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3 February 2017

Dear Karen

LAND AT ROCKS GREEN, LUDLOW
REF: 14/05573/OUT

Ahead of the Committee next week, there are a few matters that have arisen that we think Councillors should be made aware of.

A condition to restrict retailers at the site

Although officers agree that there will not be a significant adverse impact on the vitality and viability of Ludlow town centre as a result of the proposals, we understand that Members are concerned that existing food retailers could relocate from the town centre to our site, and so potentially weaken the town centre.

This is not the case. We want to provide more choice for shoppers. However, in order to address this concern, we suggest that a condition (or legal obligation) be imposed on the site that restricts any existing large food retailer within Ludlow occupying the site. We propose the condition to be worded as follows:

For a period of five years from the date on which the development is first occupied, the retail unit hereby approved shall not be occupied by any food retailer who at the date of grant of this permission, or within a period of 12 months immediately prior to the occupation of the development hereby approved, occupies food retail floorspace which exceeds 500sqm (Gross Internal Area) within Ludlow.

Such conditions are relatively common. The validity of such restrictions has recently been considered by the Court of Appeal and it was held to be acceptable. For reference, the case is R (on the application of Skelmersdale Ltd Partnership) v (1) West Lancashire Borough Council (2) St Modwen Developments (Skelmersdale) Ltd (2016) EWCA Civ 1260.



Lidl store requirements

At the previous committee I suggested that the unit would be of a suitable size for Lidl to occupy. However, there was some scepticism about this as one or two members felt that the store would be too large for a Lidl.

As you know, we have now reduced the size of the store and I attach information from Lidl's website where they set out their requirements for future stores (<http://www.lidl.co.uk/en/16408.htm>). The website states that they are looking for units of between 20,000 sqft and 30,000 sqft (**Appendix 1**) and, therefore, the revised proposals at Rocks Green would meet their requirements.

The website also confirms Lidl's requirement for Ludlow (**Appendix 2 and 3** – Ludlow is 37).

Impact Table BB

As you are aware, we received comments from Councillor Boddington on Revised Table AA which was attached to our letter dated 22 December 2016. In order to address these comments, and to clarify some ambiguities in Revised Table AA, we have prepared Table BB (**Appendix 4**).

Table BB shows that the overall impact on Ludlow town centre remains unchanged with a worst case scenario of 9.6%, and that the impact on stores other than Tesco is between 2.3% and 3.1%.

Given Councillor Boddington's concerns, I think that it might be helpful if Table BB is provided for Committee Members.

I would be grateful if this letter and the appendices could be considered as a late representation. I trust the above is clear, but should you have any questions, please do not hesitate to contact me or my colleague Alexander MacGregor.

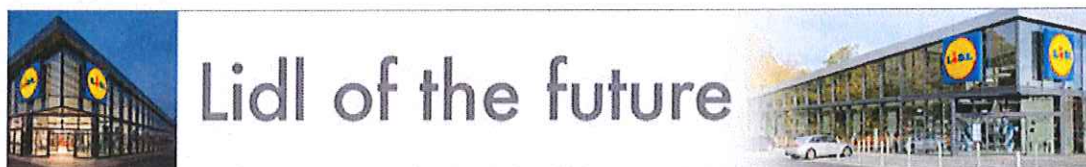
Yours sincerely

Sean McGrath

Enc: Appendix 1 - Lidl site requirements;
Appendix 2 - Lidl new location list;
Appendix 3 - Lidl site requirements map of Nottingham, Derbyshire, Shropshire, Staffordshire, Cheshire East; and
Appendix 4 - Table BB
cc: Fergus O'Donovan – Blackfriars Property Group

Document 1

Appendix 1 - Lidl site requirements



We have ambitious plans to double our stores to 1200.

We will consider opportunities in addition to those areas listed.

Our Requirements:

- Prominent sites in town, district, edge of centre or out of town locations
- Ideally main road frontage with easy access and strong pedestrian or traffic flow
- Freehold, leasehold or long leasehold opportunities
- Unit sizes flexible on design and scale between 20,000 and 30,000 sq ft
- 1.5 acre plus stand alone units or up to 4 acres for mixed use scheme developments by Lidl in conjunction with or acting as a developer

Our London Requirements:

- Unit sizes flexible on design and scale between 10,000 and 30,000 sq ft
- Approx. 0.8 acres plus stand alone units or up to 4 acres for mixed use scheme developments by Lidl in conjunction with or acting as a developer
- With or without car parking and in close proximity to key public transport links

What you can expect from Lidl:

- Response within 7 days
- Competitive fee structure - 1.5% (acting as agent for a previously unknown site)
- 10% of Year 1 rent for leaseholds

Document 2

Appendix 2 - Lidl new location list

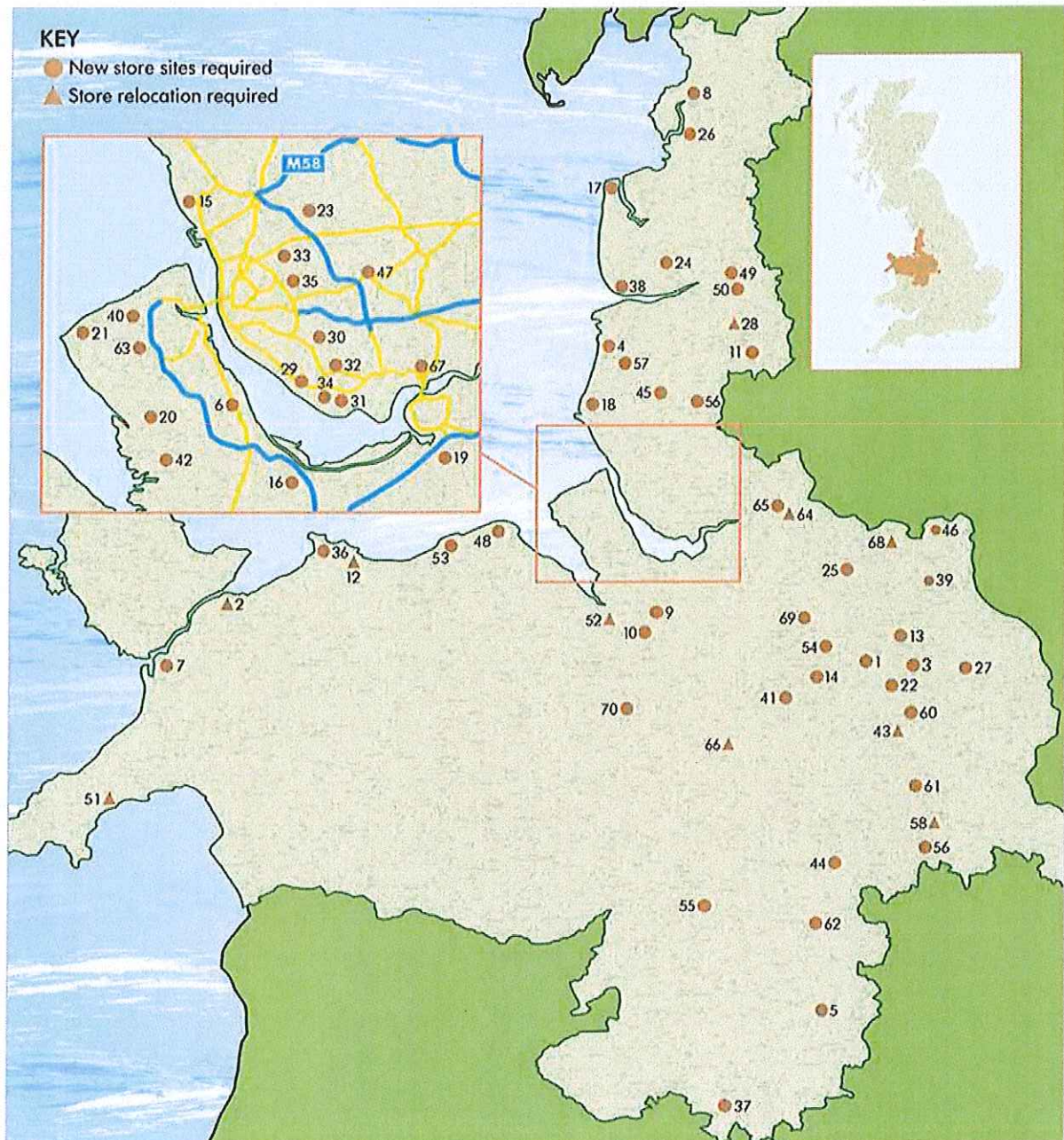


Lidl Site Requirements in North Wales/Lancashire/
Merseyside/Cheshire/Staffordshire

- | | | |
|-------------------------|-------------------------------------|----------------------------------|
| 1. Alsager | 25. Knutsford | 49. Preston - North |
| 2. Bangor (rel) | 26. Lancaster | 50. Preston - South |
| 3. Biddulph | 27. Leek | 51. Pwllheli (rel) |
| 4. Birkdale | 28. Leyland (rel) | 52. Queensferry (rel) |
| 5. Bridgnorth | 29. Liverpool - Aigburth | 53. Rhyl |
| 6. Bromborough | 30. Liverpool - Childwall/ Gateacre | 54. Sandbach |
| 7. Caernarfon | 31. Liverpool - Garston | 55. Shrewsbury |
| 8. Carnforth | 32. Liverpool - Hunts Cross | 56. Skelmersdale |
| 9. Chester - North | 33. Liverpool - Norris Green | 57. Southport - North |
| 10. Chester - South | 34. Liverpool - Speke | 58. Stafford - North (rel) |
| 11. Chorley | 35. Liverpool - West Derby | 59. Stafford - South |
| 12. Colwyn Bay (rel) | 36. Llandudno | 60. Stoke on Trent |
| 13. Congleton | 37. Ludlow | 61. Stone |
| 14. Crewe | 38. Lytham St. Annes | 62. Telford - South |
| 15. Crosby | 39. Macclesfield | 63. Upton |
| 16. Ellesmere Port | 40. Moreton | 64. Warrington - Latchford (rel) |
| 17. Fleetwood | 41. Nantwich | 65. Warrington - North |
| 18. Formby | 42. Neston | 66. Whitchurch (rel) |
| 19. Frodsham/Helsby | 43. Newcastle Under Lyme (rel) | 67. Widnes |
| 20. Heswall | 44. Newport | 68. Wilmslow (rel) |
| 21. Haylake/West Kirkby | 45. Ormskirk | 69. Winsford |
| 22. Kidsgrove | 46. Poynton | 70. Wrexham - Northeast |
| 23. Kirkby | 47. Prescot/Rainhill | |
| 24. Lymm | 48. Preston | |

Document 3

Appendix 3 - Lidl site requirements map



Document 4

Revised Table BB: Impact Smaller Stores in Ludlow at 2019 (Jan 2017)

	Total convenience and comparison turnover (£m)	Proposed direct trade draw from town centre to new store (£m)	Loss of linked trips (£m)	Total diversion (£m)	Turnover after proposal (£m)	Impact on Ludlow town centre
Scenario A						
Tesco, Ludlow	22.48	5.40		5.40	17.08	24.0%
Other stores in Ludlow town centre	50.50	0.99	0.20	1.18	49.31	2.3%
Total	72.97	6.38	0.20	6.58	66.40	9.0%
Scenario B						
Tesco, Ludlow	22.48	5.40		5.40	17.08	24.0%
Other stores in Ludlow town centre	50.50	0.99	0.39	1.38	49.12	2.7%
Total	72.97	6.38	0.39	6.77	66.20	9.3%
Scenario C						
Tesco, Ludlow	22.48	5.40		5.40	17.08	24.0%
Other stores in Ludlow town centre	50.50	0.99	0.59	1.58	48.92	3.1%
Total	72.97	6.38	0.59	6.97	66.00	9.6%

Source/notes:

1. Based on Table 15 of Indigo's Planning and Retail Statement and Table AA (Nov 2016)
2. Loss of linked trip expenditure estimated by Shropshire Council.