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Briefing Note

Our ref 63026/01/JW/DGg
Date 1 December 2023
From Daniel Gregg

Subject **Proposed Lidl Store, St Luke's Hospital Site, Blackmoorfoot Road, Crosland Moor, Huddersfield**

1.0 Introduction

1.1 This note has been prepared by Lichfields on behalf of Lidl GB Ltd. It accompanies a full planning application by Lidl for a new foodstore on the former St Luke's Hospital site, at Blackmoorfoot Road, Crosland Moor, Huddersfield, which was submitted in April 2023.

1.2 It has been prepared in order to respond to issues raised by Kirklees Council's retail planning consultants (Nexus) in relation to the application. These issues related to:

- the need to separately identify the convenience goods turnover achieved by the existing Co-op store within Crosland Moor Local Centre (as distinct from other floorspace within that centre);
- the proportion of the turnover of both existing and proposed convenience goods floorspace which would be drawn from beyond the Study Area; and
- the need to factor-in the current proposals for a new foodstore at Leeds Road Retail Park into the cumulative impact of the proposed foodstore.

1.3 In addition, as part of a wider review, Lidl are proposing some minor amendments to the format of the new foodstore proposed as part of this development. As a result of these amendments, the floorspace provided by the store would increase from 1,921 sqm gross/1,241 sqm net to 2,000 sqm gross/1,331 sqm net (i.e. an increase of 79 sqm gross/90 sqm net).

1.4 An updated convenience goods impact assessment has been prepared, which takes into account the issues raised by Nexus, as well as the modest increase in floorspace proposed, and this note provides a summary of the findings of that updated assessment work.

2.0 Methodology

Forecast Turnover of Proposed Lidl Foodstore

2.1 The forecast convenience goods turnover of the proposed development, taking into account the revised floorspace details, is set out at Table 12 (a) of Appendix 1. The table below also compares the revised turnover of the Lidl store, when compared to that forecast as part of the original assessment.

Table 1 Summary of Convenience Goods Turnovers for Submitted and Revised Schemes (£m)

	Submitted Scheme	Revised Scheme	Difference
Convenience Goods Turnover of Proposed Lidl Foodstore	£8.8	£9.4m	£0.6m

Source: Lichfields convenience goods retail impact assessments

2.2 As set out above, the forecast convenience goods turnover of the proposed Lidl store (and therefore that of the wider development) has increased by around £0.6m as a result of the increase in floorspace proposed. This represents an increase of just 6%.

Turnover of Co-op, Crosland Moor

2.3 The original assessment included an estimate of the convenience goods turnover of all floorspace at Crosland Moor Local Centre (when considered together). However, at the request of Nexus, and as part of this revised assessment, the turnover of the Co-op store within that centre has been separated-out from that of other floorspace within that centre. This has been undertaken by using the results of the NEMS household shopping surveys undertaken in June/July 2021.

2.4 Based on the surveys, it is therefore estimated that the above Co-op store is achieving a convenience goods turnover of around £6.0m in the base year of the assessment (2022), with other floorspace having a turnover of around £0.3m. Both the Co-op and other convenience goods floorspace are forecast to be achieving a level of turnover which is significantly above their benchmark (or expected/company average). This is likely to reflect a range of factors, although particularly the limited range of convenience retail provision serving this part of Huddersfield.

Inflow of Expenditure

2.5 In addition to the above, Nexus have also requested that the level of expenditure estimated to be generated by existing convenience goods floorspace within the Study Area from areas outside of that area (i.e. 'inflow') be reduced. In particular, it was suggested that any inflow assumed for smaller stores be removed completely, and that for larger stores be reduced from 10% to 5%.

2.6 All retail facilities will achieve some level of expenditure inflow, whether it is from people passing through, working (but not living) in the area, those on holiday, and/or visiting family and friends. In this context, in our view, it is not realistic to assume that smaller stores/centres in the Study Area will achieve no inflow, and it is considered that the assumptions adopted as part of the original assessment remain valid and indeed robust. Notwithstanding this, however, in order to assist Officers in the determination of the application, adjustments have been made to the inflow assumptions within the revised assessment, in line with the suggestions by Nexus set out above.

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Proposed Foodstore, Leeds Road

2.7 There is a current planning application to vary conditions attached to a previously granted permission which control the scale and nature of goods to be sold at Leeds Road Retail Park, on the eastern side of Huddersfield. It is understood that the intention is to facilitate occupation of floorspace at the retail park as a foodstore, although no occupier is currently named as part of the application.

2.8 Based on a review of the Council's online planning application system, this application has yet to be determined, and is therefore not yet a commitment. Furthermore, any new store in this location would serve a very different catchment area, focused upon the northern and eastern sides of Huddersfield. Furthermore, the assessment accompanying the Leeds Road application does not factor-in the subject application scheme, which has the same planning status (i.e. a currently undetermined planning application) and indeed relates to a site which has long been allocated for retail development.

2.9 Notwithstanding this, at the request of Nexus, we have undertaken an assessment of the cumulative impact of the development proposed on the former St Luke's Hospital site which assumes that this scheme is approved. In doing so, we have taken into account the assessment prepared to accompany the application at Leeds Road Retail Park, and assumed that:

- the new foodstore there would comprise 2,269 sqm gross/1,382 sqm net floorspace;
- it would have a net convenience goods sales area of 1,106 sqm; and
- this sales area would achieve a convenience goods turnover to floorspace ratio of £9,959 per sqm.

2.10 It is therefore forecast that the new foodstore would generate a convenience goods turnover of around £11.0m.

3.0 Convenience Goods Impacts

3.1 The levels of convenience goods trade diversion forecast to result from the proposed development - based on the revised floorspace for the proposed Lidl store, and taking into account the other amendments to the assessment - are compared in the table below to those set out in the Planning and Retail Statement, which was submitted to accompany the previous application in April 2023.

Table 1

Store/Centre	Impact of Proposed Lidl Store		Cumulative Impact	
	Previous Assessment	Updated Assessment	Previous Assessment	Updated Assessment
Primary Catchment Area				
Committed Lidl Store, Trinity Street	4.9%	5.6%		

Store/Centre	Impact of Proposed Lidl Store		Cumulative Impact	
Co-op, Crosland Moor Local Centre		6.3%		8.0%
Other Stores, Crosland Moor Local Centre	4.2%	2.1%	5.7%	3.6%
Blackmoorfoot Road Local Centre	3.1%	3.6%	4.4%	5.1%
Other Local Centres, Core Catchment Area	1.8%	2.1%	3.1%	3.6%
Aldi, The Ringway Centre	2.3%	2.6%	9.1%	14.6%
Lidl, Castlegate				
Tesco, Viaduct Street	0.8%	1.0%	3.2%	6.1%
Sainsbury's, Southgate	1.3%	1.5%	4.5%	6.3%
Sainsbury's, Market Street	1.3%	1.4%	5.4%	6.9%
Other Stores/Centres, Zone 1	0.8%	1.0%	1.8%	2.4%
Other Stores/Centres				
Proposed Foodstore, Leeds Road Retail Park				
Proposed Lidl Store, New Hey Road	3.2%	3.7%		
Committed Aldi Store, New Hey Road	2.3%	2.7%		
Aldi, Milnsbridge	5.2%	6.2%	20.4%	22.2%
Sainsbury's, Salendine Nook Local Centre	0.5%	0.6%	13.5%	14.6%
Lidl, Wakefield Road	2.7%	3.1%	6.7%	10.4%
Asda, Bradford Road	0.6%	0.7%	3.1%	5.7%

Impact of Proposed Lidl Store

3.2 As is clear from the above, the impacts arising from of the proposed development on the former St Luke's Hospital site have increased only slightly. This reflects the small increase in the convenience goods sales area of the new store.

3.3 The most significant impact is forecast to be upon the existing Co-op store within Crosland Moor Local Centre (just over 6%) which, as requested by Nexus, has now been separated out from other floorspace in that centre (estimated to be around 2%). This reflects the proximity of these stores to the application site. However, based on the household surveys undertaken by NEMS, the existing Co-op store is achieving a turnover to floorspace ratio which is significantly above (by around three times) the company average.

3.4 Furthermore, whilst Blackmoorfoot Local Centre is forecast to experience an impact of around 4% - reflecting its location around 450m walking distance from the application site to the west – this floorspace is also estimated to be performing well, based on the

household surveys. On this basis, and given the day to day role which uses within these two local centres perform, neither is considered likely to experience any significant impact upon its vitality and viability.

3.5 The impacts upon other Aldi in Milnsbridge District Centre, and the committed Lidl stores at Trinity Street and New Hey Road are all forecast to be within the range of 3%-6%. However, as set out in the original Planning and Retail Statement, the existing Aldi at Milnsbridge is estimated to be achieving a level of convenience goods turnover which is around three times the Aldi company average. Furthermore, whilst the two committed Lidl stores are situated in edge-of-centre locations, Lidl are planning to bring these stores forward in full knowledge of their parallel proposals at Crosland Moor, reflecting their view that these stores would serve different, and complementary, catchment areas.

3.6 The impacts upon the existing Lid store at Wakefield Road, and Aldi stores at The Ringway Centre and New Hey Road are all around 3%. However, the first two stores are achieving levels of convenience goods turnover which are significantly above the company average (by around 70% and 160% respectively), and such impacts would not have any material impact upon the viability of either the stores themselves or the wider centres. Furthermore, whilst the Aldi at the Ringway Centre is situated just to the south of Hillhouse Local Centre, it has no visual relationship with that centre.

3.7 The impact upon stores within other local centres in the Core Catchment Area, as well as stores within/on the edge of Huddersfield Town Centre – including Tesco at Viaduct Street and the Sainsbury's stores at Southgate and Market Street – are all forecast to be below 2%, All other impacts as a result of the proposed development are forecast to be around or below 2%. At these levels, there is no prospect that the proposed development would have any significant impact upon the vitality and viability of either any individual stores or defined centres, within or outside of the catchment area.

Cumulative Impact

3.8 In relation to cumulative impact, the highest impacts are forecast upon the Aldi store at Milnsbridge (22%), as well as Aldi at the Ringway Centre and Sainsbury's at Salendine Nook Local Centre (both around 15%). As set out above, however, both of these existing Aldi stores are achieving levels of convenience goods turnover significantly above the company average.

3.9 Furthermore, the vast majority of the trade diversion from the Sainsbury's at Salendine Nook would be generated by committed discount foodstores, with the impact resulting from the proposed Lidl store at Crosland Moor forecast to be just 0.6%. Indeed, the household surveys indicate that the store is trading strongly and achieving a turnover to floorspace ratio which is almost 40% above Sainsburys' national company average.

3.10 The cumulative impact upon the Lidl store at Wakefield Road is forecast to be 10%, with that upon Co-op at Crosland Moor being around 8%. As set out above, however, both of these stores are achieving a turnover which is significantly in excess of the company average and, on this basis, there is no prospect that they – or the wider centres – would experience any significant adverse impact upon their vitality and viability.

3.11 The cumulative impacts upon the Tesco and Sainsbury's stores within Huddersfield Town Centre are all around 6%- 7%. However, much of this increase relates to the impact which would be generated by the proposed new store at Leeds Road and, as set out above, the impact as a result of that proposed on the former St Luke's Hospital site falls within the range of just 1% to 2%, which is clearly not material to the overall performance of these stores.

3.12 Furthermore, the cumulative impacts have been forecast taking into account all of the turnover which would be generated at Leeds Road Retail Park when, in practice, the increase in floorspace proposed through the current application – on top of that previously approved - there is much lower. On this basis, and given that the trade diversion arising from this store would be spread across a range of facilities, many of which are performing strongly, it is not considered that the overall viability of any individual stores or centre would experience any significant adverse impact upon their viability.

4.0 Conclusions

4.1 This note has been prepared in order to provide an update to the previously submitted retail impact assessment, taking into account the revisions to the format of the new Lidl store proposed on the application site, along with a number of other amendments, made in response to comments from the Council's retail planning advisors. As part of this, the convenience goods retail impact assessment has been updated to reflect the sales area of the proposed Lidl store, which has increased slightly (from 1,241 sqm net to 1,331 sqm net).

4.2 The updated assessment has confirmed that, whilst the forecast trade diversions have increased slightly, partly as a result of the reduced inflow allowance and the inclusion of the Leeds Road Retail Park scheme, these increases are not material to the conclusions of the assessment. The most significant impacts of the new store on the former St Lukes Hospital site would remain upon existing discount foodstores and other convenience retail uses in close proximity to the site, all of which are performing strongly, as well as committed discount foodstores which are being brought forward in full knowledge of the current proposals. Overall, and as with the original assessment, it has been demonstrated that the development would not have any significant adverse impact upon existing defined centres.