

Retail Addendum – Update to Retail Impact Assessment

For Honeyview Investments Ltd | 18-592

Full planning application for the construction of a Class E foodstore (Lidl) with associated access, car parking, servicing and landscaping – 10 Barnard Road, Bowthorpe, Norwich, NR5 9JB

Project: 18-592
Site Address: 10 Barnard Road, Bowthorpe, Norwich, NR5 9JB
Client: Honeyview Investments Ltd
Date: 08 August 2024
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EP1. Updated Retail Impact Tables



1. Introduction

- 1.1 This Retail Addendum has been prepared by Emery Planning on behalf of Honeyview Investments Ltd (“the applicant”). It is submitted in support of a full planning application ref. 23/01615/F, which proposes to deliver a discount foodstore at 10 Barnard Road, Norwich.
- 1.2 As part of the original planning application, we submitted a Planning & Retail Statement, which, amongst other things, included a retail impact assessment.
- 1.3 On 2 April 2024, we submitted a letter setting out our response on retail planning matters, following the representations from First Plan on behalf of Waitrose (dated 1 February 2024) and Avison Young on behalf of Aldi (dated 11 March 2024). This included a response on retail impact matters raised.
- 1.4 In May 2024, the Council provided us with an initial retail audit which they had commissioned, undertaken by MWA Planning, which provided comments on our submitted work on retail impact and the retail sequential test.
- 1.5 This Retail Addendum has been prepared specifically to address the comments made by MWA Planning on retail impact. The key issues raised and our response to them are outlined at the start of this Retail Addendum, followed by a step-by-step explanation of the methodology adopted and findings from the retail impact assessment. This report should be read alongside the Planning & Retail Statement and letter setting out our response on retail planning matters (dated 1 February 2024), mentioned above.
- 1.6 This Retail Addendum does not address matters raised on the retail sequential approach, which are addressed separately.
- 1.7 This Retail Addendum is divided into the following sections:
 - Section 2: Response to retail audit on retail impact
 - Section 3: Convenience goods retail impact
 - Section 4: Conclusions



2. Response to retail audit on retail impact

- 2.1 MWA Planning's initial retail audit provided comments on our retail impact work which are set out in the boxes below, along with our response to each point raised.

Price base and base and design years

Price base and base and design years

The assessment uses a constant 2020 price base. The base date is 2023 and a design year of 2028 is used to assess impact i.e. 5 years after the base date. The PPG advises in paragraph 018 (ID:2b-018-20190772) that the design year for impact testing will need to be selected to represent the year when the proposal has achieved a 'mature' trading pattern. This is conventionally taken as the second full calendar year after opening. It is not clear when the food store would open but we have assumed for the purposes of the assessment and given the existing beneficial use of the site that a new store could potentially open in 2026 in which case the first full trading year would be 2027. However in reality the difference between 2027 and 2026 would be marginal in assessing the likely trading effects.

- 2.2 Our Updated Retail Impact Tables use a constant 2022 price base. The base date is 2024 and the design year is 2027, which is in line with MWA Planning's comments.

Catchment area

Catchment area

A 10-minute drive time catchment has been adopted which in this location we consider to be reasonable. However since the population within this catchment is not provided nor any base and design year convenience goods expenditure generated by residents, it does not provide a clear basis for establishing base and design year shopping patterns prior to the new store opening.

- 2.3 As set out in our letter dated 2 April 2024, our submitted Planning & Retail Statement states that a typical Lidl foodstore will serve a compact 5-minute drive-time core catchment. This reflects the fact that Lidl foodstores provide a neighbourhood shopping facility reflecting their comparatively limited retail offer. On this basis, it is therefore considered that the majority of customers of the new Lidl foodstore will come from within this 5-minute catchment area. However, at the request of the local planning authority and in the interests of a truly robust approach, a 10-minute drive-time catchment area has been adopted, to capture the vast majority of trade drawn from residents. The catchment and scope was agreed with the LPA through the formal pre-application procedure.



- 2.4 That being said, we welcome MWA Planning's comments, including that they made no mention of the catchment area needing to be beyond a 10-minute drivetime.
- 2.5 Our Updated Retail Impact Tables show that the majority of trade will be drawn from residents of Zone 1 [of the 2020 Retail Study Update], along with a small amount of trade drawn from residents of zones 3, 5, 6 and 7. For each of these zones and in fact all 15 zones of the 2020 Retail Study Update, we have provided the population and convenience goods expenditure generated by residents. Accordingly, in line with MWA Planning's comments, our Updated Retail Impact Tables provide a clear basis for establishing base and design year shopping patterns, prior to the new store opening.

Use of data

Use of data within the Greater Norwich Town Centres and Retail Study Update (2020)

As far as we are aware this study remains part of the evidence base which underpins the development plan including the recently adopted Greater Norwich Local Plan (March 2024). Given the advice within the PPG that any assessment should be proportionate in scope, we do not believe that it is unreasonable to rely upon it provided data is updated. Specifically in relation to expenditure per capita on convenience goods and special forms of trading (SFT).

- 2.6 Our Updated Retail Impact Tables rely on the convenience goods shopping patterns set out in the 2020 Retail Study Update. However, we have updated all other data including expenditure per capita on convenience goods and non store retail trade / SFT. This is in line with MWA Planning's comments.



Convenience goods expenditure

Paragraph 8.10 of the PRS confirms that population and expenditure growth data has been sourced from Experian Micromarketer and Experian Retail Planner Briefing Note 19 (January 2022). However Experian published in February 2024 RPN 21. This updates the forecast growth in convenience goods expenditure including the percentage attributable to non-store sales i.e. special forms of trading. These have materially altered from those in the 2017 study and in terms of per capita growth rates for the period 2023-28 these are materially lower than those set out in RPN 19 and the PRS. Nor is it clear whether the changes to SFT have been included when compared with those used in the 2020 study.

Since these inputs are within the remit of the Applicant (and assuming population forecasts remain robust), the PRS does not in our opinion represent a 'worst-case scenario' because RPN 21 suggests that convenience goods expenditure per capita will continue to fall. Thus there is no certainty as suggested by the Applicant in the letter from Emery Planning (April

2024) that in practice '*...there is likely to be some growth in the convenience goods turnover of defined centres and existing retail destinations*'. We do not believe that the Applicant has demonstrated that this would in fact be the case over the 5 year period 2023-2028. This has implications for the design year, pre-impact turnovers of the centres examined for impact. In particular there is no assessment of population and convenience goods expenditure growth and how the base and design year expenditure flows are distributed between the various centres/stores prior to the opening of a new Lidl store. Tables 1 and 4 in Appendix EP3 assumes static growth in the convenience goods turnovers but it is not clear how these have been calculated taking into account per capita growth rates and changes in retail floorspace efficiency.

- 2.7 Our Updated Retail Impact Tables use population data and per capita expenditure data derived from Experian Location Analyst (July 2024 Report). Per capita expenditure has been projected forward using the forecast growth rates taken from Figure 7, Appendix 3 of Experian Retail Planner Briefing Note 21 (February 2024). The expenditure includes a Non Store Retail Trade (NSRT) / Special Forms of Trading (SFT) Reduction in line with an 'adjusted' allowance derived from Appendix 3 of Experian Retail Planner Briefing Note 21 (February 2024). Accordingly, all the latest available data has been used, including those which inform the design year data and pre-impact turnovers of the centres examined for impact. This includes an assessment of population and convenience goods expenditure growth and how the base and design year expenditure flows are distributed between the various centres / stores prior to the opening of a new Lidl foodstore. Our Updated Retail Impact Tables no longer assume static growth, they assume convenience goods expenditure growth using Experian's latest forecast growth rates. Our Updated Retail Impact Tables have comprehensively addressed MWA Planning's comments on convenience goods expenditure.



Turnover of existing centres

Table 1 at Appendix EP3 of the PRS sets out the convenience goods turnovers of only some of defined centres within the 10 minute catchment. While estimates are provided for Bowthorpe District Centre and The Larkman District Centre, all other centres are not, the table stating that there is no data available. This appears to be founded on the absence of information within the Town Centre and Retail Study Update (December 2020)⁵. We do not believe that this approach is robust. It is a matter for the Applicant to provide information on the likely trading effects and without an estimate of the anticipated turnover of the defined centres under a 'no development' scenario, it is difficult to predict and understand with any degree of clarity the anticipated effects.

Moreover Appendix EP6 of the PRS provides 'health check assessments' of various centres which in part can form a basis for estimating their anticipated turnover.

Finally any change in the predicted level of convenience goods expenditure within the catchment may affect their overall convenience goods turnover between the base (2023) and design (2028) years.

- 2.8 Our Updated Retail Impact Tables show the survey derived convenience goods turnovers of Bowthorpe district centre and The Larkman district centre, along with several other convenience goods destinations within the catchment area of the application proposals.
- 2.9 We have checked the 2020 Retail Study Update and the raw data of the household survey used to derive the shopping patterns and the other centres mentioned do not feature whatsoever. Accordingly, there is no household survey derived turnover of the five local centres including: Norwich Road, Costessey; Earlham West; University of East Anglia; Colman Road, The Parade; and Colman Road, The Avenues.
- 2.10 A very approximate, 'worst case' convenience goods turnover of these centres and trade diversion to the application proposals is set out in the table below. The reason we say 'worst case' scenario is because the turnover and impact figures are conservative and if it is deemed that the turnover figures should be higher, then naturally, they will be able to withstand greater impacts.

Centre	Convenience goods turnover in 2027 (£m)	Trade diversion (£m)
Norwich Road, Costessey (one Co-op)	£2.7m	<£0.1m



Centre	Convenience goods turnover in 2027 (£m)	Trade diversion (£m)
	(based on a floorspace of 250 sq.m and a sales density of £10,913 / sq.m)	
Earlham West (two independent convenience foodstores)	£0.9m (based on a combined floorspace of 300 sq.m and a sales density of £3,000 / sq.m)	<£0.1m
University of East Anglia (one Spar)	£2.5m (based on a floorspace of 250 sq.m and a sales density of £10,000 / sq.m)	<£0.1m
Colman Road, The Parade (one McColl's, one oriental foodstore and one baker)	£1.35m (based on a combined floorspace of 450 sq.m and a sales density of £3,000 / sq.m)	<£0.1m
Colman Road, The Avenues (one McColls)	£0.45m (based on a floorspace of 150 sq.m and a sales density of £3,000 / sq.m)	<£0.1m

2.11 The table above shows the approximate convenience goods turnover of the five local centres within the catchment area of the proposals and the trade diversion to the application proposals. Trade diversion from each of these local centres to the application proposals is estimated to be less than £0.1m. As these impacts are de minimis, we haven't shown these in our Updated Retail Impact Tables. These impacts



would fall under 'other destinations'. Accordingly, all comments from MWA Planning on the turnover of existing centres have been addressed.

Turnover of the proposed development

Table 8.2 of the PRS sets out the proposed convenience and comparison goods turnover of the Lidl store. Based on a convenience goods sales area of 1,065 sq.m. to which a sales density of £8,444 sq.m. (2020 prices) is applied. For comparison goods a sales density of £4,548 sq.m. is applied to the net comparison goods sales area of 266 sq.m. The PRS and Table 2 at Appendix EP3 confirms that these have been supplied by Lidl in November 2023.

The letter from Emery Planning (April 2024) further confirms that Lidl has engaged with Global Data and Mintel in respect of their estimates of the company's sales density on the basis that these are judged to be unrepresentative and 'significantly in excess of that actual achieved, on average, by Lidl stores...'

While we acknowledge that sales densities will vary around a typical average, the absence of publicly accessible information to corroborate the design year turnover presents an issue in determining whether it is sufficiently robust when assessing impact. Therefore we recommend that the Applicant (on the basis that other assumptions are assumed to represent a worst-case) adopts a higher convenience goods sales density from published sources. This would ensure that a robust approach is adopted.

Finally we note that the PRS assumes that 60% of the convenience goods turnover of the former Lidl store at Drayton Road is reallocated to the new store. This equates to £5.1m. In which case this would suggest that the Lidl store prior to closure achieved a convenience goods turnover of £8.6m. This is in fact in excess of the £8.5m predicted for the new store on the application site which according to the Applicant meets all relevant operational and locational criteria. Yet the PRS at paragraph 2.3 states that '*...this foodstore performed poorly...*'

- 2.12 As set out in our letter dated 2 April 2024, we understand that in recent years, Lidl has engaged with Global Data and Mintel to raise issue with their calculations of the Lidl company average sales density. Essentially, the sales density calculated by both Global Data and Mintel was noted to be significantly in excess of that actually achieved, on average, by Lidl stores and both Global Data and Mintel ended up revising their published figures.
- 2.13 In our Planning & Retail Statement previously submitted, we used a convenience goods sales density of £8,444 / sq.m and a comparison goods sales density of £4,548 / sq.m. These sales density figures were sourced directly from Lidl in November 2023 and they are more up-to-date and accurate than those provided by other sources such as GlobalData and Mintel.
- 2.14 Nevertheless, at the request of MWA Planning, our Updated Retail Impact Tables include sales densities for Lidl derived from GlobalData and adjusted for the 2022 price base and year. This includes a convenience



goods sales density of £10,723 / sq.m in 2024 and a comparison goods sales density of £2,483 / sq.m in 2024. The floorspace figures of the application proposals have remained the same. This leads to a convenience goods turnover of £11.17m in 2027 and a comparison goods sales density of £0.68m in 2027.

- 2.15 Respectfully, we consider that MWA Planning has misinterpreted our previous retail impact tables in relation to trade diversion. We previously forecast that 60% of the turnover of the application proposals (i.e. 60% of £8.5m = £5.1m) would be diverted from the closure of Lidl, Drayton Road and not 60% of the turnover of Lidl, Drayton Road. In actual fact, our Updated Retail Impact Tables show that the former Lidl, Drayton Road would have a household survey derived turnover of £9.6m in 2027, exactly double the benchmark turnover of £4.8m for that size of Lidl foodstore.
- 2.16 In our view, the likely reason for the closure of Lidl, Drayton Road was perhaps due to its small size (net floorspace of 625 sq.m) which is less than half the size of modern discount foodstores, as opposed to poor performance. It is natural for Lidl to want to compete with the size of other recently opened discount foodstores in the area and it can only do so if it has a sufficient level of floorspace.
- 2.17 Our Updated Retail Impact Tables show revised trade diversion figures, as part of a two stage approach. The first stage is the trade diversion (positive impact) following the closure of Lidl, Drayton Road ([Table 8](#)). The second stage is the trade diversion to the application proposals, post the closure of Lidl, Drayton Road ([Table 9](#)). All comments from MWA Planning on the turnover of the proposed development have been comprehensively addressed.



Trade draw and assessment of impact

Table 4 at Appendix EP3 of the PRS sets out the trade draw. We have the following observations on this table:

- The trade draw from Bowthorpe District Centre at 1% seems to be unreasonably low given the proximity and accessibility of this centre to the proposed food store.
- The assumption that 95% of the trade to the new store will be derived from the 10-minute catchment is considered reasonable.
- Since the Aldi store at The Larkman District Centre is the closest comparable discount food retailer it seems unrealistic to assume a trade draw of only 10%. The letter from Emery Planning applies a sensitivity test assuming a greater proportion of trade is diverted from this store and concludes that there would be no significant adverse impact. The turnover of the Aldi store appears to be robust and we are aware that the company is seeking further investment in this store which would reinforce its ability to withstand a greater level of trade diversion.
- A proportion of the convenience goods expenditure attributed to the former Lidl store at Drayton Road is reallocated to the new store (£5.1m⁶). This is on the basis that there is an overlap between the two catchments. In reality however the turnover attributed to the Drayton Road store will have been re-directed to existing centres/stores and should be included in the design year turnover of existing centres. However paragraph 2.3 of the PRS states in relation to the Drayton Road site that '...Lidl are actively seeking a replacement site for the Drayton Road store as this is considered to be a **distinctly different catchment...**' (our emphasis). Consequently it is unclear why the assumption is being made that 60% of the convenience goods turnover of the Drayton Road store should be reallocated. The letter from Emery Planning (April 2024) states that the trade diversion from the former Lidl at Drayton Road is higher because it has closed. But as the letter also confirms the turnover from the former store will have been re-directed to other foodstores. But the calculation as to where the trade has been redistributed to in the design year is not evidenced although the principle that the trade will have been redistributed is agreed and provides some support for the conclusion that existing centres/stores could withstand higher levels of trade diversion.
- None of the local centres are examined for impact. Yet these are confirmed to fall within the primary catchment area.
- There is no assessment of comparison goods impact particularly upon Roy's store in Bowthorpe.

Without an updated impact assessment addressing these points it is not possible to accurately assess the potential trading effects. The Applicant is requested to follow the step by step approach as set out in the PPG using the updated/revised assumptions to provide a transparent and logical assessment of the predicted trade diversion in the design year.

2.18 Trade draw is trade drawn from residents within the catchment area of the proposals. Trade diversion is trade diverted from other destinations. Again, with respect, we believe that MWA Planning means trade diversion, rather than trade draw, in its comments above.



2.19 As set out above, our Updated Retail Impact Tables show revised trade diversion figures, as part of a two stage approach. The first stage is the trade diversion (positive impact) following the closure of Lidl, Drayton Road ([Table 8](#)). The second stage is the trade diversion to the application proposals, post the closure of Lidl, Drayton Road ([Table 9](#)). In line with comments from MWA Planning, we have increased trade diversion from Bowthorpe District Centre to the application proposals to 5% and we have increased the trade diversion from The Larkman District Centre to the application proposals to 35%. We have reallocated trade from Lidl, Drayton Road, prior to setting out trade diversion from the application proposals. We have examined local centres for impact, as set out above. We maintain that the level of comparison goods impact from the application proposals will be de minimis and that any comparison goods impact on Bowthorpe District Centre will be negligible (it would not be proportion to quantitatively assess the comparison goods impact considering the low level of comparison goods turnover from the application proposals). Accordingly, we have fully addressed MWA Planning's comments on trade draw / diversion and assessment of impact.



3. Convenience goods retail impact

- 3.1 Our retail impact assessment has been updated to address all comments from MWA Planning. A full copy of the Updated Retail Impact Tables is set out in **Appendix 1**. The findings of those tables are explained in detail below.

Table 1: turnover of proposed development

- 3.2 Table 1 of **Appendix 1** estimates the convenience and comparison goods turnover of the application proposals. The Lidl foodstore will have a total net sales area of 1,331 sq.m with the vast majority given over to the sale of convenience goods (80% / 1,065 sq.m), with the remainder used for the sale of a purely ancillary range of non-food (comparison) goods (20% / 266 sq.m).
- 3.3 As noted within Section 2 of this report, the sales density of the Lidl foodstore has been derived from GlobalData (albeit we consider that data provided directly from Lidl is more robust). More recent information from Experian has been used, as well as a base date of 2024 and a test year of 2027. The Lidl foodstore is now expected to have a convenience goods turnover of £11.17m and £0.68m for comparison goods in 2027, the test year.

Table 2

Table 2(a): population within each zone

- 3.4 Table 2(a) shows the population within each zone shown from 2022 to 2027. The base population (2024) within the 15 zones has been sourced directly from up-to-date Experian Location Analyst data (July 2024 Report). The baseline population has then been projected forward to the test year of 2027 in line with Experian's growth forecasts (utilising the July 2024 data report).
- 3.5 On this basis, the information from Experian indicates an increase in population for the Catchment Area up to the test year 2027. For Zone 1, the population is 86,422 in 2024 increasing to 88,332 in 2027, an increase of 1,910 persons.
- 3.6 Overall, the population of all 15 zones [of the 2020 Retail Study Update] is 907,871 in 2024, increasing to 925,248 in 2027.



Table 2(b): per capita convenience expenditure within study area (excluding non store retail trade deduction)

- 3.7 Table 2(b) shows the per capita convenience expenditure within the study area (excluding non store retail trade deduction). Per capita convenience base expenditure data for all 15 zones has been sourced from up-to-date Experian Location Analyst data (July 2024 Report) and so reflects the latest available information. Our analysis of convenience goods (Table 2b) expenditure capacity then draws upon 'forecast' growth rates as set out under Figure 7, Appendix 3, of the Experian Retail Planner Briefing Note (February 2024).

Table 2(c): per capita convenience expenditure within study area (including non store retail trade deduction)

- 3.8 Table 2(c) shows the per capita convenience expenditure within the study area (including NSRT). In terms of an allowance for NSRT / SFT – such as online shopping and so on, our assessment is based on the allowance identified at Appendix 3, Page 19, of Experian's Retail Planner Briefing Note 21, February 2024. This is based upon assumptions by Experian in regard to the sourcing of online food purchases (i.e. the proportion which is actually supplied from the shelves of stores vs deliveries from non-retail distribution centres to private residences).

Table 2(d): total convenience goods expenditure within study area (including non store retail trade deduction)

- 3.9 Table 2(d) combines population and per capita expenditure estimates to establish total available convenience expenditure respectively within the 15 zones. Table 2(d) shows that there will be approximately £2,238.7m convenience goods expenditure within the 15 zones combined at our test year in 2027. For Zone 1, the total convenience goods expenditure available at the base year is £197.0m, growing to £199.1m at the test year (an increase of £2.1m). This allows for forecast convenience goods growth rates and annual growth in NSRT / SFT.

Table 3: convenience goods shopping patterns (%)

- 3.10 Table 3 uses the percentage figures taken from the 2020 Retail Study Update – Table 4, Appendix II, to reveal shopping patterns across the 15 zones. This data is divided across the 15 zones, with answers for



‘internet spending’ and ‘don’t knows’ removed, given that special forms of trading have already been extracted from the expenditure totals.

Table 4: convenience goods shopping patterns (£m) in 2024

- 3.11 Table 4 undertakes the conventional process of applying the total convenience goods expenditure in 2024 for each zone and multiplying this by the market shares from Table 3 to find the related convenience turnover.

Table 5: convenience goods shopping patterns (£m) in 2027

- 3.12 Similarly, Table 5 undertakes the conventional process of applying the total convenience goods expenditure in 2027 for each zone and multiplying this by the market shares from Table 3 to find the related convenience turnover.

Table 6: foodstore benchmark turnover analysis (2027)

- 3.13 Table 6 shows the foodstore benchmark analysis in our test year of 2027 based on existing foodstores within our catchment area. It shows the benchmark turnover in 2027 based on company average sales densities, the household survey derived turnover in 2027, the difference between the two and the percentage that the existing destination is over or under trading.
- 3.14 It should be noted that a benchmark sales density is the average sales density for a particular retailer. It stands to reason that some destinations will operate below company average levels; some will operate at or near to company average levels and other destinations will operate above company average levels. Just because a particular destination is operating at below company average levels does not mean that such a destination will close or is at risk of closure. Only those destinations operating far below company average levels will be most at risk, albeit retail shops can close for a variety of reasons.
- 3.15 Table 6 shows that Bowthorpe District Centre (including Roys of Bowthorpe) is trading at 68% of company benchmark levels. The Larkman District Centre (including Aldi, Larkman Lane) is vastly overtrading, at 268% of company benchmark levels. The other existing destinations do not have policy protection, but Asda, Drayton High Road is trading at 117% of company benchmark levels and Sainsbury’s, William Frost Way, New Costessey is trading at 141% of company benchmark levels. Table 6 also shows that Lidl, Drayton Road (now closed) would be overtrading at 201% of company benchmark levels.
- 3.16 In relation to Roys of Bowthorpe specifically, their website shows that Roys operates at 14 destinations in and around the Norfolk area. Roys operates a range of different stores including department stores, food halls, toy stores, garden centres, DIY centres, petrol stations and highway garden & leisure centres.



Accordingly, Roys only operates a handful of purely convenience foodstores, meaning its company average is based on a very low number of convenience foodstores.

- 3.17 Our benchmark turnover for Bowthorpe District Centre (including Roys of Bowthorpe) is taken from the 2020 Retail Study Update and grown forward to 2027. The benchmark turnover for Roys of Bowthorpe in the 2020 Retail Study Update was £7,000 per sq.m. However, the Council report provides no evidence of, or justification for that figure and it would not have been taken from a published source. A small retailer such as Roys, with only a handful of convenience foodstores could well have a company average of £5,000 per sq.m. This would mean that Bowthorpe District Centre (including Roys of Bowthorpe) would be trading close to equilibrium. The point being that without any evidence for a sales density figure, from a published source for Roys of Bowthorpe (like we have been asked to provide for Lidl), there can be little weight given to its performance and impact from the application proposals.

Table 7: anticipated convenience trade draw to Lidl development

- 3.18 The convenience trade draw to the proposals is detailed in [Table 7](#). This shows that the majority of trade (85%) will be drawn from residents of Zone 1. 6% of trade will be drawn from residents of Zone 6, a further 6% from Zone 7, 2% from Zone 5 and 1% from Zone 3.

Table 8: convenience goods solus (positive) impact of closure of Lidl, Drayton Road

- 3.19 [Table 8](#) shows the convenience goods solus (positive) impact of the closure of Lidl, Drayton Road on existing destinations. The household survey derived turnover of Lidl, Drayton Road is £9.6m. Table 8 distributes the positive impact (redistribution of the foodstore's turnover) amongst destinations within and outside of the catchment area. The redistribution of Lidl, Drayton Road's turnover is based on our judgement, based on the foodstore's location and proximity of other nearby, similar foodstores. We have forecast that £1.9m of its trade will benefit The Larkman District Centre (including Aldi, Larkman Lane). £0.4m of its trade will benefit Asda, Drayton High Road. £0.2m of its trade will benefit Bowthorpe District Centre (including Roys of Bowthorpe). £7.1m of its trade will benefit other destinations. In relation to Bowthorpe District Centre (including Roys of Bowthorpe) and The Larkman District Centre (including Aldi, Larkman Lane), the trade diversion from the closure of Lidl, Drayton Road to these centres are conservative estimates and 'worst case scenarios'. In reality, they could have benefitted to a greater extent.

Table 9: convenience goods solus impact of Lidl, 10 Barnard Road, post the closure of Lidl, Drayton Road

- 3.20 Following the closure of Lidl, Drayton Road and the redistribution of its turnover to other existing destinations, [Table 9](#) shows the convenience goods solus impact of the application proposals. As set out



in [Table 1](#), we have forecast that the application proposals will have a convenience goods turnover of £11.2m in 2027 (this is likely to be an overestimate based on Lidl's actual company benchmark figures). The impact of the application proposals is based on our own judgement, based on the foodstore's location and proximity of other nearby foodstore destinations, including those that the application proposals will most likely compete with.

- 3.21 We have forecast that 35% or £3.9m of the application proposal's turnover will be diverted from The Larkman District Centre (including Aldi, Larkman Lane). A further 20% or £2.2m will be diverted from Sainsbury's, William Frost Way, New Costessey. 10% or £1.1m will be diverted from Asda, Drayton High Road. 12% or £1.3m will be diverted from Co-op, Dereham Road, New Costessey. 6% or £0.7m will be diverted from each of Co-op, Norwich Road, New Costessey; and Morrisons Daily, Dereham. 5% or £0.6m will be diverted from Bowthorpe District Centre (including Roys of Bowthorpe). 6% or £0.7m of the application proposal's turnover will be diverted from other destinations.

Summary

- 3.22 The proposed development alone would only have minor impacts on established centres.
- 3.23 In relation to Bowthorpe District Centre (including Roys of Bowthorpe), that particular destination would trade similarly to current levels, post the closure of Lidl, Drayton Road and the application proposals (£8.1m post impact turnover compared with £8.5m in a no development scenario).
- 3.24 On The Larkman District Centre (including Aldi, Larkman Lane), that destination would still vastly overtrade by 241%, post the closure of Lidl, Drayton Road and the application proposals (£18.2m compared with a benchmark turnover of £7.5m).
- 3.25 We have already set out above that the impact of the application proposals on the five local centres within the catchment area of the proposals will be de minimis.
- 3.26 The application proposals will also provide a replacement Lidl foodstore for the lost Lidl, Drayton Road and thus more choice in a local area recently deprived of a Lidl foodstore.
- 3.27 In summary, it is clear that the trading effects of the retail proposals will give rise to only minor retail impacts across the majority of surrounding foodstores and centres, which can be accommodated without negative long term implications. The proposals therefore comply with national and local planning policies.



4. Conclusions

- 4.1 This Retail Addendum has been prepared by Emery Planning on behalf of Honeyview Investments Ltd (“the applicant”) in response to an initial retail audit, undertaken by MWA Planning, on behalf of the Council. It is submitted in support of a full planning application ref. 23/01615/F, which proposes to deliver a discount foodstore at 10 Barnard Road, Norwich. It should be read alongside the original Planning & Retail Statement and letter setting out our response on retail planning matters (dated 1 February 2024).
- 4.2 This Retail Addendum addresses retail impact matters only. Matters raised on the retail sequential approach are addressed separately.
- 4.3 Based on this, our overall conclusions on retail impact remain that there will not be any significant adverse impact on the health of defined centres within the catchment area of the proposals. There are not any current, committed or planned public or private investments for main town centre uses in defined centres within the catchment area of the proposals upon which the proposed scheme could have a significant adverse impact. It is not considered that the proposed development would have any significant adverse impact upon the ability to attract new investment to defined centres within the catchment area of the proposals.
- 4.4 We trust that the above information is sufficient to fully address the comments on retail impact within the initial retail audit by MWA Planning and that the retail impact test is passed.



EP1

Table 1: Turnover of proposed development

Proposed new Lidl foodstore, Norwich		Gross floorspace (sq.m)	Net floorspace (sq.m)	Turnover per sq.m in 2024 (£m)	Period to test year					
					2022	2023	2024	2025	2026	2027
Lidl foodstore	Convenience	1,949	1,065	10,723	11.42	11.13	11.12	11.12	11.15	11.17
	Comparison		266	2,483	0.66	0.65	0.64	0.65	0.66	0.68
	Total		1,331	-	12.08	11.79	11.76	11.77	11.81	11.85
Notes: a. Gross floorspace of proposed Lidl foodstore sourced from architectural drawings b. Net sales area and convenience / comparison goods floorspace split of Lidl provided by operator c. Sales density for Lidl derived from GlobalData d. Turnover projected forward using Experian forecast sales densities from Figures 4a and 4b of Experian Retail Planner Briefing Note 21 (February 2024)										

Zone	Population					
	2022	2023	2024	2025	2026	2027
Zone 1	84,165	85,856	86,422	87,017	87,644	88,332
Zone 2	63,574	63,612	63,659	63,735	63,821	63,899
Zone 3	45,656	46,907	47,201	47,478	47,744	48,027
Zone 4	50,187	50,989	51,235	51,656	52,018	52,319
Zone 5	42,809	42,905	43,434	43,939	44,455	44,935
Zone 6	53,140	54,145	54,888	55,619	56,294	56,884
Zone 7	43,031	43,468	43,909	44,347	44,711	45,127
Zone 8	22,132	22,095	22,261	22,398	22,528	22,669
Zone 9	62,054	62,036	62,332	62,604	62,910	63,219
Zone 10	114,455	114,713	115,121	115,540	115,931	116,317
Zone 11	120,149	121,333	122,001	122,661	123,286	123,874
Zone 12	8,362	8,481	8,593	8,673	8,745	8,823
Zone 13	51,576	51,773	52,235	52,670	53,104	53,475
Zone 14	69,256	69,829	70,399	70,923	71,444	71,995
Zone 15	62,959	63,605	64,091	64,558	64,989	65,353
Total	893,505	901,747	907,871	913,818	919,624	925,248
Notes:						
a. Base population derived from Experian Location Analyst data (July 2024)						
b. Base year taken as 2024 and test / design year as 2027						

Zone	Convenience goods expenditure per head (excluding NSRT deduction)					
	2022	2023	2024	2025	2026	2027
Zone 1	2,492	2,417	2,405	2,400	2,398	2,398
Zone 2	2,573	2,496	2,483	2,478	2,476	2,476
Zone 3	2,587	2,510	2,497	2,492	2,490	2,490
Zone 4	2,813	2,729	2,715	2,710	2,707	2,707
Zone 5	2,896	2,809	2,795	2,790	2,787	2,787
Zone 6	2,768	2,685	2,672	2,666	2,664	2,664
Zone 7	2,687	2,606	2,593	2,588	2,586	2,586
Zone 8	2,789	2,705	2,692	2,687	2,684	2,684
Zone 9	2,868	2,782	2,769	2,763	2,760	2,760
Zone 10	2,561	2,484	2,472	2,467	2,465	2,465
Zone 11	2,642	2,562	2,550	2,544	2,542	2,542
Zone 12	2,849	2,764	2,750	2,745	2,742	2,742
Zone 13	2,906	2,819	2,804	2,799	2,796	2,796
Zone 14	2,518	2,442	2,430	2,425	2,422	2,422
Zone 15	2,734	2,652	2,639	2,634	2,631	2,631
Annual growth	-	-3.0%	-0.5%	-0.2%	-0.1%	0.0%

Notes:

a. Per capita expenditure derived from Experian Location Analyst data (July 2024 Report)

b. Per capita expenditure projected forward using forecast growth rates taken from Figure 7, Appendix 3 of Experian Retail Planner Briefing Note 21 (February 2024)

2022 Prices

Zone	Convenience goods expenditure per head (excluding NSRT deduction)					
	2022	2023	2024	2025	2026	2027
Zone 1	2,370	2,304	2,280	2,286	2,259	2,254
Zone 2	2,447	2,378	2,354	2,339	2,332	2,327
Zone 3	2,461	2,392	2,367	2,353	2,345	2,340
Zone 4	2,675	2,600	2,574	2,558	2,550	2,544
Zone 5	2,754	2,677	2,650	2,633	2,625	2,620
Zone 6	2,633	2,559	2,533	2,517	2,509	2,504
Zone 7	2,555	2,484	2,459	2,443	2,436	2,430
Zone 8	2,653	2,578	2,552	2,536	2,528	2,523
Zone 9	2,728	2,652	2,625	2,608	2,600	2,595
Zone 10	2,436	2,368	2,343	2,329	2,322	2,317
Zone 11	2,512	2,442	2,417	2,402	2,394	2,389
Zone 12	2,710	2,634	2,607	2,591	2,583	2,577
Zone 13	2,763	2,686	2,659	2,642	2,634	2,628
Zone 14	2,394	2,327	2,303	2,289	2,282	2,277
Zone 15	2,600	2,527	2,502	2,486	2,478	2,473
Annual growth	4.9%	4.7%	5.2%	5.6%	5.8%	6.0%

Notes:

a. Per capita expenditure derived from Experian Location Analyst data (July 2024 Report)

b. Expenditure includes Non Store Retail Trade Reduction in line with 'adjusted' allowance derived from Appendix 3 of Experian Retail Planner Briefing Note 21 (February 2024)

2022 Prices

Zone	Convenience goods expenditure per head (excluding NSRT deduction)					
	2022	2023	2024	2025	2026	2027
Zone 1	199	198	197	197	198	199
Zone 2	156	151	150	149	149	149
Zone 3	112	112	112	112	112	112
Zone 4	134	133	132	132	133	133
Zone 5	118	115	115	116	117	118
Zone 6	140	139	139	140	141	142
Zone 7	110	108	108	108	109	110
Zone 8	59	57	57	57	57	57
Zone 9	169	164	164	163	164	164
Zone 10	279	272	270	269	269	269
Zone 11	302	296	295	295	295	296
Zone 12	23	22	22	22	23	23
Zone 13	143	139	139	139	140	141
Zone 14	166	163	162	162	163	164
Zone 15	164	161	160	160	161	162
Total	2,272.7	2,229.3	2,221.6	2,222.4	2,229.7	2,238.7

Notes:

a. Total available expenditure (2(d)) calculated by multiplying population from Table 2(a) by expenditure per head (minus NSRT deduction) from Table 2(c)

2022 Prices

Table 7: Anticipated convenience trade draw to Lidl development

Zone	Trade draw (%)	2027 (£m)
Zone 1	85%	9.49
Zone 2	0%	0.00
Zone 3	1%	0.11
Zone 4	0%	0.00
Zone 5	2%	0.22
Zone 6	6%	0.67
Zone 7	6%	0.67
Zone 8	0%	0.00
Zone 9	0%	0.00
Zone 10	0%	0.00
Zone 11	0%	0.00
Zone 12	0%	0.00
Zone 13	0%	0.00
Zone 14	0%	0.00
Zone 15	0%	0.00
Beyond study area	0%	0.00
Total	100%	11.17
Notes:		
Trade draw from residents based on our assumptions, typical trade draw from Lidl foodstores and existing similar desitinations closeby		

Table 8: Convenience goods solus (positive) impact of closure of Lidl, Drayton Road

[illegible]

Table 9: Convenience goods solus impact of Lidl, 10 Barnard Road, post the closure of Lidl, Drayton Road

[illegible]

