

Archived: 27 January 2021 23:52:30

From: [REDACTED]

Sent: Mon, 25 Jan 2021 17:54:19

To:

Cc: [REDACTED]

Subject: Scottish Borders Council - Proposed Local Development Plan 2 - Representations on Behalf of Aldi Stores Ltd.

Sensitivity: Normal

Attachments:

[REDACTED]

CAUTION: External Email

Good Afternoon,

Please find attached representations to the Proposed Local Development Plan 2 on behalf of Aldi Stores Ltd.

I look forward to receiving confirmation of receipt in due course.

Kind regards

Oli

Oli Munden BSc MRTPI

Senior Planner

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Our Ref: OM/KM

Your Ref:

25 January 2021

Forward Planning
Council Headquarters
Newton St Boswells
Scottish Borders
TD6 0SA



Email response submitted to: localplan@scotborders.gov.uk

Dear Sir/Madam

**REPRESENTATION TO SCOTTISH BORDERS COUNCIL – PROPOSED LOCAL DEVELOPMENT PLAN
– JANUARY 2021**

We act on behalf of our client, Aldi Stores Ltd (“Aldi”), and write with regards to the above consultation process.

Aldi have been expanding significantly across the U.K. over the last decade bringing forward substantial investment in local communities, whilst generating significant employment opportunities both within the store, the construction process and ongoing food supply chain.

The business has been successfully serving local communities within the Scottish Borders Local Authority area for a number of years from their stores in Hawick and Galashiels. Aldi therefore welcome the opportunity to engage with and respond to the Proposed Local Development Plan (PLDP) process to ensure that an appropriate policy framework is in place to continue to support their existing stores and future plans for investment.

This representation will therefore firstly focus on the Aldi business itself, followed by their growth aspirations for Scottish Borders. Lastly, it will focus on key issues identified with the Proposed Plan and Aldi’s response to these.

About Aldi

In Scotland, Aldi currently operate 96 stores with plans to open more throughout 2021. This growth is fuelled by changing customer shopping habits and a growing appetite amongst UK shoppers for Aldi’s high-quality products and offers.

The business is committed to showcasing the best food and drink that Scotland has to offer, by sourcing as much as possible within the country. 25% of Aldi’s total sales are from Scottish

producers. This pledge reduces food miles and widens the availability of quality Scottish produce, whilst supporting farmers, producers and manufacturers helping to grow the value of Scotland's food and drink industry.

Aldi "Business Model"

Aldi adopts a different approach to food retailing than other convenience store operators. Their philosophy is based on simplicity and maximum efficiency at every stage of the business, from supplier to customer, enabling Aldi to sell high quality products from a range of exclusive own brand labels at competitive prices. This philosophy is critical to the business and dictates the store layout, the servicing and indeed the types of sites that can accommodate this model.

It is also worth noting that Aldi does not offer any internal specialist concessions or deli counters, this means that they focus solely on the grocery market and compete most actively with other food operators like the 'big 4' and not small independent shops. This can be seen from their recent growth in market share that has been at the expense of these major operators. This means that the introduction of an Aldi store in an area often complements small local businesses, given that the foodstore does not compete for this style of service. Aldi are often complementary to the existing pattern of trade, with Aldi customers using these other facilities to supplement their Aldi food shop.

This business model requires certain characteristics for store locations in order for them to be viable. In the first instance, Aldi will always seek to locate within or adjacent to a designated centre, however, where these opportunities are unavailable they will select highly accessible locations to meet local demand.

A key aspect of their stores is that they generally require a smaller catchment population than large superstores, which is due to their smaller store format with a net sales area of around 1,315 sq.m dependant on the location of each site. They continue to serve localised areas and meet the needs of these smaller more sustainable communities.

Aldi's Growth Plans for the Scottish Borders

As noted earlier, there are currently 96 Aldi stores trading across Scotland and the business has growth aspirations to significantly expand over the next 10 years. Aldi are currently exploring potential options to extend their offer in the Council area.

Each new store delivers the following economic benefits:

- Up to 35 new in-store employment positions, with a minimum contract of 25 hours per week. The majority of contracts average 30-40 hours per week.
- Store assistants are paid above the 'living wage' with other roles paid significantly above this;
- Spin off benefits for suppliers to Aldi;
- Construction employment during each development. Aldi endeavour to utilise local trades to complete store work where possible;
- Award winning apprenticeship schemes;
- Millions of pounds worth of inward investment and regeneration of each new site; and

- Bringing the award-winning Aldi brand to more local communities and reducing the cost of their shopping trips.

It is therefore within this context that these representations are submitted, these comments will therefore consider the proposed retail policy.

To be clear in the changes we are seeking, we have outlined our response to the proposed plan as currently drafted, which is then **followed by a section in bold outlining the change to the plan which we are requesting.**

Proposed Plan – Vision, Aims and Spatial Strategy

Prior to commenting on specific elements of the Proposed Plan, our client firstly wants to respond to the vision, aims and spatial strategy set out on pages 19-22.

Aldi welcomes the ambitions of the LDP to provide opportunities for the economic growth of the region and job creation, as a business and investor, they believe that they have an important role to play, as a successful economic driver, in contributing to this LDP aim.

Our Client also supports the ambitions to reduce travel in order to work towards a low carbon economy. Aldi stores are well placed in order to serve local communities which prevents the need for residents to travel out of their areas in order to do their weekly shopping which in turn promotes sustainable travel patterns.

Given that Aldi support the ambitions of the plan, it is important that the policies contained within it can help deliver economic growth.

Policy ED3: Town Centres and Shopping Development

In this regard, this section of the letter will focus on Policy ED3 of the Proposed Plan in relation to Out of Town Centre Development. It is considered that parts of the current policy wording are inconsistent with Scottish Planning Policy (SPP) and should therefore be amended.

While Aldi recognises the aspirations behind town centres being preferred over edge-of-centre and out-of-centre locations, where possible they will always aim to locate in town centre locations. This firstly recognises the benefits such locations provide for local communities and the generation of linked trips. It is however important to recognise that centres such as these do not always offer opportunities to accommodate stores the size of a typical Aldi, alongside the necessary parking and servicing requirements that are essential for the business to operate viably given their scale and the composition and layout of trade within local high streets.

Turning to the wording of Policy ED3, criteria **a)** of **Out of Town Centre Development** states the following will be considered, *“the individual or cumulative impact of the proposed development on the vitality and viability of existing town centres”*. We consider that this criteria is inconsistent with Scottish Planning Policy (SPP) where it is explicitly stated at paragraph 73, that out-of-centre locations should be considered acceptable where there is *‘no significant adverse effect on the vitality and viability of existing town centres’ (AY emphasis)*. Without the clarity of this wording within the current policy, it is unclear what thresholds of impact might be deemed acceptable. **We therefore**

request that criteria a) is amended to reflect SPP, and read: "where it can be demonstrated that there is no significant adverse effect on the vitality and viability of existing town centres" (AY Emphasis)

It is also clear that criteria **c)** of **Out of Town Centre Development**, which sets out that *"the ability of the proposal to meet deficiencies in shopping provision which cannot be met in town centre or edge of centre locations"* will be considered, is also inconsistent with SPP. Paragraph 73 states that out-of-centre locations should be considered acceptable for proposals that will help to meet qualitative **or** quantitative deficiencies. In addition, the policy is not explicit in terms of how this links to the sequential test, as surely if a proposal has already demonstrated compliance with this, then it should not be necessary to consider if the level of deficiency can be met within town or edge of centre locations. This in effect repetition and unnecessary in terms of the policy wording. **In consequence, we request that criteria c) is amended to read "the ability of the proposal to meet a qualitative or quantitative deficiency in shopping provision" (AY emphasis)**


We now consider criteria **d)** *"the impact of the proposal on travel patterns and car usage"*. In its current form, we are unclear what is meant by this criteria test and consider that this needs further supporting text to explain what is necessary to allow for a full consideration under the policy. **It may be sensible to combine this with general accessibility considerations under criteria e) of the Proposed Plan.**

Finally, our client also considers that criteria **h)** should be amended to ensure that it complies with the sequential test as set out at paragraph 68 of SPP. Whether a site is vacant, derelict or brownfield is not a consideration in terms of the sequential test. This should only be relevant where those sites are sequentially preferable and therefore offer benefits in terms of a location within or on the edge of a designated centre. **We therefore request that criteria h) is deleted given it does not comply with SPP and sequential matters are dealt with by criteria b) of the policy.**

Summary

Aldi welcomes this opportunity to comment on the Proposed Scottish Borders Local Development Plan and we trust that this representation will be considered during the next stages of plan preparation.

As a successful business, with intentions to expand its operations in the region further Aldi is pleased to be involved in the Local Development Plan process and to share their plans with the Council to deliver new jobs, inward investment and expanded access to healthy and cheaper food items, all in accordance with local planning policy.

If you have any queries or require further information, please do not hesitate to contact 



Yours faithfully



**For and on behalf of Aldi Stores Ltd.
Avison Young (UK) Limited.**