

FALKIRK COUNCIL STRUCTURE PLAN FIRST ALTERATION

TECHNICAL REPORT THREE

RETAIL CAPACITY STUDY

1.0 Introduction

- 1.1 The purpose of this background technical paper is to compare retail expenditure with estimated turnover levels in order to identify what future retail floorspace provision should be planned for.
- 1.2 The paper is closely based on Technical Appendix 3, “Convenience shopping capacity study” and Technical Appendix 4, “Comparison shopping capacity study” prepared for the currently approved Structure Plan. New information is used, wherever possible, including information submitted to Falkirk Council in support of retail proposals. The paper sets out to review the latest information on expenditure, floorspace and turnover estimates before reaching conclusions on the likely future capacity and hence the strategic retail land use policies Falkirk Council should pursue.
- 1.3 A number of comments were received regarding this technical paper during the consultation process for the Consultative Draft Alteration. In particular, detailed information was supplied by Hargest Wallace Planning which led to a review of the figures used. To clearly show the development of the analysis sections 2 – 6 are the same as in the originally published paper but a new section 7 and a second appendix has been added.

2.0 Methodology

- 2.1 The basic method used was to compare projected expenditure in the area with estimated turnover to see if there was any spare capacity and hence additional floorspace to be provided. Both convenience shopping (i.e. food shopping, tobacco, newspapers and confectioners – every day shopping items) and comparison shopping (i.e. clothing, footwear, household goods) were studied. For a more detailed definition of convenience and comparison shopping see Appendix 1.
- 2.2 However, even such a basic methodology presents serious difficulties because of uncertainties in the data that has been used. For the population projections, the projections set out in Technical Report One have been used. However, these are projections, based on a range of assumptions, and there is no guarantee that the actual future population will match these projections.
- 2.3 Data on retail expenditure is drawn from published sources commonly used in retail studies. Obtaining accurate local retail expenditure data would be a challenging and expensive survey to undertake and is not a practical proposition. Using nationally produced, local estimates, based on the socio economic composition of the population of Falkirk Council area can provide a

reasonable estimate and these have been used in this report. Projecting expenditure trends into the future carries additional uncertainties. Patterns of future retail behaviour are difficult to predict as there are so many variables and unknowns. The influence of internet shopping, future mobility, future floorspace distribution and fashions are all examples of unknown influences on future expenditure trends. The further forward a projection is carried out, the greater the level of uncertainty.

- 2.4 The total floorspace of an area is also difficult to accurately measure. There are approximately 1500 shop units within Falkirk Council area. To visit and measure each one would also be a massive undertaking and again not practical. There is also the difficulty of defining what is meant by a shop. Usually this is obvious, but difficulties can be caused by ancillary sales in industrial premises and the greater mix of uses found in town centres. Finally, the distinction between comparison and convenience is not necessarily clear cut. In particular, the larger supermarkets, have extended the range of goods to include comparison shopping items, although the intention is to “capture” the passing trade that is generated by the regular household food shop.
- 2.5 In retail studies the most important floorspace data is the net floorspace. That is, the floorspace actually devoted to retail sales, excluding storage, office and staff accommodation. Net floorspace can easily vary due to different store layouts and local store management decisions. The cumulative effect of a number of such variations over time could be significant.
- 2.6 Finally, since the last Census of Distribution in 1971, accurate turnover information has not been available. At a store by store level such information is commercially sensitive and again will vary over time. There are ways of estimating turnover, but without verification it is difficult to be sure of the confidence that should be attached to such estimates.
- 2.7 Notwithstanding these difficulties it is still considered useful to carry out a capacity study to inform policy formulation. Wherever possible a range of information sources have been used and a cautious approach to interpretation has been adopted.

3.0 Expenditure projections

- 3.1 The previous expenditure projections were re-worked on the basis of the population and household projections set out in Technical Report One. This shows the population increasing to 152,570 by 2020. It should be noted that this is based on a net in-migration of 500 people a year.
- 3.2 For the per capita expenditure for both convenience and comparison shopping the previous estimates of the Council, used in the Technical Appendices to the Report of Survey, were compared against estimates used in retail studies submitted in support of planning applications for new retail floorspace. To permit comparison all expenditure estimates were re based to a 2001 price base.

- 3.3 **Convenience expenditure:** A review of previous planning applications for new large scale convenience floorspace showed that most applicants had used the Council's own estimates set out in the Convenience shopping capacity study. The exception to this was C B Hillier Parker, who acted on behalf of Asda for their proposed new store at Grangemouth. C B Hillier Parker commissioned MapInfo to make an assessment of expenditure for the postcode areas of FK1 and FK3. Fig 1 compares the two estimates re-based to a 2001 price base.

Fig.1 Comparison Between Per Capita Convenience Projections (2001 Price Base)

Year	Population	Falkirk Council's (£ per capita)	C B Hillier Parker (£ per capita)
2001	145,570	1466	1568
2006	147,275	1491	1575
2011	149,297	1514	1584
2016	151,198	1538	1592
2020	152,570	1557	1598

- 3.4 The difference between the two estimates is that C B Hillier Parker's starts at a higher level but then increases at an annual rate of growth of 0.1%. The Council's estimate uses a slightly higher rate of growth but starts at a lower level. Without carrying out a full local retail expenditure survey it is not possible to know which estimates are the more accurate. For the purpose of this paper the higher figures used by C B Hillier Parker will be used. On this basis the total convenience expenditure in 2001 prices is as set out in Fig 2 below.

Fig.2 Total Convenience Expenditure (2001 Prices)

Year	Total Available Expenditure
2001	£227.8m
2006	£232.0m
2011	£236.5m
2016	£240.7m
2020	£243.8m

- 3.5 Whilst the above gives an indication of the amount of convenience retail expenditure spent by people living in the Falkirk Council area, it does not take into account the "leakage" into and out of the council area.
- 3.6 In 1998, Falkirk Council commissioned System 3 to carry out a household survey. Amongst others, there was a series of questions on retail behaviour. Although, now 6 years old, (before the opening of Morrisons in Falkirk Town Centre) there had been few changes in the provision of retail floorspace. Furthermore, in 2003 the Council commissioned a similar but smaller survey, which used a different sampling technique. Although not directly comparable it showed similar general shopping patterns at a council wide level. It is

therefore reasonable to assume shopping behaviour has not altered significantly.

- 3.7 Analysis of the 1998 survey estimated that between 8-10% of food shopping was carried out outside of the Council area in Stirling, Linlithgow and Cumbernauld.
- 3.8 Estimates of expenditure from outwith the Falkirk Council area are much more uncertain. The previous Convenience shopping technical appendices estimated that between 5-12% of expenditure came from outwith the Council area. For the purpose of this paper it shall be assumed that leakage of expenditure into and out of the area, being of a similar orders, cancel each other out.
- 3.9 It is not clear what the impact of the opening of Morrisons on 7th June 2004 will have on existing behaviours and it will be important to monitor this closely and as resources permit, repeat the 1998 household survey.
- 3.10 **Comparison expenditure:** A similar approach has been used for comparison expenditure. This time Falkirk Council's previous estimates are compared with C B Hillier Parker and estimates prepared by Robert Drysdale Planning Consultancy in support of development at Westfield/Middlefield.
- 3.11 C B Hillier Parker used the same data source they used for estimating convenience expenditure. Robert Drysdale Planning Consultancy used survey information from Clackmannanshire, which was assumed to be similar to the Falkirk Council area, after applying estimated growth rates published by the Data Consultancy. The following table compares the three estimates again converted to the same 2001 price base.

Fig. 3 Comparison Between Per Capita Comparison Expenditure Projections (2001 Price Base)

Year	Falkirk Council's (£ per capita)	C B Hillier Parker (£ per capita)	Robert Drysdale Planning Consultancy (£ per capita)
1995			1937
1997	2098		1987
2001	2416	2373	
2003		2547	2471
2006	2882	2833	2798
2007		2935	
2011	3437		
2016	4099		
2020	4721		

- 3.12 The three estimates are reasonably similar with the Council's being slightly higher. It would appear, therefore, that the Council's original projections remain robust and will be used for this capacity study. The total comparison expenditure by Falkirk Council residents is set out in the table below.

Fig. 4 Total Comparison Expenditure (2001 Prices)

Year	Total Available Expenditure
2001	£351.0m
2006	£424.4m
2011	£513.1m
2016	£619.8m
2020	£720.3m

- 3.13 As with convenience expenditure an estimate has to be made of leakage into and out of the Council area. From the 1998 household survey, which confirmed a previous study by Central Regional Council, approximately 30% of expenditure from Falkirk Council residents was spent in centres outside the Council area. How much Falkirk Council centres benefited from expenditure outside the area is much harder to judge. The 1985 Central Region survey estimated that 13.5% of turnover came from residents outside of Falkirk Council area. It is difficult to know for sure, but bearing in mind the improvements since 1985 it can probably be assumed that there has been no decrease in the percentage of expenditure attracted into the area. Due to the uncertainties and to keep estimates to broad orders of magnitude, it will be assumed for the purposes of this capacity study that the effective comparison expenditure will be 85% of the total. That is it is assumed there is a net leakage of 15%. It is also assumed that this will remain constant over the planned period and that any increase in attractiveness of Falkirk Council area centres is cancelled out by additional investment in the competing centres in the central belt.
- 3.14 The two estimates show that retail expenditure is projected to increase but only slowly for convenience goods. Comparison expenditure increases at approximately 3.6% per annum. Whilst this reflects the consensus view of most retail analyst it should be viewed with a degree of caution. Applying annual growth rates over a 20 year period, can due to changing circumstances, cause serious uncertainties in projections. Actual retail expenditure has in the past varied depending on economic circumstances.
- 3.15 To illustrate this point it should be noted that in the previous Comparison shopping capacity study the turnover from the 1971 Census of Distribution was compared with the estimated total expenditure in 1997. The 1971 figure was adjusted for the effect of inflation and both figures were expressed in 1990 prices. If both in 1971 and 1997 total expenditure approximated to total turnover in the Falkirk Council area the annual average growth rate has equated to 1.1% per annum, considerably below the growth estimate in para 3.14.

4.0 Floorspace

- 4.1 In 1993, Central Regional Council carried out a retail floorspace survey using information on floorspace from the Regional Assessor's valuation files. In 1996 Falkirk Council updated the fieldwork part of the exercise, which also

allowed the identification of new retail floorspace. In 2004, the 1996 information was also revisited. Every shop listed was visited and its use and obvious enlargements noted. Any new stores were added. Due to the inevitable changes since 1993 it was considered only appropriate to use the gross floorspace figure.

- 4.2** Another change was to use the spatial definitions of the centres listed in the retail hierarchy as generally shown on the proposals map of the Consultative Draft Council Wide Local Plan. Any shops outwith these defined areas were listed as a “remainder”. The 2004 update is therefore not directly comparable with the 1996 information because of the different spatial definitions of the centres. The results for floorspace and number of units are shown in the two following tables. The definitions of Convenience, Comparison and Retail Services is set out in Appendix 1.

Fig.5 Retail Floorspace In Falkirk Council Area 2004 (M²)

Centre	Convenience	Comparison
Falkirk	19,276	85,814
Grangemouth	3,341	6,040
Bo'ness	3,622	3,176
Denny	1,783	1,025
Stenhousemuir	1,425	1,762
Newcarron, Falkirk	4,414	4,546
Polmont	2,509	129
Larbert	539	416
Bonnybridge	1,217	847
Brightons	600	923
Camelon	750	425
Laurieston	669	663
Charlotte Dundas, Grangemouth	1,034	510
Bainsford, Falkirk	132	44
Grahamston, Falkirk	127	2,387
Slamannan	391	69
All remaining shops not in a defined centre	17,775	16,428
2004 Total	59,344	125,788
1996 Total	(63,300)	(103,000)

Fig.6 No. Of Units In Falkirk Council Area 2004

Centre	Convenience	Comparison	Retail Services	Vacant
Falkirk	27	259	191	50
Grangemouth	10	36	35	10
Bo'ness	16	30	35	9
Denny	11	16	29	4
Stenhousemuir	7	17	26	4
Newcarron, Falkirk	2	5	3	0
Polmont	4	3	12	0
Larbert	4	6	17	0
Bonnybridge	5	10	20	2
Brightons	5	12	5	2
Camelon, Falkirk	8	9	18	2
Laurieston	4	8	11	1
Charlotte Dundas, Grangemouth	6	4	7	2
Bainsford, Falkirk	1	1	11	4
Grahamston, Falkirk	2	14	23	3
Slamannan	5	2	5	1
All remaining shops not in a defined centre	147	66	186	53
2004 Total	255	497	634	148
1996 Total	(318)	(490)	(620)	(166)

4.3 The general trend that appears to have occurred since 1996 is that there has been a small decrease in convenience floorspace and an increase comparison floorspace . The decrease in convenience floorspace can be explained by a loss of the smaller convenience shops and also a transfer of convenience floorspace to comparison floorspace in the larger food supermarkets. The increase in comparison floorspace is due to the transfer previously mentioned and new development, principally the extension of Central Retail Park. There has also been an increase in the number of retail services, particularly in the smaller centres, and a small decrease in vacant units. This is principally due to improvements in the performance of Falkirk Town Centre.

4.4 Aside from the existing floorspace it is important to identify future likely floorspace which either has planning permission or is identified for further development. Known commitments are set out in the fig 7 below. In addition to

those listed, account should also be taken for the Council's aspirations to see new floorspace provision at Denny, Bonnybridge and the re-development of Falkirk bus station.

Fig 7 Known future Floorspace Commitments

Proposal	Convenience	Comparison	Status
Morrisons, Brockville	3056	862	Open June 2004
Stenhousemuir	2601	1834	Council minded to grant
Grangemouth	2044	1208	Current application on a site identified in the Consultative Draft Falkirk Council Local Plan
Redding Road	2230	929	Council minded to grant
Westfield/Middlefield		10,000*	Identified in current Structure Plan
Transbus, Glasgow Road		10,000*	Council minded to grant
Total	9931	24,833	

(Note: Floorspace taken from submitted planning application details except for Westfield/Middlefield and Glasgow Road which is a nominal gross floorspace figure)

5.0 Turnover And Capacity

- 5.1 Assessing the turnover is the final part of the capacity study. In any assessment there are two elements, firstly to estimate the actual turnover and secondly make a judgement as to whether that level of turnover allows for a sustainable and viable centre.
- 5.2 As mentioned in Section 2, there is no direct source of information for turnover. There are however, two methods frequently used to estimate turnover. The use of company average turnover data applied to local floorspace information or the use of survey data to model the likely turnover of a store or centre.
- 5.3 Neither approach is completely satisfactory. Average turnover data has the obvious disadvantage that it would be remarkable if any given store had similar trading characteristics to a hypothetical UK average store. Actual turnovers, even within the same the company, vary over both time and place.
- 5.4 Modelling turnover from local expenditure and retail behaviours is dependant on the quality of such information. Uncertainties, particularly at a local level can be compounded by a series of assumptions that are difficult to test. Having estimated the turnover, a judgement is still necessary as to whether such a level is healthy or not. This exercise is made even more difficult for

comparison goods because turnover ratios will vary so much between different sectors, for example between a jewellers and a garden centre.

- 5.5 However, for the purpose of this paper only a broad indication of future likely capacity is necessary. Therefore for convenience goods three studies are compared in order to identify the likely turnover. For comparison goods a high and low average turnover per gross floorspace is used.
- 5.6 For estimates of convenience turnover the Council's estimate in the previous Convenience capacity study will be compared with the estimate by C B Hillier Parker, prepared for the proposed new Asda store at Grangemouth and also the estimate prepared by Robert Drysdale Planning Consultancy for the proposed Tescos at Camelon (subsequently withdrawn). The Falkirk Council estimate and the C B Hillier Parker estimate used the company average turnover method, albeit using different net floorspace figures and different year's average turnover information. Robert Drysdale Planning Consultancy attempted to model the turnover from the 1998 household survey. All three used different net floorspace figures depending on differing assumptions as to gross/net floorspace ratios. The estimates for selected stores and the total turnover is shown in the following table. Again for comparison purposes, all prices are expressed at a 2001 price base. It should be noted that since the studies some of the stores have changed company ownership.

Centre	Falkirk Council's Estimate of Net Floorspace (m2)	Turnover (£million)	C B Hillier Parker Estimate of Net Floorspace (m2)	Turnover (£million)	Robert Drysdale	
					Estimate of Net Floorspace (m2)	Turnover (£million)
Asda	5875	43.74	1790	22.66	2547	40.93
Tesco, Central Retail Park	3250	30.66	2682	35.00	2658	48.19
Tesco, Callendar Road	2935	27.66	1572	20.53	2137	25.64
Kwiksave, Arnot Street (now Lidl)	910	4.76	870	4.89	780	4.41
Co-op, Newcarron	2455	16.61	1800	13.19	1902	21.09
Lidl, Newcarron	700	3.66	624	4.04		
Tesco, Bo'ness	1590	14.98	803	10.43	1294	11.34
Tesco, Grangemouth	1295	12.22	1288	12.90	1103	10.46
Iceland, Grangemouth	755	3.66				
Somerfield, Polmont (Now Co-op)	2015	12.55	1093	6.28	1210	9.55
Total all Falkirk Council area	50,145	291.80	84,222*	191.70*	35,509	217.54

* C B Hillier Parker used a 15 min Isochrone and therefore includes stores in Linlithgow.

- 5.7 The large variations between the three studies, both in terms of net floorspace and estimated turnover indicates the difficulties involved in the exercise and why any conclusions should be treated with caution. By way of further illustration in para 3.35 of the Robert Drysdale Planning Consultancy study the performance of Newcarron Co-op and Lidl is referred to as ...“For example, for the combined performance of the Lidle and Co-op stores at Newcarron to be achieving £8000 per square metre at 1990 prices is quite remarkable, as is the performance for the small stores in Bo’ness and Grangemouth and the Kwiksave Store in Denny.” However, in a later representation to the proposed development at Stenhousemuir, agents acting for the Co-op stated that the actual net floorspace is 1534m² and the turnover per square metre at 1990 prices is £4,446.18m².
- 5.8 In addition to estimates of the existing turnover account should be given of the expected turnover of the commitments previously identified. These are set out in the table below. The turnovers are obviously estimates as the stores do not have an operator and should be regarded as nominal. They were derived from the information submitted with the planning application with the exception of the estimated convenience turnover for Morrisons. The estimated turnover for Morrisons was taken from the C B Hillier Parker study which assumed a company average sales density of £9,450 per m² (1998 price based), re-based to 2001 prices. Fig 9 doesn’t include, but account should be taken of the Council’s aspiration for improving convenience floorspace at Denny and Bonnybridge, albeit a proportion is likely to be replacement floorspace and no specific schemes have as yet been promoted.

Fig 9 Estimated Convenience Turnover of future developments(2001 Prices)

	Gross	Net	Turnover
Morrisons	7643	3056	30.7
Redding Road	3716	2230	20.6
Stenhousemuir	3716	2601	20.6
Asda Grangemouth	6039	2044	20.2
			£92.1m

- 5.9 The estimated convenience turnover from figs 8 and 9 therefore ranges from between a low of £309.6m to a high of £383.9m. This needs to be compared to an estimated convenience expenditure of £232m in 2006 increasing to £243m in 2020. Therefore, whilst the degree is open to debate, there would appear to be an excess turnover compared to convenience retail expenditure available in the Falkirk Council area.
- 5.10 For estimating comparison turnover a range for the average turnover per gross floorspace will be used. Gross floorspace has been used in order to remove any likely errors in estimating net floorspace. The derivation of this range is in turn based on the implied turnover per gross floorspace estimated by Robert Drysdale Planning Consultancy in the Westfield/Middlefield study and the implied turnover per gross floorspace if the expenditure estimates in Fig 4 equates to the total turnover of the floorspace shown in Fig 5. In further

recognition to the uncertainties these are rounded to the nearest 500. This gives a range of £1,500 - £2,500 per gross floorspace.

5.11 Fig 10 below applies the high and low turnover per gross floorspace to the total floorspace figures from Fig 5 and Fig 7. This gives a range for the turnover figure of between £226.5m - £377.5m. This compares to an effective expenditure (ie 0.85) of £360.7m in 2006 to £612.3m in 2020.

Fig 10 Estimated Comparison Turnover of existing and future floorspace (2001 prices)

	Floorspace (Gross sq m)	Low Estimate (£1,500 per gross sq m)	High Estimate (£2,500 per gross sq m)
Existing Floorspace	126,000	£189m	£315m
Proposed Floorspace	25,000	£37.5m	£62.5m
Total	151,000	£226.5m	£377.5m

5.12 For comparison goods there therefore seems to be a large excess of expenditure compared to turnover. However, this conclusion should be treated with a degree of caution. The above approach is very sensitive to the average gross floorspace turnover ratio. Without any data available to verify this information it is not known for sure how reasonable a range that represents. In addition, because of the nature of many comparison goods expenditure could increase significantly without floorspace having to increase. Much of the past increase in comparison expenditure has been due to improved standards of living. For example purchase of additional items such as books or CD's, purchasing replacement goods more frequently and by purchasing better quality goods that are more expensive in real terms.

6.0 Conclusions

6.1 For convenience goods the study has shown, as previous studies have done that there is an excess of turnover compared to expenditure. This means that any new convenience floorspace can only trade at the expense of existing centres.

6.2 The current planning approach to convenience or food retailing is to decentralise provision to the district centres. This approach is beginning to be implemented with proposals for Grangemouth, Stenhousemuir and Redding Road coming through the planning system. These developments will only be successful if trade is diverted from Falkirk. It is possible that this may result in the further adjustment of convenience retailing in Falkirk. It is considered that adjustments to retailing provision in the large food stores in Falkirk, which could include re-development for new comparison retailing, is preferable to the continuing decline in the viability of the district and local centres.

- 6.3 The review of the convenience capacity study indicates that the current retail strategy should continue unaltered.
- 6.4 For comparison goods, due to the anticipated growth in expenditure there is potentially a considerable excess of expenditure compared to estimated turnover. This would indicate that some additional floorspace should be provided. However, based upon currently available data it is not possible to identify any precise amount of new floorspace.
- 6.5 As mentioned in para 5.12 not all of the increase in expenditure will result in an increase in floorspace. It is likely that a significant proportion of the increase is due to improved standards of living. Retailers will continue to need growth in turnovers to invest in their business operations and meet the financial expectations of their shareholders.
- 6.6 The primary focus for new investment in retailing should continue to be in the main shopping centres of the Falkirk Council area. This investment, which need not necessarily include a net increase in floorspace, is essential to maintain the vitality and viability of the areas shopping centres.
- 6.7 In the light of the uncertainties in the available data a cautious approach is justified to make sure that investment is not diverted away from the existing shopping centres to such an extent that they begin to decline and lose their attractiveness. It is also the case that the Falkirk Council area can not be seen in isolation and all the main shopping centres in the central belt will be facing similar issues and pressures. Bearing this in mind a realistic assessment is required as to the likely retailer representation in Falkirk, irrespective of any quantitative estimate in expenditure growth.
- 6.8 However, if growth in expenditure is not accommodated locally, then over time this is likely to lead to increase leakage out of the Falkirk Council area into other nearby centres. The area will not therefore be maximising the local benefits from expected consumer expenditure increases. Fig 5 shows that even between 1996 – 2004 the total floorspace of the area increased by approximately 19,000m², which represents an 11% increase on the floorspace in 1996.
- 6.9 Aside from any quantitative increases in floorspace there will also be a qualitative need to replace floorspace which is old fashion and no longer meets retailers or consumers current expectations.
- 6.10 Most of the increase in floorspace since 1996 can be accounted for by the development at Central Retail Park. Finding similar sized re-development opportunities within and adjacent to the existing centres is unlikely. This presents particular challenges to retailers selling bulky household goods which need large floorspaces in order to store and display their products and realistically, have adjacent customer car parking, in order that purchased goods can be easily transported home.

- 6.11 On the best available evidence the 10,000m² ceiling set out in the currently approved Structure Plan does not seem reasonable. There seems to be a good case that new bulky household goods retailing could be directed to Westfield/Middlefield and Glasgow Road, Camelon, as eastern and western gateways. This would also allow retail formats that have smaller floorspace requirements and that benefit most from comparison shopping to maximise the limited development opportunities within the areas existing shopping centres.
- 6.12 Any new out of centre shopping will still have to be carefully assessed and demonstrate on a case by case basis, that there will be no detrimental impact on a) the viability of existing centres, or b) local travel patterns.

7.0 Revisions for the Finalised Alteration

- 7.1 It was considered necessary to revise the original retail capacity study following consideration of comments made regarding the consultative draft alteration, the decision by the new owners of Transbus not to relocate and additional retail information supplied, in particular by Hargest Wallace Planning.
- 7.2 One of the criticisms made of the consultative draft alteration was that the retail floorspace ceiling at Westfield/Middlefield should not be removed. This issue was revisited using new sources of retail data.
- 7.3 More recent retail expenditure data was used based on a targetpro report for the Falkirk Council area, prepared by Mapinfo. This information includes expenditure data solely for bulky household goods. Expenditure growth rates were applied based on Mapinfo brief 04/02 thus giving expenditure estimates for bulky household goods for 2006, 2011, 2016 and 2020.
- 7.4 Based on the Council's 2004 floorspace survey (see fig 5) Hargest and Wallace Planning Ltd estimated the gross bulky goods floorspace for each centre. By applying standard net/gross floorspace ratios and standard turnover/floorspace ratios an estimate of the current turnover can be derived. Hargest and Wallace Planning Ltd estimated that in 2004, the total gross bulky goods floorspace was 41,196 m². This equates to a net floorspace of 32,581 m² and an estimated turnover of £72 million.
- 7.5 The only current outstanding commitment for bulky goods retailing is an estimated 929m² floorspace at the retail proposal at Redding Road, Redding. It is assumed that this will be open by 2006 and hence the total estimated turnover for bulky household goods in 2006 would be £75 million in 2001 prices.
- 7.6 Applying the estimated expenditure growth rates provided by Mapinfo results in a surplus expenditure figure for 2006, 2011, 2016 and 2020. This can be "worked back" to establish the capacity for an implied net floorspace and hence an implied gross floorspace. The approach set out above is summarised in the Appendix 2.

- 7.7 This revised approach remains subject to the difficulties identified in the original capacity paper. However, comparing the figures in Tables 1a and 1b of appendix 2 with those in fig 4 and fig 10 of the original paper, reveals similar conclusions in as much as both approaches show an excess of expenditure compared to turnover, and hence the need for more floorspace and both demonstrate that the 10,000m² ceiling set out for Westfield/Middlefield in the current Structure Plan does not seem reasonable.
- 7.8 The additional information provided, by separating expenditure and turnover for bulky household goods, allows for a capacity assessment. On the basis of table 2 of appendix 2 it is considered that a more realistic floorspace ceiling for Westfield/Middlefield would be 25,000m².

APPENDIX 1

Definition of Convenience and Comparison Shopping

The definition of the types of goods which fall into the categories of convenience and comparison shopping used in this Report is taken from the Data Consultancy Brief 98/2 "UK Goods Based Retail Expenditure Estimates and Price Indices" published in September 1998. Their definition is taken from the Office for National Statistics Blue Book Categories.

The definitions are as follows:

Convenience Goods

Food (household expenditure)
Alcoholic drink (proportion spent in retail outlets)
Tobacco (proportion spent in retail outlets)
Other goods – newspapers and magazines, cleaning materials, matches

Comparison Goods

Clothing and footwear
Do-it-yourself goods
Household goods – furniture, pictures etc.; carpets and other floor coverings; major appliances; textiles and soft furnishings; hardware
Recreational goods – radio, television and other durable goods; television and video hire (excluding licences and repairs); sports goods; toys, games and camping equipment; other recreational goods; books; bicycles
Other goods – pharmaceutical products and medical equipment; toilet articles and perfumery, jewellery, silverware, watches and clocks; other goods.

Retail Services

Banks, building societies, insurance offices
Travel agents, betting shops
Hairdressers, sun tanning and beauty parlours
Laundrettes
Restaurants, cafes, fast food outlets and public houses
Car sales showrooms

APPENDIX 2

ADDITIONAL RETAIL DATA

Table 1 Expenditure and Turnover for General Comparison, Bulky Goods and All Comparison Goods – Revised Estimates (£Million in 2001 prices)

Table 1a 2006

	General	Bulky	All Comparison
Expenditure	278	95	373
Turnover	224	75	299
Surplus/Deficit	54	20	74

Table 1b 2020

	General	Bulky	All Comparison
Expenditure	469	160	629
Turnover	224	75	299
Surplus/Deficit	245	85	330

Table 2 Future capacity for Bulky Goods

	2006	2011	2016	2020
Surplus expenditure (£million)	20	38	59	85
Implied Net Floorspace* (square metres)	10,000	19,000	29,500	42,500
Implied Gross Floorspace** (square metres)	12,500	23,750	36,875	53,125

Notes

At 2001 prices

*Assuming a turnover/floorspace ratio of £2000 per sq metre

** Assuming a 80:20 net/gross floorspace split

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- C B Hillier Parker – Land to the North of Station Road – Grangemouth, Proposed new Superstore, Supporting Planning Policy and Retail Statement.
- Robert Drysdale Planning Consultancy – Falkirk Gateway Proposal
- Robert Drysdale Planning Consultancy – Proposed Superstore at Glasgow Road, Camelon, Planning Policy and Retail Impact Issues.