

Planning Applications 4/23/2314/0F1 and 4/24/2044/0F1

Addendum to Appraisal of Retail and Town
Centre Policy Issues

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1. Introduction

Instruction

- 1.1 This report sets out Nexus Planning's response to Avison Young's 'Retail Addendum – Update to Retail Impact Assessments' report of September 2024 in respect of the following concurrent planning applications:
 - Reference 4/23/2314/0F1, which seeks planning permission for the erection of a new discount foodstore (Use Class E), to be operated by Aldi, on land at Preston Street in Whitehaven; and
 - Reference 4/24/2044/0F1, which seeks planning permission for the erection of a discount foodstore (Use Class E), also to be operated by Aldi, on land at East Road and Wyndham Place, Egremont.
- 1.2 The Retail Addendum follows two separate reports by Nexus Planning, both dated June 2024, which assessed the compliance of each proposal with the national retail and town centre planning policy, as set out by the statutory development plan and by the National Planning Policy Framework ('NPPF'). This report should be read in conjunction with those documents and the other application submission material, particularly the applicant's original Planning & Retail Statement of October 2023 and additional representation of April 2024 in relation to the Whitehaven proposal, and its Planning & Retail Statement of January 2024 in relation to the Egremont proposal.
- 1.3 As set out by Avison Young, the two appraisal reports of June 2024 found that there was broad agreement between Nexus Planning and the applicant on a number of town centre policy issues, including the methodology and conclusions reached with regard to the sequential and investment impact tests.
- 1.4 However, the appraisals identified a need for detailed quantitative consideration of the potential cumulative impacts on relevant centres should both proposals come forward.
- 1.5 Moreover, the applicant has been clear that, should approval be granted for the Whitehaven application scheme, it intends to close its existing store at Preston Street and move to the new larger premises that would be permitted around 200m to the south along the same road. Our June 2024 reports therefore requested an assessment of the implications of another foodstore operator occupying the vacated Aldi unit.
- 1.6 Read together, the appraisals identified five possible scenarios:
 - i. permission is granted for the Whitehaven proposal only, and no new food retailer occupies the newly vacated unit at Preston Street;
 - ii. permission is granted for the Whitehaven proposal only, and a new food retailer occupies the newly vacated unit at Preston Street;
 - iii. permission is granted for the Egremont proposal only, and the existing Aldi in Whitehaven continues to trade;
 - iv. permission is granted for both the Whitehaven and Egremont proposals, and no new food retailer occupies the newly vacated unit at Preston Street; and
 - v. permission is granted for both the Whitehaven and Egremont proposals, and a new food retailer occupies the newly vacated unit at Preston Street.

- 1.7 The Retail Addendum has considered the potential impacts of the first, third, fourth and fifth scenarios set out above. This report goes on to provide our evaluation of the additional information provided by the applicant.
- 1.8 Scenario ii above was considered in the Avison Young's representation of April 2024, but the Retail Addendum does not provide further information in this regard. For completeness, we provide our own analysis of the impacts on defined centres that would potentially arise under Scenario ii at Section 4 of this report.
- 1.9 The June 2024 appraisals also highlighted that more up-to-date data in relation to matters such as population, expenditure, sales efficiency growth rates and sales densities had been released since the original application submissions. Avison Young has taken the opportunity in its Retail Addendum to provide updated figures that are more in line with more recent data releases, and this approach is welcomed. The report goes onto identify the implications of the amended assumptions, so far as they are material to our assessment of the acceptability of the two proposals from a retail and town centre impact perspective.
- 1.10 Finally, the Retail Addendum provides Avison Young's comments in relation to a representation on the Whitehaven application proposal made by Martin Robeson Planning Practice (MRPP), on behalf of Tesco Stores Ltd, dated 4th July 2024. This report sets out our own response to the points raised in MRPP representation.

Structure of Our Report

- 1.11 Our report is therefore structured as follows:

- Section 2 confirms our agreement with the applicant's updated assumptions in relation to the assessment of quantitative impacts;
- Section 3 provides our review of Avison Young's updated quantitative assessment of the convenience trade impacts of the application proposals, including consideration of both the solus and cumulative of the two schemes and the potential implications of a food retailer reoccupying the existing Aldi unit at Preston Street;
- Section 4 sets out our own consideration of the likely impact on the vitality and viability of nearby centres in the event that permission is granted for the Whitehaven proposal only, and a new food retailer occupies the newly vacated Preston Street unit;
- Section 5 responds to the MRPP representation of July 2024; and
- Section 6 summarises our conclusions in respect of the compliance of the application proposals with retail and town centre policy, and our recommendations in respect of the Council's consideration of the application.

2. Updated Assumptions for Assessment of Quantitative Impacts

- 2.1 Our appraisal reports of June 2024 highlighted that a number of the principal inputs and assumptions relied upon by Avison Young no longer reflected the most up-to-date data available due to subsequent releases by Experian and GlobalData, or were otherwise not reflective of our preferred approach to the quantitative assessment of retail impacts.
- 2.2 The Retail Addendum therefore takes the opportunity to update some of these key assumptions. We are broadly in agreement that the revised figures represent a more robust basis for the impact assessment and set out our detailed comments on relevant matters below.

Assessment Period

- 2.3 We concur with Avison Young that 2024 and 2027 constitute more realistic base and test years for the purposes of the impact assessment, given the passage of time since the original application submissions and the likely timeframes for the two developments to achieve a 'mature' trading pattern.

Baseline Position

- 2.4 The population, expenditure and sales efficiency growth rates used by the applicant now reflect Experian Location Analyst data of July 2024 and Experian's Retail Planner Briefing Note 21 of February 2024. These are the latest available data and we are satisfied with this approach in principle, subject to the detailed observations set out in Section 3 of this report.

Turnovers of the Application Proposals

- 2.5 The anticipated turnovers of the application proposals set out in Avison Young's Retail Addendum of September 2024 are lower than both the estimates put forward in the applicant's Planning & Retail Statements of October 2023 and January 2024 and Nexus Planning's own estimates as identified in the appraisal reports of June 2024. There are two main reasons for the changed turnover estimates:
- i. The original submission material erroneously included checkouts and packing areas as part of the proposed 'retail space'. In fact, only the selling areas of the proposed foodstores should have been included, in order to align with the definition of 'retail space' utilised in GlobalData's most recent sales density dataset of 2023. Accordingly, the Retail Addendum reduces the net sales areas in respect of both proposals, which in turn leads to lower turnovers.
 - ii. The convenience sales density utilised in the Retail Addendum (£11,914 per sq.m) now reflects the most recent GlobalData estimates of 2023, which is higher than the lower 2022 estimate previously employed. However, given the extent of the reduction in floorspace, the estimated convenience turnovers for the proposals are still lower than those employed in both the original application submissions and Nexus' appraisal reports.
- 2.6 In respect of the first consideration, we agree that the revised approach to calculating the 'retail space' aligns with GlobalData's methodology, and that an average sales density of £11,914 per sq.m is robust and appropriate for Aldi.
- 2.7 Regarding the second consideration, GlobalData is Nexus Planning's preferred source of grocers' sales densities and the 2023 dataset is the latest available.

- 2.8 We agree with the principle of both of the changes set out above that Avison Young has made in its methodology for calculating the turnovers of the proposals.

3. Review of Updated Assessment of Convenience Trade Impacts

- 3.1 As set out in our appraisal reports of June 2024, due to the nature of the comparison goods floorspace proposed in both applications and its limited turnover, we believe it to be clear that there would be no significant adverse impact arising from the comparison goods floorspace, subject to the convenience goods floorspace being acceptable.
- 3.2 Our appraisal of Avison Young's Retail Addendum therefore concentrates on the trade diversion impacts associated with the proposed convenience floorspace.

Turnovers of the Application Proposals and Potential Foodstore in Vacated Aldi Unit

- 3.3 **Table 1a** of Appendix 1 in the Retail Addendum sets out the applicant's estimated turnover for the proposed new Aldi store at Preston Street, Whitehaven of £10.99m at 2027, with reference to the benchmark sales density for Aldi supplied by GlobalData 2023 and projected forwards using the forecast sales densities set out in Experian's Retail Planner Briefing Note 21 of February 2024.
- 3.4 While this approach would usually be appropriate, paragraphs 4.30 to 4.35 of our appraisal report on the Whitehaven application make it clear that, in practice, we believe that this proposal would trade at well above the company average.
- 3.5 The 2020 household survey of residents of West Cumbria found that the existing Aldi store on Preston Street was trading at approximately 284% of the company benchmark, and there is little evidence to suggest that shopping patterns will have changed dramatically over the intervening period. Given the proximity of the Whitehaven application site on Preston Street to the existing store, we anticipate that the new store will retain all of the turnover identified in the survey, together with an uplift associated with the additional floorspace at the newer, bigger store.
- 3.6 Using the updated population and expenditure figures provided by Avison Young, our survey-derived estimated convenience turnover for the existing Aldi store in Whitehaven at 2027 is £24.24m.
- 3.7 **Table 1b** of the Retail Addendum shows the applicant's anticipated turnover associated with the uplift in sales floorspace as a result of the new store. Accounting for the changes in how the net sales area of the application proposals is calculated, in order to ensure consistency with GlobalData's methodology, Avison Young states that the uplift in sales floorspace at the new store will equate to 326 sq.m, with an 80%/20% split between convenience and comparison goods, resulting in 261 sq.m of new convenience floorspace and 65 sq.m of new comparison floorspace.
- 3.8 Applying GlobalData's most recent average sales density for Aldi and adjusting in accordance with the sales efficiency growth rates set out in Figure 4a of Experian's Retail Planner Briefing Note 21, Avison Young estimates that the uplift in convenience turnover associated with the proposed store in Whitehaven will be £3.12m at 2027.
- 3.9 We confirm our acceptance of Avison Young's methodology and assumptions with regard to calculating the uplift in convenience turnover that would arise as a result of the Whitehaven proposal.
- 3.10 As a consequence, Table 3.1a identifies our own estimate of the convenience turnover of the proposed foodstore in Whitehaven at 2027, which represents a combination of the turnover retained from the existing store and the uplift in turnover generated by the additional floorspace. Thus, we anticipate that the new Aldi at Preston Street would have a convenience goods turnover of around £27.36m at 2027.

Table 3.1a: Nexus Planning Estimate of Convenience Goods Turnover of Proposal at Preston Street, Whitehaven

| Scheme | Net Uplift in Convenience Goods Sales Area (sq.m) | Convenience Sales Density at 2024 (£ per sq.m) | Uplift in Convenience Turnover at 2024 (£m) | Uplift in Convenience Turnover at 2027 (£m) | Retained Turnover of Existing Aldi Store at 2027 (£m) | Total Convenience Turnover of Proposal at 2027 (£m) |
|---|---|--|---|---|---|---|
| Proposed Aldi at Preston Street, Whitehaven | 261 | 11,913 | 3.11 | 3.12 | 24.24 | 27.36 |

3.11 This is significantly higher than the applicant's convenience turnover estimate, which equates to the £10.99m set out at its Table 1a together with the £3.12m set out at its Table 1b. Paragraph 3.3 of the Retail Addendum states that the proposed new Whitehaven store would have a convenience turnover of £12.18m in 2027, although the actual sum of these figures is £14.11 m.

3.12 In practice, however, this difference is not material to our findings because:

- Avison Young's subsequent assessment of solus trade diversion impacts of the Whitehaven proposal (as set out in its Tables 6 to 8) solely considers the uplift in floorspace;
- its assessment of cumulative impacts (Tables 12 and 13 of the Retail Addendum) assumes a convenience turnover for the expanded Whitehaven store of £26.25m at 2027, which is similar enough to our own estimate to cause no significant differences in the percentage trade impact findings; and because
- in any event, we have produced our own estimates of the likely cumulative trade diversion impacts of the application proposals.

3.13 **Table 1c** then sets out the applicant's revised estimate of the potential turnover of a new foodstore operator occupying the vacated existing Aldi premises on Preston Street. The table shows a net convenience floorspace of 756 sq.m, which has reduced from the original figure of 827 sq.m, due to the aforementioned differences in the calculation of net sales area space.

3.14 The applicant estimates that a new foodstore would have a convenience sales density of £9,148 sq.m. Paragraph 3.7 of the Retail Addendum states that this figure represents an average of the three main retailers not currently represented in Whitehaven, these being Lidl, M&S and Farmfoods. GlobalData's 2023 dataset provides sales density estimates for Lidl and M&S, although not for Farmfoods. Nonetheless, we consider that the applicant's estimate, of £9,148 per sq.m, is reasonable given the likely convenience occupiers of the unit in the event that Aldi vacates.

3.15 Thus, applying this turnover to the quantum of floorspace identified and again accounting for Experian's latest sales efficiency growth projections, Avison Young's estimated convenience turnover for the proposed foodstore at 2027 amounts to £6.93m. We consider that this represents a reasonable estimate.

3.16 Finally, Avison Young's **Table 1d** provides its estimate of the turnover of the proposed Aldi supermarket at East Road/Wyndam Place in Egremont.

3.17 As with Tables 1a to 1c, the quantum of proposed net convenience floorspace has been revised downwards to reflect the GlobalData methodology for calculating retail space, this time from 1,126 sq.m to 979 sq.m. Again using GlobalData's average sales density figure for Aldi and Experian's sales efficiency growth projections, the applicant estimates that the Egremont store would have a turnover of £11.70m in 2027.

- 3.18 We find this assumed convenience goods turnover for the Egremont store to be robust and reflective of the most up-to-date information available.

Baseline Position

- 3.19 As was the case in its original Planning & Retail Statements of October 2023 and January 2024, Avison Young has derived the turnover of existing stores within the catchment of the application proposals with reference to the West Cumbria Retail, Town Centres and Leisure Study of August 2020 ('the Retail Study') and its subsequent 2021 Update ('the Update'), both undertaken by Nexus Planning.
- 3.20 We continue to consider that the Retail Study base data is appropriate in this instance, given the nature of the proposals, the locations of existing destinations, and the fact that there has been little change since the time of the Study that will have significantly altered shopping patterns in the area.
- 3.21 For its **Tables 2a to 2d**, the applicant has again taken the opportunity to source up-to-date population and per capita expenditure data from an Experian Location Analyst report of July 2024. These figures show that the population for the relevant zones of the West Cumbria Study Area (Zones 6 and 7) is forecast to decrease slightly from 54,364 people in 2024 to 53,701 by the test year of 2027. Similarly, the total available convenience expenditure within these zones is anticipated to fall marginally from £127.77m in 2024 to £124.76m in 2027.
- 3.22 In its **Tables 3 to 5**, the applicant estimates the turnover of existing stores in the catchment area at the base year of 2024 and the design year of 2027 by applying Experian's forecasts in respect of changes in the future sales efficiency of convenience goods floorspace to the baseline trading position of stores identified in the 2020 Retail Study and 2021 Update. The forecast growth rates are derived from Experian Retail Planner Briefing Note 21.
- 3.23 We can therefore confirm that Avison Young has used the latest available data and growth forecasts, and that its estimates of the existing turnovers of the relevant destinations accord with our own survey-derived estimates.

Patterns of Solus Convenience Goods Trade Diversion

Assessment of the Solus Impacts of the Proposal at Preston Street, Whitehaven

- 3.24 **Tables 6 to 8** of the Retail Addendum of September 2024 provide the applicant's assessment of the likely solus convenience trade diversion impacts of the uplift in floorspace in relation to the Whitehaven proposal. The analysis assumes that no new food retailer occupies the resulting newly vacated unit at Preston Street, which reflects the first scenario set out in paragraph 1.6 of this report.
- 3.25 The applicant's **Table 6** refers to the Zones 6 (Whitehaven) and 7 (Egremont) used in the Retail Study and Update. The table suggests that:
- 90% of the trade drawn to the additional floorspace at the proposed new store would be from Zone 6;
 - the remaining 10% of trade would be drawn from Zone 7; and that
 - no allowance has been made for inflow from beyond these areas.
- 3.26 The Retail Addendum confirms that these assumptions mirror those made in the original Planning & Retail Statement of October 2023. We recognise that this is a matter of professional judgement, as highlighted by Avison Young in paragraph 3.23 of the Addendum.

3.27 However, our own view is that the Whitehaven proposal, if developed on its own, would likely draw more than 10% of its trade from Zone 7. Paragraphs 4.42 and 4.43 of our appraisal report of June 2024 set out the rationale for this conclusion, as follows:

‘We consider that the estimated trade draw from Zone 7 is unrealistically low, given the high rates of expenditure leakage from Zone 7 to destinations in Zone 6 recorded by the 2020 household survey. We are aware of Aldi’s concurrent proposal for a new foodstore at East Road in Egremont (reference: 4/24/2044/0F1), which is the subject of a separate appraisal report by Nexus Planning of June 2024, and which would likely result in a much-increased level of convenience expenditure retention in Zone 7. However, the Egremont application is not yet determined and therefore does not represent a commitment for the purposes of assessing the solus impacts of the proposal at Preston Street in Whitehaven.

‘The survey-derived shopping patterns set out in the 2020 Study and 2021 Update show that the existing Aldi store on Preston Street achieves a market share of 26.0% of the main grocery shopping trips of residents of Zone 7. Thus, we consider that as much as 15% of the trade drawn to the application proposal, which will lie just 200m from the current store, could realistically be drawn from Zone 7.’

3.28 Nonetheless, in any event, Tables 7 and 8 of Avison Young’s Retail Addendum, which show the applicant’s trade draw allocation and convenience goods trade impact estimates, actually employ slightly different trade draw assumptions to those set out in its Table 6, as follows:

- 87.5% of trade is shown to be drawn from Zone 6;
- 9.2% of trade is shown to be drawn from Zone 7; and
- 2.8% of trade is shown to be ‘inflow’ drawn from beyond Zones 6 and 7.

3.29 Overall, the differences are small and not material to Avison Young’s overall conclusions in respect of the solus convenience trade diversion impacts of the Whitehaven proposal. However, for robustness and to reflect our own planning judgement that the Whitehaven store, if developed on its own, would draw a higher proportion of trade from Zone 7, we set out our own sensitivity analysis of the potential solus convenience trade diversion impacts of the proposal at Table 4.1a overleaf.

3.30 Table 4.1a is an update of Table 4.3 from our June 2024 appraisal report on the proposal at Preston Street, Whitehaven. It assumes that the vacated Aldi unit will not be occupied by a new food retailer. Instead, it considers the potential impacts if the unit remains vacant or is reoccupied by a comparison retailer or for another land use. This scenario reflects ‘Sensitivity 2’ in the applicant’s representation of April 2024.

3.31 The table confirms our judgement that the proposal is likely to compete primarily against ‘main’ food shopping destinations, and particularly against the existing edge-of-centre Tesco, Asda and Iceland stores in Whitehaven. This approach is consistent with the ‘like affects like’ principle enshrined in paragraph 015 of the Town Centres and Retail PPG.

3.32 As set out in our June 2024 appraisal, the 2020 Retail Study and 2021 Update found that the existing supermarkets in Whitehaven substantially overtrade, with leakage from Zone 7 in particular being exceptionally high. We consider that none of the identified stores identified in Table 4.1a are likely to close as a result of a permission for the Whitehaven application proposal on its own. In any event, the majority of the supermarkets serving Whitehaven are edge of centre and therefore do not benefit from policy protection.

3.33 Similarly, we do not believe that the identified level of impact identified would lead to the closure of the Co-op, or any other existing retailer, in Egremont town centre. The Co-op store trades strongly and will also experience spin-off benefits such as enhanced footfall generated by the proposed edge-of-centre supermarket.

3.34 With regard to the other, smaller foodstores in the identified centres, there is limited overlap between the proposed discount foodstore and their more specialist and/or top-up shopping offers.

Table 4.1a: Nexus Planning estimates of solus convenience goods trade diversion and impact arising from the Whitehaven proposal, with no new foodstore in the vacated unit at Preston Street (Update to Table 4.3 of June 2024 Appraisal Report)

| Location | Turnover at 2024 in 'No Development' Scenario (£m) | Turnover at 2027 in 'No Development' Scenario (£m) | Estimated Convenience Goods Trade Diversion (%) | Diversion at 2027 (£m) | Post-Development Turnover in 2027 (£m) | Impact (%) |
|--|--|--|---|------------------------|--|--------------|
| Zone 6 | | | | | | |
| Whitehaven Town Centre | | | | | | |
| Morrisons, Flatt Walks, Whitehaven | 38.8 | 37.9 | 37.0% | 1.2 | 36.8 | -3.0% |
| Whitehaven Edge-of-Centre | | | | | | |
| Tesco Superstore, Bransty Row, North Shore, Whitehaven | 27.4 | 26.8 | 38.5% | 1.2 | 25.6 | -4.5% |
| Iceland, Preston Street, Whitehaven | 1.7 | 1.6 | 3.0% | 0.1 | 1.6 | -5.7% |
| Home Bargains, Preston Street, Whitehaven, CA28 9DL | 0.5 | 0.5 | | | | |
| Asda, Preston Street, Whitehaven | 4.2 | 4.1 | 5.0% | 0.2 | 3.9 | -3.8% |
| Aldi, Preston Street, Whitehaven (CLOSED) | 24.8 | 24.2 | | | | |
| Whitehaven Sub-Total | 97.4 | 95.2 | 83.5% | 2.6 | 92.5 | -2.7% |
| Cleator Moor Key Service Centre | | | | | | |
| Local Shops, Cleator Moor Town Centre | 0.0 | 0.0 | 0.0% | 0.0 | 0.0 | 0.0% |
| Cleator Moor Edge-of-Centre | | | | | | |
| Co-op, Leconfield Street, Cleator Moor | 6.9 | 6.8 | 1.5% | 0.0 | 6.7 | -0.7% |
| Cleator Moor Sub-Total | 6.9 | 6.8 | 1.5% | 0.0 | 6.7 | -0.7% |
| ZONE 6 SUB-TOTAL | 104.3 | 101.9 | 85.0% | 2.7 | 99.3 | -2.6% |
| Zone 7 | | | | | | |
| Egremont Key Service Centre | | | | | | |
| Co-op, Main Street, Egremont | 6.0 | 5.8 | 12.0% | 0.4 | 5.4 | -6.4% |
| Heron Foods, Main Street, Egremont, CA22 2DR | 2.4 | 2.3 | 3.0% | 0.1 | 2.2 | -4.0% |
| Local Shops, Egremont Town Centre | 0.5 | 0.5 | 0.0% | 0.0 | 0.5 | 0.0% |
| ZONE 7 SUB-TOTAL | 8.9 | 8.6 | 15.0% | 0.5 | 8.2 | -5.4% |
| OVERALL TOTAL | 113.2 | 110.5 | 100.0% | 3.12 | 107.4 | |

3.35 As a consequence, we consider that the solus impacts of the Whitehaven proposal on the vitality and viability of centres within its catchment are acceptable under the scenario presented in Table 4.1a (i.e. in the event that the vacated unit is not reoccupied by a convenience goods retailer).

Assessment of the Solus Impacts of the Proposal at East Street, Egremont

3.36 **Tables 9 to 11** of the Retail Addendum of September 2024 provide the applicant's assessment of the likely solus convenience trade diversion impacts of the proposed new store at East Road in Egremont.

3.37 **Table 9** confirms that Avison Young anticipates that:

- 90% of the trade drawn to the new Aldi store in Egremont (equating to £10.5m at 2027) would be from Retail Study Zone 7;
- 10% of the trade (£1.2m in 2027) would be drawn from Zone 6; and that
- no allowance has been made for inflow from beyond these areas.

3.38 This corresponds with the assumptions made in the original Planning & Retail Statement of January 2024 submitted in support of the application. As set out in our June 2024 appraisal report, we concur that these estimates reflect the likely pattern of trade draw to the proposed Egremont store if developed on its own.

3.39 However, as with the analysis for the Whitehaven proposal, the applicant's **Tables 10 and 11** actually reflect different trade draw assumptions, as follows:

- 94.2% of trade is shown to be drawn from Zone 7;
- 5.9% of trade is shown to be drawn from Zone 6; and
- no allowance has been made for inflow from beyond these zones.

3.40 Once again, therefore, for robustness and to reflect our own planning judgements in respect of trade draw, we set out our own sensitivity analysis of the potential solus convenience trade diversion impacts of the Egremont proposal at Table 4.2a overleaf.

3.41 Table 4.2a is an update of Table 4.3 from our June 2024 appraisal report on the proposal at East Street in Egremont. It assumes that the concurrent proposal at Whitehaven is not granted permission and therefore the existing Aldi store at Preston Street continues to trade.

3.42 Again the table reflects the 'like affects like' principle outlined in the PPG, and assumes that the Egremont proposal will compete primarily against main food shopping destinations, and particularly against the Aldi in Whitehaven. The latter would nonetheless continue to trade well above the company benchmark.

3.43 We consider that none of the identified stores is likely to close as a result of a permission for the application proposal, and the increased expenditure retention within Zone 7 is a benefit weighing in favour of the proposal in the planning balance. In any event, the majority of the supermarkets serving Whitehaven are edge of centre and therefore do not benefit from policy protection.

3.44 Given its proximity to the application site and ability to support some main food shopping trips, around 8% of the proposal's trade is anticipated to be drawn from the Co-op store in Egremont (resulting in an impact of approximately -16.1% at 2027). However, this store trades strongly and will also experience spin-off benefits such as enhanced footfall generated by the proposed edge-of-centre supermarket.

3.45 We also consider it unlikely that the level of trade diversion estimated would lead to the closure of the other smaller foodstores in either Egremont or Cleator Moor Key Service Centres, given the lack of overlap between the proposed discount foodstore and their more specialist and/or top-up shopping offers.

3.46 It should also be noted that Egremont has only limited provision in respect of main food shopping destinations, and the application proposal will provide a moderate beneficial impact in supporting a discount operator within the settlement. This increased consumer choice should be afforded some weight in the decision-making process.

Table 4.2a: Nexus Planning estimates of solus convenience goods trade diversion and impact arising from the Egremont proposal, with no permission for the Whitehaven Proposal (Update to Table 4.3 of June 2024 Appraisal Report)

| Location | Turnover at 2024 in 'No Development' Scenario (£m) | Turnover at 2027 in 'No Development' Scenario (£m) | Estimated Convenience Goods Trade Diversion (%) | Diversion at 2027 (£m) | Post-Development Turnover in 2027 (£m) | Impact (%) |
|--|--|--|---|------------------------|--|---------------|
| Zone 6 | | | | | | |
| Whitehaven Town Centre | | | | | | |
| Morrisons, Flatt Walks, Whitehaven | 38.8 | 37.9 | 15.0% | 1.8 | 36.2 | -4.6% |
| Whitehaven Edge-of-Centre | | | | | | |
| Tesco Superstore, Bransty Row, North Shore, Whitehaven | 27.4 | 26.8 | 11.5% | 1.3 | 25.4 | -5.0% |
| Iceland, Preston Street, Whitehaven | 1.7 | 1.6 | 2.0% | 0.2 | 1.4 | -14.2% |
| Home Bargains, Preston Street, Whitehaven, CA28 9DL | 0.5 | 0.5 | 0.5% | 0.1 | 0.4 | -12.1% |
| Asda, Preston Street, Whitehaven | 4.2 | 4.1 | 1.0% | 0.1 | 4.0 | -2.9% |
| Aldi, Preston Street, Whitehaven | 24.8 | 24.2 | 55.0% | 6.4 | 17.8 | -26.6% |
| Whitehaven Sub-Total | 97.4 | 95.2 | 85.0% | 9.9 | 85.2 | -10.5% |
| | | | | | | |
| Cleator Moor Key Service Centre | | | | | | |
| Local Shops, Cleator Moor Town Centre | 0.0 | 0.0 | 0.0% | 0.0 | 0.0 | 0.0% |
| Cleator Moor Edge-of-Centre | | | | | | |
| Co-op, Leconfield Street, Cleator Moor | 6.9 | 6.8 | 5.0% | 0.6 | 6.2 | -8.6% |
| Cleator Moor Sub-Total | 6.9 | 6.8 | 5.0% | 0.6 | 6.2 | -8.6% |
| | | | | | | |
| ZONE 6 SUB-TOTAL | 104.3 | 101.9 | 90.0% | 10.5 | 91.4 | -10.3% |
| Zone 7 | | | | | | |
| Egremont Key Service Centre | | | | | | |
| Co-op, Main Street, Egremont | 6.0 | 5.8 | 8.0% | 0.9 | 4.9 | -16.1% |
| Heron Foods, Main Street, Egremont, CA22 2DR | 2.4 | 2.3 | 2.0% | 0.2 | 2.1 | -10.1% |
| Local Shops, Egremont Town Centre | 0.5 | 0.5 | 0.0% | 0.0 | 0.5 | 0.0% |
| | | | | | | |
| ZONE 7 SUB-TOTAL | 8.9 | 8.6 | 10.0% | 1.2 | 7.5 | -13.6% |
| OVERALL TOTAL | 113.2 | 110.5 | 100.0% | 11.70 | 98.8 | |

Patterns of Cumulative Convenience Goods Trade Diversion

3.47 Table 12 of Avison Young's Retail Addendum shows the applicant's estimates of the cumulative impacts of the two proposals with no foodstore in the vacated Aldi store in Whitehaven.

- 3.48 Paragraph 3.34 of the Retail Addendum states that, in the scenario, the two stores would compete with each other, resulting in lower convenience goods trade diversions from the existing provision both in Whitehaven and from locations in Zone 7.
- 3.49 We concur that, in the event that both application proposals are approved and implemented, the two new Aldi stores will compete with one another, resulting in lower individual turnovers compared to if each store were developed independently.
- 3.50 The usual approach to quantitative assessments of cumulative impact, if two stores are being developed, is to reduce their combined turnovers to no more than (typically) 85% or 90% of the standalone turnover. However, in this specific case, we agree with the applicant that, due to the significant leakage of convenience expenditure from Zone 7 (Egremont) to Zone 6 (Whitehaven) observed in the Retail Study, the Egremont store is likely to 'clawback' a greater proportion of its turnover from the expanded Whitehaven store than vice versa.
- 3.51 Our own estimates of cumulative impacts of the two proposals with no foodstore in the vacated Preston Street unit is set out in Table 4.3a overleaf, and reflects our own assumptions with respect to the likely patterns of convenience trade draw.
- 3.52 In order to reflect the fact that the Egremont store would have a lower turnover if developed in tandem with the expanded Whitehaven store, rather than if it were developed alone, Table 4.3a reduces the anticipated turnover at 2027 to 90% of the company benchmark, i.e. to £10.53m at 2027.
- 3.53 Table 4.3a assumes that a large proportion of the Egremont store's turnover, as much as 55.0%, would be drawn from the expanded Aldi store. This would equate to a convenience goods trade diversion of £5.8m at 2027, which would reduce the turnover of the Whitehaven application proposal at 2027 from £27.4 to £21.6m (a reduction of 21.2%). Notably, however, even with this level of trade diversion, the store would continue to trade well above the company benchmark of approximately £11.0m (using Avison Young's estimate in its Table 1a).
- 3.54 We would anticipate that, if both foodstores were developed, more local convenience goods expenditure would be retained within Zone 7. This is reflected in the third column of the table, which estimates that the expanded Whitehaven store would draw much lower proportions of trade from Zone 7 that if it were to be developed solus.
- 3.55 Although a newer and bigger store will no doubt be attractive to shoppers, due to the fact that the Whitehaven application proposal would lie just 200m from the existing Aldi on Preston Street, we have assumed that the patterns of convenience trade diversion to the Egremont proposal will be very similar to what would prevail in the event that the current store were to remain in situ (as set out in Table 4.2a above).
- 3.56 Once again, the impacts of the proposals would fall mainly on out-of-centre stores that do not benefit from policy protection, and we do not believe that the level of trade diversion anticipated would amount to a significant adverse impact on the vitality and viability of any defined centre. The scenario identified in Table 4.3a would actually lead to a slightly reduced impact on stores in Egremont Key Service Centre, largely due to the reduction in the turnover of the proposed Aldi at East Road in Egremont as a result of the concurrent development of the expanded Whitehaven store.

Table 4.3a: Nexus Planning estimates of cumulative convenience goods trade diversion and impact arising from both proposals, with no foodstore in the vacated unit at Preston Street

| | | New Aldi in Whitehaven | | New Aldi in Egremont | | Cumulative Impacts | | |
|--|-----------------------|---|--|---|--|---|--|-------------------------------|
| Location | Turnover at 2027 (£m) | Estimated Convenience Goods Trade Diversion to New Aldi in Whitehaven (%) | Diversion at 2027 to New Aldi in Whitehaven (£m) | Estimated Convenience Goods Trade Diversion to New Aldi in Egremont (%) | Diversion at 2027 to New Aldi in Egremont (£m) | Cumulative Convenience Goods Trade Diversion at 2027 (£m) | Post Cumulative Impact Turnover at 2027 (£m) | Cumulative Impact at 2027 (%) |
| Zone 6 | | | | | | | | |
| Whitehaven Town Centre | | | | | | | | |
| Morrisons, Flatt Walks, Whitehaven | 37.9 | 39.0% | 1.2 | 15.0% | 1.6 | 2.8 | 35.1 | -7.4% |
| Whitehaven Edge-of-Centre | | | | | | | | |
| Tesco Superstore, Bransty Row, North Shore, Whitehaven | 26.8 | 41.5% | 1.3 | 11.5% | 1.2 | 2.5 | 24.3 | -9.4% |
| Iceland, Preston Street, Whitehaven | 1.6 | 5.0% | 0.2 | 2.0% | 0.2 | 0.4 | 1.3 | -22.3% |
| Home Bargains, Preston Street, Whitehaven, CA28 9DL | 0.5 | | | 0.5% | 0.1 | 0.1 | 0.4 | -10.9% |
| Asda, Preston Street, Whitehaven | 4.1 | 10.0% | 0.3 | 1.0% | 0.1 | 0.4 | 3.7 | -10.2% |
| Aldi, Preston Street, Whitehaven (Turnover of Existing Store, plus Uplift) | 27.4 | | | 55.0% | 5.8 | 5.8 | 21.6 | -21.2% |
| Whitehaven Sub-Total | 98.3 | 95.5% | 3.0 | 85.0% | 9.0 | 11.9 | 86.3 | -12.1% |
| | | | | | | | | |
| Cleator Moor Key Service Centre | | | | | | | | |
| Local Shops, Cleator Moor Town Centre | 0.0 | 0.0% | 0.0 | 0.0% | 0.0 | 0.0 | 0.0 | 0.0% |
| Cleator Moor Edge-of-Centre | | | | | | | | |
| Co-op, Leconfield Street, Cleator Moor | 6.8 | 1.5% | 0.0 | 5.0% | 0.5 | 0.6 | 6.2 | -8.5% |
| Cleator Moor Sub-Total | 6.8 | 1.5% | 0.0 | 5.0% | 0.5 | 0.6 | 6.2 | -8.5% |
| | | | | | | | | |
| ZONE 6 SUB-TOTAL | 105.0 | 97.0% | 3.0 | 90.0% | 9.5 | 12.5 | 92.5 | -11.9% |
| Zone 7 | | | | | | | | |
| Egremont Key Service Centre | | | | | | | | |
| Co-op, Main Street, Egremont | 5.8 | 2.0% | 0.1 | 8.0% | 0.8 | 0.9 | 4.9 | -15.6% |
| Heron Foods, Main Street, Egremont, CA22 2DR | 2.3 | 1.0% | 0.0 | 2.0% | 0.2 | 0.2 | 2.1 | -10.4% |

| | | | | | | | | |
|-----------------------------------|--------------|---------------|-------------|---------------|--------------|--------------|--------------|---------------|
| Local Shops, Egremont Town Centre | 0.5 | 0.0% | 0.0 | 0.0% | 0.0 | 0.0 | 0.5 | 0.0% |
| | | | | | | 0 | 0 | 0.0% |
| ZONE 7 SUB-TOTAL | 8.6 | 3.0% | 0.1 | 10.0% | 1.1 | 1.1 | 7.5 | -13.3% |
| OVERALL TOTAL | 113.7 | 100.0% | 3.12 | 100.0% | 10.53 | 13.65 | 100.0 | |

- 3.57 **Table 13** of the Retail Addendum sets out Avison Young's estimated convenience trade diversion impacts in the scenario that the two application proposals are developed together with a new foodstore in the vacated Preston Street unit.
- 3.58 As set out above, the applicant's assessment reflects the fact that the three major main food retailers not currently represented in Whitehaven are Lidl, M&S and Farmfoods. These retailers, or a similar independent operator, therefore represent likely occupiers for the Preston Street unit. We concur with the applicant's judgement that such an operator would principally compete with other main food shopping destinations across Zones 6 and 7.
- 3.59 Nonetheless, our own judgements as to the likely patterns of convenience trade draw differ to the applicant's. As a consequence, Table 4.4a overleaf sets out our own assumptions with respect to the likely patterns of convenience trade draw and the cumulative convenience trade diversion impacts of the three potential foodstores.
- 3.60 In order to reflect the impacts of the three foodstores on each other, for the purposes of Table 4.4a the turnover of the Egremont proposal has been reduced further, to 85% of the company benchmark (i.e. to £9.95m in 2027), and the turnover of the new food retailer at Preston Street has been reduced to 85% of the standalone figure (i.e. to £5.89m in 2027).
- 3.61 Given its proximity to the expanded Aldi that forms the Whitehaven application proposal, the new foodstore is anticipated to draw a substantial proportion of its turnover from this destination (equating to 40.0%, or £2.5m in 2027). In combination with the Egremont proposal, this level of impact would reduce the convenience turnover of the proposed larger Aldi store by 28.6%, to £19.5m at 2027. Due to the levels of overtrading in Whitehaven recorded by the Retail Study, however, the Whitehaven application proposal would still trade at well above the company benchmark of approximately £11.0m.
- 3.62 As in the other scenarios modelled, the main impacts would fall on the out-of-centre stores which do not benefit from policy protection. The highest percentage convenience trade diversion from an individual store would amount to an estimated 16.8% (equating to £1.0m at 2027).
- 3.63 As outlined in full in our appraisal report on the Egremont proposal of June 2024, Egremont Key Service Centre as a whole performs moderately well, and the Co-op in particular trades strongly, attracting a high level of footfall. Moreover, the Egremont application scheme is likely to lead to spin-off benefits in the form of increased expenditure retention and linked trips, which will benefit the wider centre. Given this context, we do not anticipate that the cumulative impacts of the three potential foodstores would lead to the closure of the Co-op, nor would they result in a significant adverse impact on the overall vitality and viability of Egremont Key Service Centre.
- 3.64 Similarly, we do not consider that the identified convenience goods trade diversion from the Morrisons at Flatt Walks in Whitehaven Town Centre (of 10.7% or £4.1m at 2027) would lead to a closure of that store, nor cause a significant adverse impact on the vitality and viability of the centre as a whole.

Table 4.4a: Nexus Planning estimates of cumulative convenience goods trade diversion and impact arising from both proposals, with a new foodstore in the vacated unit at Preston Street

| | | New Aldi in Whitehaven | | New Aldi in Egremont | | New Foodstore in former Aldi Unit at Preston Street | | Cumulative Impacts | | |
|--|-----------------------|---|--|---|--|--|---|---|--|-------------------------------|
| Location | Turnover at 2027 (£m) | Estimated Convenience Goods Trade Diversion to New Aldi in Whitehaven (%) | Diversion at 2027 to New Aldi in Whitehaven (£m) | Estimated Convenience Goods Trade Diversion to New Aldi in Egremont (%) | Diversion at 2027 to New Aldi in Egremont (£m) | Estimated Convenience Goods Trade Diversion to New Foodstore (%) | Diversion at 2027 to New Foodstore (£m) | Cumulative Convenience Goods Trade Diversion at 2027 (£m) | Post Cumulative Impact Turnover at 2027 (£m) | Cumulative Impact at 2027 (%) |
| Zone 6 | | | | | | | | | | |
| Whitehaven Town Centre | | | | | | | | | | |
| Morrisons, Flatt Walks, Whitehaven | 37.9 | 39.0% | 1.2 | 15.0% | 1.5 | 23.0% | 1.4 | 4.1 | 33.9 | -10.7% |
| Whitehaven Edge-of-Centre | | | | | | | | | | |
| Tesco Superstore, Bransty Row, North Shore, Whitehaven | 26.8 | 41.5% | 1.3 | 11.5% | 1.1 | 23.0% | 1.4 | 3.8 | 23.0 | -14.2% |
| Iceland, Preston Street, Whitehaven | 1.6 | 5.0% | 0.2 | 2.0% | 0.2 | 2.0% | 0.1 | 0.5 | 1.2 | -28.7% |
| Home Bargains, Preston Street, Whitehaven, CA28 9DL | 0.5 | | | 0.5% | 0.0 | | 0.0 | 0.0 | 0.4 | -10.3% |
| Asda, Preston Street, Whitehaven | 4.1 | 10.0% | 0.3 | 1.0% | 0.1 | 8.0% | 0.5 | 0.9 | 3.2 | -21.6% |
| Aldi, Preston Street, Whitehaven (Turnover of Existing Store, plus Uplift) | 27.4 | | | 55.0% | 5.5 | 40.0% | 2.4 | 7.8 | 19.5 | -28.6% |
| Whitehaven Sub-Total | 98.3 | 95.5% | 3.0 | 85.0% | 8.5 | 96.0% | 5.7 | 17.1 | 81.2 | -17.4% |
| | | | | | | | | | | |
| Cleator Moor Key Service Centre | | | | | | | | | | |
| Local Shops, Cleator Moor Town Centre | 0.0 | 0.0% | 0.0 | 0.0% | 0.0 | 0.0% | 0.0 | 0.0 | 0.0 | 0.0% |
| Cleator Moor Edge-of-Centre | | | | | | | | | | |
| Co-op, Leconfield Street, Cleator Moor | 6.8 | 1.5% | 0.0 | 5.0% | 0.5 | 1.0% | 0.1 | 0.6 | 6.2 | -8.9% |
| Cleator Moor Sub-Total | 6.8 | 1.5% | 0.0 | 5.0% | 0.5 | 1.0% | 0.1 | 0.6 | 6.2 | -8.9% |
| | | | | | | | | | | |
| ZONE 6 SUB-TOTAL | 105.0 | 97.0% | 3.0 | 90.0% | 9.0 | 97.0% | 5.7 | 17.7 | 87.3 | -16.8% |

| Zone 7 | | | | | | | | | | |
|--|--------------|---------------|-------------|---------------|-------------|---------------|-------------|-------------|-------------|---------------|
| Egremont Key Service Centre | | | | | | | | | | |
| Co-op, Main Street, Egremont | 5.8 | 2.0% | 0.1 | 8.0% | 0.8 | 2.0% | 0.1 | 1.0 | 4.8 | -16.8% |
| Heron Foods, Main Street, Egremont, CA22 2DR | 2.3 | 1.0% | 0.0 | 2.0% | 0.2 | 1.0% | 0.1 | 0.3 | 2.0 | -12.5% |
| Local Shops, Egremont Town Centre | 0.5 | 0.0% | 0.0 | 0.0% | 0.0 | 0.0% | 0.0 | 0.0 | 0.5 | 0.0% |
| | | | | | | | 0.0 | 0.0 | 0.0 | 0.0% |
| ZONE 7 SUB-TOTAL | 8.6 | 3.0% | 0.1 | 10.0% | 1.0 | 3.0% | 0.2 | 1.3 | 7.4 | -14.7% |
| OVERALL TOTAL | 113.7 | 100.0% | 3.12 | 100.0% | 9.95 | 100.0% | 5.89 | 19.0 | 94.7 | |

Conclusions on Updated Assessment of Convenience Trade Impacts

- 3.65 The applicant's Retail Addendum of September 2024 provides its updated assessment of the solus and cumulative convenience trade diversion impacts that would arise as a result of four of the five scenarios outlined in paragraph 1.6 of this report, i.e.
- permission is granted for the Whitehaven proposal only, and no new food retailer occupies the newly vacated unit at Preston Street;
 - permission is granted for the Egremont proposal only, and the existing Aldi in Whitehaven continues to trade;
 - permission is granted for both the Whitehaven and Egremont proposals, and no new food retailer occupies the newly vacated unit at Preston Street; and
 - permission is granted for both the Whitehaven and Egremont proposals, and a new food retailer occupies the newly vacated unit at Preston Street.
- 3.66 We have examined the applicant's updated assessment in detail, and provided our own estimates of the impacts on existing stores and centres to reflect our own professional judgements with regard to matters such as the likely patterns of trade draw.
- 3.67 The West Cumbria Retail, Town Centres and Leisure Study of August 2020 and its subsequent 2021 Update found that the existing Aldi store at Preston Street and the other supermarkets in Whitehaven substantially overtrade, with leakage from Zone 7 in particular being exceptionally high.
- 3.68 Both application proposals, and the potential new foodstore in the vacated Preston Street unit, are anticipated to compete primarily with the main grocery shopping destinations in the catchment, and particularly against the existing Tesco, Asda and Iceland stores in Whitehaven.
- 3.69 We consider that none of the identified stores is likely to close as a result of any of the scenarios modelled in the Retail Addendum and Section 3 of this report. In any event, the majority of the supermarkets serving Whitehaven are edge of centre and therefore do not benefit from direct policy protection.
- 3.70 The primary in-centre destination in Whitehaven that would experience a material level of convenience trade diversion is the Morrisons at Flatt Walks. We consider that neither this store, nor the town centre as a whole, would be significantly adversely affected by the solus development of either application proposal, or by the combination of both schemes with or without a foodstore in the vacated Preston Street unit.
- 3.71 Similarly, we do not believe that the identified level of impact identified would lead to the closure of the Co-op, or any other existing retailer, in Egremont Key Service Centre. The Co-op store trades strongly and will also experience spin-off benefits such as enhanced footfall generated by the proposed edge-of-centre supermarket.
- 3.72 With regard to the other, smaller foodstores in the identified centres, there is limited overlap between the proposed discount foodstore and their more specialist and/or top-up shopping offers, so that the impacts of the proposals in any scenario are not anticipated to be material.
- 3.73 As a consequence, we consider that the solus and cumulative impacts of the proposals on the vitality and viability of centres within its catchment are acceptable in any of the scenarios modelled in the Retail Addendum and Section 3 of this report.

4. Scenario ii Analysis

- 4.1 Paragraph 3.38 of the Retail Addendum of September 2024 states that the ‘worst-case scenario’ with regard to the overall cumulative effects of the proposed developments is that modelled in its Table 13, which presents the potential impacts in the event that three new foodstores come forward (i.e. the Egremont application proposal, the Whitehaven application proposal, and a new convenience retailer at Preston Street).
- 4.2 In contrast, our own view is that the most significant impacts in respect of the vitality and viability of centres would arise as a result of Scenario ii set out in paragraph 1.6 of this report. Under Scenario ii, permission would be granted for the Whitehaven proposal only, and a new foodstore would occupy the newly vacated unit at Preston Street.
- 4.3 In the absence of the Egremont application proposal to clawback the significant amounts of expenditure leakage from Retail Study Zone 7 to Zone 6, the impacts of an expanded Aldi store and a new food retailer at Preston Street in Whitehaven on existing stores in Egremont Key Service Centre would be more pronounced.
- 4.4 Avison Young has previously considered the trading impacts of a situation akin to Scenario ii, labelled ‘Sensitivity 1’ and set out in Table 10 of its representation of April 2024. However, as identified in Section 2 of this report, the applicant has subsequently made numerous changes to key inputs in its quantitative impact assessment, including changes in the baseline and turnover assumptions. Moreover, our professional judgement differs from the applicant’s in respect of matters such as the likely patterns of convenience goods trade draw.
- 4.5 For completeness, therefore, Table 4.5a overleaf sets out our own estimates of the likely convenience goods trade diversion impacts under Scenario ii.
- 4.6 For the purposes of Table 4.5a, the turnover of the potential new food retailer at Preston Street has been reduced to 90% of the standalone turnover, i.e. to £6.24m at 2027, to reflect the competition with the expanded Aldi store that forms the Whitehaven application proposal. In turn, the new food retail outlet would be anticipated to draw a substantial proportion of its turnover from the new Aldi in Whitehaven, amounting to 36.0% or £2.2m.
- 4.7 Should the two foodstores in Whitehaven come forward with no new foodstore in Egremont, we anticipate that there will continue to be high levels of convenience expenditure leakage from Retail Study Zone 7 to Zone 6. This is reflected in the estimated trade diversions set out in Table 4.5a. The result will be a higher impact on destinations in Egremont Key Service Centre than under the other scenarios, as a result of increased competition from the two new retailers in Whitehaven.
- 4.8 Under Scenario ii, we estimate that £4.7m of convenience goods trade would be diverted from the Co-op in Egremont at 2027, equating to an impact of 19.3%. The estimated monetary trade diversion from the Key Service Centre as a whole would amount to £7.2m at 2027, an impact of 16.3%.
- 4.9 While these percentage convenience trade diversion figures are concerning, particularly in the absence of the spin-off benefits for the Key Service Centre that would be generated by the Egremont application proposal, we do not consider that the impact on the overall vitality and viability of the centre would meet the ‘significant adverse’ threshold for the purposes of national and local planning policy.
- 4.10 The rationale for this conclusion is the strong trading performance of the Co-op in Egremont, as observed during our fieldwork visit, and the limited overlap between the centre’s other convenience traders and the potential Whitehaven foodstores. Even in the ‘worst-case’ of Scenario ii, we do not believe that the identified level of impact would lead to the closure of the Co-op, or any other existing retailer, in Egremont town centre.

Table 4.5a: Nexus Planning estimates of convenience goods trade diversion and impact arising from the Whitehaven proposal, with a new foodstore in the vacated unit at Preston Street (Update to Table 4.4 of June 2024 Appraisal Report)

| | | New Aldi in Whitehaven | | | | New Foodstore | | | | Cumulative Trading Impact | | |
|--|-----------------------|---|------------------------|--|------------|---|------------------------|--|------------|---------------------------|--|------------|
| Location | Turnover at 2027 (£m) | Estimated Convenience Goods Trade Diversion (%) | Diversion at 2027 (£m) | Post-Development Turnover in 2027 (£m) | Impact (%) | Estimated Convenience Goods Trade Diversion (%) | Diversion at 2027 (£m) | Post-Development Turnover in 2027 (£m) | Impact (%) | Impact (£m) | Post Cumulative Impact Total Turnover from Study Area (£m) | Impact (%) |
| Zone 6 | | | | | | | | | | | | |
| Whitehaven Town Centre | | | | | | | | | | | | |
| Morrisons, Flatt Walks, Whitehaven | 37.9 | 37.0% | 1.2 | 36.8 | -3.0% | 19.0% | 1.2 | 36.8 | -3.1% | 2.3 | 35.6 | -6.2% |
| Whitehaven Edge-of-Centre | | | | | | | | | | | | |
| Tesco Superstore, Bransty Row, North Shore, Whitehaven | 26.8 | 38.5% | 1.2 | 25.6 | -4.5% | 22.0% | 1.4 | 25.4 | -5.1% | 2.6 | 24.2 | -9.6% |
| Iceland, Preston Street, Whitehaven | 1.6 | 3.0% | 0.1 | 1.6 | -5.7% | 2.0% | 0.1 | 1.5 | -7.6% | 0.2 | 1.4 | -13.3% |
| Home Bargains, Preston Street, Whitehaven, CA28 9DL | 0.5 | | | | | | | | | | 0.5 | |
| Asda, Preston Street, Whitehaven | 4.1 | 5.0% | 0.2 | 3.9 | -3.8% | 5.0% | 0.3 | 3.8 | -7.6% | 0.5 | 3.6 | -11.5% |
| Aldi, Preston Street, Whitehaven (Turnover of Existing Store, plus Uplift) | 27.4 | | | | | 36.0% | 2.2 | 25.1 | -8.2% | 2.2 | 25.1 | -8.2% |
| Whitehaven Sub-Total | 98.3 | 83.5% | 2.6 | 95.7 | -2.7% | 84.0% | 5.2 | 93.0 | -5.3% | 7.8 | 90.4 | -8.0% |
| | | | | | | | | | | | | |
| Cleator Moor Key Service Centre | | | | | | | | | | | | |
| Local Shops, Cleator Moor Town Centre | 0.0 | 0.0% | | | | 0.0% | | | | | | |
| Cleator Moor Edge-of-Centre | | | | | | | | | | | | |
| Co-op, Leconfield Street, Cleator Moor | 6.8 | 1.5% | 0.0 | 6.7 | -0.7% | 1.0% | 0.1 | 6.7 | -0.9% | 0.1 | 6.7 | -1.6% |
| Cleator Moor Sub-Total | 6.8 | 1.5% | 0.0 | 6.7 | -0.7% | 1.0% | 0.1 | 6.7 | -0.9% | 0.1 | 6.7 | -1.6% |
| | | | | | | | | | | | | |
| ZONE 6 SUB-TOTAL | 105.0 | 85.0% | 2.7 | 102.4 | -2.5% | 85.0% | 5.3 | 99.7 | -5.0% | 8.0 | 97.1 | -7.6% |

| Zone 7 | | | | | | | | | | | | |
|--|--------------|---------------|-------------|--------------|--------------|---------------|-------------|--------------|---------------|-------------|--------------|---------------|
| Egremont Key Service Centre | | | | | | | | | | | | |
| Co-op, Main Street, Egremont | 5.8 | 12.0% | 0.4 | 5.4 | -6.4% | 12.0% | 0.7 | 5.1 | -12.9% | 1.1 | 4.7 | -19.3% |
| Heron Foods, Main Street, Egremont, CA22 2DR | 2.3 | 3.0% | 0.1 | 2.2 | -4.0% | 3.0% | 0.2 | 2.1 | -8.1% | 0.3 | 2.0 | -12.1% |
| Local Shops, Egremont Town Centre | 0.5 | 0.0% | 0.0 | 0.5 | 0.0% | 0.0% | 0.0 | 0.5 | 0.0% | 0.0 | 0.5 | 0.0% |
| | | | | | | | | | | | | |
| ZONE 7 SUB-TOTAL | 8.6 | 15.0% | 0.5 | 8.2 | -5.4% | 15.0% | 0.9 | 7.7 | -10.8% | 1.4 | 7.2 | -16.3% |
| OVERALL TOTAL | 113.7 | 100.0% | 3.12 | 110.5 | | 100.0% | 6.24 | 107.4 | | 9.36 | 104.3 | |

Conclusions on Scenario ii Analysis

- 4.11 In our view, Scenario ii as set out in paragraph 1.6 of this report, under which permission would be granted for the Whitehaven proposal only and a new foodstore would occupy the newly vacated unit at Preston Street, represents the 'worst-case scenario' with respect to the potential impacts on the vitality and viability of centres.
- 4.12 In the absence of the Egremont application proposal to clawback the significant amounts of expenditure leakage from Retail Study Zone 7 to Zone 6, and the resulting spin-off benefits such as linked trips, the impacts of an expanded Aldi store and a new food retailer at Preston Street in Whitehaven on existing stores in Egremont Key Service Centre would be more pronounced.
- 4.13 Nonetheless, even under Scenario ii, we do not consider that the impact on the overall vitality and viability of the centre would meet the 'significant adverse' threshold for the purposes of national and local planning policy, due to the strong trading performance of Egremont's Co-op store and the limited overlap between the two potential Whitehaven foodstores and the Key Service Centre's smaller convenience retailers.
- 4.14 We therefore conclude that the application proposals would comply with the second part of the impact test set out in paragraph 90 of the NPPF and the requirements of Policy ER7 of the adopted development plan, under any of the five scenarios identified in paragraph 1.6 of this report.

5. Response to MRPP Objection of 4th July 2024

- 5.1 Section 4 of Avison Young's Retail Addendum comprises its response to a representation on the Whitehaven application proposal made by Martin Robeson Planning Practice (MRPP), on behalf of Tesco Stores Ltd, dated 4th July 2024. This section of our report provides our own response to the points raised by MRPP in relation to retail and town centre policy.

Point 1 – Sequential Assessment of Former Wilko Store

- 5.2 MRPP's representation erroneously states that the applicant's original Planning & Retail Statement submitted in support of the Whitehaven application proposal in October 2023 failed to sequentially assess the former Wilko premises at 23-24 Lowther Street in Whitehaven town centre. In fact, the Wilko unit was considered in the Planning & Retail Statement, in which it was labelled Site 9, and our own June 2024 appraisal report provides our own views with regard to the availability and suitability of the premises.
- 5.3 In summary, our report found that the former Wilko store was being actively marketed and was therefore 'available' for the purposes of the sequential test. However, the unit was considered to be 'unsuitable' for development of the broad type proposed in the Whitehaven application, despite the fact that the ground floor floorspace was sufficient to accommodate the proposed foodstore, because the wider site did not provide for the required space to provide the necessary adjacent car parking or servicing.
- 5.4 We are not aware of any evidence that would cause us to alter the conclusions reached in our June 2024 report in respect of the Wilko premises. As a result, we continue to find that the Whitehaven application proposal conforms to the requirements of the sequential test as articulated by Policy ER9 of the Local Plan and by paragraphs 91 and 92 of the NPPF.

Point 3 – Deficiencies in Submitted Retail Assessment

- 5.5 MRPP's representation highlights a number of flaws in the retail impact assessment set out in Avison Young's original Planning & Retail Statement and subsequent letter of April 2024. We consider that all of these points have been subsequently addressed in our own June 2024 appraisals, the applicant's Retail Addendum, and this report.

Point 4 – Deficiencies in Submitted Retail Assessment

- 5.6 In its representation of July 2024, MRPP asserts that the planning permission governing the use of the existing Aldi unit at Preston Street in Whitehaven should be modified, via a Section 106 agreement, to remove the possibility of these premises being used for food retailing.
- 5.7 Given the conclusions reached in this report to the effect that any combination of the application proposals would be acceptable, even with a new food retailer within the vacated Preston Street unit, we disagree that such a modification to the existing permission would be necessary to make the development acceptable in planning terms (which is the first test set out at paragraph 57 of the NPPF in respect of planning obligations).

6. Summary and Recommendations

- 6.1 This report sets out Nexus Planning's response to Avison Young's 'Retail Addendum – Update to Retail Impact Assessments' report of September 2024 in respect of the following concurrent planning applications:
- Reference 4/23/2314/0F1, which seeks planning permission for the erection of a new discount foodstore (Use Class E), to be operated by Aldi, on land at Preston Street in Whitehaven; and
 - Reference 4/24/2044/0F1, which seeks planning permission for the erection of a discount foodstore (Use Class E), also to be operated by Aldi, on land at East Road and Wyndham Place, Egremont.
- 6.2 Should permission be granted for the first proposal, the applicant has indicated that it intends to vacate its existing store at Preston Street in Whitehaven in order to relocate to a new expanded store at the application site, which lies approximately 200m to the south on the same road.
- 6.3 Avison Young's Retail Addendum follows two separate reports by Nexus Planning, both dated June 2024, which assessed the compliance of each proposal with the national retail and town centre planning policy, as set out by the statutory development plan and by the National Planning Policy Framework ('NPPF').
- 6.4 Read together, the appraisals identified five possible scenarios:
- i. permission is granted for the Whitehaven proposal only, and no new food retailer occupies the newly vacated unit at Preston Street;
 - ii. permission is granted for the Whitehaven proposal only, and a new food retailer occupies the newly vacated unit at Preston Street;
 - iii. permission is granted for the Egremont proposal only, and the existing Aldi in Whitehaven continues to trade;
 - iv. permission is granted for both the Whitehaven and Egremont proposals, and no new food retailer occupies the newly vacated unit at Preston Street; and
 - v. permission is granted for both the Whitehaven and Egremont proposals, and a new food retailer occupies the newly vacated unit at Preston Street.
- 6.5 We have examined in detail the applicant's updated retail impact assessment in relation to Scenarios i, iii, iv and v above. We have also provided our own estimates of the likely convenience trade diversion impacts that would result under each of these potential scenarios. For completeness, we have also provided our own analysis of the probable impacts on defined centres that would arise under Scenario ii above.
- 6.6 Based on the detailed analysis set out in this report and the June 2024 appraisals, we do not believe that the application proposals and the potential new food retailer in the vacated Preston Street unit, either solus or cumulatively, would lead to a significant adverse impact on the vitality and viability of any defined centre.
- 6.7 We therefore conclude that the application proposals would comply with the second part of the impact test set out in paragraph 90 of the NPPF and the requirements of Policy ER7 of the adopted development plan, under any of the five scenarios identified in paragraph 1.6 of this report.

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- 6.8 In addition, our June 2024 appraisals found that both application proposals complied with the requirements of national and local planning policy in respect of the sequential assessment and the assessment of impact on existing, committed and planned public and private sector investment.
- 6.9 Given the above, our overall conclusion is that the refusal of planning permission for either or both of the applications would not be supported on retail and town centre planning policy grounds alone (subject to conditions to ensure that the proposals continue to trade as supermarkets in the manner set out by the planning application documents, should planning permission be approved).
- 6.10 We trust that the above appropriately sets out our view in respect of retail and town centre policy matters but would be happy to provide further assistance should it be required.



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