

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

Number: 1

Application Number: C22/0969/45/LL

Date Registered: 24/10/2022

Application Type: Full

Community: Pwllheli

Ward: Pwllheli

Proposal: Construction of new Aldi food shop (A1 use class), car park, entrance, servicing and landscaping

Location: Land on Caernarfon Road, Pwllheli, LL53 5LF

Summary of the Recommendation: TO APPROVE WITH CONDITIONS

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

1. Description:

1.1 This application is for the construction of a new Aldi food shop (A1 use class), car park, entrance, servicing and landscaping. The supermarket would have a floor area of approximately 1,880 square metres and with a sales floor area of approximately 1,332 square metres. The proposal also includes:

- Creating 114 parking spaces, to include eight spaces for the disabled, ten parent and child spaces, twelve electric vehicle charging points and two motorcycle spaces.
- Provision of 14 safe spaces for bicycles.
- Soft landscaping work.
- Creation of new access to Caernarfon Road.
- Provision of walking / cycle path near Caernarfon Road.
- Provision of bus shelter opposite the site on Caernarfon Road.
- Provision of zebra crossing.
- Introduction of a lower speed limit of 30mph along Caernarfon Road.
- Provision of an electricity sub-station.

1.2 The site is currently open fields. The application site is located off Caernarfon Road (A499), namely one of the main roads leading into and out of Pwllheli. The site lies within the development boundary of Pwllheli and forms part of the site designated for housing (T28) in the LDP. It also lies within the Llŷn and Bardsey Landscape of Outstanding Historic Interest. A part of the site is included in the Penlon Caernarfon candidate wildlife site. There are dwelling houses in the vicinity and some businesses are located nearby. The site's topography means that the site slopes towards the middle and then has steep sides towards the northern side. Fields are located to the west and an access road leading to the Bryn Tirion property abuts the site towards the east.

1.3 The application is supported by the following assessments:

- Planning Statement, including a Retail Assessment
- Viability Assessment
- A Welsh language Statement
- Air Quality Assessment
- Design and Access Statement.
- Transport Assessment
- Ecological Survey Report
- Flood Consequence Assessment
- Noise Impact Assessment
- Drainage Strategy Statement
- Step 1 Initial Risk Assessment
- Step 2 Land Investigation Report.
- Pre-application Enquiry Report.
- Noise Assessment Report
- Building Control Plan
- Archaeological Desk Report
- Archaeological Evaluation Report
- Design and Access Statement
- Environmental Management Plan
- Soft Landscaping Maintenance and Management Plan
- Tree Assessment
- Grassland Fungi Assessment

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

- Badger Report
- Lighting Report

1.4 Due to the proposed floor space of the building this application is defined as a major development. As part of the application, in accordance with the requirements of the Town and Country Planning (General Development Procedure) (Wales) Order, a pre-application consultation report was received. The report shows that the developer has informed the public and statutory consultees about the proposal before submitting a formal planning application.

1.5 The proposed development does not fall within the description and the criteria noted in Schedule 1 of the Town and Country Planning (Environmental Impact Assessment) (Wales) Regulations 2017. Considering that the proposal is an urban development project, it falls into column 1, section 10(b) of Schedule 2. The area of the site is more than the threshold of column 2 which means that the plan should be screened to determine whether the proposal is an Environmental Impact Assessment Development. The proposal has been screened and assessed in accordance with the development criteria under Schedule 3 and it is considered that the proposed development is unlikely to have substantial impacts on the environment and therefore there is no need to submit an environmental impact assessment with the planning application.

1.6 The application is submitted to Committee as it would provide a building with a floor area in excess of 1000 square metres.

2. Relevant Policies:

2.1 Section 38(6) of the Planning and Compulsory Purchase Act 2004 and paragraph 2.1.2 of Planning Policy Wales emphasise that planning decisions should be in accordance with the Development Plan, unless material considerations indicate otherwise. Planning considerations include National Planning Policy and the Local Development Plan. Although the Gwynedd and Ynys Môn Joint Local Development Plan (LDP) pre-dates the latest version of Planning Policy Wales (PPW), it is considered that the policies that are relevant to this application in the Joint LDP remain consistent with PPW.

2.2 The Well-being of Future Generations (Wales) Act 2015 places a duty on the Council to take reasonable steps in exercising its functions to meet the seven well-being goals within the Act. This report has been prepared in consideration of the Council's duty and the "sustainable development principle", as set out in the 2015 Act. In drawing up the following recommendation, the Council has sought to ensure that the needs of the present day are met without endangering the ability of future generations to meet their needs also.

2.3 Anglesey and Gwynedd Joint Local Development Plan (July 2017)

PS 1: The Welsh Language and Culture

PS4: Sustainable transport, development and accessibility

TRA 2: Parking standards

TRA 4: Managing transport impacts

PS 5: Sustainable Development

PS 6: Alleviating and adapting to the effects of climate change

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

PCYFF 1: Development Boundaries

PCYFF 2: Development Criteria

PCYFF 3: Design and place shaping

PCYFF 4: Design and landscaping

PCYFF 5: Carbon Management

PCYFF 6: Water Conservation

PS 15: Town Centre and Retail Developments

MAN 1: Proposed Developments in Town Centres

MAN 3: Retailing outside Defined Town Centres and within Development Boundaries

PS 16: Housing Provision

PS 17: Settlement Strategy

TAI 1: Housing in the Sub-regional Centre and the Urban Service Centres

PS 18: Affordable housing

Affordable housing threshold and distribution

PS 19: Conserve and where appropriate enhance the natural environment

AMG 3: Protecting and improving features and qualities that are unique to the character of the local landscape

AMG 5: Local Biodiversity Conservation

PS 20: Protecting and where appropriate enhancing heritage assets

AT 1: Conservation Areas, World Heritage Sites and Registered Historic Landscapes, Parks and Gardens.

AT 4: Protection of non-designated archaeological sites and their setting

Supplementary Planning Guidance

SPG: Design

SPG:

SPG: Affordable Housing

SPG: Housing Mix

2.4 **National Policies:**

Future Wales: The National Plan 2040

Planning Policy Wales (Edition 11) February 2021

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

Letter of the Welsh Government's Minister for Climate Change, dated 11 October 2023 announcing an update to chapter 6 of Planning Policy Wales with immediate effect.

Technical Advice Note 2: Planning and affordable housing (TAN 2)

Technical Advice Note 4: Retail and Commercial Development (TAN4)

Technical Advice Note 5: Planning and Nature Conservation (TAN 5)

Technical Advice Note 11: Noise (TAN 11)

Technical Advice Note 12: Design (TAN 12)

Technical Advice Note 15: Development and Flood Risk (TAN 15)

Technical Advice Note 18: Transport (TAN 18)

Technical Advice Note 20: Planning and the Welsh language (TAN 20)

Technical Advice Note 23: Economic Development (TAN 23)

3 Relevant Planning History:

3.1 The site itself has no relevant planning history.

3.2 The following two applications on nearby land have been submitted recently:-

C23/0671/45/AM – Construction of residential dwelling houses, including access - Land at Caernarfon Road, (Western plot) – No decision made.

C23/0673/45/AM – Construction of residential dwelling houses including access – Land at Caernarfon Road (Eastern Plot) - No decision made.

4. Consultations:

Community/Town Council: Pwllheli Town Council wish to object to the above planning application on the grounds that the existing plan does not go far enough in terms of slowing down the speed of traffic, reducing congestion and ensuring safe access to the supermarket. Also, there is a lack of provision for those who use public transport.

Transportation: I refer to the above application and I confirm that the transportation unit does not have any objection to the development.

Whilst the traffic data submitted as a part of the application confirms that there would be an impact on queues on the

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

roundabout of the A499/A497/Sand Street/Asda, it is acknowledged that queues already occur on the roundabout on occasions. The additional length of queue produced could affect the flow of traffic within Pwllheli and increase the time it takes to travel through the town; however it is unlikely to have a detrimental impact on road safety.

The application proposes to create a new junction on the A499 in the form of a T-junction. The lack of turning road to the right could lead to the formation of queues along the A499 from the site access. However, the introduction of a turning road could lead to safety issues relating to the right turn movements from the site, therefore after weighing up, the proposal to not include a turning road is acceptable.

Any proposed changes to the highway should be the subject of a planning condition which demands that the work is done in accordance with the submitted plans. The applicant would then be required to commit to a Section 278 agreement with the Council where the details of the changes could be agreed and the plans associated with the planning condition could be amended accordingly. These changes should include, but not be restricted to; reviewing the speed limit, introducing street lighting, construction of cycle path / footways, bus stops and crossings.

Note: the applicant should be informed that any reference to 50mph signs should be amended to 40mph, and that they would pay the cost of amending the Traffic Regulation Order to implement a 30mph zone.

It should be noted by the applicant that a ditch runs through the site where the highway discharges surface water. The applicant should confirm that he has taken this into account and that any site drainage proposals have the ability to deal with this discharge.

I request that the following conditions/notes are included with any planning permission granted:

P01A - Plan and construct the access in accordance with the submitted plans.

P01C - The road work must be planned and constructed completely in line with the submitted plans.

P37B - The car parking area will be completed in total accordance as shown on the enclosed plan prior to the commencement of the use herein approved

P26A - The applicant must take every care to prevent surface

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

water from the curtilage of the site discharging onto the highway.

P007 Note: The applicant is instructed to write to the Street Works Manager to receive permission under Section 171/184 of the Highways Act, 1980 to undertake any work within the road/pavement/green verge which is required to construct the access.

Observations on the Building Control Plan

I do not have any concern about the content of the Building Control Plan. It is shorter than I would have expected, but it touches upon the main points, and the site is of a sufficient size once they are off the road, they can arrange their site in various ways.

Welsh Water:

We refer to your planning consultation relating to the above site, and we can provide the following comments in respect to the proposed development.

In respect of the aforementioned planning application, whilst the accompanying Pre-Application Consultation (PAC) report fails to include reference to our response, we can confirm that Dwr Cymru Welsh Water have been previously consulted as part of our pre-planning enquiry service. With respect to our pre-application consultation response, we previously advised that foul water flows can be accommodated within the public sewer whereas surface water flows are subject to Schedule 3 of the Flood and Water Management Act 2010 and therefore require SAB consent.

As part of this latest application, we acknowledge receipt of a 'Drainage Philosophy Report' with 'Proposed Drainage Schematic' (Appendix I) which indicates proposals to dispose foul and surface water flows to an adjacent public sewer and infiltration system respectively and in principle we offer no objection. Notwithstanding this, if minded to grant planning consent, we would request that the Advisory Notes are included to ensure no detriment to existing residents or the environment and to Dwr Cymru Welsh Water's assets.

Water and
Environment Unit
YGC:

Flood risk and land drainage

A flood consequence assessment (FCA) was submitted with the application which shows that the flood risk to the development site from all sources is acceptable, and surface water flooding risk could be managed with a suitable drainage plan (Westwood, 2022).

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

A small watercourse runs through the middle of the site of the proposed development. The developer intends to divert the water course in an open channel along the northern boundary of the site - as noted in the response to our recent consultation (but unacknowledged in the report), we are eager for this water course to continue in an open channel instead of being culverted.

An Ordinary Watercourse Consent would be required from this unit for any work that may affect the flow of this watercourse, whether permanently or temporarily and contact should be made with FCRMU@gwynedd.llyw.cymru for further advice.

SuDS Approval Body

Since 7 January 2019, sustainable drainage systems (SuDS) are needed to control surface water for every new development of more than 1 house or where the construction area with drainage obligations is 100m² or more. Drainage systems must be designed and constructed in accordance with the minimum standards for sustainable drainage as published by Welsh Ministers.

These systems must be approved by Gwynedd Council in its role as SuDS Approval Body (SAB) prior to commencement of the construction work.

Due to the size and nature of the development, an application will need to be provided to the SuDS Approval Body for approval before construction work commences. The information provided shows that the developer intends to drain the site in a suitable sustainable manner; however, until an application is made to the SAB, there is no certainty that the site plan would enable compliance with the full suite of national SuDS standards. Early consultation with the SAB is recommended.

Biodiversity Unit:

Following my comments in August 2023 the applicant has responded with a letter by Jones Lang LaSalle Ltd written on 17th October 2023, which questions my biodiversity comments with regard to the following:

Ancient Willow Trees

I visited the fields of Llwyn Ffynnon on the 30th August 2023. I collected data on the trees but didn't provide all the details in my last comments.

During my site visit I assessed there to be 4 willow trees. The trees are multi-stemmed and I counted the number of stems

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

and selected the main trunk and measured the girth (circumference) at a height of 1.3m from the ground (girth at breast height - GBH).

Ancient Tree Guide (Woodland Trust 2008)

Key characteristics* of an ancient tree

- Crown 'growing downwards' or flattening (in conifers) through the ageing process
- A large girth by comparison with other trees of the same species – (it may have a smaller girth if it is growing in poor conditions or is a pollard)

Also:

- Hollowing trunk; this may have one or more openings to the outside
- Stag-headedness (dead, antler-like branches extending beyond the crown)
- Fruit bodies of heart-rot fungi
- Cavities (eg where branches have broken away), sap runs or naturally forming water pools in branch hollows
- Rougher or more creviced bark • An 'old' look which has high aesthetic appeal
- Aerial roots growing down into the decaying trunk or branches

Ancient Willow Trees

Tree	Number of Stems	Ancient tree features	Description	GHB of main stem
Willow Tree 1 <i>Salix cinerea</i>	4, one stem horizontal to ground	basal burs dead branches collapsed, 1 large crevice.	Growing on clawdd with brambles, may have originated from Willow Tree 2	2m
Willow Tree 2	2 main stems, 2 dead	basal burs collapsing,	Growing on clawdd at source of	2m

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

<i>Salix cinerea</i>	basal stems, one at ground, ivy	dead branches crevices exceptionally large for this species	spring	
Willow Tree 3 <i>Salix cinerea</i>	3 main stems from 1m, dead wood, ivy.	basal burs dead branches exceptionally large for this species	Growing on clawdd,	2m
Willow Tree 4 <i>Salix cinerea</i>	One main stem horizontal	basal burs, dead branches collapsed tree, crevices at base, exceptionally large for this species	Growing on clawdd,	2m

Grith at Breast Height (1.3m from ground) of largest stem

The arboricultural report groups all the trees along the *clawdd* together calling them “Group 1” and incorrectly identifies the Willows as Goat Willow, where they are in fact Grey Willow *Salix cinerea* (see extract below). The arboricultural report describes them as “Linear group of goat willow with an occasional mature hawthorn on top of a stone wall. Several trees have collapsed and have started to layer.”

In the document produced by ACS (January 2023) and reiterated by JLL (October 2023) there is a photograph: “*The image is clear that the trees could not have been present around 1920, which shows the construction of the Caernarfon Rd.*” This photograph shows a hedge across the field with shrubs along it and as it is 100 years old this suggests that the willow trees are 100 years old which is a significant age for this species of willow (*Salix cinerea*).

The OS plan from 1889 do not show much detail, and typically of tithe maps in Gwynedd they rarely show the

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

detail of individual trees.

Clawdd

The clawdd is a stone-faced earth bank and although it is degraded and no longer functions as a live-stock proof boundary, it still has biodiversity value, cultural and historic value. The clawdd has a high biodiversity value because it is at least 100 years old and therefore will have high diversity of species such as fungi, bryophytes and lichens. The vascular plant diversity has not been fully surveyed by myself or Aldi's ecologist, and this habitat has been overlooked by the Arboriculture survey and ecology survey.

Spring & Clawdd

On the 1913 map the field boundaries are marked and these are usually cloddiau in Gwynedd especially in Eifonydd. The 1913 OS map also indicates a spring in the field and as in the up-to-date OS digital map it shows the water course through the fields. The current MasterMap OS map shows the field boundaries and has "issues" which usually means water issuing up from the ground, a spring. The flow of water from the spring creates a wetland and water courses and although the wetland is species poor it still provides an aquatic wildlife corridor. In the letter by JLL it refers to the SAB application and the information provided for that but it relates to surface water and spring water is ground water. It is because of the spring that the willow trees have grown along the clawdd.

The *clawdd* and the spring, as the source of the wetland, provides wildlife corridors and forms part of the localities green infrastructure. Planning Policy Wales 11 states (paragraph 6.2.4):

"The planning system should protect and enhance green infrastructure assets and networks because of these multi-functional roles. The protection and enhancement of biodiversity must be carefully considered as part of green infrastructure provision..."

Waxcaps & Grassland Fungi

During my site visit in August I found the Ballerina Waxcap also known as the pink waxcap. The developers contracted Debbie Evans to undertake a survey of the grassland fungi of the fields. The grassland fungi survey report concludes that the fields have a low potential for waxcaps, fairy clubs, earth corals, and pink-gilled mushrooms, due to the cattle poaching, agriculturally-improved grassland and lack of moss. I agreed with her assessment and did not request a

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

further survey, however I suggested that the development protected the edges of the site which has more suitable habitat to support grassland fungi. The developers planning agent stated in an email dated 19th October 2023 that the development “*could protect a smaller area of land within the red shaded area to the north east corner of the site as attached. But this would be at the expense of other wider biodiversity enhancement.*” I disagree that retention of the grasslands in the red area would result in less biodiversity because the biodiversity enhancements would not be provided, it is always best to retain biodiversity and natural features rather than planting trees. I recommend that the red areas be excluded from development and protected.

Recommendations

I recommend that the willow trees and clawdd are surveyed fully. I continue to recommend that the development be altered to retain the clawdd with the ancient willow trees and the spring. I also recommend that the edges marked in red are retained as original grassland.

Trees Unit:

Comments of 05/05/23

The EMP document provided contains appropriate suggestions of actions which need to be taken to manage the tree and woodland mitigation work on the site, but the method statement for the work (currently the “Soft Landscape Maintenance & Management Plan”) has not been updated to be informed by such. The applicant needs to revise their method statement to be informed by the EMP document provided. Ideally the EMP should have been written to include details of all biodiversity mitigation, including the wildflower meadow, hibernaculum etc. the applicant has committed to facilitate with the development.

Comments of 28/11/22

The arboricultural plans state: ‘this drawing should be read in conjunction with ACS consulting arboricultural method statement’ – the method statement needs to be submitted as part of the planning application so tree protection measures can be properly assessed.

Tree protection fencing should be placed outside of RPA unless otherwise justified. Development incursion into RPA is implied by the arboricultural plans, the impact of this needs

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

to be assessed in the report or tree protection fencing specifications amended.

Section 4.02 'loss for development' of the Arboricultural Report lacks specific details and is too brief for a development proposal of this scale.

The proposal will result in removal of a *clawdd* lined with shrubs and four mature / veteran willow trees (*Salix* sp.). The proposal also includes the removal of a hedge along the highway boundary.

The Arboricultural Report categorises the mature trees as G1 / G2, but does not address the significance of the trees in the landscape, and their role in providing connectivity between two confirmed wildlife sites for Lowland Mixed Deciduous Woodland. Ideally such trees would be retained, if this is not possible, adequate and well-designed mitigation must be provided.

Mitigation is implied by the landscaping plan, but this should be improved given the proposed losses – the landscaping plan should also be accompanied by an Environmental Management Plan (EMP) detailing strategies for the management and maintenance of such ecological features until they establish into the landscape.

1. I agree that standard trees should be inter-placed between cell grown planting (east of the proposed entrance to the site) given the lower success rate of standard tree planting, but the area of cell grown trees in this area should be increased to ensure the re-establishment of connectivity between the two wildlife sites.
2. I strongly advise that the standard trees proposed to the rear of the new building are inter-placed between / replaced with a higher quantity of younger cell grown trees suited to wetter conditions (Grey Willow, Alder, Poplar sp., Sessile Oak, Downy Birch) to enhance connectivity and biodiversity.
3. Ornamental species lining the access road to the car park are well placed for their proposed location, I advise younger trees are planted to reduce chances of loss.
4. Cell grown trees should be sporadically planted between 1m and 3m apart, not exact 2m spacing. Exact spacing results in an unnatural linear grid pattern, prone to wind blow, low biodiversity and lower ecosystem resilience.
5. Plastic tree tubes on cell grown trees must be removed and

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

disposed of after approximately 5 years of growth, this needs to be included in the EMP.

6. Maintenance of planted trees and replacement of losses must be included in the EMP.

7. The tree species list should be amended to better suit the local provenance.

Betula pendula – substitute for Betula pubescence

Quercus Robur – substitute for Quercus Petraea

Ulmus glabra – only plant as local provenance cell grown to reduce risk of Dutch elm disease entering existing elm woodland.

Include species from the ‘tree mix’ as cell grown in the ‘buffer planting’ areas.

8. The Elm woodland within and north of the development boundary will be improved as part of the proposal and can contribute as part of the mitigation. Improvement will be achieved by reducing livestock grazing.

Once revised documents are provided the Tree Unit should be consulted again.

Environmental
Health Unit and
Public Protection:

Observations of 27 October 2023 on the amended Building Control Plan

Thank you for the latest CEMP with the planning application for Aldi, Pwllheli.

I agree that the hours have been changed to reflect the construction hours advised by the Service. Section 7 Measures to control noise levels during the construction has parts in it with which I do not agree. The first paragraph in this Section contradicts the last paragraphs which refer to the ABC methods since the noise levels in the ABC Method is lower than 80dB. I assume that they refer to noise in the workplace as 80db and not as Environmental noise. This should be noted clearly since the Environmental noise with the ABC method would be 65dB. If piling work is done, the Service suggests that it is done between 10:00-12:00 and then between 14:00-16:00 to ensure that the work does not disrupt residents all day long.

Observations 2 October 2023

A development like this has the potential to increase

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

background noise in the area and therefore there is potential for the development to have a negative noise impact on residential property in the area unless the noise is mitigated. In this area, the main source of noise is the traffic on the road. However, the noise from the road can vary - it is generally stronger during the day and quieter during the night and early in the morning. Therefore, any noise associated with the site during the night and early in the morning could be more prominent and therefore it could bring more potential for noise nuisance during these periods. The Applicant has submitted a noise assessment, reference RK3465/21318/Rev 2 by Spectrum and an air quality assessment as a part of the planning application. A Noise Assessment in accordance with Standard BS4142: 2014 has been submitted in relation to the noise from the delivery of goods as well as an assessment of the mechanical equipment serving the development. The proposal in relation to the delivery of goods offers a generous time-scale to receive goods between 07:00 and 22:00 every day of the week, including weekends. The background noise assessment has noted that the background noise in the Area is very low, particularly during the night and early in the morning.

The Reports conclude that transporting goods would lead to a low impact for nearby residents, although the assessment has noted that there will be a 7dB increase in background noise due to this activity. It must be emphasised that this is not a statement noting that no noise will be created from the delivery of goods and there remains potential for the Council to receive noise complaints. Therefore, I recommend a number of conditions should the application be approved. The Report concludes that the noise deriving from the mechanical units will lead to a low impact, with one location seeing an increase of 2dB. The Noise Reports propose an acoustics test to support this statement and I accept the assessments as accurate and the mitigation measures proposed must be actioned.

Noise

- Before any ventilation system / heat recovery unit is used in the development, it will need to be enclosed and installed in a way that reduces the transmission of noise and vibration from the unit. The units must have silencers installed on every unit, in line with the suggestions in the Noise Report.
- The level of noise emitted from the mechanical equipment on the site will be no higher than 20dB (A) during the operating hours, between 22:00-07:00 as measured on the boundary of any nearby residential property.

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

- A barrier measuring 3/75m high must be constructed along the goods in bay, as detailed in the noise Report, before commencing the use of the supermarket.

The noise Report has noted that the distribution activity will be 7dB higher than background levels between the times when it is early in the morning and late at night, therefore I suggest that the times are restricted:

- Delivery times to be restricted to between 07.30 - 21.00 (Monday-Saturday). It is recommended that further restrictions are imposed on the goods delivery times on Sundays, due to the nearby residential properties, to between 08:00 and 18:00 on Sundays.

Reason: To safeguard the area's residents

Building Site Noise, CEMP

Construction activity may cause noise and disturbance for residents. It is noted that the applicant has included a Construction Environmental Management Plan (CEMP) 2022 with the planning application. We do not agree with some aspects of the CEMP, particularly with the construction hours and noise details. The CEMP will need to be updated to coincide with the conditions below and provide more details within the CEMP on how they will manage noise from the construction work;

If the application is approved, I suggest that the conditions below are included;

- All vehicles, equipment and machinery used must be silenced and kept appropriately in efficient working order in accordance with the manufacturer's instructions.
- In order to safeguard the area's residents, any construction work should be undertaken between the hours of 08.00 - 18.00 Monday to Friday, 09.00 - 13.00 on Saturday and not at all on Sunday or Bank Holidays.
- A noise barrier should be installed around the construction site.
- The applicant must use the best practical methods to reduce noise and vibration from the development and consider the recommendations of 'BS5228-1:2009+A1:2014: Managing Noise and Vibration on Construction and Open Sites.
- Use noise lowering stakes (e.g. rotational boring or hydraulic jacking) instead of driven stakes, wherever practical.
- Noise levels must adhere to the ABC noise value thresholds, category A of BS 5228-1:2009+A1:2014.

Reason: To safeguard the area's residents

Opening hours

I suggest that a condition is imposed regarding the opening hours of the development, to correspond with the details in

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

the application, namely;

- The site may open between the hours of 08:00 and 22:00, from Monday to Saturday, and 10:00 and 18:00 on Sunday.

Air quality/dust

The applicant has provided an air quality and traffic assessment with the planning application. The Officers have assessed the report and are satisfied with the conclusions.

Dust may arise during the construction work and I suggest that the following conditions are included on any permission;

- No material should be burnt at any time on the site.
- A building control plan has been undertaken and mitigation/management measures were suggested in line with industry good practice. If the site receives any complaints during the construction period, the site/environmental manager would be expected to inform the local planning authority and monitor the boundary dust maintained. The monitoring to be agreed with the local planning authority prior to the commencement of the demolition/construction work.
- The mitigation measures outlined under table 5.5 of the Air Quality assessment must be adhered to.
- Every lorry must be covered when transporting dust materials.
- In order to ensure that dust or mud is not tracked out into the road, wheel washing provisions must be installed during the Construction period.

Reason: To safeguard the area's residents

Note to the applicant :

It must be noted that planning permission does not convey any exception from compliance with other legislation such as the Environmental Protection (Statutory Nuisance) Act, Licensing Act or Environmental Consent Regulations.

Natural Resources
Wales:

Thank you for consulting Cyfoeth Naturiol Cymru (CNC)/Natural Resources Wales (NRW) about the further information in support of the above, which we received on 24th October 2023 and 26 October 2023.

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

We continue to have concerns with the application as submitted. However, we are satisfied that these concerns can be overcome if the documents identified below are included in the approved plans and documents condition on the decision notice:

Documents:

Ecological Survey Report, Cambrian Ecology, 5th October 2022 (Final)

Environmental Management Plan, Cambrian Ecology, Updated 18th October 2023

Please note, without the inclusion of these documents we would object to this planning application. Further details are provided below.

Protected Species

We note that the bat report submitted in support of the above application (Cambrian Ecology Ltd (05/10/2022) Ecological Survey Report) has identified that bats are commuting and foraging at the application site. Bats and their breeding and resting places are protected under the Conservation of Habitats and Species Regulations 2017.

Additional information has now been received in the form of an Environmental Management Plan, Cambrian Ecology, Updated 18th October 2023, and Site Layout indicating External Lighting to Car Park and CCTV Plan 5569/G/102, SC-C, Sep 21, and Lighting Report, TamLite Lighting, 16.10.2023.

We advise that the Ecological Survey Report includes suitable lighting mitigation measures for bats. Your Authority will need to ensure that the lighting proposals accord with the Institution of Lighting Professionals and Bat Conservation Trust: Guidance Note 08/23: Bats and Artificial Lighting at Night. The Environmental Management Plan includes measures for a suitable planting scheme. We therefore advise that the Ecological Survey Report, and the Environmental Management Plan are included in the approved plans and documents condition on the decision notice.

Provided these avoidance measures are implemented, we consider that the proposed development is not likely to be detrimental to the maintenance of the population of the species concerned at a favourable conservation status in its natural range.

Please consult us again if the plans are changed in ways that

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

may harm or disturb the bats or their breeding sites and resting places at this site.

Fire Authority:

The Fire Authority will have an opportunity to provide observations on the fire safety measures during the Building Regulations Consultation process. The report refers to access for vehicles and water supply.

Welsh Language Services:

Observations 22 August 2023

Very glad to see the commitments in the letter, and can confirm that they answer the questions we submitted.

Observations 8 February 2023

A commitment is made by the developer to erect internal and external signage in Welsh, and we are aware that the developer has installed bilingual signage at other sites. It will be necessary to ensure that the wording of the signs is proof-read and approved by professional translators, to ensure accuracy, as we are aware of some past translation errors by the company.

We acknowledge that the development represents an opportunity to also create local jobs, however there is insufficient evidence in the statement regarding how this would have a positive impact on the Welsh language. In clause 5.25 it is noted that the development will "assist people who want to speak Welsh in the local community" [re-wording/translation] however the proposal does not offer any explanation of how this will be secured.

The Language and Scrutiny Unit wish to ask the applicant to consider the following commitments and mitigation measures (although we recognise that these cannot be imposed as formal planning conditions):

- Commitment to ensure that internal and external signage is proof-read and approved by Welsh language translators, to ensure accuracy.
- Conduct a local marketing campaign when advertising jobs to ensure the greatest benefit to the local workforce and ensure that a proportion of the staff are Welsh speakers.
- Commitment to employ a specific percentage of Welsh speakers (we believe that this is more realistic than setting a language requirement for each post)
- To consider whether there is an opportunity to promote training and apprenticeships via local further education

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

colleges.

- Consider working towards the Welsh Language Commissioner's Welsh language Offer approval (comisiynyddygybraeg.cymru)

Gwynedd
Archaeological
Planning Service:

Thank you for updating us on the above application. I have read the submitted trial trenching report (Bear Archaeology report no.0407, June 2023) and am able to confirm it meets the relevant professional standards. The fieldwork was conducted during adverse weather leading to wet ground conditions, but this is not considered to have influenced the reliability of the observations made. In the absence of the opportunity for site monitoring visits, the report author provided detailed photographs and drone images to allow me to view the condition and composition of the trenches remotely, to verify his observations and enable backfilling.

No archaeological evidence was identified during the evaluation, with possible features noted on Lidar imagery proving to have no sub-surface trace and therefore presumed to be of modern or natural origin. The density of trenching and consistency of the results suggests that this is a representative sample of the deposits at the site, and there can be reasonable confidence that no significant archaeological remains are present. Accordingly, I agree with the report's conclusion that the proposed development is very unlikely to have adverse archaeological impact.

In light of the negative evaluation results, it is considered that (other than submission of the report to the Historic Environment Record) there are no further archaeological requirements for the application.

Public Consultation:

A notice was placed in the local press, near the site, and nearby residents/properties were informed. At the time of writing the report, objections to the proposal were received on the following grounds:-

- This section of the A499 needs to be improved and brought in line with modern safety standards for all use classes (including cyclists and pedestrians), before considering the location of Aldi.
- Concerns about road safety on this section of the A499, with a number of accidents happening.
- Concerns about the proximity of the development and the new access to the existing access of the Plas Tirion property.
- Concern about the use of Lôn Nant Stigallt as a short-cut from Abererch Road to the site and there may be a need to consider making Lôn Nant Stigallt

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

a one-way road from Caernarfon Road to Abererch Road.

- Questioning the location of the supermarket used to assess the likely journey rate and traffic and whether they are genuinely comparative.
- The impact of longer queues when travelling through Pwllheli, e.g, the. roundabout near Asda and the impact of this on the junction between North Street and Caernarfon Road.
- The impact of traffic jams, particularly during the summer.
- The existing infrastructure of Pwllheli cannot accommodate the increase in traffic.
- Questioning the timing of the traffic assessment and that it was carried out during the winter months.
- Increase in HGVs on a narrow road which is very busy at times.
- Do not need construction traffic on a very busy road in the summer.
- Recommend that a Road Safety Inspection is carried out and that street lighting is extended.
- Need to ensure that there is sufficient parking capacity to serve the shop.
- Increase in air pollution.
- Site not accessible without using a car.
- The site is unsustainable and isolated.
- Nearest bus stop is around 500 metres away in Sand Street.
- Concern about the location of the proposed zebra crossing.
- Need to ensure that a pavement is included within the Aldi development to ensure access to the rest of the housing designation land.
- Question the methodology and details used by Aldi for their retail assessments.
- The existing supermarkets are sufficient for the needs of the local area.
- Question the need for additional food retail space in Pwllheli.
- Need to protect independent shops on the High Street.
- Pwllheli has plenty of discount shops.
- Aldi's proposal seems to arise due to the need to compete with Lidl, and not because of a lack of provision compared with the demand.
- A new Lidl shop would be better than a new Aldi shop.
- The sequential site test is lacking and has not thoroughly assessed all potential sites.
- The site will feel more like a site on the outskirts than in the town centre and is located 600m up Caernarfon Road. Asda and Lidl are also sites near the town centre but they have been better integrated into the urban core.
- Many shoppers use the Asda and Lidl car parks and

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

go to neighbouring shops on foot, but this would be less likely to happen with the proposed Aldi site.

- The proposal is likely to attract customers from other shops / supermarkets in Pwllheli instead of providing for a completely new demand.
- Impact on the town's independent businesses.
- Other areas in the centre of Pwllheli that could be developed for the proposal in order to help other shops in the town.
- Site too close to Asda.
- Need to encourage smaller high street shops to the town centre, and a farmer's market would be beneficial to local producers.
- Doubt whether it would create 40 new jobs for local people.
- Doubt whether local people are looking for jobs in retail since the local shops are having difficulties to fill vacancies.
- Impact of noise, disturbance and nuisance for local residents.
- Loss of privacy to the occupants of nearby houses.
- Site is located outside the boundary of Pwllheli town.
- Site is designated for housing.
- Although no house builders have shown an interest in the land, circumstances may change due to the lack of housing and land to build houses.
- There is a lack of easily accessible level land, which is unlikely to flood and suitable for housing in Pwllheli, and without this land, the Housing Strategy will not be met.
- Building Aldi in the centre of the designation and without any commitment to provide any housing compromises the Housing Strategy.
- Aldi's viability case in terms of providing housing is defective since there is a proposal to submit a planning application on a part of the land. As the residential development is viable, the application for the supermarket should be refused since it is contrary to the LDP.
- Shortcomings in terms of the content of the Viability Assessment.
- If the residential development across the entire designated site is not viable, then the Aldi development should only be approved if it allows for a residential development on the rest of the designated land.
- The Viability Assessment refers to the fact that the marketing of the site has not led to any interest from estate agents or house builders, since it appears that there are high technical costs to develop the site, but it can be argued that the marketing period was disrupted by the Covid restrictions and that they are not final yet since the site continues to be marketed.
- Although Aldi has submitted a viability case to show that it is not possible for the site to come forward for

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

housing, this case is now defective with Aldi confirming that an owner of a part of the residential designation is preparing a planning application for a residential development. This shows that a residential development on the designated site is viable.

- The site is more suitable for a small hotel or affordable housing.
- The fields make a positive contribution to the views and character of the local area.
- The building is not in keeping with the surrounding landscape.
- The shop would stand on its own and would therefore be divided from the urban area since Aldi does not expect any residential development to come forward.
- Location is far from the rest of the town.
- Stands on its own with green fields on either side.
- An over-development of green land having a detrimental impact on the character and appearance of the area.
- Creation of a ribbon development.
- Impact on the views of Pwllheli when travelling into the town along the A499.
- Urbanisation of this section of Caernarfon Road.
- Need to reinforce the proposed landscaping near the road in order to screen the building, access road and car park.
- Primitive design - a shed with a car park.
- Need to build on brownfield sites and not on green fields.
- Impact on living standards and human rights to enjoy homes in tranquillity and privacy.
- The land is wet in the winter.
- Fields are natural ways of managing run-off water.
- Concerns about flooding.
- Impact on water pressure.
- Loss of a wildlife habitat.
- Fields are a habitat to badgers.

In addition to the objections, many comments of support were received, including:

- Aldi offers value for money, is very reasonable and more choice.
- Need more choice in the area, shops at peak times in the season cannot keep up with the demand with some shelves empty by mid-afternoon in Asda and Lidl.
- Need another supermarket.
- Competition is good for customers.
- Lack of choice of fresh food in Pwllheli and Aldi would be advantageous to local residents and visitors.
- Aldi is great with vegan foods, dietary needs and

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

- allergies.
- There are many charity shops in Pwllheli and more shops like Aldi are needed or Pwllheli will be run-down and kept back.
 - Saves travelling to places such as Porthmadog and Bangor.
 - Carbon footprint reduced by having an Aldi in the local area.
 - Keeps people shopping in Pwllheli.
 - Will not affect Pwllheli town centre in terms of traffic.
 - Location on the outskirts of the town will be advantageous to those travelling from the direction of Caernarfon.
 - Reduce home delivery shopping.
 - Car charging points are something that the town will need in the future.
 - Create jobs for local people.
 - Contribution to the local economy.
 - A further development is needed in Pwllheli for the further prosperity and future of the community.
 - Having another supermarket in Pwllheli may make other companies think that Pwllheli is up-and-coming and could encourage them to bring their company to the town.
 - Aldi will be good to improve and modernise Pwllheli and its outskirts.
 - It is nearby a built area and it would not affect any skyline since the land behind is much higher than the proposed development.
 - Hope that local contractors will benefit from the construction work.
 - Aldi sources goods from the UK and a lot is sourced from Wales.
 - Aldi contributes surplus stock to food banks and charities.
 - Aldi prioritises the environment, healthy eating and supports charities.

A petition with 58 signatories was also received in support of the proposal but it did not stipulate specific reasons for supporting the proposal.

Other comments supporting Aldi coming to Pwllheli were made, but noted observations including:-

- Support but the location is not suitable, need a location that is closer to the town centre.
- Support but not on the existing green field site which has traffic problems, certain that there is a better brownfield site, e.g. a site that is not used on Ala Road, which is an eyesore (former hospital).
- Support but want a walking/cycle path to Llwynhudol to create an easier access to the town and so that children can walk to school.
- Support but it needs to be safe to walk there and

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

create an easy path from the town there.

- Support but a caveat may be needed, e.g. maximum use of PV solar and ground source heating from the car park, create/provide land nearby to approve housing.
- Support but concern about the impact on local, independent shops.
- Support, but need to ensure that there is sufficient space within the car park.
- Support, but the only concern is the shop's capacity to have extra stock since this would be the first shop seen by visitors on the Caernarfon side of the town; at present, Asda is the first shop from this direction and often the shelves are empty by the end of the afternoon during the holiday season.

5. Assessment of the material planning considerations:

The principle of the development

Matters involving the housing designation

- 5.1 The site lies within the development boundary of Pwllheli and forms part of the site designated for housing (T28) in accordance with Policy TAI 1 of the LDP. Part of the housing designation to the east and west would continue to be available for development.
- 5.2 Criterion (8) of Policy PCYFF 2 of the LDP states that proposals will be refused if they have a significant detrimental impact on land allocated for other developments. In developing this part of the designation for retail use it would prevent the ability for it to be developed for residential use, i.e. the use it has been protected for within the Plan. The application was advertised in the press as an application which is a departure from the provisions of the development plan which is in force in the area.
- 5.3 As the site has been designated for housing in the Local Development Plan, the Council asked for justification as to why the site could not be developed for housing. In accordance with this, a viability assessment and information was received which highlighted that the site had been marketed for residential use since 2020 and no offer had been received on it. Furthermore the Council asked for changes so that it is presented in accordance with the methodology that the Council would need in order to assess it. A letter dated 17 October 2023 from JLL outlines the revised findings of the viability assessment for the proposal in accordance with the form the Council required.
- 5.4 This revised assessment states that developing the whole site or part of the site is not viable for residential units. This is based on providing 100%, 20% or no affordable units as part of the proposal.
- 5.5 Furthermore, on the basis of the information in the assessment, bringing housing forward on the site at present, mainly due to the topography of the site, means that it is significantly unviable to bring housing forward on it without significant cross-funding taking place.
- 5.6 From analysing the information within the Viability Assessment, the Council accepts on the basis of the current housing market that developing the site for housing is not viable. In fact, from the

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

sensitivity work that the Council asked them to carry out even when reducing the developer's profit levels an increase of over 10% would be required within the open market values of the residential units to recover costs for the residual value of the land (it should also be noted that this increase of 10% would still not give a fair market value for the land). Again this sensitivity work highlights the problem of developing the entire site for residential use.

- 5.7 Furthermore, the letter states that developing part of the designation for this supermarket unit is the best opportunity to get the rest of the designation to be brought forward for residential use. It is highlighted that this proposal will offer road access to the section of the designation to the west of the supermarket which will mean significant savings to develop this part of the site. For the section of the designation to the east of the proposed supermarket site there is an intention to provide access to this land which will also save money for any developer who may bring this site forward in the future.
- 5.8 In addition to this the letter highlights that there are two existing applications for residential use of the two sites on the remainder of the designation (i.e. the land to the west and east referred to above).
- 5.9 Therefore, in conclusion, the letter from the applicant states that this application from Aldi is essential to facilitate the provision of a residential element on the site. Without this development it is not realistic that any residential use would be brought forward. In light of this they state that while the site has been designated for housing it is not viable for this use, however by introducing the alternative use of a supermarket this will unlock the site, enabling some residential development on site rather than none at all. In addition to this they highlight that the site has been marketed for residential use since 2020 and no offer has been received on it.
- 5.10 There is clear evidence that there is a viability problem with the site and that it is not likely to be brought forward for residential use in the current housing market, this probably explains why the site has not been sold despite the efforts to market the site. It is agreed that developing part of the site for the proposed retail use facilitates the opportunity for the rest of the designation to be brought forward for the expected residential use. In light of this and the evidence base that has been presented with the application it is considered that there is evidence to go against the relevant housing policies contained in the Local Development Plan.

Retail matters

- 5.11 As outlined above, the application is for the construction of a 1880m² supermarket (Use Class A1), with 1332m² of sales floor area. Although the application is for an A1 food retail store the evidence and documentation submitted as part of the application refer specifically to Aldi Stores Ltd. However, it should be recognised that any permission will be in accordance with the land, and could be implemented by any retailer. Having said that, it is reasonable to assume that if permission is likely to be granted (if it is approved) it will be implemented by Aldi.
- 5.12 There are a number of planning policies that relate to the principle of this development due to its location and the planning policy considerations. In the LDP the site is located within the Pwllheli development boundary but is outside the town centre.
- 5.13 Strategic Policy PS 15 of the JLDP refers to Town Centres and Retail, and contains the retail hierarchy for Gwynedd and Anglesey. Pwllheli is identified as an Urban Retail Centre, i.e. the second tier of Centres in Policy PS 15. The explanation to Policy PS 15 in paragraph 6.3.98 states that priority will be given first to developing sites in the Sub-regional Centre, Urban Retail Centres, then sites on the outskirts of centres, and then Local Retail Centres. The policy also aims to protect the vitality and viability of town centres in the plan area.

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

- 5.14 A Retail Study was conducted in 2013 in preparation for the JLDP, and identified the need to facilitate the provision of 172m² of additional floor area for convenience goods in Pwllheli during the Plan's lifetime. Since the date of the adoption of the JLDP permission has been given for an extension to the existing Asda in Pwllheli that has been implemented, this means that the space identified when preparing the LDP has been provided. Having said that, PS 15, MAN 1 and MAN 3 policies do not prevent new retail developments outside defined town centres.
- 5.15 Policy MAN 3 is relevant as it deals with retailing outside defined town centres but within development boundaries. It is noted that the last section of policy MAN 3 states that proposals for major retail development within the development boundaries will only be granted provided they conform to the criteria included within the policy, and notes:
- The development would not undermine the retail hierarchy set out in Policy PS 15;
 - The development either by itself or in combination with other permitted or allocated retail developments would not undermine the vitality and viability of the defined town centre;
 - Evidence of need for additional provision has been demonstrated;
 - The sequential approach set out in Planning Policy Wales (PPW) is satisfied.
- 5.16 Policy MAN 1 also requires that retail and commercial developments outside the defined town centres will need to be supported by evidence of need for additional provision and satisfy the sequential approach set out in PPW and accord with other policies in the Plan.

Retail hierarchy

- 5.17 Bearing in mind that Pwllheli has been identified as an Urban Retail Centre in the JLDP it is not considered that the proposal would undermine the retail hierarchy as Pwllheli is expected to be one of the main focuses for retail and commercial developments in Gwynedd and Anglesey.

Evidence of need

- 5.18 Planning Policy Wales (PPW) (edition 11) paragraph 4.3.14 indicates that when determining a planning application for retail uses local planning authorities should consider the need for the development where the proposal is outside a defined centre and not allocated in an up-to-date development plan. Paragraph 4.3.26 indicates that all out-of-centre retail applications of 2,500 sq.m gross floorspace or more should be supported by a retail impact assessment. For smaller retail planning applications, local planning authorities can determine whether an impact assessment is necessary, but requests for retail impact assessments by local planning authorities on smaller developments should be proportionate to potential impacts. The proposed Aldi store is 1,880 sq.m gross which is below the PPW minimum threshold.
- 5.19 Although not necessarily required in accordance with the size threshold (2,500sq metres) of PPW and the LDP, at the request of the LPA the applicant has carried out a minimum retail impact assessment. Paragraph 6.3.109 of the LDP acknowledges that schemes of less than 2500 sq. m gross floor space, can have a significant adverse impact on the vitality and viability of existing centres. It was therefore considered reasonable to request the assessment to assess the potential impacts of the proposal given the size of the settlement, the site's location and size of proposal.

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

- 5.20 As part of the application a Planning Statement (PS) has been prepared by Jones Lang LaSalle (JLL). Part 7 and Appendix 4 of the Planning Statement deals with the retail planning considerations associated with the proposed development. A letter of objection was submitted by Plan A on behalf of Lidl GB Ltd dated 3rd February 2023. JLL responded to Plan A's representations (letter dated 30th March 2023) and further letters (dated 22nd May 2023 and 18th July 2023). The Council commissioned independent experts to provide an assessment of the retail planning issues raised by the application, i.e. the retail impact, need and sequential tests as set out in PPW and TAN 4.

Base and design year

- 5.21 JLL adopts a 2022 base year and a 2027 design year for the retail impact assessment. However, the quantitative need assessment examines expenditure growth from 2019. The base year 2022 is when the application was made and is the most recent full calendar year for available expenditure and turnover levels. JLL's later representation indicate 2019 figures have been provided to ensure the effects of the Covid-19 pandemic could be properly considered.
- 5.22 Notwithstanding the 2019 or 2022 base year, the impact assessment still compares 2022 trading levels with post development levels in 2027, which is a standard and widely adopted approach. The capacity analysis should also adopt a 2022 base year, consistent with the town centre health check analysis. The actual and expected turnover of existing convenience goods facilities in the base year are typically compared to assess whether existing food stores are under or over-trading. JLL has not undertaken this type of comparative analysis in 2019, 2022, 2024 or 2027. JLL's approach effectively assumes convenience goods facilities are trading satisfactorily (at equilibrium) in the base year, and therefore future expenditure growth or the claw back of expenditure leakage will be available to support new facilities.
- 5.23 If permitted, the proposed store could be completed in 2024/2025. Allowing for two years post completion to achieve full and settled trading patterns, suggests 2027 is an appropriate design year to test impact.

Price base

- 5.24 JLL quotes expenditure and turnover figures at 2021 prices. The capacity and impact projections to 2022, 2024 and 2027 exclude inflation.

Study area

- 5.25 JLL adopts Zone 10 from the Gwynedd and Anglesey Retail Study 2013 (GARS), which comprised postcode sectors (LL53 5 – Pwllheli, Efailnewydd and Llannor, LL53 6 – Nefyn, Morfa Nefyn and Chwilog, LL53 7 – Abersoch, Llanbedrog and Mynytho and LL53 8 – Aberdaron, Tudweiliog and Ederne). The GARS suggested retail facilities in Pwllheli attract most of their trade from Zone 10. Most of the remaining trade is likely to come from tourist visitors. The adopted study area based on Zone 10 is considered robust and appropriate.

Market shares/Household shopper survey

- 5.26 JLL adopts results from a household telephone survey undertaken in December 2019 to estimate market shares for each shopping destination within the study area. These market shares or penetration rates are then used to calculate the turnover of each shopping destination in 2022, 2024 and 2027 as shown in JLL's Table 4 in Appendix 4.

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

- 5.27 It is not clear how the household survey results have been used to calculate the market shares for main and top-up food and grocery, e.g. the weighting between main and top-up expenditure. JLL's combined market share of convenience goods expenditure attracted to shopping facilities in Pwllheli in Zone 10 is 74.3% i.e. £35.17 million out of the total available expenditure in Zone 10 of £47.34 million.
- 5.28 The household survey results suggest Pwllheli's market share of the first choice main food shopping trips was 90.2% (excluding internet and don't know responses). The market share for second choice main food shopping trips was 79.6% (excluding internet, don't know and nowhere else responses). Pwllheli's market share of top-up food shopping trips was 52.5% (excluding don't know and don't do top-up shopping responses).
- 5.29 The Council's experts would normally adopt an expenditure split of 50%/20%/30% for first/second choice main food shopping trips and top-up shopping. On this basis, Pwllheli's combined market share of all convenience goods expenditure (excluding internet sales) would be over 76%. It is therefore considered that JLL has not over-estimated Pwllheli's market share of expenditure (74.3%) from the household survey results.

Population and expenditure

- 5.30 JLL adopts a population estimate for 2019 as provided by CACI (a company which provides data on population and income) in 2020 (as source in the footnote to JLL's Table 1 in Appendix 4). Population in Zone 10 was 17,508 in 2019. This estimate was projected forward to 2022, 2024 and 2027, based on StatWales population growth estimates for Gwynedd. Population was projected to increase by +378 people between 2019 to 2027. This growth rate +2.2% over eight years is broadly consistent with StatWales 2018-based population growth estimates for Gwynedd. However, the 2021 Census usually resident population figure for Gwynedd is 117,393, which is 6% lower than the StatWales 2018-based projection for 2021.
- 5.31 Experian provides more up to date population figures for Zone 10, published in February 2023. The base year population estimate for Zone 10 in 2021 is 16,917, which is 591 people lower than CACI's 2019 estimate, and appear to be more in line with the 2021 Census population figure. Experian projections indicate the number of people in Zone 10 will increase by +329 people between 2021 and 2027, which is broadly consistent with StatWales population growth estimates for Gwynedd, but the starting point is much lower.
- 5.32 Experian's more up-to-date population estimates should be more reliable and robust than CACI's estimates, which are now three years old and do not reflect the 2021 Census.
- 5.33 JLL also adopted CACI expenditure data for 2019. Convenience goods expenditure per capita has been projected to 2022, 2024 and 2027 based on CACI's growth rates. Expenditure per capita was £2,450 in 2019 (2021 prices), which was projected to increase by +11.7% between 2019 to 2022, and then by +17.5% between 2022 to 2024 and +5.8% between 2024 to 2027. It should be noted that these growth projections are at 2021 prices and exclude inflation.
- 5.34 Experian provides more up to date local expenditure data for Zone 10 in 2021, rather than the 2019 base year data provided by CACI. Experian's 2021 expenditure figures are based on actual expenditure levels in 2021 rather than projections. Experian's convenience goods expenditure per capita in Zone 10 is £2,938 in 2021, which is higher than CACI's projection at 2022 (£2,736). However, Experian's 2021 figure was distorted by the Covid lockdowns during that year. During the Covid lockdowns in 2020 and 2021, households were generally eating out less, working from home and spending more on food and grocery shopping. Experian's latest forecasts indicate a post Covid readjustment during 2022 with a -6.7% reduction in convenience goods expenditure per capita. Experian forecasts convenience goods expenditure per capita will continue to fall in

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

real terms during 2023 (-2.4%) and 2024 (-0.4%), reflecting Experian's views on the likely effects of the cost of living crisis and other recent trends.

- 5.35 JLL deducts special forms of trading (SFT) from available expenditure based on the 2019 household survey assuming 70% of online sales are via physical stores. The deductions for SFT were 1.03% in 2019, 1.79% in 2022, 1.99% in 2024 and 2.59% in 2027. Experian's latest projections for adjusted SFT suggest higher deductions i.e. 3.8% in 2019, 5.8% in 2022, 5.9% in 2024 and 6.6% in 2027, as recommended in Retail Planner Briefing Note 20 (February 2023).
- 5.36 In the Council experts view the household survey results do not provide a reliable basis for estimating the appropriate reduction for SFT. The questionnaire asks:
- Q01 - in which store or centre do you normally do most of your households main food shopping?
 - Q11 – Where do you normally go for most of your households small scale top-up shopping?
 -
- 5.37 Whilst respondents who indicated they do most of their food and grocery shopping via the internet were recorded, the wording of these questions will in the Council experts view tend to under-estimate the importance of home shopping. Furthermore, SFT does not only include internet home shopping because it also includes, stalls and markets, door to door sales. Experian's recommended deductions for adjusted SFT provide a more reliable and robust assessment than those estimated from the household survey results.
- 5.38 Based on the Council experts assessment the expenditure per capita in Zone 10 has been updated based on Experian's latest expenditure estimate (2021), SFT deductions and growth rates between 2022 to 2027 as shown in the table below:-

Convenience goods expenditure per capita excluding SFT (2021 prices)

Year	JLL's figures	Experian figures	% difference
2022	£2,687	£2,582	-3.9%
2024	£2,820	£2,507	-11.1%
2027	£2,967	£2,496	-15.9%

Source: JLL's Table 2b, Appendix 4 and Experian 2021 base year expenditure and projections – Retail Briefing Note 20.

1.1

- 5.39 Experian's latest convenience goods expenditure projection for 2022 is similar to the CACI estimate, but Experian's forecasts between 2022 and 2027 are much lower, for the reasons outlined above. Total convenience goods expenditure available in Zone 10 has been updated based on Experian's latest population projections and expenditure data as shown below.

Total available convenience goods expenditure in Zone 10 (£ millions – 2021 prices)

Year	JLL's figures	Experian figures	% difference
2022	£47.34	£44.27	-6.5%
2024	£49.96	£43.11	-13.7%
2027	£53.07	£43.05	-18.8%

Source: JLL's Table 3, Appendix 4 and Experian 2021 base year expenditure and expenditure projections –

- 5.40 Experian's latest population and expenditure projections suggest total convenience goods expenditure is 6.5% lower in 2022 than CACI's estimates and 18.8% lower in 2027. The implications of these lower projections are addressed later in this assessment.

Retail turnovers – Survey based actual estimates

- 5.41 The 2022 base year convenience goods turnovers (actual estimates) of facilities are based on the market shares and the 2019 household survey results, as summarised in JLL’s Table 4 in Appendix 4. Additional tourist trade and expenditure inflow has been added to the Zone 10 derived turnover based on estimates from the GARS, i.e. an additional 22.97% for tourism in Pwllheli. This additional tourist expenditure appears reasonable based on a recent STEAM report figures for Gwynedd, which suggests 18.57 million visitor days in 2021 (average of 50,900 visitors per day during the year) generating total shopping expenditure of £840 million.
- 5.42 JLL’s 2022 convenience goods turnover for stores/shop in Pwllheli totals £47.65 million, £11.96 million for Pwllheli town centre and £35.69 million for Pwllheli out of centre, as shown in Table 5 in Appendix 4. JLL does not provide a more detailed store by store breakdown. However, based on the information in JLL’s Tables 4 and 5, the total 2022 turnovers of convenience goods facilities in Pwllheli is shown in the table below. If Experian’s more up to date population and expenditure projections are adopted, then these turnover figures would reduce by 6.5%. The Council experts’ amended figures as also shown in table below

Base year 2022 convenience goods turnover in Pwllheli (£ million)

Store/location	JLL estimates	The Council experts’ amended estimates
B&M Bargains, Pwllheli town centre	2.47	2.31
Home Bargains, Pwllheli town centre	0.49	0.46
Iceland, Pwllheli town centre	4.73	4.42
Spar, Pwllheli town centre	3.66	3.42
Asda, Sand Street, Pwllheli	15.26	14.27
Lidl, Cardiff Road, Pwllheli	19.62	18.34
Other in Pwllheli town centre	0.62	0.58
Other Pwllheli out of centre	0.80	0.75
Total	47.65	44.55

Source: JLL’s Table 4 and 5 Appendix 4. Adjustments for Experian population and expenditure in 2022.

- 5.43 JLL’s 2027 convenience goods turnover of stores/shop in Pwllheli totals £53.42 million, £13.41 million for Pwllheli town centre and £40.01 million for Pwllheli out of centre. Based on the information in JLL’s Tables 4 and 5, the 2027 pre-development turnovers of the main stores are shown in the table below. If Experian’s more up to date population and expenditure projections are adopted, then these turnover figures would reduce by 18.8%. The Council experts’ adjustments are also shown in the table below.

Design year 2027 convenience goods turnover in Pwllheli (£ million)

Store/location	JLL estimates	The Council experts’ amended estimates
B&M Bargains, Pwllheli town centre	2.76	2.24

Store/location	JLL estimates	The Council experts' amended estimates
Home Bargains, Pwllheli town centre	0.54	0.44
Iceland, Pwllheli town centre	5.31	4.31
Spar, Pwllheli town centre	4.11	3.33
Asda, Sand Street, Pwllheli	17.10	13.89
Lidl, Cardiff Road, Pwllheli	21.99	17.86
Other in Pwllheli town centre	0.68	0.55
Other Pwllheli out of centre	0.93	0.76
Total	53.42	43.38

Source: JLL's Table 4 and 5 Appendix 4. Adjustments for Experian population and expenditure in 2022.

5.44 The implications of these lower actual turnover estimates are addressed later in this assessment.

Retail turnovers – Company average benchmark estimates

5.45 JLL has not provided information in relation to the expected turnover or benchmark turnovers of the main food stores in Pwllheli based on their sales floorspace and their respective company average sales densities, which is a common and widely accepted approach adopted in many retail need and impact assessments.

5.46 Benchmark turnovers can be estimated using Oxford Retail Consultant's (ORC) Storepoint sale floorspace estimates (based on VOA data) and GlobalData's latest company average sales density estimates. Based on this information and the Council experts' estimated percentage convenience goods sales floorspace, the benchmark convenience goods turnovers of the main stores are calculated in the table below. Benchmark turnovers have been projected to 2027 based on Experian's latest sales density projections, which suggest convenience goods retail floorspace will increase its turnover by +6.6% between 2022 and 2027 (+3.4% in 2023, +2.8% in 2024 and +0.1% per annum thereafter).

Pwllheli Convenience goods sales floorspace and benchmark turnover in 2022 and 2027

Store	Total sales floorspace sq.m net	% convenience goods sales	Convenience sales sq.m net	Company average sale density £ p.s.m net	2022 convenience benchmark turnover £M	2027 convenience benchmark turnover £M
Iceland	304	98	298	6,446	1.92	2.05
B&M Bargains	1,116	30	335	3,027	1.01	1.08
Home Bargains	816	20	163	6,018	0.98	1.05
Asda, Pwllheli	1,453	80	1,162	13,267	15.42	16.44
Lidl, Pwllheli	660	90	594	8,443	5.02	5.35
Total	3,533		2,552		24.35	25.97

Source: ORC StorePoint 2023 and GlobalData November 2022. The Council experts' estimates of % convenience sales and Experian growth in convenience goods sales densities.

5.47 The combined benchmark turnover of the five main stores in Pwllheli is £24.35 million in 2022. The Council experts' adjusted actual turnover for these stores is £39.8 million. These figures suggests, collectively, the main stores in Pwllheli were trading 63% above benchmark levels in 2022. The Lidl store is estimated to be trading over three times the company average, at a sales density, whilst the Asda store is estimated to trade about 7% below benchmark.

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

5.48 The household survey results may have over-estimated the turnover of the Lidl store but collectively convenience goods facilities in Pwllheli are likely to be trading healthily and significantly above benchmark. Lidl's objection letter confirms the existing Lidl store in Pwllheli is 'performing well.'

5.49 In 2027 the main food stores in Pwllheli are projected to trade 49% above benchmark, £38.74 million compared with £25.97 million.

Turnover of proposed development

5.50 The Aldi food store is expected to have a floor area of 1,880 sq.m gross with a sales area of 1,332 sq.m net, suggesting a net to gross ratio of about 71%, which is consistent with other recent planning applications for proposed Aldi stores.

5.51 Aldi sales floorspace is split 80% convenience goods and 20% comparison goods, which is consistent with recent assumptions for discount stores of this size. JLL (Table 6 in Appendix 4) adopts 1,003 sq.m net for convenience goods sales and 266 sq.m net comparison goods sales. If 80% of floorspace is assumed for convenience goods sales, then 1,066 sq.m net should be adopted rather than 1,003 sq.m net.

5.52 JLL suggests the Aldi company average sales density is £11,199 sq.m net, based on GlobalData's December 2021 information. JLL suggest only 90% of the company average (£10,079 per sq.m net) should be adopted for stores in Wales. A convenience goods floor area of 1,003 sqm net at £10,079 per sq.m net suggests a turnover of £10.11 million rather than £9.71 million, as shown in JLL's Table 6 in Appendix 4. Furthermore, insufficient evidence has been provided to support JLL's lower 90% sales density assumption in Pwllheli, as suggested by the Lidl objection letter.

5.53 Experian's convenience goods local expenditure estimates for the Pwllheli indicate average expenditure per capita was higher than the national average in 2021. There is no reason to expect food stores in Pwllheli to trade below the UK average, which is supported by the high levels of current trading suggested above.

5.54 However, GlobalData's most recent November 2022 information suggests a lower Aldi company average sales density of £10,545 per sq.m net for 2022 (at 2021 prices) based on the UK average. The Council experts' updated and corrected convenience goods turnover for the Aldi store in 2022 is £11.24 million (1,066 sqm net at £10,545 per sq.m). JLL may have under-estimated the convenience goods turnover of the proposed Aldi store i.e. £11.24 million should be adopted rather than £9.71 million at 2022. JLL's sensitivity analysis in the response letter (dated 30th March 2023) adopts a higher turnover of £10.8 million, but still below the Council experts' updated estimate.

5.55 As indicated above, Experian's latest growth projections for convenience goods sales densities (Retail Planner Briefing Note 20) suggests this expected turnover in 2022 should increase by 6.6% in 2027. The convenience goods turnover of the proposed Aldi in 2027 should be £11.98 million, rather than £9.71 million or £10.8 million.

Quantitative and qualitative need

5.56 JLL has undertaken an assessment of quantitative capacity for the proposed Aldi store in Section 7 and an assessment of qualitative need. PPW indicates precedence should be given to establishing quantitative need before qualitative need is considered.

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

- 5.57 JLL's capacity assessment was set out in Table 7 in Appendix 4. This table assumed expenditure capacity for the Aldi store will be generated by the following:
- expenditure growth in local catchment (Zone 10) between 2019 and 2027 (+£10.62 million);
 - growth in tourism expenditure between 2019 and 2027 (£1.21 million); and
 - the claw back of expenditure leakage from the local catchment (£4.35 million in 2027).
- 5.58 JLL estimates additional expenditure by 2027 will total £16.05 million. JLL's approach assumes all expenditure growth will be available to support new floorspace in Pwllheli, which is unrealistic. In response to this issue, JLL's sensitivity analysis (20th March 2023) predicted a lower level of expenditure growth available to Pwllheli of £12.32 million in 2027.
- 5.59 As indicated earlier, more up to date Experian population and expenditure projections suggests convenience goods expenditure within Zone 10 is expected to reduce from £44.27 million in 2022 to £43.05 million in 2027. If these figures are adopted along with a 2022 base year, to update JLL's Table 7 in Appendix 4 and their sensitivity analysis, then quantitative capacity for the proposed Aldi store would not be demonstrated, because there is no expenditure growth between 2022 and 2027.
- 5.60 However, JLL's need assessment fails to compare actual and benchmark turnovers of existing convenience goods facilities in Pwllheli to assess whether existing food stores are under or over-trading. JLL (paragraph 7.37) suggests the Lidl store is 'overtrading by a significant margin' but this is not addressed in the quantitative need assessment.
- 5.61 The Council experts' amended estimates suggest the main stores in Pwllheli are projected to trade £12.77 million above benchmark in 2027, an actual turnover of £38.74 million compared with the benchmark turnover of £25.97 million.
- 5.62 As indicated above, the amended convenience goods turnover of the proposed Aldi store is £11.98 million. The Council experts' amended figures suggest this turnover could be supported by projected trading levels above benchmark turnover in 2027.

Qualitative need

- 5.63 JLL briefly assesses the qualitative benefits of the proposed Aldi store. Reference is made to the Aldi store helping to ensure residents of Pwllheli remain well provided in terms of the quality, choice and range of convenience goods shopping. JLL suggests the proposed store will reduce travel to stores outside the catchment area. JLL also refers to the deficiencies of the existing 'old generation' Lidl store and the significant level of overtrading at this store.
- 5.64 The existing Lidl store is 970 sq.m gross (source: Valuation Office Agency), with a net sales area of 660 sq.m (Source: ORC). Lidl is now typically building new stores of between 1,800 to 2,000 sq.m gross with a sales area of at least 1,200 sq.m net. The existing Lidl store is significantly smaller (about 40% below) than the company's current operational requirements and this store is trading significantly above the company average sales density.
- 5.65 High levels of trading can be an issue where food store provision is insufficient to meet local needs, which can lead to operational issues and a poor customer experience e.g. empty shelves, queuing at checkouts, traffic congestion and park issues. JLL has provided no further evidence to demonstrate these issues are experienced at existing food stores in Pwllheli. However, the estimated high levels of trade at the Lidl and Iceland stores do suggest these issues are likely to occur at peak times.

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

- 5.66 In terms of expenditure leakage from the catchment area and the potential to reduce travel, the market shares in JLL's Table 4 in Appendix 4, suggest only 11% of main food and grocery shopping trips within Zone 10 leak to destinations outside of the catchment area e.g. with 6.3% attracted to Porthmadog; 2.8% to Bangor and 1.5% to Waitrose at Menai Bridge. The clawback of some expenditure leakage is a potential benefit of the proposed Aldi store, but on its own does not demonstrate a qualitative or quantitative need for the proposed store, because expenditure leakage is relatively low from the catchment area.
- 5.67 Lidl's objection letters claim a replacement Lidl store could meet the quantitative and qualitative need and refers to pre-application discussions. Lidl claims a replacement store is preferable to a new Aldi store. If Lidl were to secure a replacement store of at least 1,200 sq.m net with convenience goods sales of about 1,000 sq.m net, then the 2027 benchmark turnover of the Lidl store would increase from £5.43 million to £9 million, which would help to relieve over-trading at the Lidl store. Based on the Council experts' figures, an enlarged Lidl store (about 1,000 sq.m net of convenience goods sales) would still trade nearly double the company average sales density in 2027, £17.86 million compared with a benchmark of £9 million and would not fully alleviate over-trading. A replacement store would also not increase consumer's choice of stores in Pwllheli but would improve the quality of existing provision.
- 5.68 Lidl suggests revisions to their draft development scheme are being considered and a pre-application consultation exercise will commence when these revisions have been finalised. Based on the information currently available, there appears to be no certainty that a planning application for a replacement store will emerge, or that the proposed store will be acceptable in planning terms or deliverable. The weight the Council may give to this potential improvement to the Lidl store appears to be limited at this stage.
- 5.69 If an acceptable Lidl proposal were to emerge before the Aldi application is determined, then the Council would need to consider whether there is a quantitative/qualitative need for both Lidl and Aldi proposals and whether the cumulative impact of both proposals on the town centre would be acceptable or harmful.
- 5.70 PPW indicates the need for the development may be quantitative or qualitative, but precedence should be given to establishing quantitative need before qualitative need is considered. Qualitative need must be justified and should cover both positive and negative aspects. In relation to the need for retail development, TAN4 refers to unintended consequences and detrimental impact on town centres.
- 5.71 The applicants' capacity assessment would not demonstrate a quantitative need for the proposed food store, if more up to date population and expenditure data is adopted, because there is no expenditure growth between 2022 and 2027. However, the need assessment fails to assess whether existing food stores are under or over-trading. The Council experts' amended figures suggest the store could be supported by projected trading levels of over-trading in 2027. High levels of trading at the existing Lidl and Iceland stores in Pwllheli could indicate operational issues and a poor customer experience at peak times.
- 5.72 Lidl's objection letters claim a replacement Lidl store could meet the quantitative and qualitative need and refers to pre-application discussions. An enlarged Lidl store would help to relieve over-trading at the Lidl store but would not fully alleviate over-trading. Based on the information available, there appears to be no certainty that a planning application for a replacement store will emerge, or that the proposed store will be acceptable in planning terms or deliverable. The weight the Council may give to this potential improvement to the Lidl store appears to be limited at this stage.
- 5.73 Although JLL has failed to demonstrate a clear quantitative and/or qualitative need for the proposed store, based on the evidence provided by the Council's experts regarding expenditure surplus, it is considered that the lack of evidence provided by JLL is not a reasonable ground for

refusal. Based on this it is considered the proposal is acceptable in terms of need in relation to Policies MAN 1 and MAN 3 of the LDP.

Impact on town centre and trade diversion

5.74 JLL has estimated the impact of the proposed Aldi store as set out in Table 8 in Appendix 4. The sources of trade diversion are summarised as follows:

- Pwllheli town centre £1.04 million (10.7%);
- Pwllheli out of centre £4.39 million (45.2%);
- Other within the catchment area £0.40 million (4.1%);
- Porthmadog £0.73 million (7.5%);
- Bangor £0.29 million (3.0%);
- Caernarfon £0.15 million (1.5%);
- Menai Bridge £0.05 million (0.5%); and
- Tourist trade/inflow £2.67 million (27.5%).

5.75 JLL assumption that 27.5% of the Aldi store's trade will come from tourist trade/inflow is misleading. This percentage figure may be correct bearing in mind the retail capacity analysis assumes 22.97% of all convenience goods trade in Pwllheli comes from tourist visitors. However, JLL's approach assumes none of this tourist/inflow trade will be diverted from existing facilities in the catchment area or surrounding towns. JLL's approach implies this is new trade that would not otherwise be spent in the local area.

5.76 It is unlikely the proposed Aldi store will attract additional tourists to the area or generate a significantly level of additional expenditure inflow. Tourist and inflow trade attracted to the new Aldi store will predominantly be expenditure that would still be spent in Gwynedd, which will result in trade diversion from existing facilities. Plan A raised similar concerns in their objections for Lidl. As a sensitivity analysis, the Council experts' believe it is more robust and reasonable to assume 10% of the proposed store's turnover will be new trade to the area rather than 27.5%.

5.77 Plan A objection on behalf of Lidl suggests at least 85% of the proposed Aldi store's turnover is likely to be diverted from facilities in Pwllheli rather than 56% suggested by JLL. The council experts' believe a figure in the middle of this range is more likely based on existing shopping patterns suggested by the household survey results.

5.78 As indicated earlier in this section, JLL may have under-estimated the convenience goods turnover of the proposed Aldi store. A figure of £11.98 million rather than £9.71 million should be tested.

5.79 A sensitivity analysis has been undertaken by the Council experts' to reflect the lower population/expenditure projections and the updated expected convenience goods turnover of the proposed Aldi store (£11.98 million). Only 10% of this turnover is expected to come from new tourist or inflow trade, therefore total trade diversion from existing facilities in Gwynedd should be £10.78 million rather than £7.04 million suggested by JLL. The Council experts' sensitivity analysis is shown in the table below.

	Pre-development turnover 2027 £M	Trade diversion to Aldi £M	Residual turnover 2027 £M	% impact
Pwllheli town centre	10.87	1.59	9.28	-14.6
Pwllheli out of centre	31.75	6.72	25.03	-21.2

	Pre-development turnover 2027 £M	Trade diversion to Aldi £M	Residual turnover 2027 £M	% impact
Other within catchment area	9.37	0.61	8.76	-6.5
Bangor	n/a	0.44		
Caernarfon	n/a	0.23		
Menai Bridge	n/a	0.07		
Porthmadog	n/a	1.12		
Tourism/inflow	n/a	1.20		
Total	51.99	11.98	43.07	-17.2

Source: JLL's Table 8, Appendix 4 and the Council experts' analysis based on lower expenditure and updated turnovers.

- 5.80 The percentage levels of impact are not expected to change significantly because the lower expenditure projections will be offset by the lower expected turnovers for the Lidl and Aldi stores. However, the residual post-development turnovers will be marginally lower, as shown in the table above.
- 5.81 The amended residual turnover of Pwllheli town centre is £9.28 million compared with JLL's estimate of £12.37 million. Impact (the proportional reduction in turnover) is -14.6% rather than -7.75%.
- 5.82 Based on the Council experts' experience, there is no accepted threshold for assessing whether a certain level of trade diversion or percentage impact is acceptable or unacceptable. The acceptability of the impact levels shown above will depend on local factors. For example, a healthy vital and viable centre can withstand much higher levels of impact than a failing town centre. The importance of the convenience goods sector within town centres will also need to be considered. The quantitative impact figures shown above should be considered in the context of the existing health and vitality of the town centre.
- 5.83 The Asda and Lidl stores are adjacent to, but not technically within, the Pwllheli town centre boundary as shown on the Local Development Plan proposals map. The B&M Bargains store, on the opposite side of Cardiff Road from the Lidl store, is within the town centre boundary. This store is no better connected to other shops and services within the town centre. The Goad Plan for Pwllheli town centre as shown in JLL's vacant unit plan in Appendix 3 includes both the Lidl and Asda stores.
- 5.84 Stores outside town centres are not usually afforded policy protection from the impact of proposed out of centre stores. However, if trade diversion from edge of centre stores to an out-of-centre proposal results in a significant loss of linked shopping trips made to the town centre then the impact on edge of centre stores may be a material consideration because it could affect the vitality and viability of the town centre.

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

- 5.85 JLL’s assessment of the health of Pwllheli town centre includes an assessment of vacant units (plan in Appendix 3) and land use analysis in a table at paragraph 7.12. The plan and figures were based on JLL’s site visit in June 2022. Unfortunately, JLL’s table at paragraph 7.12 only provides percentage figures and the number of units and floorspace is not specified.
- 5.86 The vacant unit plan in JLL’s Appendix 3 suggest there were 19 vacant units in the town centre in June 2022. JLL suggests the unit vacancy rate was 10.0%, which implies there were about 19 no units in total. JLL’s floorspace vacancy rate is 6.7%.
- 5.87 Gwynedd Council’s more recent land use survey (June 2023) for the development plan defined town centre boundary suggest the number of vacant units has increased to 25 units. Vacant floorspace is 2,185 sq.m. Excluding residential, B1 office, B2 employment and garages, the Council’s survey identifies 185 units with total floorspace of over 27,000 sq.m, which suggest a unit vacancy rate of 13.5%, which is around the Goad UK average. The Council’s floorspace vacancy rate is about 8%.
- 5.88 The Council’s survey indicates the town centre has 108 Class A1 occupied retail units, of which 11 are convenience goods shops (excluding Home Bargains and B&M Bargains). There are 66 comparison goods units.
- 5.89 JLL suggests there was a reduction in the vacancy rate between 2020 and 2022, the unit vacancy rate down from 14% to 10% and the floorspace vacancy rate down from 8% to 6.5%. JLL concludes “*Pwllheli Town Centre has strengthened over recent years.*” However, the Council’s more recent survey suggests vacancy rates in 2023 have returned to 2020 levels. JLL also states (paragraph 7.15) that “*the overall health of Pwllheli Town Centre has improved since the Gwynedd and Anglesey Retail Study 2012. Vacancy rates have fallen, and the centre now provides a more balanced and diverse offer.*” However, JLL’s table at paragraph 7.12 indicates the unit vacancy rate increased from 5.7% in 2012 to 10% in 2022.
- 5.90 The Council’s 2023 survey suggests a higher increase. JLL’s figures suggest a fall in vacant floorspace from 8% in 2012 to 6.5% in 2022, but the Council’s survey now suggest no decline in vacant floorspace (8% in 2023). Notwithstanding the Council’s more recent land use information, Pwllheli town centre appears to be trading satisfactory with a good mix of retail and non-retail services. The shop vacancy rate is comparable with the UK average, but the health of the centre could be vulnerable if there was a significant increase in vacant units.
- 5.91 The Council experts’ updated pre-development convenience goods turnover of Pwllheli town centre is £10.87 million in 2027, broken down as follows:
- Iceland £4.31 million;
 - Spar £3.33 million;
 - B&M Bargains £2.24 million;
 - Home Bargains £0.44 million; and
 - Other convenience shops £0.55 million.
 -
- 5.92 The Council experts’ sensitivity analysis suggests convenience goods trade diversion from the town centre to the proposed Aldi store is £1.59 million. The percentage impact on town centre convenience goods businesses in 2027 is -14.6%.
- 5.93 Most of the £1.59 million trade diversion is likely to fall on the Iceland and the B&M Bargains stores. These stores are estimated to be trading significantly above their company average sales densities and these stores are unlikely to experience trading difficulties. The Spar store also appears to be trading healthily. Impact on small convenience goods shops (9 outlets in total) in the town centre is likely to be significantly less than -14.6%. The trade diversion and impact on convenience stores/shops in the town centre is not significant and shop closures are unlikely.

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

- 5.94 Trade diversion from other facilities in Pwllheli will predominantly fall on the edge-of-centre Lidl and Asda stores. Based on the Council experts' figures, the combined turnover of these two stores could reduce from £31.75 million to £25.03 million, an average impact of -21.2%. The Council experts expect proportionally more of the trade diversion will fall on the Lidl rather than the Asda store, on the basis that like tends to compete with like. Impact of the Lidl store could be around -25% and impact on the Asda store is more likely to be around -15%.
- 5.95 The Lidl store is trading significantly above the company average and this store will continue to trade strongly even allowing for an impact of over -25%. The Council experts' figures suggest the Asda store, pre-development, will trade about 15% below the projected company average (or 10% below the 2022 company average). The Asda store could trade about 30% below the projected company average, following trade diversion to the Aldi store in 2027. This store is more vulnerable to potential closure than the Lidl store. Based on the Council experts' experience food stores typically trade within a wide range around the company average sales density. Trading levels of around 30% below the company average do not necessarily indicate a store is unviable.
- 5.96 Even if the Asda and Lidl stores continue to trade satisfactorily, the potential loss of linked trip to the town centre needs to be considered.
- 5.97 The household survey results suggest 62% of main food and grocery shopping trips (first choice destination) involved other activities (i.e. a linked purpose trip). About 49% of second choice destination main food and grocery shopping trips involved other activities. The proportion of linked trips was only about 36% for top-up shopping.
- 5.98 Most of the destinations recorded by the household survey results were either town centre or edge of centre stores. The proposed Aldi store is expected to divert primarily main food shopping trips from Pwllheli rather than top-up shopping. Based on the household survey results, it is reasonable to assume about 60% of food and grocery shopping trips diverted to the proposed Aldi from Pwllheli would have been linked purpose trips.
- 5.99 From the household survey results, the Council experts estimates the proportion of main food and grocery trips involving the use of other shops and services is as follows:
- non-food shopping about 22%
 - other food shopping about 22%
 - café/restaurants/pubs about 8%
 - financial services about 6%
 - Other services about 3%
- 5.100 The loss of linked purpose trips involving other food shopping will be included within the convenience goods trade diversion estimates considered above. However, the loss of linked purpose trips involving non-food shopping or other non-retail services could have an indirect impact on comparison goods shops and non-retail services in the town centre.
- 5.101 The Council experts' sensitivity figures suggest the pre-development convenience goods turnover of Pwllheli town centre plus the edge of centre Lidl and Asda stores is £42.62 million in 2027. Based on an average of £50 per trip, this turnover suggests about 852,000 per annum food and grocery shopping trips are made to Pwllheli. About 187,000 of these trips (22%) could involve non-food shopping as part of a linked purpose trip. The number of linked trips for non-retail services would be: 68,000 per annum for café/restaurants/pubs; 51,000 per annum for financial services; and 25,500 per annum for other services.
- 5.102 The post development convenience goods turnover Pwllheli town centre and the edge of centre Lidl and Asda stores is £34.31 million in 2027 (a reduction of £8.31 million), which suggests the total number of food and grocery shopping trips made to Pwllheli could reduce from 852,000 to 686,000 per annum. This 166,000 reduction in all food and grocery trips could result in the following loss of linked purpose trips (pro-rata): -36,000 non-food trips; -13,000

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

café/restaurants/pubs trips; -10,000 financial service trips; and -5,000 other service trips. This potential loss of linked purpose trips are maximum figures, because they assume the proposed Aldi store will not generate any linked purpose trips to the town centre, which is unlikely.

- 5.103 Plan A suggests the Aldi store is further from the town centre than the Asda and Lidl stores and has less potential for linked trips to the town centre. JLL argues the Aldi store is not a one-stop shop, like other larger supermarkets and shoppers will still need to visit the town centre to use other shops and services. JLL also argues it is unreasonable to suggest shoppers diverted from Lidl to Aldi will abandon visiting Pwllheli town centre if they have a reason to visit another non-convenience retail facility in favour of, for example Bangor or Caernarfon. Both arguments are valid, and the reality is likely to be a combination of the two.
- 5.104 It is difficult to predict the difference in the propensity to link trips to other shops and services between town/edge of centre stores and the proposed Aldi store. The application site is not within easy walking distance of the town centre (about 550 metres northeast and uphill). It is unlikely a significant number of customers will walk between the proposed store and the town centre. However, some car borne linked trips are likely to continue. Some food and grocery customers diverted from the town centre will continue to use shops and services in the town centre either as an onward trip or a different trip on another occasion rather than choosing alternative destinations such as Bangor, Caernarfon or Porthmadog, particularly given the travel distances involved. The inspector at the Whitchurch appeal concluded those choosing to shop at the proposed store would continue to make onward trips to the town centre.
- 5.105 Not all diverted customers would make an onward trip, particularly customers who shop at more than one destination. The propensity to undertake a linked purpose shopping trip will be significantly lower than the percentages suggested by the household survey results set out above.
- 5.106 The Council experts' amended convenience goods turnover of the proposed Aldi store is £11.98 million, which would generate about 240,000 food and grocery trips (based on an average of £50 per trip). If the propensity to undertake a linked purpose trip to the town centre is only half that achieved by existing food stores in or near the town centre then the new store should generate the following linked trips to the town centre: 26,000 non-food trips; 10,000 café/restaurants/pubs trips; 7,000 financial service trips; and 3,000 other service trips.
- 5.107 The net reduction in linked shopping trips to the town centre is relatively small i.e. -10,000 non-food trips; -3,000 café/restaurants/pubs trips; -3,000 financial services trips and -2,000 other services trips per annum. This likely net reduction in the number of linked purpose trips is relatively small, about -5%.
- 5.108 Trade diversion from other food stores/centres will be dispersed amongst several destinations. Most of this trade diversion will come from out-of-centre food stores. No significant adverse impact is expected on other designated centres.
- 5.109 The Council experts' sensitivity analysis produces similar impact percentages but the residual post development turnover levels in 2027 are only marginally lower. Pwllheli will be the most affected centre. Most of the trade diversion from Pwllheli will come from large edge-of-centre stores i.e. Asda and the Lidl store. These stores are not technically afforded planning policy protection from the impact of out-of-centre retail proposals, but if trade diversion from these stores result in a significant loss of linked shopping trips made to the town centre then the impact on edge of centre stores would be a material consideration.
- 5.110 The Council experts' sensitivity analysis suggests impact on town centre convenience goods businesses in 2027 is -14.6%, with the Iceland, B&M Bargains and Spar stores most affected. These stores are estimated to be trading significantly above their company average sales densities and these stores are unlikely to experience trading difficulties. Impact on small convenience goods shops is likely to be significantly less than -14.6%. The trade diversion and impact on

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

convenience stores/shops in the town centre is not significant and shop closures are unlikely. The edge of centre Asda and Lidl stores are also expected to trade satisfactorily.

- 5.111 The Council experts' sensitivity figures suggests about 852,000 per annum food and grocery shopping trips are made to Pwllheli. About 187,000 of these trips (22%) could involve non-food shopping as part of a linked purpose trip. The number of linked trips for non-retail services would be: 68,000 per annum for café/restaurants/pubs; 51,000 per annum for financial services; and 25,500 per annum for other services. The net reduction in linked shopping trips to the town centre is relatively small i.e. -10,000 non-food trips per annum; -3,000 café/restaurants/pubs trips; -3,000 financial services trips and -2,000 other services trips per annum. This likely net reduction in the number of linked purpose trips is relatively small, about -5%.
- 5.112 The impact of the development on the town centre can also be managed with the imposition of planning conditions to ensure that future use of the proposed store wouldn't undermine the function of the town centre. This would include restricting the use to defined retail floor space and would also prohibit the subdivision of the store into smaller units which would be more likely to compete with units on the High Street.
- 5.113 Overall, it is considered that there will be no significant impact on the vitality and viability of the town centre from the new Aldi store and that there will be no material conflict with policies PS15, MAN 1 and MAN3.

Assessment of the Sequential Test

- 5.114 The sequential approach to site selection for retail and town centre uses is set out in paragraphs 4.3.18 to 4.3.24 of PPW (Edition 11). Policy 6 of Future Wales also emphasises the Welsh Government's town centre first approach. Local planning authorities should adopt a sequential approach when determining out-of-centre retail planning applications. The sequential approach requires all potential suitable and available town centre opportunities, and then edge of centre opportunities, to be thoroughly assessed before out-of-centre sites are considered for key town centre uses. The approach requires pragmatism and flexibility from local planning authorities, developers and retailers alike.
- 5.115 In terms of the criteria for assessing the appropriateness of potential sites, TAN 4 states that suitability and availability should be as follows.
- **Suitability** - TAN4 states that suitability refers to a site or building's attributes and whether these are sufficient to meet the development requirements of the proposal. Where a developer favours a development site on the edge of or outside a retail and commercial centre the developers will need to provide evidence to explain why potential sites or buildings within the centre are unable to accommodate the format, scale and design of a proposed development.
 - **Availability** - TAN4 states that allocated sites should be available to be developed within the period of the development plan.
- 5.116 The Aldi store is likely to have a relatively localised catchment area, with most trade coming from Pwllheli's catchment area, which is likely to be similar to Zone 10 as set out in the GARS. Potential sequentially preferable sites within or on the edge of Pwllheli town centre as defined on the proposals map should be considered. Other town centres would not serve the same catchment area as the application proposals. The site appears to be about 550 metres from the boundary of the town centre and is out-of-centre, therefore (in accordance with PPW paragraph 4.3.19) in-centre and edge of centre sites should be considered first and then out of centre sites that are accessible by a choice of travel modes, including active travel and public transport.
- 5.117 JLL's sequential assessment examines four sites, as follows:

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

- 1 Land to the west of Cardiff Road (Plot A);
- 2 Land to the south of Yr Ala (Plot B);
- 3 Esso Petrol Filling Station, Ala Road;
- 4 The Application Site;
- 5

- 5.118 JLL also assesses vacant units within Pwllheli town centre and notes that there are vacant units, but these are small, traditional shop units and that the largest is the former Porcelanosa store on Lower Cardiff Road which has a floorspace of 470 sq.m, which could provide a sales area of 330 to 375 sq.m. It is agreed that there are no suitable and available vacant units within the town centre boundary.
- 5.119 Plan A on behalf of Lidl has made comments about the sequential test including a further site 'Elgol and Ala Cottage on Ala Road'.
- 5.120 Land to the west of Cardiff Road (Plot A) - This edge of centre site is not suitable due to it falling within Flood Zone C1. Development on this greenfield site may not be able to pass the justification test in TAN15. It is also apparent that there is no road frontage onto the highway and it is unclear how access would be provided. The Council experts questioned why the adjacent Council owned Cardiff Road car parks had not been explored as part of the sequential test. While noting the Council expert's comments relating to the adjacent Council owned Cardiff Road car parks it is not apparent that these car parks are available for developing. Also, these are also located within the Flood Zone C1 and therefore subject to the TAN15 justification test.
- 5.121 Land to the south of Yr Ala (Plot B) - This site is out-of-centre, within Flood Zone C1 and not previously developed land. The site may not pass the TAN15 justification test. It is agreed that this site can be discounted.
- 5.122 Esso Petrol Filling Station, Ala Road - This site is out-of-centre and within Flood Zone C1. JLL notes that the site is not available. It also notes that the site is too small at 0.35 hectares. Lidl's consultants suggest the site could be extended to provide to provide 0.7 hectares. Even if the site could provide 0.7 hectares as suggested, the site does not appear available as it includes an operational petrol station. It may not pass the TAN15 justification test as development must be necessary to assist, or be part of, a local authority regeneration initiative or a local authority strategy required to sustain an existing settlement. Notwithstanding this, the site is out-of-centre, and not sequentially superior to the application site. No evidence has been provided either way on availability but given that there is an operational petrol station on site it doesn't appear available. It is agreed that this site can be discounted as it is not suitable and is not sequentially preferable in any case.
- 5.123 The Application Site - The applicant's Planning Statement has considered the application site but has not considered the area of land to the west, adjacent to the site, which is closer to the town centre than the application site. This has been noted by the Lidl objection. Aldi's response letter dated 30 March 23 suggests this part of the site is not available. However, no evidence has been provided to demonstrate this. The site forms part of the same housing development allocation as the application site. The Council experts considered that clarity should be provided as to why this part of the site isn't available for a food store development. Since receiving the Council experts assessment a planning application for residential development has been submitted to the Council on the land in question to the west of the application site. Notwithstanding this, the adjacent site is out-of-centre in policy terms, the same as the application site and is only marginally better connected to the town centre. Whilst it may be marginally closer to the town centre than the application site, we do not consider it significantly better in terms of being accessible via "*a choice of travel modes, including active travel and public transport*" as per PPW paragraph 4.3.19. Therefore, on balance we agree with the assessment that the site to the west of the application site is not sequentially preferable.

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

- 5.124 Elgol and Ala Cottage on Ala Road - This site was raised by Lidl in their letter of 3/2/23 as a potential sequential site. The site is considered edge of centre in policy terms. Aldi notes that the site being openly marketed for sale (Elgol and Ala Cottage on Ala Road) only measures 0.32 hectares, which is too small to accommodate the Aldi store. However, Lidl's consultants suggested there is additional land adjacent that is potentially available and could be assembled. However, no evidence has been provided to demonstrate this and the land is not allocated for retail use. The Council experts were not able to identify any adjacent site that is on the market. The site to the west of the Elgol and Ala Cottage on Ala Road site appears to incorporate a dwellinghouse and its large garden and does not appear to be available. Based on the above, the site that is available is too small and there are no available sites adjacent that would change this position. The site is also within Flood Zone C1 and development may not pass the TAN15 justification test. Even if land to the west is considered available, it would create an irregular shaped site of around 0.6 hectares, which is the minimum site size that Aldi are considering. The site would have the same flood issues as above and would also involve development in close proximity to a Grade II listed building and removal of significant vegetation. There are questions regarding the deliverability of this expanded site. The extended site suggested by Lidl is not suitable and does not appear available and can therefore be discounted. The site that is available is too small and therefore not suitable.
- 5.125 The applicant has undertaken a sequential site investigation in accordance with PPW, in the first place by seeking an alternative site within the town centre, and in the second place seeking a site on the outskirts of the centre. A suitable site was not seen in these locations and therefore the area was expanded to the proposed site which is a site outside the centre but within the limits of the settlement and the development boundary.
- 5.126 The pre-application discussions have also allowed the Authority to have input into the site selection process and officers are satisfied with the conclusions of the sequential assessment and are not aware of any sequentially preferable sites (i.e. in the first place in the town centre or on the outskirts of the centre). In this context, it is considered that the proposal has complied with the requirements of policies MAN 3, MAN 1 and PPW in terms of selecting a sequential site.

The Economy

- 5.127 Technical Advice Note 23, which relates to Economic Development, states: "It is important that the planning system recognises the economic aspects of all development and that planning decisions are made in a sustainable way which balance social, environmental and economic considerations." It further states that local planning authorities should recognise market signals and have regard to the need to guide economic development to the most appropriate locations, rather than prevent or discourage such development. Economic growth is worthwhile wherever it is located, and in the interests of economic growth the planning system should generally aim to provide land where there is demand for it.
- 5.128 The application was supported by evidence that recognises that the proposal, when completed, is likely to create 25 full-time equivalent posts and 15 part-time equivalent posts. Although the proposed figures/benefits are indicative, it is acknowledged that there are economic benefits to be derived from the proposal and that it is likely to make a positive contribution to the area's economy in accordance with the aims of the JLDP.

Language Impact

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

- 5.129 In accordance with the requirements of policy PS 1 and the Supplementary Planning Guidance - 'Maintaining and Creating Distinctive and Sustainable Communities' - a Welsh Language Statement was presented with the application. In response, the Council's Language Unit raised several questions asking for additional information to reinforce the statement.
- 5.130 The applicant has responded to the observations of the Language Unit, confirming that the bilingual signage (internal and external) would be proof-read and approved by professional translators to ensure their accuracy prior to being erected. In terms of job opportunities, Aldi confirmed that they usually recruit from the local area with the majority of staff residing locally. On average, two-thirds of the staff live within five miles of the shop with approximately 90% living within 10 miles. When a new shop opens Aldi always conducts a local marketing exercise and Aldi is happy to commit to advertising jobs in the local press. The Language Unit asked Aldi to commit to employing a particular percentage of Welsh speakers in the new shop. Aldi noted that although it would not wish this to become a blanket requirement, Aldi is happy to commit to reasonable steps to ensure that at least 20% of the workers in the Pwllheli shop are Welsh speakers. Information was also received on its plans for graduates and apprentices and that it was happy to engage with local education institutions to provide the details of the plan and discuss how to encourage students to apply. Aldi also confirmed that it would be engaging with the Welsh Language Commissioner to develop a Welsh-language Plan and work towards approving a Welsh-language Offer.
- 5.131 The additional information was transferred to the Council's Language Unit and their observations were received noting that they were very pleased to witness the commitments contained in the letter, and were able to confirm that they answered the questions submitted. Based on the information that came to hand, and the ability to impose planning conditions (e.g. ensuring bilingual signage/mitigation measures) it is considered that the application complies with policy PS 1 of the LDP and the Supplementary Planning Guidance - Maintaining and Creating Distinctive and Sustainable Communities.

Design and Visual Amenities

- 5.132 Policy PCYFF 3 and policy PCYFF 4 relate to design, place shaping and landscaping. Both policies attempt to promote design of a high quality that gives full consideration to the site and its surroundings.
- 5.133 The supermarket building and car park would be located in a comparatively central position within the application site. The main elevation of the building has been designed to face Caernarfon Road and would have a mono-pitch roof which is lower at the back and rises gradually at the front. It is intended to finish the exterior of the building mainly in a combination of charcoal brick to the plinth and grey and silver cladding boards. The building would also include elements of glass. There would be a need to build a new supporting wall mainly around the new pedestrian access to the site. A 2.4 metre palisade fence would be built around and adjacent to the machine room. The intention is to build an electricity sub-station near the entrance to the site which would be green in colour. To the west of the building there would be a landscaped area which would also include the attenuation pond. To the east of the site, there would be a car park and access road and then an area of landscaped ground. The landscaping would provide a mixture of native trees and shrubs. A landscaping plan was provided along with a Soft Landscaping Maintenance and Management Plan.
- 5.134 It can be seen that the building is single-storey with a mono-pitch roof which lowers towards the back. The palette of colours, mainly grey and silver, are considered to correspond to the surrounding area. The proposed development does not appear to be an over-development of the site in terms of scale and size. In this respect, the development appears to sit acceptably within the

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

site with opportunities to add surrounding landscaping in an attempt to mitigate the impact of the proposal on the landscape.

- 5.135 A detailed landscaping plan was presented together with a plan to maintain and manage that landscape. The intention to landscape extensively around and within the site would also help reduce the visual impact of the development and to compensate to some extent for the green belt that would be lost. Although the steep land at the northern end of the site has been included within the boundary of the application site, this land will overall remain as it is, retaining the existing vegetation found on this part of the site.
- 5.136 The site currently consists of undeveloped fields and therefore it is true to say that building anything on the fields would alter the appearance of the site. However, it should be realised that the site was designated for housing development in the LDP and consequently in relation to the LDP some sort of development was expected to be seen on this land. Should the development receive permission, it would mean that the proposed supermarket would be built in a way whereby fields would remain between the site and Glandon garage which is located approximately 100 metres to the west of the application site. This would mean that the supermarket could appear more isolated within the landscape. However, it should be realised that this land is located within the development boundary and that Policy PCYFF 1 encourages permitting applications located within development boundaries. It is also noted that planning application C23/0671/45/AM was submitted comparatively recently to build houses on land to the west between the application site and Glandon garage. Planning application C23/0673/45/AM was submitted comparatively recently too for a residential development on the land to the east of the application site. The proposal would be visible when travelling on Caernarfon Road into and out of Pwllheli. While the site is visible when directly passing the site, its wider visible impact is restricted due to the topography of the surrounding land. It is acknowledged that the proposal in question would have a different visual impact to that which is currently on the site but bearing in mind the location of the site within the development boundary and its visual impact being restricted due to the topography of the surrounding land, it is not considered that the proposal would cause significant harm in terms of the visual amenities of the area. In addition, unless a further development is brought forward around the supermarket, it is not considered that the visual impact apart from the current built form would have a significant detrimental visual impact.
- 5.137 By using conditions, it is considered that the design and visual appearance is acceptable and in accordance with policies PCYFF 3 and PCYFF 4.
- 5.138 The site lies within the Llŷn and Bardsey Island Landscape of Outstanding Historic Interest. The proposal is for a new supermarket. As explained above, the topography of the area would restrict the impact of the proposal on the landscape and in this respect it is considered that the impact of the proposal would be local and that it would not have an impact on the wider historic landscape. It is considered that the proposal is acceptable in terms of Policy AT 1 of the LDP.
- 5.139 Due to the scale of the development, namely creating a new floor area of over 1,000m², policy PCYFF 5 notes that detailed assessments need to be presented concerning carbon management. Chapter 8 of the Planning Statement presents an energy and sustainability statement. It is understood that all heating and electricity will be provided through reusable or renewable energy. This would be through a combination of solar panels and reusing heating waste from the freezer units. It is considered that the information is acceptable in terms of Policy PCYFF 5 of the LDP.

Residential and General Amenities

- 5.140 Policy PCYFF 2 of the LDP aims to protect residential amenities. The site is currently an open field and therefore, developing this site for housing is likely to have an impact that is very

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

different to the current situation on those houses that abut the site. Some dwellings are to be found to the north and north-west of the site and then a bigger cluster of houses is located to the south and south-east on the southern side of Caernarfon Road. At present, the main source of noise in this area is road traffic. However, the noise from the road can vary - it is generally stronger during the day and quieter during the night and early in the morning.

- 5.141 As part of the application a Noise Assessment was submitted. The observations received from the Public Protection Department acknowledge that the development will have the potential to increase background noise in the area and that therefore the development could have a negative noise impact on residential properties in the area unless the noise is mitigated. To this end, the Public Protection Service recommends conditions in terms of the ventilation/heating recovery unit, noise levels and mechanical equipment, installing a barrier along the goods delivery bay and restricting delivery hours to between 07:30 – 21:00 Monday - Saturday and between 08:00 and 18:00 on Sunday. The Public Protection Service also recommends imposing a condition in terms of the supermarket's opening hours to between the hours of 08:00 and 22:00, Monday to Saturday and between 10:00 and 18:00 on Sunday.
- 5.142 It is inevitable that some inconvenience and disruption will be caused to local residents whilst the building work is in progress. As part of the application a Building Control Plan was submitted. It is noted that the Public Protection Service does not agree with some aspects of the Building Control Plan mainly from the point of view of building hours and details regarding noise and recommends that the Building Control Plan is updated. As a result of receiving the observations of Public Protection, a revised Building Control Plan was received. This revised Building Control Plan has incorporated matters that the Public Protection Service raised in their observations from the point of view of the construction period and air quality during the construction period. This revised Building Control Plan also stipulates the construction working hours as between 08:00-18:00 Monday to Friday, 09:00-13:00 Saturday and not at all on Sunday and Bank Holidays as the Public Protection Service recommended. Further consultation took place with the Public Protection Service on this revised Building Control Plan. Although the Public Protection Service agrees with some aspects of the revised Building Control Plan, some details still need to be agreed. It is considered therefore that if the application is permitted it would be appropriate to include the condition that a Building Control Plan is submitted and agreed with the Local Planning Authority.
- 5.143 The applicant has provided an air and traffic quality assessment with the planning application and the Public Protection Service is satisfied with the report and recommends a condition that the work to be undertaken is in accordance with table 5.5 of the Air Quality report.
- 5.144 Objections to the proposal were received from the public based on the impact of additional traffic and the impact on the privacy of nearby houses. It was noted that evidence indicates that there are delays in travelling in and out of Pwllheli at times already, and there is no evidence that the proposal would aggravate the situation significantly which would lead to refusing the application on the basis of impact on amenities. In addition, the nearest residential houses are located behind the site or across the highway, and on a higher level than that of the application site and therefore it is not considered that the proposal is likely to have a significant detrimental impact on the privacy of any nearby properties.
- 5.145 In imposing conditions, it is considered that the impact on amenities could be controlled to a satisfactory level in accordance with Policy PCYFF 2 of the LDP.

Impact on Highways

- 5.146 The vehicular access for customers and service vehicles to the site would be from a new entrance to Caernarfon Road. Pedestrian access would be via a path from Caernarfon Road. The proposal would also create a footpath/cycle path along the site's southern boundary with Caernarfon Road,

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

ensuring potential access on foot or bicycle to the proposed supermarket. As part of the development it is intended to create a zebra crossing on the A499 Caernarfon Road linking with the current bus stop. It is also intended to provide a new bus stop opposite the site on Caernarfon Road, on the side travelling into Pwllheli. The proposed zebra crossing would link with the bus stop. The work in relation to the highway would also include introducing a lower speed restriction of 30 mph on Caernarfon Road. Within the site of the proposal there would be 114 parking spaces, to include eight bays for the disabled, ten parent and child bays, twelve electric vehicle charging points and two motorcycle bays. It is also intended to provide 14 safe spaces for bicycles.

- 5.147 In accordance with the requirements of Policy TRA 1, the application was supported by the Transport Assessment and Stage 1 Road Safety Audit. The Transport Assessment concludes that the site is accessible and available through various modes of transport which will reduce the dependence on using private cars. It also stated that the impact of journeys from the proposed development had been assessed and that the proposal would not have a material impact on the operational performance and safety of the local roads network.
- 5.148 Observations on the proposal were received from the Transportation Unit and they had no objection to the development. The observations of the Transportation Unit state that while the traffic data submitted as part of the application confirm that there would be an impact on queues on the A499/A497/Sand Street/ASDA roundabout, it is acknowledged that queuing already happens on the roundabout at times. The additional length of queue produced could affect the flow of traffic within Pwllheli and increase the time it takes to travel through the town, however it is unlikely to have a detrimental impact on road safety.
- 5.149 In terms of the new junction, the observations of the Transportation Unit state that the application proposes to create a new junction on the A499 in the form of a T-junction. The lack of a right-turn lane could lead to queues forming along the A499 from the site entrance. However, introducing a turning lane could lead to safety issues involving right-turning movements out of the site, therefore after evaluating, the proposal not to include a turning lane is acceptable.
- 5.150 As noted, the proposal includes several proposed changes to the highway. The Transportation Unit is eager that any proposed changes to the highway should be the subject of a planning condition which demands that the work is done in accordance with the submitted plans. The applicant would then be required to commit to a Section 278 agreement with the Council where the details of the changes could be agreed and the plans associated with the planning condition could be amended accordingly. These amendments could include, but not be restricted to: reviewing the speed limit, the introduction of street lights, the building of cycle paths/footpaths, bus stops and crossing places.
- 5.151 The Transportation Unit also provided observations on the Building Control Plan and had no concerns about the content of this document. It was noted that although it was shorter than expected, it covered the main points, and as the site is big enough, once they are off the road they could arrange their site in several ways.
- 5.152 Because limited services for rural buses are experienced throughout Wales, Aldi is also keen to provide a commitment to assist outside of the planning application process to Cyngor Gwynedd to provide a proposed Flexi Bus to start in April 2024. This is because Aldi acknowledges that this would be of commercial interest to the company. It is understood that the proposals in terms of the Flexi Bus continue to be developed by the Council but the applicant has provided similar assistance to fulfil extended bus services or new buses for shoppers in other locations in the UK. This assistance includes financial support on a sliding scale over a three-year period to stimulate new services and to support them during the early days until sponsorship reaches a level where the bus service becomes self-sufficient. Support can also be given to new Public Transport enterprises in their local shops by giving information to local residents, customers and staff about new bus routes, timetables or the operation of a Flexi Bus. Although the proposal and

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

improvements can be welcomed locally, no weight can be attached to this when considering the application as it is not necessary in order to make the development acceptable.

- 5.153 Although concerns were voiced about the proposal in relation to road safety, the Transportation Unit is satisfied with the proposal subject to relevant conditions. It is believed therefore that the proposal complies with policies PS 4, TRA 1, TRA 2 and TRA 4.

Drainage and Flood Matters

- 5.154 Policy PCYFF 6 states that proposals that are more than 1,000m² should have a Water Conservation Statement. The policy attempts to ensure that the proposals incorporate water conservation measures where practicable, including sustainable urban drainage systems (SuDS). All proposals should implement flood minimisation or mitigation measures where possible, to reduce surface water run-off and minimise its contribution to flood risk elsewhere. A Flood Consequence Assessment and Drainage Strategy Statement were submitted as part of the application, and Chapter 9 of the Planning Statement includes a Water Strategy Statement.
- 5.155 A Flood Consequence Assessment was received as part of the application. The site falls within flood zone A which is considered by Technical Advice Note 15 to be an area where only a little or no risk of fluvial or tidal/coastal flooding exists. The site does not lie within Flood Zone C1 or C2 as categorised by the Development Advice Maps in TAN 15, where such a designation would indicate a flood risk. The Flood Consequence Assessment addresses the fact that there is a small watercourse on the site and the flood risk from that watercourse and from surface water.
- 5.156 Observations were received from the YGC Water and Environment Unit stating that a Flood Assessment had been submitted as part of the application which shows that the flood risk to the development site from all sources is acceptable, and that surface water flooding risk could be managed with a suitable drainage plan. In addition, it was noted that a small watercourse runs through the middle of the site of the proposed development and that there is an intention to divert the water course in an open channel along the northern boundary of the site. The YGC Water and Environment Unit are keen that this watercourse remains in an open channel rather than being culverted and they would need an Ordinary Watercourse Consent for any work that could affect the flow of this watercourse, whether permanently or temporarily.
- 5.157 The proposal would include sustainable drainage systems including the installation of permeable tarmac on the car park, the inclusion of stone ditches within areas that can take the infiltration and it is intended to have an open attenuation pond on the western side of the site. It is therefore intended as part of the development to incorporate sustainable drainage system measures to deal with surface water. Observations were received from the YGC Water and Environment Unit (in its role as a SuDS Approval Body (SAB)), confirming that the developer intends to use suitable sustainable measures to drain the site and that an application will need to be submitted to the SAB. The details of the drainage plan will be scrutinised further as the SAB application is determined and the principle of the drainage plan only is discussed as a part of the planning application.
- 5.158 Observations were also received from Dŵr Cymru and they had no objection to disposing of foul water into the public sewer system and to dealing with surface water through an infiltration system.
- 5.159 Therefore, it is believed from the information and advice received that the drainage strategy is acceptable for this proposed development and is in accordance with policy PS 6 and PCYFF 6 of the LDP.

Biodiversity

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

- 5.160 Policy PS 19 and AMG 5 attempt to protect and/or enhance the natural environment and protect the conservation of local biodiversity. As part of the application, an Ecological Survey Report, Grassland Fungi Survey, Badger Assessment, Environment Management Plan, Trees Report, Soft Landscaping Maintenance and Management Plan and Landscaping Plan were submitted.
- 5.161 As can be seen from the observations, the Biodiversity Unit objects to the proposal because the proposal as submitted means the loss of an earth-bank with four ancient willow trees along with a stream. There are also issues relating to the suitability of the site for fungi and the need to protect parts of grassland for them.
- 5.162 The proposal would mean developing existing fields in order to construct the development. The site, however, has been designated for residential development in the LDP. Although it is not a residential development that is proposed, it should be realised that the land has been designated for development in the LDP and therefore it would be expected that there would be changes to the site as a result of that.
- 5.163 The proposal would mean the loss of the four willow trees located on the earth-bank which runs from south to north through the site. It can be seen that there is disagreement between the developer and the Biodiversity Unit about the willow trees in terms of the species and whether or not they are ancient trees. At present, however, the trees are not protected by a Tree Protection Order and they do not lie within a conservation area. It is not considered that the trees in terms of their shape and size contribute significantly to the visual amenities of the site and the area. As stated above the site has been designated for houses in the LDP. It is therefore likely that consideration was given at that time to the importance of keeping the trees in question but although they were on the land they were not considered at that time to be sufficiently important so as not to designate the land for housing development. With the trees located in an earth-bank that runs across the site from south to north, keeping these trees and the earth-bank would significantly affect how the site could be developed especially so in terms of creating roads etc. from west to east on the site. Although these four willow trees would be lost, the intention to plant 64 native trees on the development site in order to mitigate the loss and to offer improvements for biodiversity must be highlighted.
- 5.164 The willow trees grow in an earth-bank and this is also the source of the stream on the site. The ecological report submitted as part of the application refers to the earth-bank as a hedge, stating that this is dominated by willow and refers to it as a high, overgrown feature that grows on the remains of an earth-bank. Apart from the willow, it is understood that the other main species found in this earth-bank is wall pennywort which is not a rare species. Although the remains of an earth-bank can be found here it is not a high quality earth-bank and does not offer any special biodiversity features. The current stream would be lost but as part of the application it is intended to create a wetland area on the western part of the site which would form part of the attenuation pond area. This would be an area of approximately 1,204 square metres with SuDS turf and wet meadow mix. It is also proposed to plant trees near this wetland. There would also be 213 linear metres of native hedges planted on the site as a whole in place of the 204 metres that are to be lost. Taking everything into account in terms of the quality of the earth-bank and the stream and what is intended to be introduced to the site as biodiversity improvements linked to the proposal, on balance it is considered that what is proposed is reasonable.
- 5.165 During a site visit in August the biodiversity officer discovered Ballerina Waxcap/Pink Waxcap fungus on the site. As a result of this, a Grassland Fungi Survey was submitted for the application. The grassland fungi survey submitted concludes that the fields have a low potential for fungi due to the presence of cattle, that it is agriculturally improved grassland and that there is a lack of moss. The Biodiversity Unit agrees with these findings and did not want a further survey on the matter but did recommend protecting some parts on the edge of the site which had

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

the most suitable habitat for grassland type fungi. In response to this, a corner in the north-eastern part of the site has been protected, with four trees that were supposed to be planted there now having been moved to another part of the site. Considering that the site as a whole has a low potential for grassland fungi it is considered on balance that protecting this part of the site for fungi into the future is acceptable.

- 5.166 In their original observations, NRW had asked for a condition to be included to submit light details and an Environmental Management Plan to deal with ecological issues. This was due to the fact that bats commuted and foraged on the application site. As a result of NRW's original observations, a lighting plan and also a revised Environmental Management Plan were received. NRW's observations on these details were received. As a result of receiving this information, NRW is satisfied with the proposal if conditions are included that the development is to be carried out in accordance with the Ecological Survey Report and the Environmental Management Plan. It is considered that the inclusion of such conditions would be acceptable.
- 5.167 The applicant submitted further information regarding trees as a result of the original observations of the Trees Unit. The latest observations from the Trees Unit indicate that the Environmental Management Plan contains suitable suggestions and actions to be taken to manage trees and mitigation measures for the woodland but that the Soft Landscaping Maintenance and Management Plan needs to be updated to reflect that. A revised Soft Landscaping Maintenance and Management Plan was received as a result of these observations and contact was made with the Trees Unit to see if anything further arose as a result of receiving this document. No further matters were raised by the Trees Unit.
- 5.168 Taking into account Policy AMG 5 of the LDP it is not considered that the proposal would cause a significant detrimental impact to local biodiversity and the proposal includes a range of biodiversity improvements as part of the proposal as follows:
- Introduce 213 linear metres of native hedges in place of the 204 metres that are to be lost.
 - Introduce 64 trees in place of the four that are to be lost.
 - Introduce 843 square metres of wild flower mix, and wild flower mix for woodland, together with 834 square metres of lawn enriched with species to replace the 500 metres of lowland meadow that is to be lost.
 - Introduce 1,204 square meters of SuDS turf and a wet meadow mix of better botanical biodiversity value than at present, thereby replacing 1,197 square metres of marshy grassland which is less rich in species.
 - Introduce 634 square metres of native shrubbery mix.
 - Protect a corner of land in the north-eastern part of the site which would be suitable for fungi.

It must also be remembered that the site has been designated for residential development in the LDP and although it is not a residential development that is proposed, it should be realised that as a result of this designation, changes to the site would be expected. Taking all the issues into consideration on balance including the observations received, it is considered that the proposal is acceptable in terms of Policy PS 19, AMG 5 of the LDP and Planning Policy Wales and the sequential stage approach set out in chapter 6 as amended in October 2023.

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

Archaeological Matters

5.169 An Archaeological Desk-based Report was submitted as part of the application. Observations were received from the Gwynedd Archaeological Planning Service which recommended that an archaeological evaluation needed to be carried out before a decision was taken on the application. The aim of this work would be to establish whether there is potential for buried archaeology that survives and to report the extent, character and significance of any archaeological remains that have been identified. Contact was made with the applicant and an Archaeological Evaluation Report was received and the Gwynedd Archaeological Planning Service was consulted again. As a result of receiving the Archaeological Evaluation Report, the Gwynedd Archaeological Planning Service agrees with the findings of the report that the proposed development is unlikely to have a detrimental archaeological impact and that there were no further archaeological requirements for the application. It is considered that the proposal is acceptable in terms of Policy AT 4 of the LDP.

6. Conclusions

6.1 The site lies within the development boundary of Pwllheli and forms part of the site designated for housing (T28) in accordance with policy TAI 1 of the LDP. Criterion (8) of Policy PCYFF 2 of the LDP states that proposals will be refused if they have a significant detrimental impact on land allocated for other developments. As the site has been designated for housing in the Local Development Plan, the Council asked for justification on the basis of viability matters as to why the site could not be developed for housing.

6.2 From analysing the information within the Viability Assessment, the Council accepts on the basis of the current housing market that developing the site for housing is not viable.

6.3 In addition, Aldi states that this proposal is essential to facilitate the provision of a residential element on the site. Without this development it is not realistic that any residential use would be brought forward. In light of this they state that while the site has been designated for housing it is not viable for this use, however by introducing the alternative use of a supermarket this will unlock the site, enabling some residential development on site rather than none at all. In addition to this they highlight that the site has been marketed for residential use since 2020 and no offer has been received on it.

6.4 There is clear evidence that there is a viability problem with the site and that it is not likely to be brought forward for residential use in the current housing market. It is agreed that developing part of the site for the proposed retail use facilitates the opportunity for the rest of the designation to be brought forward for the expected residential use. In light of this and the evidence base that has been presented with the application it is considered that there is evidence to go against the relevant housing policies contained in the Local Development Plan.

6.5 PPW indicates the need for the development may be quantitative or qualitative, but precedence should be given to establishing quantitative need before qualitative need is considered. Qualitative need must be justified and should cover both positive and negative aspects. In relation to the need for retail development, TAN4 refers to unintended consequences and detrimental impact on town centres.

6.6 The applicants' capacity assessment would not demonstrate a quantitative need for the proposed food store, if more up to date population and expenditure data is adopted, because there is no expenditure growth between 2022 and 2027. However, the need assessment fails to assess whether existing food stores are under or over-trading. The Council experts' amended figures suggest the store could be supported by projected trading levels of over-trading in 2027. High

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

- levels of trading at the existing Lidl and Iceland stores in Pwllheli could indicate operational issues and a poor customer experience at peak times.
- 6.7 Lidl's objection letters claim a replacement Lidl store could meet the quantitative and qualitative need and refers to pre-application discussions. An enlarged Lidl store would help to relieve over-trading at the Lidl store but would not fully alleviate over-trading. Based on the information available, there appears to be no certainty that a planning application for a replacement store will emerge, or that the proposed store will be acceptable in planning terms or deliverable. The weight the Council may give to this potential improvement to the Lidl store appears to be limited at this stage.
- 6.8 Based on the Council experts' estimated expenditure surplus, the absence of a quantitative and/or qualitative need for the proposed discount food store is not a reasonable ground for refusal. Based on this it is considered the proposal is acceptable in terms of need in relation to Policies MAN 1 and MAN 3 of the LDP.
- 6.9 The Council experts' sensitivity analysis produces similar impact percentages but the residual post development turnover levels in 2027 are only marginally lower. Pwllheli will be the most affected centre. Most of the trade diversion from Pwllheli will come from large edge-of-centre stores i.e. Asda and the Lidl store. These stores are not technically afforded planning policy protection from the impact of out-of-centre retail proposals, but if trade diversion from these store result in a significant loss of linked shopping trips made to the town centre then the impact on edge of centre stores would be a material consideration.
- 6.10 The Council experts' sensitivity analysis suggests impact on town centre convenience goods businesses in 2027 is -14.6%, with the Iceland, B&M Bargains and Spar stores most affected. These stores are estimated to be trading significantly above their company average sales densities and these stores are unlikely to experience trading difficulties. Impact on small convenience goods shops is likely to be significantly less than -14.6%. The trade diversion and impact on convenience stores/shops in the town centre is not significant and shop closures are unlikely. The edge of centre Asda and Lidl stores are also expected to trade satisfactorily.
- 6.11 The Council experts' sensitivity figures suggests about 852,000 per annum food and grocery shopping trips are made to Pwllheli. About 187,000 of these trips (22%) could involve non-food shopping as part of a linked purpose trip. The number of linked trips for non-retail services would be: 68,000 per annum for café/restaurants/pubs; 51,000 per annum for financial services; and 25,500 per annum for other services. The net reduction in linked shopping trips to the town centre is relatively small i.e. -10,000 non-food trips per annum; -3,000 café/restaurants/pubs trips; -3,000 financial services trips and -2,000 other services trips per annum. This likely net reduction in the number of linked purpose trips is relatively small, about -5%.
- 6.12 Overall, and on balance, it is considered that there will be no significant impact on the vitality and viability of the town centre from the new Aldi store and that there will be no material conflict with policies PS15, MAN 1 and MAN3.
- 6.13 The applicant has undertaken a sequential site investigation in accordance with PPW, in the first place by seeking an alternative site within the town centre, and in the second place seeking a site on the outskirts of the centre. A suitable site was not seen in these locations and therefore the area was expanded to the proposed site which is a site outside the centre but within the limits of the settlement and the development boundary. The officers are satisfied with the conclusions of the sequential assessment and are not aware of any sequentially preferable sites. In this context, it is considered that the proposal has complied with the requirements of policies MAN 3, MAN 1 and PPW in terms of selecting a sequential site.

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

6.14 It is not considered that the proposal would cause a significant detrimental impact to local biodiversity and the proposal includes a range of biodiversity improvements as part of the proposal as follows:

- Introduce 213 linear metres of native hedges in place of the 204 metres that are to be lost.
- Introduce 64 trees in place of the four that are to be lost.
- Introduce 843 square metres of wild flower mix, and wild flower mix for woodland, together with 834 square metres of lawn enriched with species to replace the 500 metres of lowland meadow that is to be lost.
- Introduce 1,204 square meters of SuDS turf and a wet meadow mix of better botanical biodiversity value than at present, thereby replacing 1,197 square metres of marshy grassland which is less rich in species.
- Introduce 634 square metres of native shrubbery mix.
- Protect a corner of land in the north-eastern part of the site which would be suitable for fungi.

It must also be remembered that the site has been designated for residential development in the LDP and although it is not a residential development that is proposed, it should be realised that as a result of this designation, changes to the site would be expected. Taking all the issues into consideration, on balance it is considered that the proposal is acceptable in terms of Policy PS 19, AMG 5 of the LDP and Planning Policy Wales and the sequential stage approach set out in chapter 6 as amended in October 2023.

6.15 On this basis, and having given full consideration to all material planning considerations, including observations received, it is considered that the proposal is acceptable subject to suitable planning conditions and should be approved.

7. Recommendation

To approve the application subject to the following conditions:

1. Timescales
2. In accordance with the approved plans.
3. Materials in accordance with the plans unless otherwise agreed in advance with the Local Planning Authority.
4. Retail conditions to restrict floor space area, no subdivision into smaller units.
5. Shop opening times.
6. Control of delivery times.
7. Highways conditions in terms of completing the access, lane work, parking spaces and preventing surface water.
8. Public protection conditions in terms of ventilation system/heat recovery unit, noise levels from mechanical equipment, barrier on the goods delivery bay.
9. Building Control Plan
10. Adhere to the mitigation measures in the Air Quality Assessment.
11. Undertake the work in accordance with the landscaping plan and Soft Landscaping Maintenance and Management Plan, a need to replant within a period of five years.
12. Welsh language improvement/mitigation measures/bilingual signage.
13. In accordance with the lighting plan.

PWYLLGOR CYNLLUNIO	DYDDIAD: 20/11/2023
ADRODDIAD PENNAETH ADRAN CYNORTHWYOL	

14. In accordance with the Ecological Survey Report.
15. In accordance with the Environmental Management Plan.

Notes:

1. Large-scale development
2. SuDS
3. Highways - powers under Section 171/184 of the Highways Act 1980
4. Observations from Welsh Water
5. Observations from Public Protection
6. Observations from NRW