

Planning and Retail Statement

ALDI, Watling Street, Hinckley

Proposed Store Extension

ALDI Stores Limited

July 2023

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For and on behalf of Avison Young (UK) Limited

1. Introduction

- 1.1 This Planning and Retail Statement has been prepared in support of an application for full planning permission by ALDI Stores Ltd ('ALDI') for development comprising the extension of an existing ALDI foodstore and car park, and ancillary works which include the rendering of the existing store, landscaping, plant, and erection of a Deposit Return Scheme (DRS) facility, on land at Watling Street, Hinckley.
- 1.2 The existing foodstore trades very well, but the customer shopping experience and merchandising is compromised by its small size and lack of customer circulation space. In 2020 ALDI was granted planning permission (ref 19/00572/FUL) for the demolition of the store and the erection of a new larger store to address these issues. That consent lapsed in January 2023 but ALDI's aspiration to have a larger store remains. ALDI is therefore proposing to extend the store to improve the shopping experience for its customers, and to allow its product range to be stocked in greater depth.
- 1.3 The proposals will result in an increase in floorspace of 499 sqm (GEA), and 400 sqm net sales, as follows.

	Existing Floorspace	Proposed Floorspace	Uplift
GEA (sqm)	1,408	1,907	499
Net sales (sqm)	940	1,340	400

- 1.4 ALDI is also proposing to increase by 44 the number of parking spaces from 88 to 132 spaces.
- 1.5 Further consideration of the detail of the proposed development is set out at Section 3.0 of this Statement.

The Application Site and Surroundings

- 1.6 The store is located to the north of Watling Street (A5) and approximately 2.5 km to the south west of Hinckley town centre. To west of the site there is a short section of open frontage (less than 100m) between the site and a ribbon of housing that runs for approximately 420m along the A5. To the east of the site is a petrol filling station, 6 dwellings, a gap of about 80m formed by part of the same field parcel that wraps around the existing ALDI, and a recently constructed McDonalds beyond.
- 1.7 The existing operational site measures approximately 0.55 ha, and the proposed site approximately 0.76 ha. The existing site is broadly rectangular and is relatively flat. The store is located along the site's western boundary, with car parking wrapping around the southern and eastern elevations. Customer, HGV and pedestrian access to the site are all from one point of access from Watling Street, and no changes are proposed to the vehicular or pedestrian accesses as part of this application. The site's northern, eastern and western boundaries are marked by hedgerow and some mature trees. The additional 0.21 ha of land located along the existing store's northern and western boundaries which is to be used to accommodate the proposals was previously farm land but has been fenced off for some years.

Submission Documents

- 1.8 In accordance with Section 38(6) of the Planning and Compulsory Purchase Act 2004 this Planning and Retail Statement assesses the development proposals against the relevant policies contained within the Development Plan as well as key national planning policies and all other relevant material considerations. The Statement also demonstrates the wider social, environmental and economic benefits of the scheme.

1.9 The application is accompanied by detailed Site Layout, Floorplans and Elevational drawings prepared by STOAS Architects. This Planning and Retail Statement should be read in conjunction with these drawings and the following documents which are submitted with the application:

- Design and Access Statement prepared by STOAS Architects.
- Detailed Landscape Proposals prepared by Middlemarch.
- Transport Assessment prepared by Connect Consultants
- Phase 1 Geo-Environmental Assessment prepared by 3eHydrock
- Flood Risk Assessment and Drainage Strategy prepared by 3eHydrock
- Arboricultural Impact Assessment prepared by Middlemarch.
- Preliminary Ecological Appraisal prepared by Middlemarch.
- Lighting Plan prepared by BMT Ltd.
- Noise Impact Assessment prepared by Noise Solutions Ltd.

1.10 The remainder of this Statement is structured as follows.

- **Section 2.0** identifies any relevant planning history.
- **Section 3.0** describes the proposed development, and gives further information on ALDI's operational model and other matters.
- **Section 4.0** considers the relevant content of the development plan and any other material considerations that will have a bearing on the determination of the application.
- **Section 5.0** considers the proposals in respect of 'town centre' policy considerations and the principle of development, having regard to relevant planning policy.
- **Section 6.0** summarises the conclusions of the various design, technical and environmental submissions provided with the application and having regard to relevant planning policy.
- **Section 7.0** provides our overall conclusions.

2. Planning History

- 2.1 The store was granted planning consent in 1997 (ref 97/00043/FUL). Various amendments and opening hour variations have been consented since that date, such that we understand that the store currently operates under planning permission reference 16/01143/CONDIT.
- 2.2 In January 2020 ALDI secured planning permission (ref.19/00572/FUL) for a proposal to replace the existing store with a new store rotated through 90 degrees, so that its long elevation was along the northern boundary. The proposed building was single storey with a pitched roof with silver and anthracite cladding, a glazed western elevation and entrance/exit, and ribbon windows along the southern elevation fronting Watling Street. The number of parking spaces was proposed to increase from 88 to 130, only 2 spaces fewer than currently proposed as part of this application. The vehicular access was to remain as per the existing.
- 2.3 That proposal would have delivered 1,862 sqm (GIA) of floorspace, or an increase of 454 sqm (GIA) above the floorspace of the existing store, which would have resulted in an increase in net sales floorspace of 375 sqm. That scheme would have delivered 20 sqm (GIA) more than this proposal and 25 sqm less net sales floorspace.
- 2.4 Whilst pre-commencement conditions were discharged, the 2020 consent was not implemented and is therefore time expired. However given its similarities in terms of the changes in floorspace, and increase in parking to this application, it provides relevant context for the current proposals and is a material consideration of some weight that should be taken into account by the LPA when considering this application.

3. The Proposed Development

Overview of ALDI's Operational Model

- 3.1 ALDI operates as a 'deep-discount' or Limited Assortment Discount (LAD) retailer. The term was defined by the Competition Commission in its Groceries Market Investigation Final Report in 2008 which said that LADs:

"carry a limited range of grocery products and base their retail offer on selling those products at very competitive prices. The three major LADs in the UK are Aldi, Lidl and Netto. Each ... carries in the region of 1,000 to 1,400 product lines in stores ranging from 500m² to 1,400m² (stores of a similar size operated by a large grocery retailer generally carry about 5,000 products). Aldi, in large part, carries only own label goods while both Lidl and Netto carry larger volumes of branded products".

- 3.2 Whilst dated in its references to typical floorspace and product lines, which have both increased, the characterisation of ALDI in the Commission's report remains wholly applicable in 2022, because it describes an operational model that remains fundamentally unchanged. Whilst ALDI's preferred trading format has evolved to a limited extent in relation to the product lines that are carried and preferred floorspace requirements, those evolutions are neither material to the description given by the Commission, nor do they in any way reduce the differentiation between LADs and other food and convenience operators.
- 3.3 Once extended, the proposed foodstore at Watling Street, Hinckley will have a net trading area of 1,340 sqm. As per the characterisation of LADs in the Competition Commission's report, the trading floorspace within every ALDI store is consistent at around 1,200 sqm to 1,400 sqm. This is to enable the range of identical products sold within each ALDI store to be arranged and displayed on a consistent basis in each store. Moreover, the gross floor area of new ALDI stores (i.e. the net sales area plus the 'back-of-house' area) varies only slightly from store to store, within a range of approximately 1,700 sqm to 2,000 sqm. The aim, again, is to ensure that all stores are built to a consistent specification in order to facilitate efficient delivery and distribution of products to each store in the portfolio.
- 3.4 This essentially means that the number of core food product lines stocked within each ALDI store is identical and deliberately restricted to around 1,800 to 2,000. Whilst this has increased from the 1,000 to 1,400 referred to by the Commission, it remains in stark contrast to the 20,000 to 30,000 product lines in a superstore operated by one of the UK's 'mainstream' convenience retailers (Tesco, Sainsbury's, Asda and Morrisons) so that the clear differentiation between LADs and those operators remains. This explains why all ALDI foodstores are of a uniform size, format and layout, which supports standardised product display, servicing and stock handling procedures, all of which serve to drive down operational costs.
- 3.5 The core retail offer within an ALDI store (which accounts for approximately 80% of the net sales area) replicates the most regularly purchased items within a family's weekly or 'main' food shopping trip. The vast majority of products stocked (circa 90%) are ALDI branded, compared with the 10-15% that may be stocked by the mainstream grocers. This avoids passing on the cost of brand name marketing to the consumer.
- 3.6 Moreover, because ALDI is concentrating on a limited number of product lines, which it stocks consistently throughout its portfolio of circa 990 stores, it is able to benefit from economies-of-scale so that its goods can be sold at heavily discounted prices, without impacting upon quality.
- 3.7 ALDI's focus on the key products that typically make up a 'bulk' food shopping trip means that they do not sell certain ancillary lines that are normally found in mainstream supermarkets, including tobacco. In addition, there is no staffed butchery, fishmonger, bakery, delicatessen or hot food-counter and ALDI's foodstore format does

not accommodate customer restaurants or in-store franchises such as a Post Office, dispensing pharmacy, dry-cleaning, betting shop, opticians, or photo processing. These factors are important when considering the trading effects of an ALDI foodstore because clearly, in ALDI's case, the potential for cross-over with the offer of independent high-street retailers is far less than it is for 'mainstream' food retailers that stock a much wider range of goods.

- 3.8 Notwithstanding the above, the ALDI foodstore, as with all modern supermarkets, will also stock a limited range of non-food goods (approximately 20% of the net sales area). The range of non-food goods in an ALDI store is ancillary to the food offer in floorspace terms, and the non-food products stocked mirror seasonal demand such that there is a constant variety in terms of range and choice, with no particular type of comparison goods predominating. For this reason the potential for an ALDI foodstore to compete with high-street comparison goods retailers is extremely limited.

The Proposed Development

- 3.9 The proposed development at Watling Street is consistent with the operational model described above. Once extended, the foodstore would have a gross external area (GEA) of 1,907 sqm and a net sales area of 1,340 sqm, served by 132 car-parking spaces.

Site Layout

- 3.10 The Proposed Site Layout Plan shows the extension to the store on its northern and western boundaries. The customer entrance will be unaltered and is located at the south-eastern corner of the building. This arrangement is favourable from both commercial and 'place-making' perspectives, because it means that the foodstore's glazed and active frontage presents onto Watling Street, providing activity to the street scene. Further information on design is provided within the Design and Access Statement.
- 3.11 In terms of customer parking, 132 car parking spaces are proposed which is an increase of 44 spaces. This includes 6 accessible, 6 parent and child, and 4 electric vehicle charging spaces. The accessible and parent and child parking spaces are located directly in front of the foodstore with a pedestrian footpath offering straightforward access to the store entrance. 10 cycle spaces are also provided adjacent to the entrance.
- 3.12 No changes are proposed to the existing vehicular access to the site from the A5. Further consideration of highways matters is provided within the Transport Assessment prepared by Connect Consultants.
- 3.13 Whilst some soft landscaping will need to be removed to facilitate the proposals, new landscaping is proposed along the north, west and eastern boundaries to complement the site layout, as shown on the Proposed Landscaping Plan.

Building Design

- 3.14 The proposed extension will be 8.4m to roofline and so will match the scale of the existing building. The existing building consists of brick facades and tiled roof, with a glazed store frontage. The existing brick columns will remain but the infill walls will be rendered, and the extension will be designed to match.

Servicing and Opening Hours

- 3.15 Deliveries are required on every day that the foodstore is open to ensure the availability of fresh produce, including on Sundays and Bank Holidays. The existing planning consent for the store does not include any restrictions on servicing to the store. A Noise Impact Assessment has been undertaken by Noise Solutions

Limited which confirms that deliveries would have no impact on the daytime or night-time average noise levels in the vicinity of the site and that no restrictions on delivery hour are required. ALDI therefore proposes no change to its existing unrestricted servicing arrangements.

3.16 ALDI's foodstores are open 7 days a week (including the majority of Bank Holidays) but the company does not promote 24-hour trading so that ALDI would typically trade:

- 08:00 hours to 22:00 hours – Mondays to Saturdays (including bank holidays); and,
- 10:00 hours to 16:00 hours – Sundays

4. Planning Policy

- 4.1 Section 38(6) of the Planning & Compulsory Purchase Act 2004 states that applications for planning permission should be determined in accordance with the development plan, unless material considerations indicate otherwise. This section provides a summary of the development plan policy that is relevant to this development. It considers also relevant national planning policy and guidance, and the Council's evidence base, as material considerations in the determination of the planning application.

The Development Plan

- 4.2 The Development Plan for Hinckley comprises the "Local Plan 2006 – 2026." The Local Plan is made up of a number of components. Those relevant to this proposal are:-
- The Core Strategy (adopted December 2009)
 - The Site Allocations and Development Management Policies DPD (adopted July 2016)
 - The Hinckley & Burbage Policies Map (2016)
- 4.3 The Development Plan also comprises the Hinckley Town Centre Area Action Plan (2011) (AAP); however that is relevant only in relation to retail matters, which we consider further at section 5 of this Statement.

The Policies Map

- 4.4 The Policies Map shows that the existing ALDI site is within the Settlement Boundary and not subject to any specific allocations. The land beyond the existing site boundary which is currently fenced off and which is needed to accommodate the development proposed (as it was with 19/00572/FUL) is located outside the Settlement Boundary and so in policy terms is within the 'open countryside'. We refer to this land as the 'expansion land.' The site is also 'out-of-centre' for the purpose of the application of retail policy.

The Core Strategy (December 2009)

- 4.5 The Core Strategy covers the period up to 2026. **Policy 1: Development in Hinckley** explains that the Council will support the development of an additional up to 5,300 sqm (net) of convenience floorspace in the centre by 2021, primarily on the Bus Station Site within Hinckley Town Centre, which was also to accommodate a substantial proportion of the 21,100 sqm (net) comparison goods floorspace promoted in Policy 1. The bus station site has since been redeveloped, anchored by Sainsbury's.

The Site Allocations and Development Management Policies DPD (July 2016)

- 4.6 The SADMP DPD sets out site allocations and development management policies to support the objectives of the Core Strategy.
- 4.7 Policy **DM4** (Safeguarding the Countryside and Settlement Separation) applies to the small area of the site outside of the settlement boundary. The Policy states that:

"To protect its intrinsic value, beauty, open character and landscape character, the countryside will first and foremost be safeguarded from unsustainable development. Development in the countryside will be considered sustainable where:

- a) It is for outdoor sport or recreation purposes (including ancillary buildings) and it can be demonstrated that the proposed scheme cannot be provided within or adjacent to settlement boundaries; or*

- b) The proposal involves the change of use, re-use or extension of existing buildings which lead to the enhancement of the immediate setting; or*
- c) It significantly contributes to economic growth, job creation and/or diversification of rural businesses; or*
- d) It relates to the provision of stand-alone renewable energy developments in line with Policy DM2: Renewable Energy and Low Carbon Development; or*
- e) It relates to the provision of accommodation for a rural worker in line with Policy DM5 - Enabling Rural Worker Accommodation.*

and:

- i. It does not have a significant adverse effect on the intrinsic value, beauty, open character and landscape character of the countryside; and*
- ii. It does not undermine the physical and perceived separation and open character between settlements; and*
- iii. It does not create or exacerbate ribbon development;*
- iv. If within a Green Wedge, it protects its role and function in line with Core Strategy Policies 6 and 9; and If within the National Forest, it contributes to the delivery of the National Forest Strategy in line with Core Strategy Policy 21."*

4.8 We consider Policy DM4 further at section 5 of this Statement.

4.9 Policy **DM21** (Locating Sustainable Town Centre Uses) says that main town centre uses should be located in accordance with the sequential approach. It says that proposals over 2,500 sqm (gross) should be supported by an impact assessment. As the proposal falls beneath this threshold, policy does not require the preparation of a retail impact assessment (RIA). We consider retail matters further at section 5 of this Statement.

4.10 Other policies of relevance include:

- Policy **DM6** (Enhancement of Biodiversity and Geological Interest) which requires proposals to deliver biodiversity net gains (BNG), with on site features being retained, buffered and managed favourably, or appropriate compensation measures provided.
- Policy **DM7**: Preventing Pollution and Flooding – which seeks to ensure proposals do not contribute to water, ecology, soil, light, noise or air pollution; land instability; or exacerbate flooding.
- Policy **DM10**: Development and Design – which seeks to achieve good design. We note that the policy also seeks electric charging points to be included where feasible, although no particular percentage requirement is mentioned. 4 charging spaces are provided as part of the proposals.
- Policy **DM17**: Highways and Transportation – which requires development to be sustainably located and for proposals to be safe and to not have a severe impact on the highway network.
- Policy **DM18**: Vehicle Parking Standards – the Policy sets out that parking should be 'justified' and text cross refers to Leicestershire County Council parking standards.

Other Material Considerations

The National Planning Policy Framework

4.11 The NPPF (2021) is a material consideration in the determination of all planning applications. The overall emphasis of the NPPF is to reiterate the Government's key objectives of facilitating economic growth and securing sustainable development. These overarching policies seek to deliver development in the most

appropriate locations, thereby protecting and enhancing the environment. Central to the NPPF is a presumption in favour of sustainable development and the need for the planning system to support economic growth in line with the Planning for Growth Ministerial Statement.

- 4.12 Town centre policies are at Section 7 of the NPPF under the title “ensuring the vitality of town centres”. With regards the sequential test, Paragraph 87 of the national policy document explains that:

“LPAs should apply a sequential test to planning applications for main town centre uses [which includes retail development] which are neither in an existing centre nor in accordance with an up-to-date plan. Main town centre uses should be located in town centres, then in edge of centre locations; and only if suitable sites are not available (or expected to become available within a reasonable period) should out of centre sites be considered”.

- 4.13 Para 90 states that when assessing applications for retail and leisure development outside town centres which are not in accordance with an up-to-date plan, LPAs should require an impact assessment if the development is over a proportionate, locally set threshold (or otherwise over 2,500 sqm). There is no lower threshold currently adopted for Hinckley and therefore no retail impact assessment is required.

- 4.14 Para 174 requires planning decisions to contribute to and enhance the natural and local environment including by (b) “recognising the intrinsic character and beauty of the countryside.”

Planning Practice Guidance

- 4.15 The Planning Practice Guidance is an online resource that provides additional information and guidance in respect of how the NPPF and planning policies should be applied. In respect of the sequential test it states:

“Use of the sequential test should recognise that certain main town centre uses have particular market and locational requirements which mean that they may only be accommodated in specific locations. Robust justification will need to be provided where this is the case, and land ownership does not provide such a justification.” Paragraph: 012 Reference ID: 2b-012-20190722

- 4.16 In this instance, we have noted that the proposals are an extension to an existing foodstore so that the proposals cannot be delivered elsewhere.

National Planning Policy Framework – Reforms to National Planning Policy Consultation

- 4.17 On 22 December 2022, the Government launched a public consultation on reforms to the National Planning Policy Framework, as well as seeking views on the approach to preparing National Development Management Policies. The majority of proposed changes to the NPPF relate to housing matters and no changes are proposed to Chapter 7 which relates to retail matters, or to paragraph 177 in respect of the natural and local environment.

Supplementary Planning Documents

- 4.18 The application has also had regard to the Good Design Guide SPD 2020.

Hinckley and Bosworth Local Plan 2020-2039

- 4.19 The Council is in the process of preparing a new Local Plan which will in time replace both the Core Strategy and SADM DPD. It consulted on a Regulation 19 draft in February 2022. However, as a result of wider issues including in relation to the distribution of Leicester’s unmet housing need, the Council intends to consult on an updated Reg 19 Plan in May 2024, with adoption anticipated in April 2026. Whilst the adoption of the Plan is therefore a

considerable way away, the plan carries some weight, so we have reviewed the Regulation 19 Plan for completeness.

- 4.20 We note that the existing operational site is proposed to be removed entirely from the settlement boundary so that it will be open countryside, although it is not clear why that is proposed, given that the site is developed. Draft Policy **NAT09** (Development in the Countryside and Settlement Separation) states:

“Development in the countryside will be considered sustainable where:

- a) It is for outdoor sport or recreation purposes (including ancillary buildings) and it can be demonstrated that the proposed scheme cannot be provided within or adjacent to settlement boundaries;*
- b) The proposal involves the change of use, re-use or extension of existing buildings (including house extensions) which lead to the enhancement of the immediate setting;*
- c) It significantly contributes to economic growth, job creation and/or diversification of rural businesses;*
- d) It relates to the provision of stand-alone renewable energy developments in line with CC04;*
- e) It is for agricultural or forestry purposes;*
- f) The proposal is within the National Forest and relates to tourism, leisure or the woodland economy; or*
- g) It relates to the provision of residential development in accordance with Policy HO08.*

And:

- i. It does not have a significant adverse effect on the intrinsic value, beauty, open character and landscape character of the countryside in line with Policy NAT10;*
- ii. It does not undermine the physical and perceived separation and open character between settlements;*
- iii. It does not create or exacerbate ribbon development;*
- iv. The residual traffic and transport impacts are addressed, as necessary, in accordance with Policies HT01 to HT04;*
- v. If within a Green Wedge, it protects its role and function in line with Policy NAT02; and*
- vi. If within the National Forest, it contributes to the delivery of Policy NAT04, the National Forest Strategy and the National Forest 25 Year Vision.*

- 4.21 When compared with Policy DM4, draft Policy NAT09 is similar, except that it adds categories e and f (which are not relevant to this application), and criterion (iv) relating to the need to address traffic and transport impacts (which is covered by other policies in any event), and (v) related to Green Wedge (which this site is not within).

- 4.22 Another proposed change is that the draft includes a proposal to set a lower threshold for the preparation of a retail impact assessment of 500sqm (draft Policy TDC02). The proposed extension falls just 1 sqm short of that.

Evidence Base

- 4.23 The **Hinckley and Bosworth Town and District Centres Study (2017)** was prepared by Avison Young (trading as GVA at the time) to support the preparation of the Local Plan over the period to 2036. The Study estimated capacity for an additional 3,400 sqm (net) convenience floorspace by 2026, rising to 3,700 sqm by 2031 and 4,200 sqm by 2036.
- 4.24 Retail provision in Hinckley has changed since the Study was prepared, including with ALDI opening its store at Hollier's Walk, and with Lidl relocating from Hawley Road to Coventry Road. Sainsbury's had already opened at the Bus Station site when the Study was prepared (in 2015).

- 4.25 The latest Authority Monitoring Report covered the period April 2019 to March 2020. It noted that 12,270 sqm of convenience floorspace had been added in the Borough since 2014/15. We presume that this figure would have included the increase in floorspace permitted by the 2020 ALDI consent, although no breakdown is given.
- 4.26 **The Landscape Sensitivity Assessment** (September 2017) and **Landscape Character Assessment** (2017) confirm that the operational site is within the Hinckley Settlement Boundary, but that the 'expansion' land is within Landscape Character Area E: Stoke Golding Rolling Farmland. However we note that the LPA concluded in the Officer's Report when considering ALDI's 2020 application that the site and expansion land are *'heavily influenced by the surrounding urban features... and ..."this particular site is considered to have a lower sensitivity to development than other areas of the sensitivity area."* We consider this point further at section 5 of this Statement.

5. Planning Policy Assessment

Policies Relating to Open Space

- 5.1 There has been no change to the Development Plan since the council approved application 19/00572/FUL for a replacement foodstore on the existing site and the 'expansion land.' The Core Strategy was adopted in 2009, the SADMP DPD in 2016, and the AAP in 2011. It remains the case as it was with the previous application that the operational site is within the Settlement Boundary, but the expansion land is outside the Settlement Boundary, with the expansion land classified as 'open countryside' and its development considered in the light of Policy DM4.
- 5.2 The LPA is preparing a new 'Local Plan Review' (LPR), which has reached an advanced stage (Regulation 19), but which has been paused for the time being, so that progress to adoption is uncertain. The draft LPR proposes to take the operational site out of the Settlement Boundary, so that the site and the expansion land would both be in the 'open countryside' and the principle of redevelopment would be assessed against draft Policy NAT09. Given that the draft plan has to pass through a further Regulation 19 stage and then examination, our assessment of the proposals is against the adopted development plan.
- 5.3 Policy DM4 and draft Policy NAT09 are very similar. Both allow development where it is considered 'suitable' and with five such instances set out in DM4 and seven in draft NAT09. Those instances that are common to both have identical wording. Where one of those instances applies, the proposals are then considered favourably only if additional criteria are met (five in DM4, and six in draft NAT09). Again, those criteria that are common to both have identical wording.
- 5.4 In considering Policy DM4, an appropriate starting point is the Case Officer's Report for application 19/00572/FUL. We note that the Case Officer concluded that those proposals did not fit under any of the categories (a) to (f) identified in the policy. As a consequence the Case Officer identified a conflict with policy (insofar as that part of the development that sat outside the settlement boundary was concerned) and went on to consider whether there were any other material considerations that could balance the harm arising from the conflict with policy. The Case Officer reached the following conclusions.

*"The existing store is located within the Settlement Boundary of Hinckley, however the extension into the adjacent countryside falls into Landscape Sensitivity Area 06: Hinckley West and North as set out in the Landscape Sensitivity Assessment (2017). This assessment area is located within Landscape Character Area E: Stoke Golding Rolling Farmland. The area is characterised by small rectangular agricultural fields, bound by low hedgerows and hedgerow trees. This particular sensitivity area is described as giving strong distinction between the assessment area and the settlement and is important in separating Hinckley from Stoke Golding. However, **the application site does not allow for the appreciation of views to the wider landscape and limited appreciation of the settlement edge.** Given that the site is heavily influenced by the surrounding urban features which can be seen in all contexts of the application site particularly the buildings situated on Dodwells Industrial estate, large pylons and the ribbon development along the A5, which is a busy strategic route. The sensitivity area is judged as having a strong rural and tranquil character, this is not evident at the application site. **The site would have a strong relationship to the settlement, is visually contained to a certain extent and is heavily influenced by the urban context.** Therefore, this proposal would have **limited impact upon the wider landscape character** and this particular site is considered to have a lower sensitivity to development than other areas of the sensitivity area, given the site displays few if any of the key sensitivities of the landscape character area.*

In addition to the above, the proposed development includes an enhanced density of the boundary landscape, which is currently a sparse low quality hedgerow with a post and rail fences to the north and west. The car park will have tree, hedge and/or shrub planting to all boundaries, softening them, adding interest and defining the edges of the site, the proposed planting provided as an edge to the car parking areas around the site boundary, act as a much stronger visual screen when viewed from the north or west of the store than the existing building, soft landscaping is also proposed within the scheme. Additional trees are to be planted both to the site perimeter and within the site. This all serves to integrate the store and car park into the surrounding area...

*...The proposed extension in to the adjacent countryside has **limited adverse impacted upon the wider landscape character**. The proposed development would have **limited impact upon intrinsic value, beauty and open character of the Countryside**. The development **will not undermine the physical and perceived separation and open character between settlements**, although the settlement of Nuneaton is very close, there is intervening built development between the site and Nuneaton and this **small encroachment will not exacerbate this situation** with, interspersed countryside still available. The site does extend the built development along the A5, increasing ribbon development, however, **the limited extent of this would not materially alter the character of the countryside or wider area to warrant significant weight**. The design of the building is contemporary and fits within the character of the surrounding area, providing a clear and legible shopfront with an active frontage to Watling Street. Therefore, the proposed development is in accordance with Policies DM4 and DM10 of the Site Allocations and Development Management DPD."*

5.5 The Officer's Report concluded that the site has a strong relationship with the edge of the settlement, the A5 and development along it, so that it had a lower sensitivity to development than other parts of the open countryside. The Officer's conclusions in relation to the four criteria are reproduced above in full above but for ease, we note that the Officer reaches the following conclusions in respect of criteria (i) to (iii), given that (iv) is not relevant to the site:

- *"The proposed extension into the adjacent countryside has limited adverse impact upon the wider landscape character"* [and so meeting criterion i]
- *"The proposed development would have limited impact upon intrinsic value, beauty and open character of the Countryside"* [also meeting criterion i]
- *"The development will not undermine the physical and perceived separation and open character between settlements, although the settlement of Nuneaton is very close, there is intervening built development between the site and Nuneaton and this small encroachment will not exacerbate this situation with, interspersed countryside still available"* [and so meeting criterion ii]
- *"The site does extend the built development along the A5, increasing ribbon development, however, the limited extent of this would not materially alter the character of the countryside or wider area to warrant significant weight"* [and so meeting criterion iii]
- And more generally that *"The design of the building is contemporary and fits within the character of the surrounding area, providing a clear and legible shopfront with an active frontage to Watling Street"* so that officers concluded overall that:
- *"the proposed development is in accordance with Policies DM4 and DM10 of the Site Allocations and Development Management DPD."*

- 5.6 The current proposal is for an extension to an existing building, so that the magnitude of change to the urban form is less than with 19/00572/FUL. The current proposals are different in that the circumstance described at point (b) of Policy DM4 appears to be relevant as that applies to proposals for *“change of use, re-use or extension of existing buildings ... which lead to the enhancement of the immediate setting.”* On this basis, we conclude that, as a matter of principle, the current proposals do not conflict with Policy DM4.
- 5.7 Whilst the application is for a type of development that is allowed for by Policy DM4 (b), it remains the case that the additional criteria in the second part of the policy need to be considered (the two parts of the policy being linked by the word *“and”*). In this regard we have considered whether an assessment of the current proposal against the points in the second part of Policy DM4 would lead to similar conclusions to those reached by the Case Officer in respect of 19/00572/FUL. In this regard we note that:
- a) Approximately 30% of the built footprint of the 19/00572/FUL scheme was in the ‘open countryside’ whereas only 320 sqm or 17% of the built footprint of the current application is in the ‘open countryside’.
 - b) Both schemes would extend built development to the west. The current application would extend only 7.37m further west than the existing building line, narrowing any ‘gap’ in this direction, and along more of the western boundary than 19/00572/FUL.
 - c) The current application would result in a less appreciable difference in terms of views from the west and south, because the bulk of the building remains unchanged and in the same location.
 - d) There would be less activity along the western boundary associated with the current application than with 19/00572/FUL (because in the current application it is the rear elevation rather than part of the car-park), which will retain a similar but stronger edge to the west.
 - e) The northern part of the expansion land would contain hardstanding in the current application, as opposed to built form in the previous application, and so would retain views through the site to the north.
 - f) Similar amounts of land are retained for landscaping along the western boundary in both schemes, although tree planting is reduced in the current scheme alongside the western elevation.
- 5.8 Given the above, we conclude that whilst the two proposals are different insofar as they place the building in different parts of the site, both meet the requirements in the second part of Policy DM4.

Retail Policy

- 5.9 The site is located in an ‘out-of-centre’ location for the purpose of the application of retail policy. The **sequential test** is engaged but we have concluded is appropriately applied having regard to the recognition in the PPG that must be applied on the basis that some proposals are genuinely ‘location specific’ and, in this case, the proposal would not be provided elsewhere as it is an extension to an existing store.
- 5.10 In respect of **retail impact** we note that Policy DM21 does not require proposals under 2,500 sqm (gross) to provide a retail impact assessment. We note also that no retail assessment was provided in support of 19/00572/FUL and that, as set out earlier, the current application and previous proposal comprise similar floorspace.

- 5.11 The supporting text to Policy DM22 says that Hinckley is a town centre which is supported by 3 district centres comprising Earl Shilton, Barwell and Market Bosworth. The SADMP DPD then allocates a number of Neighbourhood Centres and Local Centres in accordance with Policy DM22.
- 5.12 We have concluded above that the impact test is not engaged and that, in respect of the sequential test, the extension is a “location specific” proposal such that the test is passed in accordance with the guidance in the PPG. By way of a general commentary, however, ALDI will draw a majority of its trade from a ‘primary catchment area’ which may typically be defined by the area covered by a 5-minute off-peak drive time isochrone, although other matters such as the location and quality of other main-food shopping floorspace and population density may impact on the extent of a ‘primary catchment area.’ Whilst the tests are not engaged, we note nonetheless that in addition to Hinckley town centre, the centres in or close to the primary catchment comprise the following.
- **Coventry Road and Strathmore Road Neighbourhood Centre** (HIN150N) which comprises a Londis convenience store, Post Office and two takeaways with half a dozen off-street parking spaces.
 - **Trent Road Neighbourhood Centre** (HIN151N) which comprises a small, modern parade of shops including a Co-op convenience store meeting top-up needs, hairdresser, takeaway, unit shop, public house and associated car parking.
 - **Clifton Way Local Centre** (HIN152L) which comprises approximately 0.8 ha of land, and includes a small parade of shops, containing a pharmacy, Premier Express convenience store, fish and chip shop, trophy retailer, Sainsbury’s Local convenience store, a vets, a public house and car parking.
 - **Coventry Road and Northfield Road Neighbourhood Centre** (HIN154N), which comprises a small parade of shops including a beauty clinic, fish and chip shop, florist, hardware shop, Chinese takeaway and off-licence, with limited parking outside.
 - **Stoke Road and Northern Perimeter Road Local Centre** (HIN190L) which comprises a Wickes and Halfords unit to the west of Stoke Road and Morrisons to the east.
 - **Rugby Road Local Centre** (HIN155L) is formed of street of traditional shops, some with residential properties above.
 - **Hawley Road Local Centre** (HIN156L) comprises a number of large format retail uses including Tesco.
- 5.13 Aside from Morrisons at Stoke Road and Tesco at Hawley Road, which we consider below, the centres perform an important role in servicing local catchments, and with some of them providing for the top-up convenience needs of those local catchments.
- 5.14 Main-food shopping in Hinckley currently comprises:
- Sainsbury’s, the Crescent, which is ‘in-centre’
 - Lidl, Coventry Road, which is ‘edge-of-centre’
 - ALDI, Hollier’s Walk, which is ‘edge-of-centre’
 - Morrisons, Normany Way, which is ‘in-centre’
 - Asda, Barwell Lane, which is ‘in-centre’
 - Tesco, Station Yard, which is ‘in-centre’
 - ALDI, A5, which is ‘out-of-centre.’

- 5.15 Asda opened its store at Barwell Lane in 1972. Tesco has traded in the town since 1968. Morrisons occupied the former Safeway store in 1992, and Lidl first opened at Hawley Road in 2004, before relocating to Coventry Road in 2019. ALDI has traded at Watling Street for 25 years since opening in November 1997, and opened its second store at Holliers Walk in 2019. The pattern of main-food shopping in and around Hinckley, and the pattern of main-food shopping, is therefore well established, and with ALDI at Watling Street having been part of that for a very long time. The proposed extension will have no material impact on the pattern of main-food shopping in the town. Instead, the additional floorspace will deliver qualitative improvements that will improve the shopping experience of ALDI's customers by providing a better quality and more comfortable shopping environment.
- 5.16 The Hinckley Town Centre Area Action Plan (AAP) was adopted in March 2011. The AAP identified nine Strategic Development Areas (SDA) within the town centre, two of which were identified as suitable for food and convenience retail, amongst other uses. The Railway Station/Southfield Road site (site 8) was identified for small scale convenience retail only, with a quantum of floorspace not defined, and which we note has now been developed for housing. The Bus Station site (site 9) was identified for a large scale foodstore of 8,500 sqm (gross), which has since been developed and occupied by Sainsbury's and the Crescent Shopping Centre.
- 5.17 The latest GOAD information for Hinckley centre dates from November 2022. It states out that the centre contains 319 units, of which 6.27 % are occupied by 'convenience goods' retailers; 37.3% by comparison (non-food) retailers, and 40.44% by other commercial uses and services. GOAD report that the centre had a 14.73% vacancy rate in November 2022, which was lower than the UK average of 15.23% (GOAD).
- 5.18 In respect of the other centres identified above, we have noted that only 4 of the local and neighbourhood centres include either top-up or main food shopping provision, with a small Co-op at Trent Road Neighbourhood Centre and a Sainsbury's Local at Clifton Way Local Centre, both of which provide top-up shopping provision. Morrisons is located at Stokes Road and Northern Perimeter Road Local Centre and Tesco at Hawley Road Local Centre. Both are well established stores, with established trading patterns.
- 5.19 We have concluded that there is no need for a quantitative impact assessment in this case, but have provided a commentary on the pattern of main-food and top-up shopping in and outside designated centres to inform our conclusion that a modest extension to the existing ALDI foodstore will not have any material effect on trading patterns, and will not have a significant adverse impact on the vitality and viability of Hinckley town centre, or any other designated centre. Our conclusions are consistent with those reached by ALDI when promoting its proposal for redevelopment, and which were accepted by the local planning authority. The proposals are in accordance with Policy DM21.

6. Design, Technical and Environmental Considerations

- 6.1 In this section we consider the proposals in relation to all other relevant policy issues that we identified in our review of the Development Plan in Section 4.0.

Economic Considerations

- 6.2 ALDI stores generally employ between 40 and 50 staff. Whilst this is not a new store, the proposals support the economic growth and jobs related to the existing store. An extension to a store will typically support up to 10 additional jobs.
- 6.3 The company's remuneration and training policy reflects ALDI'S firm belief that a well-trained and highly motivated workforce is essential to the success of the business. All hourly paid wages for store employees exceed the Government's National Living Wage and the Living Wage Foundation's recommended national rate. ALDI offers full training for all its positions and the schedule and facets of the training are tailored to the individual.
- 6.4 ALDI ensure that its foodstores have a positive impact on the local communities that they are located within as recruitment is focused locally. Job vacancies are advertised in nearby stores and in the local press alongside ALDI's website. This approach usually results in the majority of staff being recruited from the local area. In addition, it is not unusual for the retailer to work with the local Job Centre Plus when recruiting for a new foodstore so that residents of the local area are specifically targeted.
- 6.5 It should be noted that part-time staff are placed on a 15, 20 or 25 hour contracts at above industry average pay. As such, many part-time positions at Aldi would actually be viewed as full-time positions in other industries, including the retail sector. The proposals will also some temporary jobs during the construction phase.
- 6.6 On this basis the proposals will deliver employment benefits and so comply with NPPF paragraph 80.

Design

- 6.1 A Design and Access Statement has been prepared by STOAS Architects, which considers how the proposals respond to site constraints, context and ALDI's operational requirements. The extension is of a height and scale that is consistent with the existing store, and of similar materials, such that localised views into the site will be largely unchanged. The proposals include rendering the existing brickwork, to modernise the appearance of the store and to bring it up-to-date with ALDI's current corporate branding for their stores. No changes are proposed to the glazed elevation, which will continue to front on to Watling Street, providing activity to the street scene.
- 6.2 We conclude that the design of the extension is clean, modern and smart, and reflects ALDI's corporate identity, whilst respecting the character of the area. We therefore consider that the proposals comply with Policy DM10.

Traffic and Transportation

- 6.3 A Transport Assessment has been prepared by Connect Consultants. The Assessment concludes that the site is accessible by a range of travel modes, that the car park can operate within capacity at peak periods, and that the servicing arrangements will be able to accommodate delivery traffic.
- 6.4 Vehicular access will be from Watling Street, with no changes proposed to the site access. A total of 132 car parking spaces will be provided including 6 accessible bays, 6 Parent and Child bays and 4 electric charging bays. Ten cycle spaces will be provided close to the store entrance.

6.5 The impact of the proposals on the local highway network has been assessed through the Transport Assessment which concludes that the local highway network has sufficient capacity for the proposals, with the impact on traffic being negligible.

6.6 We therefore consider that the proposals accord with Policies DM17 and DM18.

Amenity

6.7 The proposals are for an extension to an existing foodstore, with no changes to the vehicular access, store opening hours, or servicing arrangements, which could impact on local residents. A Noise impact Assessment has been prepared to determine any noise implications that may arise as a result of the proposals. The Assessment confirms that the proposals will comply with LPA requirements and will have a low noise impact, such that they will not impact on local residents.

6.8 In respect of visual amenity, the proposals do not reduce the separation distance between the store's eastern elevation and neighbouring properties to the east, and the extension of the store to the north and west will not impact on any other residential properties given the intervening distances.

6.9 We therefore consider that the proposals comply with Policies DM7 and DM10.

Flood Risk and Drainage

6.10 The Environment Agency's Flood Map for Planning shows the site as being within flood zone 1 and therefore at low risk of fluvial flooding, albeit close to areas in flood zones 2 and 3 associated with the adjacent Harrow Brook. Parts of the site and the western boundary are shown as being at between low and high risk of surface water flooding. A Flood Risk and Drainage Strategy has been prepared by 3eHydrock which confirms that the site can be adequately drained without increasing flood risk off site. It is proposed to discharge surface water to the car park into the existing drainage system, as well as a new cellular storage tank, which in turn discharge to the adjacent watercourse.

6.11 We therefore consider that the proposals accord with Policy DM7.

Ecology

6.12 A Preliminary Ecology Appraisal has been prepared by Middlemarch Environmental. The Appraisal has not identified any protected or notable species on site, but has recommended precautionary bat surveys. These will be undertaken and submitted during the determination of the planning application.

6.13 Ecological considerations are therefore, not anticipated to represent a constraint to the proposed development and we therefore consider that the proposals accord with Policy DM6.

Arboriculture and Landscaping

6.14 An Arboricultural Impact Assessment has been prepared by Middlemarch Environmental which identifies existing tree and hedgerow constraints adjacent to the site boundary and within the site. The proposals have sought to retain as many trees as possible, however to facilitate the extension the trees to be removed from the site would comprise 2 category C, 1 category U, 2 category C groups and 1 category B group. A Landscaping Plan has been prepared by Middlemarch which shows that replacement trees are provided within the scheme to compensate for the losses.

Ground Conditions

- 6.15 A Phase 1 Environmental Site Assessment has been prepared by 3eHydrock which has not identified any significant contamination issues on site, however further investigation is suggested to target the location of the extension to the store and car park, as well as ground gas monitoring. Neither is considered to be a constraint to development and we therefore consider that the proposals comply with Policy DM7.

Sustainability

- 6.16 ALDI stores are designed to be as sustainable as possible in their operation. The store design incorporates a range of energy saving and efficiency measures in order to minimise the energy demand, and reduce CO2 levels arising from the development. Measures include:
- a) The envelope of the building extension will incorporate building elements with U - Values that as a minimum, meet standards set out in the current Building Regulations.
 - b) Heat loss is minimised by seals on external access doors to limit the ingress of cold air, and the service bay includes seals between the building and the delivery vehicle to reduce heat loss when delivering goods from HGV's. Automatic sliding doors included at entry points ensure that when customers are not entering the building, the building is sealed thereby reducing excess heat loss.
 - c) The use of large windows to the front of the store helps to provide natural light to the sales floor, reducing energy demand.
 - d) Lighting in the store consists of recessed and suspended energy efficient LED lighting. Outside trading hours when the store is closed to the public, lighting levels would be maintained at one-third of the usual levels for stocking shelves and when the store is completely unoccupied, all lights (external and internal) would be switched off.
 - e) Lighting to all external areas will consist of energy efficient LED lighting controlled by time switch and photocell arrangement to ensure that the lighting is not used during daylight hours, when not required. External car park lighting columns will be switched off by a time switch, one hour after the store has closed to minimise energy use.
 - f) All ALDI developments are designed with a full Building Management System which monitors the conditions within the building and will adjust temperatures and start and stop times for plant. It also monitors heat loss elements such as freezer doors and loading bay doors and if they are left open for excessive times, it generate reports that can then be resolved.
 - g) ALDI seek to re-use and re-cycle any waste energy where possible and use a system to recover waste heat from the food refrigerator circuits which would otherwise be discharged into the atmosphere. The waste heat is harnessed via a CO2 refrigerant lead heat recovery system that rejects the waste heat into a low temperature hot water heating circuit which in turn provides heat to an underfloor heating array or a number of ceiling mounted convectors on the sales floor if the store is leasehold. This system provides 100% of the total building heating demand and has totally removed the need for an independent gas heating system.
 - h) The store design has photovoltaic panels on the roof.

7. Summary and Conclusions

- 7.1 This Planning and Retail Statement has been prepared in support of an application for full planning permission by ALDI Stores Limited for the extension of an existing Class E ALDI foodstore and car park, and ancillary works, including rendering of the existing store, landscaping, plant and a Deposit Return Scheme (DRS) facility, on land at Watling Street, Hinckley.
- 7.2 The proposals follow a previous planning permission granted in January 2020 for a replacement store which delivered almost identical outcomes in terms of changes to gross and net floorspace. Whilst that consent is now lapsed, it is a material consideration in the determination of these proposals, given that the development plan position has not changed since that consent was granted.
- 7.3 The site currently comprises the operational foodstore and 'expansion land' which is currently fenced off grassland. The design of the extension is modern, with clean lines and materials, and of a scale that is in keeping with the design of the existing building. The additional car parking will increase the spaces available to customers to ease parking pressures. Given the height and scale of the extension and its position relative to the existing store, we have also concluded that it would not impact on residential amenity through noise, or visual intrusion.
- 7.4 The current proposal is for an extension to an existing building, so that the magnitude of change to the urban form is less than with 19/00572/FUL, and with the development plan not having changed since that point. The current proposals are different in that the circumstance described at point (b) of Policy DM4 appears to be relevant as that applies to proposals for *"change of use, re-use or extension of existing buildings ... which lead to the enhancement of the immediate setting."* On this basis, we conclude that, as a matter of principle, the current proposals do not conflict with Policy DM4. We have then considered the relevant criteria in the second part of the policy and noted that the proposal is for substantially less floorspace within the open countryside, and we have considered the impact on 'views' and 'gaps', concluding that in respect of Policy DM4, the proposals are not significantly different to those previously consented and that whilst the expansion land is within the open countryside, the criteria in Policy DM4 are met.
- 7.5 In respect of retail policy and the sequential test, we have concluded that the proposals are for an extension to an existing foodstore and that the sequential test is appropriately applied on the basis that the proposals are location-specific (i.e. they can only be delivered in this location because they are an extension). This is in accordance with the approach set out in the PPG.
- 7.6 In respect of retail impact we have concluded that there is no requirement to prepare an impact assessment. In support of this conclusion we have described the pattern of main-food and top-up shopping in the area, both within and outside the boundaries of designated centres, to inform a judgment on the likelihood that the proposal would have a significant adverse impact on any designated centre. We have noted that main food shopping patterns are well established, and that the ALDI at Watling Street has been part of that provision for circa 25 years. The proposals are primarily to provide qualitative improvements for the benefit of existing customers, will not materially impact on established shopping patterns, and will not have a significant adverse impact on Hinckley town centre, or other local centres.
- 7.7 Finally, the broader submissions confirm that the proposal is for a well-designed extension to an existing store and that there are no technical or environmental constraints that would restrict or prohibit development on the application site.

- 7.8 Having regard to the lack of conflict with the relevant policies of the development plan, and the compliance of the proposals with relevant policy in the NPPF, together with the lack of technical, environmental or amenity based reasons why the development may not proceed, the proposals are for sustainable development to which the presumption in the NPPF apply.

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