

Retail Statement for Unit E, Dowlais Top Retail Park, Merthyr Tydfil, CF48 2TA

Proposed Variation of Condition to allow Food (Convenience) Sales from Unit

Prepared for:

Northwest Industrial Estates Ltd

September 2025

Ish.co.uk



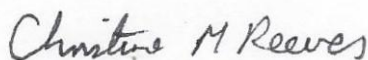
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Prepared by:

Christine Reeves

Signed:

A handwritten signature in black ink that reads "Christine M Reeves". The signature is written in a cursive style and is positioned to the right of the word "Signed:".

For and on behalf of Lambert Smith Hampton

Issued: September 2025

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1. Introduction

1. This report has been prepared by Lambert Smith Hampton ('LSH') to accompany a planning application relating to the former Carpetright unit at Unit E, Dowlais Top Retail Park, Merthyr Tydfil, CF48 2TA.
2. The unit was originally granted planning permission for a single storey retail unit of 975 sqm in March 1996 (Application Ref: 52950607), when the applicant was Carpetright. The retailer subsequently occupied the unit until July 2024 when the company went into administration and the majority of the company's shops were closed.
3. Given the intended occupier of the store, the permission restricted the use of the unit to that of a non-food (comparison) use. Specifically Condition 1 of Planning permission 52950607 states:
"The retail unit hereby approved shall be used for carpet sales or the sale of other consumer durable goods; it shall not be used for the sale of food".
4. The reason for the condition was given as:
"To limit and define this consent in order to protect the vitality and viability of Merthyr Tydfil Town Centre".
5. The purpose of the current application is to vary the condition to allow Iceland Foods Limited ('Iceland'), trading as The Food Warehouse ('TFW'), to occupy the unit. As such, planning permission is being sought to vary this condition to allow the unit to be used for convenience purposes, with ancillary comparison sales of up to 20%.
6. It is proposed that the existing condition be replaced with a new one stating:
"The retail unit hereby approved shall be used for carpet sales or the sale of other consumer durable goods. The premises may also be used for the sale of convenience goods and unrestricted ancillary comparison goods sales from a floor area of up to 175 sqm".
7. This report considers the retail need and impact planning policies relevant to the determination of the planning application and assesses the proposal against these policy requirements. It does not seek to address the sequential test or other planning considerations relevant to the current application, as these are considered in the accompanying Planning Statement by Depol. This report should therefore be read in conjunction with the Planning Statement and the other plans and documents that accompany the application.
8. The report is structured as follows:
 - Section 2 describes the application site and proposal;
 - Section 3 sets out the planning policy requirements relating to retail and town centre uses at national and local level;
 - Section 4 considers the need for the proposal;
 - Section 5 assesses the impact of the proposal; and
 - Section 6 sets out our conclusions.

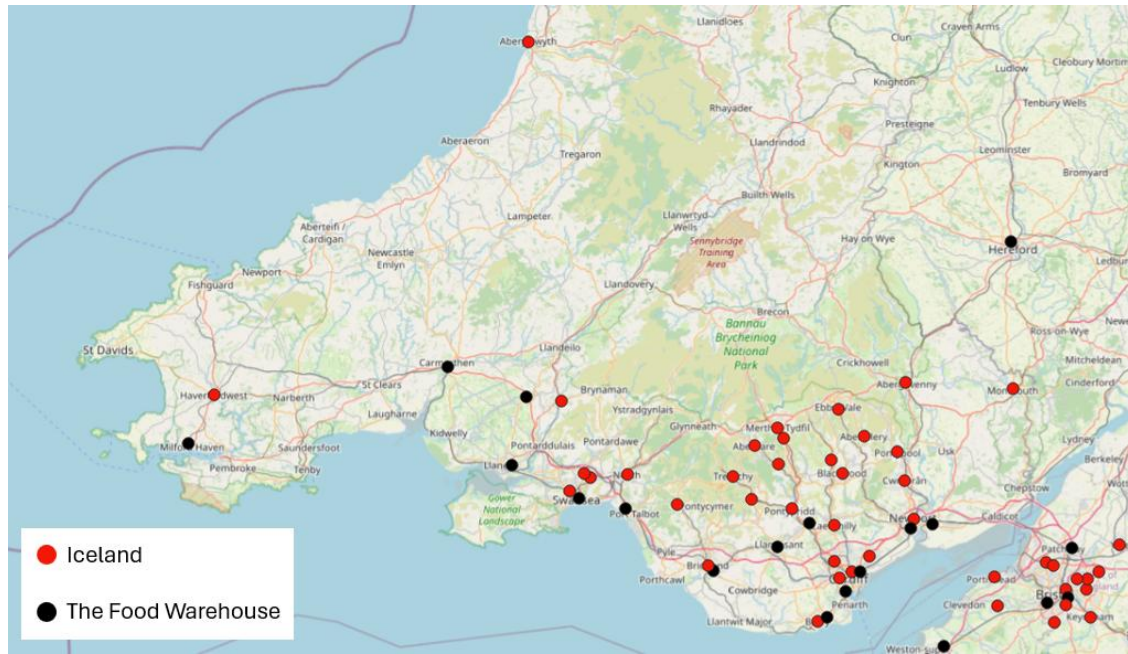
2. Application Site and Proposal

9. The application proposal relates to an existing retail unit at the Dowlais Top Retail Park on the northeastern outskirts of Merthyr Tydfil. The retail park is accessed off the A465 and A4060 roundabout, and other occupiers include B&M Homestores, Dunelm and Asda, which first opened on the site in 1977. More recently Lidl has opened a store to the east of the main access road.
10. The site is therefore a long established retail location with retailers selling a wide range of both convenience and comparison goods.
11. Unit E is the smallest unit on the site extending to 975 sqm gross and was built as an infill development between the larger units now occupied by Dunelm and B&M. It is a single storey unit.
12. The existing use of the unit is as a non-food A1 retail store, as approved under Application Ref: 52950607. The permission restricts the use to non-food sales only, specifically defined under Condition 1 as “*carpet sales or the sale of other consumer durable goods*”. The sale of food is explicitly excluded.
13. The current application proposal seeks to vary this condition to remove this food restriction and extend the permitted retail uses to include convenience sales to allow occupation of the unit by The Food Warehouse (TFW).
14. TFW is a relatively new concept in food retail, which is being introduced nationwide by Iceland. The first TFW opened in September 2014 and there are now over 150 of these stores operating nationally with further expansion planned in the future.
15. The format of TFW stores differs from the traditional Iceland stores in that they are larger, typically providing 929 – 1,394 sqm gross of floorspace compared with an average 465 sqm in the traditional High Street stores.
16. This enables a wider range of products to be offered, including the full range of Iceland’s frozen and chilled food, as well as extended ranges of luxury and speciality frozen food, chilled meat and fresh produce and a wide selection of value bulk packs of grocery products.
17. This in turn means shoppers can meet more of their food and grocery needs in a single shop, making the stores more of a main food shopping destination, compared with the traditional high street format, which is orientated more towards “top up” / specialist shopping trips.
18. This increases the need for on-site parking, similar to that provided at other main food shopping destinations.
19. TFW stores also sell a limited range of non-food goods. These are often sold on a temporary basis rather than as part of a permanent offer, on a “When It’s Gone, It’s Gone” basis.
20. TFW stores are considered to provide a different offer to the traditional Iceland stores and as such the two can trade within the same area. This is the intention in Merthyr, where Iceland currently has two trading stores, including a traditional ‘High Street’ store at 15 Graham Way in the town centre. The second store is located at Unit 2B Triangle Business Park, Pentrebach but is of limited size (650

sqm gross, 465 sqm net sales). Neither store can therefore stock the full range of goods offered by Iceland in their TFW units.

21. It is intended that the new store at Dowlais Top would trade alongside both the existing outlets, replicating the position seen elsewhere in South Wales and further afield where TFW outlets are normally located in areas also served by Iceland Stores. This is illustrated in Figure 1.

Figure 1: Existing Iceland and The Food Warehouse Outlets in South Wales



22. The proposed store is expected to have a net sales area of up to 880 sqm with around 20% (175 sqm net) to be used for the sale of comparison (durable) goods. As such the application is only seeking to vary the use of 80% of the existing floorspace. However, for the purposes of this assessment we have sought to test 100% of this space being used for the sale of convenience goods, given the comparison offer is already permitted under the current permission.
23. This is considered to represent a robust assessment and would allow the removal of Condition 1 rather than its variation, if it can be shown that the use of the unit for convenience sales will not adversely affect the vitality and viability of Merthyr Tydfil town centre.

3. Retail Planning Policy Review

24. Section 54A of the Town and Country Planning Act 1990 and Section 38(6) of the Planning and Compulsory Purchase Act 2004 require that planning applications should be determined in accordance with the approved development plan for the area unless material considerations indicate otherwise.
25. Material considerations include the planning policies of the Welsh Government set out in Planning Policy Wales (PPW) as revised in July 2024 and the associated Technical Advice Notes (TANs).

Local Planning Policy

26. In Merthyr Tydfil the relevant local development plan is the Merthyr Tydfil Replacement Local Development Plan (RLDP) which was adopted in January 2020.
27. The relevant LDP policies in terms of retail and town centre proposals are:
 - **Policy EcW3: Retail Hierarchy – Supporting Retailing Provision** which identifies Merthyr Tydfil Town Centre as the preferred location for retail development and the highest order centre in the County Borough. A total of seven local centres are also identified including Dowlais and a new local centre is proposed in the Hoover Strategic Regeneration Area. Outside of these centres, which are defined on the Proposals Map, proposals will be subject to an assessment of need and the sequential test. Proposals will then only be permitted where they avoid causing harm to town/local centre vitality and viability.

The supporting text to this Policy indicates that the Merthyr Tydfil Retail and Commercial Leisure Study (RCLS) published in June 2017 and prepared by Lichfields, provides the evidence base for this policy and provides further information regarding the retailing context within and surrounding the County Borough (para 6.7.27).

Paragraph 6.7.23 confirms that a retail impact assessment will be required for all retail applications proposing over 2,500 sqm gross of floorspace, but may also be required for smaller development proposals proportionate to the potential impacts;

- **Policy EcW4: Retail Allocation** which allocates land at the Hoover Regeneration site for 400 sqm of local retail provision;
- **Policy EcW5: Town and Local Centre Development** which sets out policies to support retail uses in Primary Shopping Areas and local centres; and
- **Policy EcW6: Out-of-Town Retailing Areas** which indicates that proposals relating to retail development on new or existing out-of-centre sites will be required to show that there is an additional need for the proposal that cannot be provided within an existing town or local centre and would not, either

individually or cumulatively have an unacceptable impact on the trade, turnover, vitality and viability of the town and local centres. The policy confirms this applies to all application proposals including amendments to existing planning conditions.

The supporting text identifies Dowlais Top as one of four existing out-of-town retail areas in the County Borough (para 6.7.51). The text also refers to the further guidance in provided in TAN4 (see below).

Other Material Considerations

National Planning Policy

28. National planning policy is set out in the Welsh Government's Planning Policy Wales (PPW), the most recent edition of which was published in February 2024 (Edition 12).
29. It is supplemented by a number of Technical Advice Notes (TANs) which provide additional Government guidance on topic specific matters, including TAN 4: Retail and Commercial Development.
30. The purpose of PPW is to set out the land use planning policies of the Welsh Government and has the primary objective of ensuring that the planning system contributes towards the delivery of sustainable development and improves the social, economic, environmental and cultural well-being of Wales.
31. It sets out how the planning system can assist in achieving this objective and translates this and other Welsh Government objectives into land use planning policies. For retail and town centre uses outside of defined town centres, this includes requiring an applicant to demonstrate:
 - A need for a proposed retail use;
 - Compliance with the sequential test, which means showing that for retail developments proposed on sites outside of defined centres, there is no suitable and available site for a similar development, either in the centre or on its edge; and
 - That the proposal will not have a significant adverse impact on the vitality and viability of the defined centres or investment within them. A retail impact assessment is specifically required for developments of 2,500 sqm gross or more, but TAN4 confirms that retail impact assessments may be required for smaller developments, although these should be proportionate to potential impacts.

Merthyr Tydfil Retail and Commercial Leisure Study (RCLS)

32. As noted in the RLDP (para 6.7.27), the RCLS prepared by Lichfields in 2017 provides the evidence base that informed the policies in the RLDP and it remains the most up-to-date Retail Study for the County Borough. As such it is a material consideration but the age of the study means some of the findings and conclusions will now be out-of-date.

Annual Monitoring Report (AMR)

33. The most recently published Annual Monitoring Report (AMR) for Merthyr is the one published in October 2024. This confirms that there were no major retail development applications submitted within the County Borough boundary during 20023/2024.

Planning Policy Requirements

34. The proposal for TFW relates to an existing retail unit on a well established retail park and is vary Condition 1 to allow the unit to be used for the sale of convenience goods as well as a comparison, as currently permitted.
35. The retail park is located outside of Merthyr Tydfil town centre, and therefore national planning policy and Policy EcW3 requires the application to be accompanied by:
- An assessment of the need for the additional convenience floorspace being proposed; and
 - A sequential assessment.
36. The need for the additional convenience floorspace is considered below. A Sequential Assessment has been prepared by Depol and is provided separately.
37. The increase in retail floorspace is below the 2,500 sqm threshold for which a Retail Impact Assessment (RIA) is automatically required. However, a proportionate assessment of the impact of the proposal is provided below, given the reason for the current condition (RDLP, para 6.7.23 & TAN4, para 8.2).

4. The Need for the Proposal

38. PPW is explicit that, whilst retail need may be quantitative or qualitative, precedence should be given to establishing quantitative need before considering qualitative, especially as a basis for development plan allocations.

Qualitative Need

39. In this case the application proposal is based on a qualitative operator need, with Iceland seeking to introduce one of their larger format stores (The Food Warehouse (TFW)) to Merthyr, having identified a market/consumer demand for additional provision in the area. This reflects the popularity of the retailer who provides discount and value-for-money products and the inadequacies of the premises that Iceland currently occupy. Specifically both trading units are very small, providing just 442 sqm and 465 sqm gross of floorspace.
40. The introduction of the larger format TFW store will provide a qualitatively different offer to the traditional Iceland stores and will improve customer choice in the town. Although considered as a discount operator, the Iceland/TFW offer also differs from that provided by the likes of Aldi and Lidl.
41. The proposed TFW is therefore intended to meet a qualitative need identified by the proposed occupier for improved representation in the area. It will also improve customer choice by introducing a new retail format to the town.

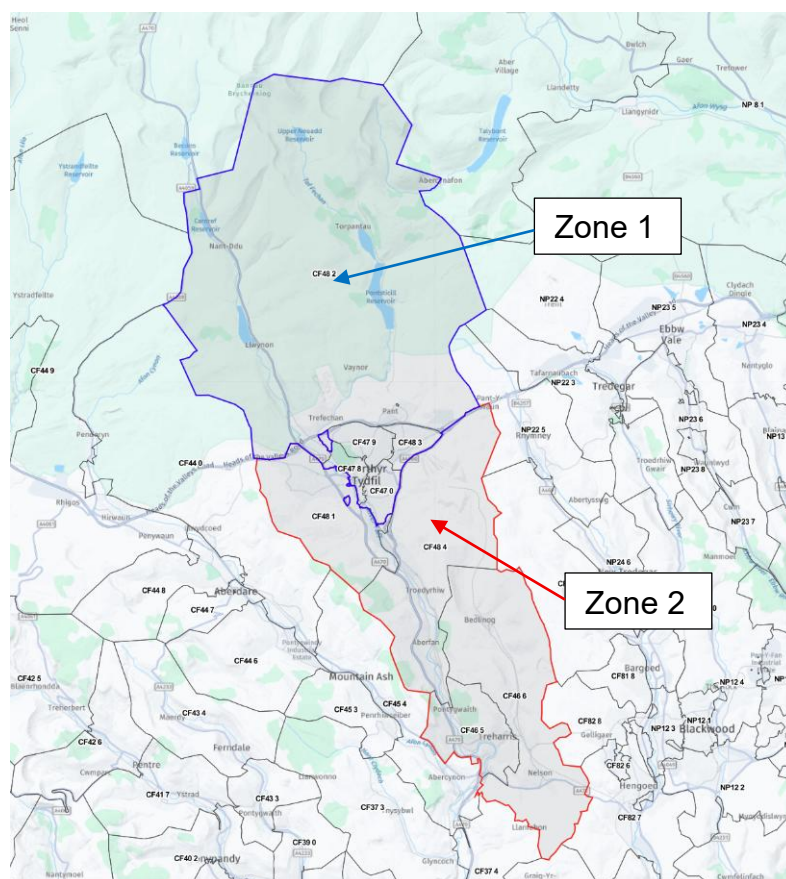
Quantitative Need

42. The desire by Iceland to open a new format store in the Merthyr area however also reflects a quantitative need, in that the existing Iceland stores are trading well and it is considered that further retail floorspace could be supported. It is also consistent with other recent proposals in the area which have seen both the Aldi (Application Ref: P/21/0225) and Lidl (Application Ref: P/15/0014) seeking to improve their existing offer in the town.
43. This suggests that there may be unmet need in the area, with existing stores trading in excess of benchmark levels. If so, then there is a demonstrable need for additional provision in the area.
44. To consider this further we have sought to undertake an assessment of the performance of existing outlets, based on the information available in the RCLS and updated information on available spend in the area.

Available Convenience Expenditure

45. As the first stage to the quantitative need analysis we have obtained up to date information on population levels and available convenience spend from Experian's Location Analyst, an established independent data source and the same as used in the RCLS. Data has been obtained for the two study zones directly relevant to Merthyr Tydfil, namely Zone 1 – Merthyr Tydfil North and Zone 2 – Merthyr Tydfil South, as defined in the RCLS.
46. The extent of these zones is shown in Figure 1.

Figure 2: Map of Study Area



47. The estimated population levels for 2023 (the base year used by Experian) and forecasts to 2027 are set out in Table 1. This is considered a reasonable time period to consider, given that we are looking to see if overtrading is occurring in existing stores at the present time. Looking ahead to 2027 when the proposed store would be expected to be trading provides an indication of whether there would be expected to be any significant change in the position between now and then.

TABLE 1: BASE YEAR POPULATION & PROJECTIONS (2023 - 2027)

	2023	2024	2025	2026	2027
Zone 1 - MerthyrTydfil North	31,902	32,335	32,409	32,453	32,520
Zone 2 - Merthyr Tydfil South	31,105	31,587	31,647	31,725	31,769
Total	63,007	63,922	64,056	64,178	64,289

Notes

Population Projections from Experian Location Analyst (based on OS)

Growth 2023 to 2027	
%	No.
1.9%	618
2.1%	664
2.0%	1,282

48. Table 1 shows that population levels in Merthyr are expected to rise slightly between 2023 and 2027.
49. Convenience expenditure per head for the zones has then been obtained and is presented in 2023 prices. The base figure for 2023 is adjusted to make allowance for purchases made online and by other types of Special Forms of Trading (SFT), based on the estimates provided by Experian in their Retail Planner Briefing Note No. 22 (RPBN22). This was published in March 2025 and provides the most up-to-date forecasts currently available. The spend per head is then forecast forward, again based on Experian's forecasts in the RPBN22. The resulting spend per head is presented in Table 2.

TABLE 2: CONVENIENCE GOODS EXPENDITURE PER CAPITA FORECASTS (2023 to 2027)

	2023 inc SFT	Excluding SFT				
		2023	2024	2025	2026	2027
Zone 1 - MerthyrTydfil North	£2,902	£2,757	£2,705	£2,680	£2,661	£2,645
Zone 2 - Merthyr Tydfil South	£2,776	£2,637	£2,587	£2,564	£2,546	£2,531
Total						

Notes

Average spend per capita estimates (2023 prices) are derived from Experian 'Location Analyst' Reports. The year-on-year expenditure growth forecasts have been informed by Experian's Retail Planner Briefing Note 22 (March 2025).

50. The resulting available convenience spend per zone and for the Merthyr area overall is then provided in Table 3.

TABLE 3: TOTAL AVAILABLE CONVENIENCE GOODS EXPENDITURE (£million) (2023 to 2027)

	Excluding SFT					Growth 2023 to 2027	
	2023	2024	2025	2026	2027	%	No.
Zone 1 - MerthyrTydfil North	£87.95	£87.45	£86.86	£86.37	£86.03	-2.2%	£1.92
Zone 2 - Merthyr Tydfil South	£82.03	£81.72	£81.14	£80.77	£80.39	-2.0%	£1.64
Total	£169.98	£169.17	£168.00	£167.14	£166.42	-2.1%	£3.56

51. This shows that, whilst the Merthyr area is expected to see a small increase in population, the amount of money available to support convenience floorspace in the area is expected to fall slightly from £169.98m in 2023 to £166.42m in 2027.

Market Shares and Projected Store Turnovers

52. Information on current market shares for key convenience stores and locations is provided in the RCLS (Appendix 2) and specifically Table 4. This is summarised in Table 4 below (columns 2 & 3). Markets shares are not available for all individual stores and therefore assumptions have had to be made regarding some of the 'other' stores in Zones 1 and 2.

TABLE 4: CONVENIENCE MARKET SHARES AND PROJECTED TURNOVER 2025 (2023/2024 prices)

Market Share of Store/Centre	Market Share (%)		Store Turnover from Zones 1 & 2 (£m)		Total Turnover from Zones 1 & 2 (£m)	% Inflow from outside Zones 1 & 2	Total Convenience Turnover (£m) (2023 prices)	Total Convenience Turnover (£m) (2024 prices)
	Zone 1	Zone 2	Zone 1	Zone 2				
Available Spend 2025 (£m)			£86.86	£81.14	£168.00			
Tesco Extra	25.7%	20.0%	£22.32	£16.23	£38.55	30%	£50.12	£51.86
Iceland)								
Farmfoods)	8.3%	12.0%	£7.21	£9.74	£16.95	20%	£20.34	£21.04
Other town centre)								
Total Town Centre	34.0%	32.0%	£29.53	£25.96	£55.50		£70.45	£72.90
Aldi, Plymouth Street	14.5%	13.9%	£12.59	£11.28	£23.87	40%	£33.42	£34.58
Asda, Dowlais Top	37.8%	13.0%	£32.83	£10.55	£43.38	40%	£60.73	£62.84
Lidl, Dowlais Top	6.4%	1.9%	£5.56	£1.54	£7.10	40%	£9.94	£10.29
Co-op, Pentrebach)								
Iceland, Pentrebach)	0.4%	3.0%	£0.35	£2.43	£2.78	30%	£3.62	£3.74
M&S, Cyfarthfa)								
Other out-of-centre)	4.3%	2.3%	£3.74	£1.87	£5.60	65%	£9.24	£9.56
Total Merthyr out-of-centre	63.4%	34.1%	£55.07	£27.67	£82.74		£116.96	£121.01
Elsewhere	2.6%	33.9%	£2.26	£27.51	£29.76	N/A		
Total	100.0%	100.0%	£86.86	£81.14	£168.00		£187.41	£193.91

Notes

Market Shares from RCLS Appendix 2, Table 4

Available Spend from Table 3

Inflow Trade calculated from RCLS, Appendix 2, Table 5

53. These market shares have then been used to calculate convenience store turnover in 2025 (2023 prices), using the available spend from Table 3 and estimates of inflow from the RCLS Zones 3-7 and beyond (RCLS, Appendix 2, Table 5). This is set out in the above table.
54. The final stage has been to convert the turnover for 2025 from a 2023 price base to a 2024 price base.

55. This suggests that the foodstores in the Merthyr area currently have a turnover of around £193.91m, with the majority spent in stores in out-of-centre locations. Town centre convenience turnover exceeds £70m, mainly due to the popularity of the Tesco Extra store. The most popular out-of-centre stores are Asda at Dowlais Top and Aldi at Plymouth Street.

Benchmark Turnovers

56. The next stage is to compare the store turnovers forecast above, with what would normally be expected based on company average performances, using company average sales densities. The resulting benchmark sales can then be compared with the forecast store performance to indicate whether an individual store is under- or over- performing and to look at how stores in the area are trading generally.
57. Benchmark turnovers of convenience stores in the Merthyr area are included within the RCLS (Appendix 2, Table 9), and this information has been updated to look at benchmark performance in 2025. This is summarised in Table 5.

TABLE 5: BENCHMARK CONVENIENCE TURNOVER FOR MERTHYR STORES

Zone	Store	Sales Area (sqm net)	Convenience Floorspace (%)	Convenience Floorspace (Sqm net)	Benchmark Turnover 2024 (£ per sqm) (2024 prices)	Benchmark Convenience Sales 2024 (£m)	Benchmark Turnover 2025 (£ per sqm) (2024 prices)	Benchmark Convenience Sales 2025 (£m)
Zone 1	Aldi (as extended)	1371	80%	1,097	£12,156	£13.33	£12,156	£13.33
	Asda	7240	50%	3,620	£11,491	£41.60	£11,491	£41.60
	Iceland, St Tydfils Sq	364	95%	346	£7,429	£2.57	£7,429	£2.57
	Lidl, Penygamddu	1578	80%	1,262	£8,883	£11.21	£8,883	£11.21
	Tesco Extra	4488	65%	2,917	£16,789	£48.98	£16,789	£48.98
	Farmfoods	654	95%	621	£7,000	£4.35	£7,000	£4.35
	Other Merthyr Tydfil Town Cen	1300	100%	1,300	£6,000	£7.80	£6,000	£7.80
	Other Zone 1	1300	100%	1,300	£5,000	£6.50	£5,000	£6.50
Zone 2	Iceland, Pentrebach	418	95%	397	£7,429	£2.95	£7,429	£2.95
	Co-op, Pentrebach	1697	85%	1,442	£12,478	£18.00	£12,478	£18.00
	M&S, Cyfarthfa	873	95%	829	£11,313	£9.38	£11,313	£9.38
Total						£166.67		£166.67

Notes Retail (net) sales areas from RCLS, Appendix 2, Table 9, with updated figures for Aldi based on planning permission (Application Ref: P/21/0225)

% Convenience floorspace based on RCLS (Appendix 2, Table 9) and LSH estimates

Benchmark sales densities from Globaldata 2025 (2024 data) except for Farmfoods & 'others' which are estimated

Benchmark sales densities for 2025 assume no change in convenience sales densities (RPN22, Figure 3a)

58. This suggests that the benchmark turnover of the stores in the Merthyr area is around £166.67m in 2025, compared with actual sales of £193.91m.
59. It is not possible to directly compare forecast and benchmark turnover for all the stores in the area, but it is significant that the stores at both Dowlais Top and in Merthyr town centre are trading above company average - Asda at £62.84m compared to a benchmark of £41.60 (+51%) and Tesco Extra at £51.86m compared with a benchmark of £48.98m (+5%). The edge of centre Aldi is also trading extremely well despite its recent extension - £34.58m compared with a benchmark of £13.33m (+159%).
60. There are also a few stores trading at close to or below company average, but to a lesser extent than the overtrading. Overall therefore there is around £27m available to support new convenience floorspace in the Merthyr area, if all stores were to trade at benchmark levels.

Turnover of Proposal

61. The proposed TFW would go part of the way to meeting this identified deficit in convenience provision in the Merthyr area, by improving both the choice of retailer available at Dowlais Top and the range of discounter/value outlets in the town.
62. As indicated above the existing unit extends to 975 sqm gross and is expected to have a net sales of up to 880 sqm. Of this around 20% (175 sqm) will be used for comparison sales, with the remaining 705 sqm used for the sale of convenience goods. However, for the purposes of this assessment we are testing the use of all of the floor space for convenience purposes.
63. Based on a sales density of £7,429 per sqm, the expected turnover of the unit would therefore be £5.24m which represents less than 20% of the available surplus spend in the area.

Conclusions on Need

64. The need for the proposed foodstore and additional convenience retail floorspace arises from the current above average performance of many of the existing foodstores in the Merthyr Tydfil area. The proposed occupier, Iceland already has two smaller units in the area and both are understood to be trading well. Iceland therefore want to increase its representation in the area and is proposing to open one of their larger format stores trading as The Food Warehouse. This would allow them to provide customers in the area with access to their full range of convenience products.
65. There is therefore a qualitative need for additional convenience provision in the area, reflecting a gap in the retail offer currently available and a named retailer wishing to invest in a new store to trade alongside their existing outlets.
66. However, this need also reflects a quantitative need in the Merthyr area where it has been demonstrated that there is a high level of overtrading within existing outlets. This is despite the relatively recent extensions to both the Aldi and Lidl stores in the town.
67. We have estimated that the stores in the area are currently overtrading by around £27m and therefore the proposed store would meet less than 20% of the convenience need identified based on the current position (2025). Looking ahead to 2027 available convenience spend is expected to decline slightly, but there remains more than sufficient capacity to support the proposed store and the existing outlets.
68. The quantitative and qualitative need for the proposed store has therefore been demonstrated.

5. The Impact of the Proposal

69. The application proposal relates to a change of use of 975 sqm gross of existing retail floorspace. This is significantly below the threshold for requiring a retail impact assessment (RIA) of 2,500 sqm gross set out in the RLDP (RLDP, para 6.7.23) and PPW (PPW, para 4.3.26) and thus it would not be expected that the proposal would have a significant impact on Merthyr town centre.
70. However, the change from comparison to convenience sales would change shopping patterns in the area and therefore to assist the Council in their consideration of the application, we have sought to consider where TFW's sales would be drawn from. We consider this represents a proportionate approach in the circumstances.
71. In doing this, we have made the assumption that the whole of the existing retail floorspace would be used for convenience sales. This represents a robust approach for the purposes of assessing the impact of the change but is unlikely to be realistic in that foodstore operators rarely operate shops selling convenience only products. In this case, up to 175 sqm net could be retained for comparison sales. This will represent a decrease from current provision and, therefore there will be no adverse impacts from the inclusion of a small element of comparison floorspace within the proposed TFW.
72. The starting point for any convenience impact consideration is the likely turnover of the proposed store, which has been estimated above at £5.24m in 2025. Based on Experian forecasts for changing store performance in the future (RPBN, Figure 3a), this would not be expected to change noticeably by 2027.
73. The next stage is to consider where this trade will be drawn from and this will be influenced by two factors, the nature of the offer (discount) and the proximity of similar outlets. This is likely to mean a proportionally higher draw from the other discounters and those retailers located at Dowlais Top, namely Asda and Lidl.
74. We would also expect some trade draw from Aldi, as the most popular discounter currently trading in the area and from the existing Iceland outlets. However, the exact draw from these outlets, with the exception of the St Tydfil Square Iceland, is unimportant as all are out of centre stores.
75. Given that the turnover of the Iceland represents just a small proportion of town centre trade and it has been confirmed by Iceland that the existing store is intended to continue to trade, any trade draw from the centre will be small, with no expected impact on the vitality and viability of Merthyr town centre.
76. To illustrate this we have set out below the expected trade draw to the new store, which indicates a trade draw from Merthyr town centre of just £0.52m. This represents less than 1% of the convenience turnover of the town centre and will not impact on the trading future of either of the two stores that will lose trade.

TABLE 6: CONVENIENCE TRADE DRAW TO THE FOOD WAREHOUSE

Store/Centre	Total Convenience Turnover (£m) (2024 prices)	Trade Draw to TFW (%)	Total Convenience Turnover (£m) (2024 prices)
TFW Turnover			£5.24
Tesco Extra	£51.86	5%	£0.26
Iceland		5%	£0.26
Farmfoods	£21.04	0%	£0.00
Other town centre		0%	£0.00
Total Town Centre	£72.90	10%	£0.52
Aldi, Plymouth Street	£34.58	25%	£1.31
Asda, Dowlais Top	£62.84	50%	£2.62
Lidl, Dowlais Top	£10.29	10%	£0.52
Co-op, Pentrebach	£3.74	0%	£0.00
Iceland, Pentrebach		5%	£0.26
M&S, Cyfarthfa	£9.56	0%	£0.00
Other out-of-centre		0%	£0.00
Total Merthyr out-of-centre	£121.01	90%	£4.72

77. However, the impact on the town centre as a whole will be significantly less than that. The RCLS indicates that Merthyr's comparison turnover is marginally higher than its convenience sales (RCLS, Appendix 3, Table 5) and therefore the impact from the Iceland will be less than 0.5% of total retail sales, with a more likely estimate being in the region of 0.3% - 0.4%.
78. The retail offer in none of the other centres in Merthyr Tydfil County Borough would be affected by the proposal.
79. We conclude that the proposal would not result in any unacceptable impacts and therefore is not contrary to RLDP Policy EcW6.

6. Conclusions

80. This report has been prepared by Lambert Smith Hampton and accompanies a planning application relating to the former Carpetright unit at Unit E, Dowlais Top Retail Park, Merthyr Tydfil, CF48 2TA. The application is seeking to vary Condition 1 of Planning permission 52950607 which restrict the sale of goods from the unit to non-durable (ie comparison) goods.
81. The purpose of the current application is to allow Iceland Foods Limited, trading as The Food Warehouse (TFW), to occupy the unit. As such planning permission is being sought to vary this condition to allow the unit to be used for convenience purposes, with up to 20% of the floorspace used for the sale of unrestricted comparison goods.
82. The application property is located within the Dowlais Top Retail Park, a long established retail destination occupied by both convenience and comparison retailers.
83. Unit E currently provides 975 sqm gross of retail floorspace on a single level and was originally built for Carpetright who occupied the premises until July 2024. It has been vacant since then.
84. Section 54A of the Town and Country Planning Act 1990 and Section 38(6) of the Planning and Compulsory Purchase Act 2004 require that planning applications should be determined in accordance with the approved development plan for the area unless material considerations indicate otherwise.
85. The proposal for a TFW relates to a site on an existing retail park and is for a variation (or potentially the removal) of Condition 1, to allow the sale of convenience as well as a small element of unrestricted comparison goods. As such the application is not creating new retail floorspace. However, as the retail park is located outside of Merthyr Tydfil Town Centre, the need for the proposed use has been assessed, as has its likely impact on Merthyr town centre.
86. We have shown that there is both quantitative and qualitative need for additional convenience floorspace in the town, with the former based on the significant overtrading being seen in a number of the existing stores in the area. The proposed TFH would meet approximately 20% of the identified need.
87. There is also a qualitative need for the proposed store, both from the retailer and customer perspective, given the operator's desire to extend their local offer and to improve the frozen food retail offer given the recent closure.
88. In terms of impact, the main trade draw to TFW would be from Asda at Dowlais Top and Aldi on the edge of the town centre, with lower levels of trade draw from the nearby Lidl unit. There would also be some trade draw from the Iceland stores in the area, including that in the town centre, and potentially a small trade draw from Tesco. However, the trading future of both town centre stores would not be affected.
89. We therefore conclude that compliance with retail and town centre policies has been demonstrated and specifically Policies EcW3 and EcW6 of the RLDP. The vitality and viability of Merthyr Tydfil Town Centre will not be undermined and the

quantitative and qualitative need for the additional convenience floorspace has been demonstrated.