years. Policy NPPF1 states that when considering development proposals, the Council will take a positive approach that reflects the presumption in favour of sustainable development contained in the National Planning Policy Framework.
- 5.21 In terms of the town and neighbourhood centres, Policy SO16 states that one of the strategic objectives is to manage appropriate growth, viability and regeneration of town and neighbourhood centres. Furthermore, policy SO18 states that there will be improved access to local services and facilities, including (amongst other items) local shopping. A number of town centre improvements are identified across the Borough, however there are no specific proposals for South Ruislip, the nearest centre to the application site.
- 5.22 The document summarises the findings of the recent retail study, with particular reference to the growth forecast for convenience and comparison goods floorspace for the Borough across the plan period. Policy E5 states that The Council will accommodate retail growth in established centres in accordance with the latest evidence base. The Council has now turned to consider the more detailed policy documents which will sit underneath the Local Plan. These include the site specific allocations and also the development management policies which are currently being developed and will be out to consultation shortly.

- 5.23 There are a number of strategic policies concerning sustainability, transportation and design. These policies are directed towards new development and as the application relates to an existing building with an existing car park and associated access, it is not considered necessary to review these policies for this application.

Local Plan Evidence base - Town Centre Retail Study Update, Position Statement 2011/2012

- 5.24 This document, prepared by Strategic Perspectives, provides an update on the 2006 Town Centre and Retail Study which was produced for the Council by Scott Wilson in 2006.
- 5.25 The update was prepared to inform the evidence base for the LDF and focuses on convenience goods. It identifies predictions for food shopping from 2011-2031, as well as updating the Health Checks of all of the centres in the Borough and changes in retail composition across the Borough.

6. SUSTAINABLE ECONOMIC DEVELOPMENT

- 6.1 Sustainable development is the core principle underpinning the planning system, and is the principal objective of the NPPF.
- 6.2 The application proposals relate to land and property within a well-established retail destination within the existing retail hierarchy of Hillingdon. It is an existing modern commercial development within the urban area. It is sited at an accessible location, close to other retail warehouses, provides opportunities for linked trips and reduces the need to travel longer distances.
- 6.3 The proposed Aldi and B&M Home Store represents the re-use of an existing building. Re-using existing premises, especially a relatively modern building, is a very sustainable approach to meeting economic needs, by fulfilling business requirements and prolonging the lifetime of the existing developments.
- 6.4 The proposed development therefore makes best use of an existing/consented building in accordance with the NPPF, to limit carbon dioxide emissions.

Design

- 6.5 The planning application proposes minor alterations to the external appearance of the building involving the removal of the unsightly garden centre building and the removal of the existing porch and canopy area. These minor alterations will vastly improve the external appearance of the retail unit which is currently an eyesore, harming the vitality and character of the area.
- 6.6 Therefore the site will provide a high quality design well related to the character of the area, in accordance with the NPPF.

Accessibility

- 6.7 Victoria Road Retail Park is located within a part of the Ruislip urban area that attracts substantial existing trips (including retail and pass-by trips), and which is accessible by public transport and from the surrounding residential areas. The proposed development will facilitate choice and competition for the benefit of the consumer, promoting linked shopping trips.

- 6.8 For example, the centre is served by bus service 114 in each direction on a frequent basis with the closest bus stop being on Victoria Road directly outside the site. Overall it has a PTAL rating of 3-“moderate” level of accessibility.
- 6.9 The existing unit is fully accessible to all members of the community including the disabled and those with other mobility problems. The changes proposed to the car park layout will increase the number of parking spaces for blue badge holders immediately adjacent to the store. The mezzanine levels will be for storage purposes only and therefore will not be accessible or available to the public.
- 6.10 We would also highlight the wider proposals for the area including significant new residential and retail development (foodstore) with associated infrastructure on the neighbouring site, the former ARLA Foods factory, which has also been a derelict site for a number of years. This will all contribute to the creation of a new/expanded area based on South Ruislip Local Centre. Therefore, the site will be well located to meet the needs of both existing and future residents, businesses as well as linked trips.
- 6.11 Therefore we consider that the application scheme is in an accessible location, being accessible by a choice of means of transport in accordance with the NPPF, not raising material traffic generation or car parking issues and being fully accessible to all members of the community.

Regeneration

- 6.12 The property is located within an existing mixed commercial area of South Ruislip, and provides an important interface between the residential areas to the north and commercial areas to the south.
- 6.13 Victoria Road Retail Park comprises well established accommodation which is capable of providing floorspace which meets operator requirements as proposed to be amended by the current application proposals. In its current condition, the buildings and car park add nothing to the quality of the area-indeed they detract from the area. The buildings have been subject to vandalism and graffiti on a regular basis and attract anti-social behaviour. Reusing the existing unit at a Aldi and B&M store will remove this anti-social behaviour, and will assist in attracting and hopefully securing a tenant for the remaining vacant unit in the longer term.
- 6.14 The proposals will assist in improving the public realm and environmental quality of the area, as well as the public image of the site. The general cleanliness and safety of the area will also improve.

- 6.15 Overall, the proposals will involve circa £2m of investment.
- 6.16 Therefore, the proposals will make a positive contribution in terms of economic regeneration, in accordance with the NPPF.

7. SEQUENTIAL TEST

- 7.1 In this section, we have undertaken a sequential assessment. As the application is tenant specific, the tenant's business format and operational requirements are a material consideration which should be afforded considerable weight.
- 7.2 In undertaking the sequential assessment, we would highlight:
- a. The scale of development is compatible with the role of the Retail Park.
 - b. The proposals will involve a net reduction in retail sales space.
 - c. The application does not involve a change of use. The existing and proposed uses are within Use Class A1.
 - d. The application proposes to widen the permitted range of goods to be sold from Unit A and Unit B to facilitate the letting to Aldi and B&M Home Store.
 - e. Aldi and B&M Home Store are established retailers who operate from out of centre locations and have developed a clear understanding and business model of the store size and format that is required for a successful outlet. The application site accords with this business model. By implication, compromises to the size, form and layout of the proposed development will diminish that success.
- 7.3 We have identified in Section 3 a description of both retailers business models. The sequential test undertaken in this section has regard to such section.
- 7.4 As identified in Section 4 above, the purpose of the sequential test is to seek to accommodate new retail and other uses within existing centres such as to contribute to the range of services offered and to ensure the vitality and viability of the centres. The sequential test seeks to encourage retail proposals to locate in sequentially preferable locations, where such are **available, suitable and viable**. Its purpose is not to turn away retailers or other occupiers from non-town centre locations. For this reason, Local Authorities should be realistic and only to turn away proposals on the back of sequential testing where sequentially preferred sites are suitable, viable and available – all three criteria need to be realistically considered and all three need to be found to be applicable if a preferred site is to turn away a less sequentially preferable site. It follows that sequential testing should realistically and reasonably result in a take up of the sequentially preferred site, on refusal of

a less sequentially preferred site. In undertaking the sequential test we would make the following general observations:

- 7.5 Parking/Servicing:** There is a need for easy access to surface level car parking so that customers can take away pre-packed and bulky goods including furniture and other larger household goods.
- 7.6** It is essential that dedicated servicing facilities are provided for any future store enabling goods to be delivered and dispatched in a safe and controlled manner.
- 7.7 Disaggregation:** There is no presumption within the NPPF in favour of disaggregation rather that the applicant should provide evidence that the scope for disaggregation has been explored. A retailer should not be expected to disaggregate a particular range of goods or proposed mezzanine away from the main store if it can be shown that this would be unreasonable and unsuccessful.
- 7.8** It is first necessary to consider whether there are distinct 'elements' within the retailers business model and secondly whether these could be reasonably and successfully located on more central sites (assuming that such sites exist). There are no separate 'elements' to the business model, for example the company does not:
- Physically separate its product ranges;
 - Provide separate entrances/exits for the ranges;
 - Offer separate tills or services for the ranges;
 - Retail non-related products.
- 7.9** Both Aldi and B&M Home Store are able to keep prices low by allowing the products to be displayed efficiently and effectively on one site. Their business models are not reliant on a single product and include ancillary goods. For example, B&M Home Store relies on a relatively narrow range of impulse ancillary products to meet its profit margin, and thus viability, as detailed in section 4, and hence there is no scope to remove or add lines on a store by store basis.
- 7.10** The trading format of a discount stores is critical to the success of the business and thus the ability to delivery low cost goods. These formats are tried and tested, which such retailers have developed to enable goods to be handled, displayed and sold efficiently. Store layouts are eminently practical and the resultant cost savings are reflected in the low prices that define the business models (for further details refer to Section 3 of this report).

- 7.11 Clearly, if such element was removed then the viability of the whole store would be jeopardised. The importance of maintaining a retailer's business model is therefore fundamental to maintaining its success.
- 7.12 NPPF makes it clear that local planning authorities should take into account any genuine difficulties which the applicant can demonstrate are likely to occur in operating the proposed business model from a sequentially preferable site and the purpose of the policy is not to seek the arbitrary sub-division of proposals.
- 7.13 In addition, the practical implications of breaking up the aforementioned elements would have a detrimental effect on sustainable travel patterns including:-
- Destroying the benefits of providing the full product range under one roof and significantly reducing the range of products;
 - Force the retailers to identify, acquire and occupy several sites across the region thus destroying their retail concept.
 - Prohibit inclusive shopping patterns through higher prices as a consequence of offering the same product range through numerous locations.
- 7.14 Therefore we do not consider that there are any defined elements to the retailer's business model which could be reasonably or successfully disaggregated for the purposes of the sequential test.
- 7.15 The proposals comprise a package of physical works and variations of condition which relate to the building as a whole. There is a clear interaction between the works to create Unit A and Unit B. The one follows the other. Therefore, in our view, having regard to recent case law and appeal decisions (e.g. Rushden Lakes dated 11th June 2014), it would be appropriate to undertake the sequential test based on the development as a whole (i.e. circa 3,750 sqm).
- 7.16 Notwithstanding, we have undertaken the sequential test assessment reviewing existing opportunities and redevelopment opportunities on a flexible basis, for each scheme. We consider that it is a particularly robust approach:.
- Aldi – Circa 1,150 sqm floorspace or a site of at least 0.3ha to include servicing and car parking
 - B&M - Circa 2,000 sqm floorspace or a site of at least 0.35 HA to include servicing and car parking.

- 7.17 For the purposes of the sequential test, we have reviewed the retail centers agreed with the Council in relation to planning permission 64445/APP/2013/1050. Notwithstanding, the Aldi store is proposed to fill a gap in the provision of discount retail stores this side of London. Given the relative location of other discount food retailers in this area and catchment areas, we consider that a more focused area of search is appropriate based on South Ruislip and nearby centres.
- 7.18 The range of goods sold by B&M Home Store is very similar to those granted consent on the site in 2014 for a range of non-food A1 items. The difference relates to a small amount of ancillary impulse buy products. As such it is reasonable to suggest that the core catchment area is the same. The centres we have considered are as follows:
- South Ruislip
 - Ruislip
 - Eastcote
 - Rayners lane
 - Pinner
 - South Harrow
 - North Harrow
 - Ruislip Manor
 - Northolt
 - Ickenham
- 7.19 We have focused on existing vacant premises as these would offer the only realistic opportunity to accommodate Aldi and B&M Home Store's immediate requirement and have undertaken a full search in all of the centres listed above. Even though the application site is readily available for occupation in the short term, we have also considered development sites within the Centres identified, to demonstrate a robust approach. The centres within the London Borough of Harrow (Rayners Lane, Pinner, South Harrow and North Harrow) have already been subject to an up to date retail study from 2009 where development opportunities of this kind have been identified by the Council and these are also outlined below where relevant.
- 7.20 In June 2014 surveys were undertaken of these defined Centres, the results of which are presented in plan and tabular form within **Appendix 3 and Appendix 4**. The number of vacant units varied across the centres, as did the vacant unit size. None of the vacant units available were in the region of the 1,150 sqm being the minimum retailer's requirement for Aldi (the smaller of the two retailer's requirements).

South Ruislip

- 7.21 South Ruislip is a defined local centre centred on the junction of Victoria Road and Long Drive. It includes a Sainsbury's supermarket which comprises the majority of retail accommodation in the centre. Sainsbury secured planning approval in March 2013 to increase its store from 6,260 sqm to 12,500 sqm. The centre includes the underground station as well as more traditional parades shops normally associated with a local centre.
- 7.22 The centre provides a diverse range of shops and services to meet local shopping needs. The centre has a total of 8,656 sqm of floorspace (not including the recently approved Sainsbury extension). None of the units within the centre during the survey were observed to be vacant.
- 7.23 There is a current planning application at the former Arla food site for a mixed used retail scheme, including 7131 sqm GIA retail superstore, 5 x A3 retail units, cinema and 132 residential units.
- 7.24 From the review above, there are no sequentially preferable sites within South Ruislip which could accommodate an Aldi and a B&M store.

Ruislip

- 7.25 Ruislip is a "major centre" in the UDP and a "District Centre" within the London Plan and Core Strategy. The centre is linear in form, extending from West End Road in the South to the High Street in the north. The centre has a large Waitrose store in an edge of centre location on Kingsend Road. The centre has a high level of multiple retailer representation from both the convenience and comparison good sector.
- 7.26 There are currently only 6 vacancies within the centre. The largest unit (116-118 High Street) is only 240 sqm. The centres low vacancy rates are a reflection of the health of the centre. Furthermore, registered retailer demand confirms that the centre continues to be an attractive location of retailers.
- 7.27 There are no units available of the size required by Aldi and/or B&M Home Store in either the primary or secondary shopping locations.

Ruislip Manor

- 7.28 Ruislip Manor is a "minor centre" located in the northern part of the Borough. It is a linear centre focused along Victoria Road. The centre is well represented by a number of

convenience stores, with a majority of the comparison goods retailers being independent and specialist retailers. There are only 10 vacant retail units in the centre as a whole, which is again below the national average reflecting the health and quality of the centre. The largest of these vacancies is on the corner of Pembroke Road, on the ground floor of a residential development. The floorspace available only measures a maximum of 430 sqm which would not meet the minimum floorspace threshold level required.

- 7.29 We conclude that there are no sequentially preferable locations within Ruislip Manor which are available or suitable for an Aldi store or B&M Home Store.

Eastcote

- 7.30 A further District Centre located to the north of the Borough, the shopping function of Eastcote focuses on Field End Road and has a strong independent retailer profile. The centre also provides a number of service uses. Our visit confirmed a total of 6 vacant retail units, representing a vacancy level of 5%-well below the national average of 11%.
- 7.31 There are two vacant office buildings on the High Street known as Conex House and Initial House. A recent planning application was approved at appeal this year to redevelop the site for 42 flats and a small (101 sqm) retail unit on the ground floor. Aside from the fact that this site is too small to accommodate the proposed Aldi and/or a B&M Home Store, the recent permission and current proposals confirm that it is not available or suitable for retail use as they require complete demolition of the building. There would also be insufficient car parking within the site.
- 7.32 There is a further development site adjacent to the railway line and opposite the main underground entrance. Construction has begun for the redevelopment of this site to provide a Sainsbury's foodstore on the ground floor with residential above. The site would therefore not be available to accommodate an Aldi and/or a B&M Home Store, and in addition, the site does not meet the size criteria and has no surface level car parking.
- 7.33 We therefore conclude that there are no other sequentially preferable sites within Eastcote which should be considered.

Ickenham

- 7.34 Ickenham is a local centre, in the northern half of the Borough. The centre has a strong mix of retailers and services for its size, with only two very small vacant units (150 sqm and 80 sqm). This low level of vacancy rates indicates the strong vitality of the centre.

- 7.35 There are no sites or units which are sequential preferable within this centre which could accommodate the Aldi and/or a B&M Home Store.

Northolt

- 7.36 Northolt is a neighbourhood centre within the London Borough of Ealing comprising a total of 43 units. The centre has a good mix of convenience good floorspace, coupled with a number of local services and independent retailers. There no shopping units vacant within the local centre.
- 7.37 Close to the junction between between Mandeville Road and Eastcote Lane is the site of the former Plough Public House. The site consists of approximately 2,200 sqm of land, which is not enough to accommodate the minimum store size with adequate parking and servicing facilities, and thus would be unsuitable for redevelopment for the proposed Aldi and/or B&M Home Store.
- 7.38 There are no units or sites within the centre which could accommodate an Aldi and B&M Home Store.

Rayners Lane

- 7.39 This is a district centre to the south west of the London Borough of Harrow. The centres focus is the underground station, at the junction of Rayners Lane and Alexandra Avenue. The centre has a good mix of service and specialist shops as well as the more traditional convenience and comparison goods uses. Its primary focus is to provide top up shopping and the mix of retailers reflects this role. As noted by the Council's own retail study, the environmental quality of the centre is good. The centre has a total of 132 units, of which 9 are vacant, representing 6.8%. The largest vacant unit is circa 680 sqm (Village Way West).
- 7.40 There is a derelict pub at the junction of Village Way East and Imperial Drive known as The Rayners pub. The pub and its associated car park have been vacant since 2006 and measure 0.38 ha.
- 7.41 Planning permission was granted on the 27th February 2012 for a development of the land to the rear of The Rayners Pub (the rear of the site along Imperial Drive and adjacent to 218-224 Talbot House) for refurbishment and change of use to provide a 5 storey mixed use development including parking, 804sqm of retail, 28 one bedroom units, to the car park to the rear and make alterations to and refurbish the Rayners Pub, to facilitate a change of use to D1 (c) to produce an educational use.

7.42 The Rayners Pub is one of only 3 Grade II listed buildings in the centre and as such it would be unlikely that planning permission would be secured for its demolition. It would not be possible to convert the building for Class A1 retail purposes as required by Aldi and/or B&M Home Store given the extensive internal works which would be required to the building, and that the configuration would not meet with modern retailer requirements. Furthermore, it would fall significantly below the minimum floorspace threshold identified for Aldi and/or B&M Home Store, and as a result of the development there would be a lack of parking on the site.

7.43 It is therefore not considered that the building could be considered as a suitable (given the physical constraints of the building) viable and available option in its current form for an Aldi and/or B&M Home Store.

Pinner

7.44 This is a further defined “District Centre”. The centre is anchored by a Sainsbury’s food store and also includes a Lidl and an M&S Simply Food. It has an important historical core along the High Street and excellent environmental quality. The quality of the urban environment is reflected by the tenant mix, with a number of high quality independent retailers as well as several national restaurant uses.

7.45 The centre has only 7 vacant units, reflecting the high tenant demand. The largest unit is only 150 sqm. There are no suitable or available units or development opportunities within this centre which could accommodate Aldi and/or a B&M Home Store.

South Harrow

7.46 South Harrow is one of the larger District Centres. It is anchored by a large Waitrose and associated larger format retail units to the north off Northolt Road. The centre extends along Northolt Road, and provides for a high number of national multiple retailers as well as independent retailers. It also provides for a number of services associated with everyday shopping needs. Currently, there are only 8 vacant units in South Harrow. The largest is 257 Northolt Road at 180 sqm.

7.47 We conclude that there is no scope to accommodate the Aldi and/or B&M Home Store within this centre.

North Harrow

- 7.48 This centre is focused around the underground station. Predominantly, it provides a convenience goods shopping function. The centre has no vacancies at present.
- 7.49 There is also very limited car parking in the centre, with such that exists being located within the main car park being centred around the underground station.

Summary

- 7.50 In summary, following a comprehensive review of the 10 identified centres, there are no suitable, available or viable sites or units which could accommodate the Aldi and/or B&M Home Store, individually even with the 25% reduction in floorspace to allow for the 'flexible' format. The requirements for the sequential test have therefore been satisfied.

8. RETAIL ASSESSMENT

8.1 Before considering the retail impact issues we would highlight that:

- The retail floorspace already exists. No new retail sales space will be created. Indeed, the proposals will involve a net reduction in space at the site of over 1,000 sqm.
- Planning permission exists for the use of circa 3,252 sqm of the building for a full range of non-food goods (64445/APP/2013/1050). The proposed B&M Home Store will comprise only circa 2,255 sqm and the sale of non-food goods by Aldi is on a limited basis (approximately 15-20% of the sales space or circa 210 sqm maximum) and mainly comprises weekly specials. Therefore, the combined total of floorspace proposed for the sale of non-food goods is well within the level already permitted.
- B&M Home propose to sell a small element of toiletries (5% of gross floor area or up to 110 sqm) and pet products (circa 5% of gross floor area or 110 sqm). In our opinion, this would fall within the allowance provided for in the extant planning permission “*..and for the sale of ancillary goods which are part of the usual product mix of retailers of the foregoing..*” and therefore would not require express permission. However, for completeness, the application seeks to include explicit reference to these product ranges in a revised condition.
- The B&M Home Store’s product range will include a limited food range focusing on ambient, non-perishable packaged goods only such as confectionary, soft drinks and cupboard staples such as tinned food, cereals, teas and coffee, etc. This is expected to comprise no more than 10% of the gross area of the store or circa 225 sqm.

8.2 Having regards the above, it is our view that the sale of a limited range of toiletries, pet products and mainly ambient/non-perishable food by B&M Home Store is of such a small scale that it will have no tangible impact on any existing centre and our analysis therefore focuses on the issues arising from the proposed Aldi store in Unit A and specifically the convenience element.

Approach

8.3 We have adopted a conventional step-by-step, trade draw methodology to assess impact based on an estimate of store turnover in the ‘design year’, and a series of judgements on the proportion of turnover to be diverted from existing centres and stores. These assumptions take account of factors such as scale and nature of the retail offer, location of competing provision, etc. The approach is based on the accepted principle of ‘like competing with like’. In other words, retailers in the same market sector (discount food stores) will experience the greatest impacts. Conversely, distant facilities of a differing scale

and nature (such as local facilities and convenience stores catering for day-to-day needs) will be far less likely to experience diversion of trade.

- 8.4 The majority of the proposed store's turnover would comprise convenience goods sales. In terms of floorspace, up to 20% would be devoted to the retailing of comparison items. As comparison retailing is limited in scale, ancillary in function, trades at lower sales densities, and is otherwise already permitted, it is considered 'de minimis' in the context of the overall development. Accordingly, comparison goods impact has not been assessed. However, for completeness, the turnover of the comparison goods floorspace has been considered.
- 8.5 Given the site's location immediately adjacent the former ARLA Foods site and the mixed use development proposed thereon (Ref. No. 66819/APP/2014/1600), we have adopted the base information submitted with the application to allow for a consistent basis for decision making.

Town Centre Health Checks

- 8.6 The impact assessment should be considered having regard to the role, function and general health of the centres within the Study Area. The centres of Hillingdon have been the subject of Health Checks as part of the Convenience Goods Retail Study Update 2012 and the recent Sainsbury and ARLA Foods applications. In our opinion, these represent up to date reviews and there is no requirement to undertake further updates. A summary of the conclusions reached is set out below:
- **South Ruislip** local centre is performing relatively well with a range of local retailers and services. The vacancy is significantly below the national average and the general environmental quality of the centre is good. The centre is dominated by the Sainsbury which has an extant permission for a significant extension. Overall, South Ruislip local centre is considered a vital and viable centre that serves a localised catchment.
 - **Ruislip Manor** local centre appears to be performing relatively well. Vacancies have decreased since 2011 and are below the national average. This is despite the ongoing downturn in the UK economy which has an adverse impact on the retail sector. It principally functions as a service destination for local residents, but also provides a local retail offer. Indeed, in the convenience retail sector whilst there is representation from Tesco and Budgens, this serves a top-up shopping role.
 - **Ruislip** district centre appears to be performing relatively well. Vacancies are limited and below the national average. Whilst it principally functions as an important service destination, the convenience sector (anchored by Waitrose and including a Tesco Express, Iceland and M&S Simply Food) together with the comparison offer serves an important role for the local resident population.

- **Eastcote** district centre is performing relatively well. Vacancies have remained stable since 2011 and are significantly below the national average. This is despite the on-going downturn in the UK economy which has an adverse impact on the retail sector. Eastcote district centre principally functions as an important service and retail destination, meeting some of the day-to-day requirements of the local residents including a Tesco Express and Budgens.
- **Northolt** neighbourhood centre appears to be performing well with a range of local retailers and services. Vacancies have decreased since 2007 and remain significantly below the national average.
- As reflected by the findings of the Harrow Retail Study and Update (2009), **Rayners Lane** district centre is performing relatively well with a range of local retailers and services that serve the local resident population
- As reflected by the findings of the Harrow Retail Study and Update (2009), **Pinner** district centre is performing relatively well with a range of local retailers and services, including a strong convenience offer underpinned by the Sainsbury's store. The vacancy rate remains below the national average and the general environmental quality of the centre is good. Pinner is considered a vital and viable centre.
- Overall, as reflected by the findings of the Harrow Retail Study and Update (2009), **South Harrow** district centre appears to be performing relatively well with a range of local retailers and services, including a Sainsbury and Iceland. The vacancy rate remains below the national average and the general environmental quality of the centre is good. South Harrow is considered a vital and viable centre
- Overall, as reflected by the findings of the Harrow Retail Study and Update (2009), **North Harrow** district centre is performing relatively well with a range of local retailers and services. The vacancy rate remains below the national average and the general environmental quality of the centre is good. North Harrow district centre is considered a vital and viable centre that serves a localised catchment.
- **Ickenham** local centre is performing relatively well with a focus on the services sector (circa 59% of floorspace). The centre performs in line with its status as a local centre.

8.7 The Council's Convenience Goods Retail Study Update 2012 and the Harrow Retail Study confirm that main food shopping destinations within the study area are trading strongly above benchmark. This includes overtrading at Sainsbury's, South Ruislip (+42%), Waitrose, Ruislip (+53%), the Sainsbury's in Pinner (+58%) and South Harrow (+84%) to be trading very strongly.

8.8 Our June 2014 surveys of the centres confirm the low prevailing vacancy rates underlining that the centres continue to perform well in line with their roles in the shopping hierarchy.

Impact on In- Centre Trade/Turnover

Design Year

- 8.9 Subject to the grant of planning permission, works to the building will commence late 2014 allowing for occupation of the premises by ALDI and B&M Home Store early 2015. Typically, a design year of approximately 1 year after opening would be adopted reflecting a settling down period. However, for continuity with the ARLA foods application we have assumed a Design Year of 2017.

Store Turnover

- 8.10 The turnover of the proposed Aldi store as a whole is estimated to be circa £6.27M as set out below.

Table 3: Estimated Turnover of Aldi (2010 Prices)

Gross Floorspace (sqm)	Convenience Goods Sales Space (sqm)	Comparison Goods Sales Space (sqm)	Convenience Sales Density	Comparison Sales Density	Total Convenience T/over	Total Comparison T/over
1,507	844	210	£6,100	£5,400	£5.14M	£1.13M

- 8.11 The turnover of the convenience goods element in the Design Year is estimated to be circa £5.15m.
- 8.12 It should be emphasized, that this forecast level of turnover should not be regarded as a “net increase”. This is because the turnover generated will, to a degree, replace the turnover generated by the existing occupier or that which would arise from an alternative retailer operating from the existing floorspace.

Catchment Area

- 8.13 The retail study for the ARLA Foods application adopts a study area broadly equivalent to a 10 minute drive time from the application site (see **Appendix 5**). It represents the ‘core’ catchment area for the proposed ASDA foodstore. Having regard to the location of other discount food retailers in the wider area, we consider that this will also represent the core catchment of the proposed ALDI. In our judgment, circa 90% of the store’s estimated convenience goods turnover will be derived from the Study Area.

Existing Stores and Centres

- 8.14 We have considered the existing foodstore provision within the Study Area in line with the ARLA Foods proposals and adopted the same estimated turnovers as set out below.

Table 4: Estimated Convenience Goods Turnover of Existing Centres and Out of Centre Food Stores

Centre	Estimated Convenience Goods Turnover (2012) (£m)	Estimated Convenience Goods Turnover (2017) (£m)
Ruislip District Centre	33.67	36.28
Ruilsip Manor	3.33	3.59
Pinner-In Town	44.73	48.21
Pinner-Edge/Out of Town	20.35	21.94
Eastcote	15.28	16.45
South Ruislip-In Town	56.25	67.68
South Ruislip-Edge/Out of Town	3.24	3.49
Northolt-In Centre	6.26	6.75
Northolt-Edge/Out of Centre	5.41	5.83
South Harrow-In Centre	28.48	30.69
South Harrow-Edge/Out of Centre	31.62	34.1
Rayners Lane	6.44	6.95
North Harrow	5.32	5.74

Source: RPS Retail Study for ARLA Foods application

- 8.15 It is widely accepted that retailers compete most directly with other stores that have the most comparable offer. In these terms, “offer” means the store location, format, and range of goods sold, accessibility and brand. Currently, there is no retail offer comparable to ALDI within the Study Area. The only other discount food retailer is the Lidl on the north eastern edge in Pinner. The nearest Aldi is in Yiewsley some 4.6 miles to the south west, and Kingsbury some 5.3 miles to the north-east and the other existing Lidl stores are located beyond the Study Area in Uxbridge Road (UB4) and High Street (UB1). In the absence of a

comparable offer, it is likely that any trade draw will be focused on the larger supermarkets such as Tesco, ASDA, Morrisons and Sainsbury, rather than the premium food retailers such as M&S Simply Food or Waitrose. Therefore, we have assumed the following trade diversion for the 90% of the stores estimated turnover from within the Study Area (£4.62m):

- Circa 40% (£1.8m) from South Ruislip
- Circa 20% (£0.92m) from Pinner (reflecting the Sainsbury and Lidl)
- Circa 10% (£462,000) from South Harrow (reflecting the Sainsbury and Iceland)
- Circa 10% (£462,000) from the out of centre Tesco south of Pinner. Impact on this store is not a planning matter given it is not located in a centre.
- Circa 20% (£0.92m) spread over other existing stores and centres. Given the impact will be spread across a large number of stores and centres and the fact that the level of trade diversion is small overall, we consider that there is no need to consider the implications of this element further.

8.16 The table below applies the above trade diversion to the three centres identified.

Table 5: Estimated Convenience Goods Turnover of Existing Centres Assuming Aldi Proposals (2017)

Centre	Estimated Convenience Goods Turnover (2012) (£m)	Estimated Convenience Goods Turnover without Aldi (2017) (£m)	Estimated Convenience Goods Turnover with Aldi (2017) (£m)	Impact
Pinner-In Town	44.73	48.21	47.29	1.9%
South Ruislip-In Town	56.25	67.68	65.88	2.7%
South Harrow-In Centre	28.48	30.69	30.23	1.5%

8.17 The level of impact on the convenience goods turnover of the centres is small and in all cases the centres will continue to experience considerable growth in turnover. We would also highlight that the above tables relate to convenience goods only. The NPPF test is impact on a centre as a whole. This would include, inter alia, comparison goods. Therefore, the overall impact on the centres will be even smaller and certainly would not represent a significant detrimental impact which is the NPPF test.

- 8.18 For completeness, we have also considered the cumulative impact of the proposals on the same centres taking into account the proposed ASDA foodstore on the adjoining ARLA Foods site alongside the extension to the Sainsbury in South Ruislip. We have assumed the same trade draw rates adopted for the ARLA Foods application.

Table 6: Estimated Cumulative Convenience Goods of Existing Centres Assuming Proposals (2017)

Centre	Estimated Convenience Goods Turnover (2012) (£m)	Estimated convenience goods turnover with Sainsbury and ASDA without ALDI (2017) (£m)	Cummulative Impact of Sainsbury and ASDA (2017)	Estimated Convenience Goods Turnover with Sainsbury, ASDA and Aldi (2017) (£m)	Cumulative Impact (2017)
Pinner-In Town	44.73	44.68	7.3%	43.76	9.2%
South Ruislip-In Town	56.25	56.05	18.7%	54.25	21.4%
South Harrow-In Centre	28.48	28.35	7.6%	27.88	9.1%

- 8.19 For the purposes of this assessment, we have not assessed any potential diversion of trade from the ASDA proposed as part of the ARLA foods scheme to the proposed ALDI. Given the proximity of the two proposals, it would be reasonable to assume some overlap and trade diversion. This would reduce the cumulative impact figures.
- 8.20 In relation to Pinner the indications are that the majority of the impact arises from Sainsbury's customers transferring from the existing Sainsbury's store in the Town to the proposed replacement store in South Ruislip. Pinner's role is supported by the existing large Sainsbury's store and a Marks & Spencer Simply Food which represents a strong offer and will continue to underpin the Centres vitality and viability. South Harrow is a strong centre with few vacancies and will continue to perform its function.

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- 8.21 With regards South Ruislip, the vast majority of impact is on the Sainsbury. However, we note from the data included with the ARLA Foods application that Sainsbury would continue to trade above its benchmark levels. In addition, the inclusion of a discount food retailer would make a significant contribution to the range of food stores available in the South Ruislip area adding to consumer choice. Currently, the centre is dominated by Sainsbury.
- 8.22 Therefore, in conclusion, on its own we consider that the proposals will not impact on the vitality and viability of any relevant centre. In this situation the prospects of any centre store being materially adversely affected or ultimately closing is negligible, let alone any centre as a whole experiencing any discernible impact. Taking account of the proposed ASDA and Sainsbury there is a higher cumulative impact. However, this is attributed to the other proposals and in any event would not lead to an overall detrimental impact on the centres. Set against this, the proposed store will have a positive impact in terms of competition and enhanced consumer choice by introducing a discount food retailer into the area where currently there is no such offer thereby satisfying a gap in the market and contribute to social inclusion by providing direct access to low-cost, quality food and drink goods.

9. OTHER ISSUES

- 9.1 It is important to consider the wider benefits the reuse of the existing building will deliver. In its current vacant condition, the unit and its neighbour are a target for anti-social behaviour on a regular basis. Constant security is now essential at the site to try and curtail this anti-social behaviour and vandalism. Bringing back retailer activity will materially reduce and hopefully remove the instances of anti-social behaviour, as the building and associated car park will be back in active use. This will also have wider benefits for the community in terms of improvements in the visual appearance of the building and site.

Employment

- 9.2 The Aldi store will deliver up to 30 full time jobs on the site, and the B&M Home Store will deliver up to 35 jobs on the site. This is a significant positive impact of the proposals for South Ruislip. Store jobs range from shop floor staff and caretakers, to apprentices and store managers. Aldi's preference is to recruit staff locally for its new stores. The company voluntarily enters into Local Labour Agreements thus demonstrating its commitment to a community.
- 9.3 There is therefore a significant employment opportunity to be created by the new store which will have a very positive effect on employment opportunities in the immediate area and should be welcomed.

Impact on the wider area

- 9.4 In terms of the wider area, the application site provided an important interface between the existing residential area to the north and the derelict former ARLA Foods factory to the south. We are aware that there is a planning application submitted for the redevelopment of the ARLA Foods site that includes a major new foodstore, residential dwellings, and A3 units. The reuse of the application site will assist in the wider regeneration of the area, as the role and function of South Ruislip Local Centre develops. It is important that these wider regeneration benefits are felt across South Ruislip as a whole and permitting the occupation of the application site with a Aldi store will bring back into active use this existing important retail destination within the Borough. It will also complement the existing offer within South Ruislip, as well as the future investment in convenience goods shopping.

Transport

9.5 The existing car park layout will be improved and altered to provide further blue badge parking adjacent to the store, and also the introduction of mother and baby spaces.

9.6 Currently, there is no cycle parking provided on the site. As part of the application proposals, 14 cycle parking space will be provided on the site. Both of these aspects of the proposals will vastly improve on the existing car park which has become overgrown and unusable in recent years.

9.7 Design

9.8 The vacant premises are run down and defaced through graffiti, blighting the character and vitality of the area. The proposals enable the renovation of the premises enhancing the character and appearance of the locality.

Summary

9.9 There are clearly a number of positive impacts which will result from the grant of planning permission. There will be positive impacts in terms of job creation (both in the number of jobs and quality of jobs offered), improvements to the retail offer and therefore customer choice in this established retail destination. There will be much wider benefits to the immediate area by bringing a currently vacant building back into active use. The introduction of the Aldi store will improve the overall vitality of the area and will assist in securing a tenant for the adjacent unit in the longer term. There are therefore considered to be no negative impacts arising from the application proposals which would warrant the refusal of planning permission.

10. SUMMARY AND CONCLUSIONS

- 10.1 This Planning and Retail Statement is submitted in support of planning applications to facilitate the re-occupation of the former Focus Do It All and Land of Leather by Aldi and B&M Home Store. The applications encompass the variation of Condition 2 of planning permission 3953/EG/96/1602 as varied by 64445/APP/2008/11295 (Condition 1) to allow for the sale of food and drink by Aldi in Unit A and for a limited range of ancillary goods for B&M Home Store in Unit B.
- 10.2 The proposals represent an overall net reduction in sales space of circa 1,000 sqm arising from the removal of the external sales area/garden centre and mezzanine space. Total car parking provision will remain the same at 218 spaces.
- 10.3 Unit A has been vacant since March 2008, and Unit B has been vacant since 2009 despite consistent marketing by leading retail warehouse agents. The property is subject to regular anti-social behaviour, including vandalism despite co-ordinated on-site security measures. Since March 2009, the application property has made no contribution whatsoever to the local economy and detracts from the environmental quality and streetscape.
- 10.4 This Planning and Retail Statement addresses retail policy tests set out in the NPPF. Specifically, it considers the sequential assessment and impact. The Design and Access Statement considers sustainability matters in the context of the proposed refurbishment. The Transport Statement and draft Travel Plan Framework considers the site's accessibility as well as traffic generation.
- 10.5 Based on information provided by Aldi and B&M Home Store and having regard to their existing store locations we have identified a core catchment area. We estimate that circa 90% of customers will be drawn from this area with the remainder spread over a wide area. On the basis of this catchment, we have identified the relevant centres for the sequential test and have undertaken a comprehensive assessment including site visits. We have concluded that there are no sequentially preferable sites that are available, suitable or viable for either Aldi's or B&M Home Stores proposed business operations even allowing for flexibility in the building format.
- 10.6 We have undertaken an impact assessment which takes into account the potential turnover of the existing floorspace. Our assessment demonstrates that as a result of the proposals no centre will experience a material impact on its vitality and viability and in any event will not result in a "*significant adverse impact*" on the vitality and viability of any centre-the appropriate test in the NPPF.

10.7 Overall, our conclusion is that the proposal will not give rise to any material adverse impact on any defined centres and it cannot be located within a sequentially preferable location. In addition, the development will deliver material benefits including:

- It will improve consumer choice
- Create significant new employment opportunities
- Reduce/remove the incidences of anti-social behaviour on site
- Deliver an improved appearance to the local area
- Is appropriate to the character or appearance of the site and the surrounding built environment.
- Is accessible by a choice of means of transport, including by public transport, walking and cycling.
- Is of an appropriate the scale.

10.8 Accordingly, the proposals will deliver positive benefits and there are no other material considerations which indicate that planning permission should be refused. Therefore, we respectfully conclude that the proposals comply with the NPPF and planning permission should be granted.