

FALKIRK

Local Development Plan



Technical Report 9: Retail and Town Centres

November 2011



Falkirk Council

Falkirk Local Development Plan

Technical Report 9

Retailing and Town Centres

1. Introduction

- 1.1 Retailing is an important service industry both nationally and within the Falkirk Council area. Shopping is an essential activity for most households, and access to good shopping facilities is therefore a key quality of life issue. However, shopping is also increasingly seen as a leisure activity with important links to tourism.
- 1.2 Retailing is one of the core economic functions of town centres, and the retail sector is bound up inextricably with the future of town centres in terms of planning policy. The importance of town centres has long been recognised. They provide an accessible focus for social and economic interaction, an expression of the identity of an area, and an indicator of local economic prosperity.
- 1.3 Shopping is also a major trip generator, and the location of retail facilities and the way people shop has a significant influence on transport use, with consequent implications for sustainable development and climate change.
- 1.4 This report is intended to provide the evidence base for the consideration of retail and town centre issues within the Main Issues Report of the Local Development Plan (LDP). It considers:
 - Current retail trends and the economic context;
 - National and local retail policy;
 - Retail provision within the Falkirk area including current commitments;
 - Shopping patterns within the Falkirk area;
 - The network of centres within the Falkirk area, their current vitality and viability, and opportunities for change and improvement;
 - Retail capacity in the Falkirk area and the extent to which further retail provision is needed; and
 - Overall summary.

2. Current Retail Trends

- 2.1 Retailing is a dynamic and innovative industry which has evolved rapidly over the last 20-30 years in response to various social and economic changes. These include increased personal disposable income, increased mobility, and heightened consumer expectations in terms of choice and variety of goods, and the quality of the shopping experience.
- 2.2 This period saw a significant rise in new floorspace, but also a process of rationalisation and concentration, with superstores and national multiples expanding at the expense of smaller independent retailers, and larger centres attracting investment at the expense of smaller ones. Growth has also been accompanied by dispersal, although the growth of out-of-centre retailing has been curtailed to some extent by government policy. New formats have evolved, such as the trend toward warehouse retailing for personal as well as household goods, and discount foodstores.

- 2.3 The current recession has had a major impact on the retail industry, with a number of national retailers closing stores or going out of business, and increased vacancy levels in high streets up and down the country. Although there have been some signs of recovery, consumer confidence remains weak, and it seems likely that future growth will be modest.
- 2.4 However, the convenience shopping sector has weathered the recession better than the comparison sector and the big food retailers continue to pursue expansion programmes in order to increase market share. These retailers have increasingly moved into non-food sales, putting further pressure on non-food competitors.
- 2.5 Internet shopping has increased dramatically, and many major retailers have embraced and are benefitting from the growth in online sales. However, this is again putting pressure on retailers with more traditional business models. This has further emphasised the need for town and shopping centres to offer a wider leisure experience, which is about more than just the purchase of goods.

3. Policy Context

National Policy

- 3.1 National policy on town centres and retailing is contained within the Scottish Government's Scottish Planning Policy document¹. The key points are:
- Town centres are a key element of the economic and social fabric of Scotland, and should be the focus of a mix of uses including retail, leisure, entertainment, recreation, cultural and community facilities, as well as homes and businesses.
 - Development plans should identify a network of centres and explain the role of each centre in the network. The network can include town centres, commercial centres and local centres. It will form the context for the assessment of proposals for new development
 - The development plan should identify gaps and deficiencies in the provision of shopping, leisure and other uses to be remedied by identifying appropriate locations for new development and regeneration.
 - Planning should seek to support the improvement of town centres through its influence on the type, siting and design of new development. Actions and strategies to promote town centre improvement are encouraged. Health checks, incorporating various measures of vitality and viability, can be used to gauge town centre performance.
 - All retail, leisure and related developments should be accessible by walking, cycling and public transport.
 - The sequential approach should be used when selecting locations for all retail and commercial leisure uses unless the development plan identifies an exception. Development plans should indicate whether retail or commercial development may be appropriate outwith existing centres and identify appropriate locations.
 - Where a proposal is contrary to the development plan, planning authorities should ensure that the sequential approach has been applied; there is no unacceptable impact on the network of centres; the proposal

¹ <http://www.scotland.gov.uk/Publications/2010/02/03132605/8>

will help to meet deficiencies identified in the development plan; and there is no conflict with other significant development plan objectives.

- Retail impact analysis is required for retail and leisure developments over 2,500 sq.m. outwith defined centres which are not in accordance with the development plan. Impact analysis may be required for smaller proposals.

Development Plan Policy

- 3.2 Current retail policy in the Falkirk area is contained within Structure Plan policies ECON.4, ECON.5 and ECON.6, and Local Plan policies EP6 – EP13. In essence, the policies are based on support for a hierarchy of town, district and local centres which is set out in Schedule ECON.5 of the Structure Plan. The roles of the different types of centres are set out in the Local Plan Table 5.2.

Type	Centres	Role
Sub Regional Centre	Falkirk	Serves Council-wide catchment in terms of comparison and convenience shopping. Major visitor destination. Provides an extensive range of shops services, leisure activities and community facilities.
District Centre	Bo'ness Denny Grangemouth Stenhousemuir	Serves the larger towns in terms of main food shopping, limited comparison shopping and services. Provides a reasonable range of local shops, services and community facilities.
Local Centre	Bainsford Bonnybridge Brightons Camelon Charlotte Dundas Grahamston Larbert Laurieston Polmont Newcarron Redding Slamannan	Serve the smaller towns and suburbs in terms of top-up shopping and limited local services. In larger catchments may be anchored by larger store serving a proportion of main shopping needs.
Retail/ Leisure Park	Falkirk Gateway	Provides out-of-centre focus for household shopping and leisure complementary to Falkirk Town Centre. Limited to 25,000 sq.m. non-food (bulky goods) floorspace

- 3.3 Policy ECON.5 sets out locational criteria for new development. New non-food retail development is directed to Falkirk Town Centre, the District Centres and the new commercial centre of the Falkirk Gateway. For food retailing, the policy objective has been to decentralise provision out from Falkirk to the local communities. Food retailing is directed to specified settlements – Grangemouth, Larbert/ Stenhousemuir, the Polmont area, Denny, and Bonnybridge/Banknock - where there was considered to be a deficiency in provision, with such provision to be located in District and Local Centres if possible. There is a restriction of 1,000 sq.m. on any new stores in Falkirk. For out-of-centre retail and commercial leisure development, Policy

ECON.6 sets criteria which proposals must meet if they are to be acceptable. These encompass impact on centres, need, the sequential approach, accessibility, impact on car trips and whether the proposal is located within the Urban Limit.

- 3.4 Local Plan Policy EP7 also sets a threshold for 'significant' retail development which will need to meet the above locational criteria. Smaller proposals serving neighbourhood needs are permitted more generally within the urban area.
- 3.5 Local Plan Policies EP8 – EP13 deal with particular types of retailing, including neighbourhood/rural shops, food and drink outlets, mobile snack vans, motor vehicle showrooms, open air markets and factory outlets.
- 3.6 The Local Plan contains specific policies for each centre, which indicate the type of uses which will be favoured in different parts of the centre.

Town Centres Strategy

- 3.7 The Council's Town Centres Strategy is complementary to the above planning policies. The strategy has a particular focus on the regeneration of the District Centres of Bo'ness, Denny, Grangemouth and Stenhousemuir. Regeneration is being pursued through physical enhancement and/or redevelopment to secure new retail and other facilities, with Council land assets being used to lever in private investment. Regeneration has taken place in Bo'ness and Stenhousemuir centres but is currently stalled due to the recession in Grangemouth and Denny.

4. Retail Provision in the Falkirk Area

- 4.1 Retail provision in the area is concentrated within a hierarchy of centres, as reflected in the development plan policies referred to above.
- 4.2 The hierarchy is dominated by Falkirk Town Centre which functions as the Sub-Regional Centre. Not only is it the main comparison shopping centre, but it also retains a very significant food shopping role. Falkirk Town Centre also includes Central Retail Park which is the only retail park in the area and the principal centre for household goods shopping. Changes to the restrictions on the Retail Park mean that it has diversified away from purely household goods in recent years.
- 4.3 The District Centres comprise the traditional town centres of Grangemouth, Bo'ness, Denny and Stenhousemuir. They have seen a long term decline in their comparison shopping role and are now mainly focussed on convenience shopping and services. Local Centres comprise the centres of the smaller towns and the suburban centres of Falkirk and Grangemouth. Finally, there is a considerable amount of floorspace within settlements which is not located within centres.

Retail Floorspace Survey

- 4.4 The Council carried out a comprehensive Retail Floorspace Survey in 2009, which updated the previous survey of 2004. Tables 1 and 2 show the amount of floorspace and number of units recorded, by category, in the various centres in 2009, with the 2004 figures alongside for comparison. The figures

do not take account of the comparison floorspace within large foodstores. It is estimated that this amounts to around 9,000 sq.m.

- 4.5 The figures show a significant 16% rise in the overall amount of floorspace recorded from 2004 to 2009. This is attributable to new floorspace which has been developed; industrial units which have come into some form of retail use; and retail premises which were not previously recorded but have now been captured within the data. The category that has seen the greatest increase is convenience, which rose by 28% due the development of three large new foodstores in Falkirk, Grangemouth and Stenhousemuir. Comparison floorspace has increased only marginally by 2%. Service floorspace has increased by 18%, reflecting the more diverse role of centres. Vacant floorspace has risen dramatically by 76%, reflecting the more difficult economic climate in 2009 as compared to 2004. Falkirk Town Centre has seen a significant increase in vacant floorspace, with the High Street, Callendar Square and Central Retail Park particularly affected. The District Centres present a mixed picture, reflective of both the negative effects of the recession, but also the positive benefits of regeneration and investment programmes.

Table 1 Gross Retail Floorspace 2009 in sq.m. (2004 figures in grey)

	Conv.	Comp.	Service	Vacant	Total
Sub Region Centre					
Falkirk T C	27,620 19,626	83,999 82,839	33,621 28,394	15,945 7,771	161,185 138,630
District Centres					
Bo'ness	4,995 3,622	1,649 2,811	4,664 3,436	1,134 1,635	12,442 12,441
Denny	1,752 1,783	1,150 939	2,469 2,476	651 138	6,022 5,336
Grangemouth	9,350 3,341	4,522 5,432	4,292 4,631	2,017 735	20,181 14,139
Stenhousemuir	4,417 1,425	1,332 2,026	2,247 1,822	1,865 194	9,861 5,457
Local Centres					
Bainsford	132 132	0 0	541 541	309 309	982 982
Bonnybridge	1,045 1,217	886 706	2,177 1,564	344 666	4,452 4,153
Brightons	498 600	893 923	389 459	341 239	2,121 2,221
Camelon	610 750	500 425	2,174 1,369	0 130	3,284 2,274
Charlotte Dundas	710 1,034	439 375	832 1,371	1,182 384	3,163 3,164
Grahamston	209 127	1,559 1,887	1,747 1,639	1,015 91	4,530 3,744
Laurieston	628 669	505 721	1038 799	0 41	2,171 2,230
Larbert	501 539	359 416	1,038 1000	57 0	1,955 1,955
Newcarron	5,186 5,186	4,546 4,546	364 364	0 0	10,096 10,096
Polmont	2,509 2,509	0 129	1,480 1,401	50 0	4,039 4,039
Slamannan	288 391	47 47	186 285	235 32	756 755
Out of Centre					
Bo'ness	1,997 2,011	103 60	648 734	75 60	2,823 2,865
B'bridge/Banknock	1,556 1,512	396 0	1,411 357	243 274	3,606 2,143
Denny	3,577 3,403	194 223	891 510	242 458	4,904 4,594
Falkirk	4,646 5,123	18,077 15,788	4,009 3,390	1,692 1,893	28,424 26,194
Grangemouth	1,708 1,568	1,712 671	2,155 658	61 425	5,636 3,322
Larbert/S'muir	1,359 1,427	267 438	1,193 1374	103 139	2,922 3,378
Polmont Area	1,129 1,318	97 132	1,102 1,204	318 57	2,646 2,711
Rural	1,445 1,594	5,153 3,972	1,242 955	235 158	8,075 6,679
Total	77,867 60,907	128,590 125,506	71,868 60,733	27,951 15,829	306,276 262,975

Table 2 Number of Units 2009 (2004 figures in grey)

	Conv.	Comp.	Service	Vacant	Total
Sub Region Centre					
Falkirk T C	25 26	231 252	180 197	55 50	491 525
District Centres					
Bo'ness	11 16	26 30	43 35	12 10	92 91
Denny	6 11	15 15	32 30	10 4	63 60
Grangemouth	10 10	23 34	37 36	24 10	94 90
Stenhousemuir	8 7	10 16	23 27	5 4	46 54
Local Centres					
Bainsford	1 1	0 3	11 10	5 3	17 17
Bonnybridge	5 5	11 8	24 22	4 2	44 37
Brightons	4 5	9 12	4 5	3 2	20 24
Camelon	6 8	8 9	25 18	0 4	39 39
Charlotte Dundas	4 6	3 3	4 8	8 2	19 19
Grahamston	3 2	8 13	27 24	9 3	47 42
Laurieston	3 4	5 7	16 11	0 1	24 23
Larbert	3 4	6 7	18 16	1 0	28 27
Newcarron	2 2	5 5	3 3	0 0	10 10
Polmont	4 4	0 2	13 12	1 0	18 18
Slamannan	3 5	1 1	3 6	6 1	13 13
Out of Centre					
Bo'ness	15 16	2 2	14 19	4 3	35 40
B'bridge/Banknock	10 9	7 0	17 10	3 7	37 26
Denny	15 13	3 4	10 12	4 6	32 35
Falkirk	30 37	43 45	63 63	22 22	158 167
Grangemouth	16 16	16 11	27 16	1 8	60 51
Larbert/S'muir	14 16	8 10	18 31	2 3	42 60
Polmont Area	13 16	3 3	15 16	6 1	36 36
Rural	14 17	5 5	9 6	3 5	31 33
Total	225 256	450 494	635 634	186 153	1496 1537

Developments Since 2009 and Future Commitments

- 4.6 Since the floorspace survey was undertaken at the end of 2009, two further significant changes in retail provision have taken place. In 2010, a large new store was opened by Tesco at Redding (6,940 sq.m. gross floorspace). This was identified as a location for a new local centre in the Falkirk Council Local Plan. Simultaneously, Tesco closed their smaller Callendar Road store in Falkirk (4,185 sq.m.). This resulted in an overall net increase in convenience floorspace.
- 4.7 Planning permission was granted in 2010 for a large new foodstore in Glasgow Road, Camelon (5,540 sq.m. gross). It is expected that this store will open in 2012. The proposed regeneration of Denny Town Centre will result in the replacement of existing shops with new comparison and convenience floorspace, including a new anchor foodstore, although this has not yet obtained planning consent.
- 4.8 On the comparison side, 25,000 sq.m. gross of non-food bulky goods floorspace is identified for the Falkirk Gateway in the Falkirk Council Local Plan. The Council was minded to grant outline planning permission for development at the Gateway in 2007, subject to the conclusion of a Section 75 Agreement, but this has not yet been signed, and the development has been put on hold pending an upturn in market conditions.

5. Local Shopping Patterns

- 5.1 In 2009, the Council carried out a Household Survey to investigate shopping patterns in the Council area. The last such survey was in 1998, and the survey questions in 2009 survey were designed to replicate the 1998 ones, to allow trends to be analysed. The survey provides useful information on the shopping behaviour of residents in the Council area, in particular where people shop for different types of goods, how frequently they shop, why they shop in particular locations, mode of transport for shopping trips and how much is spent.

Food Shopping

- 5.2 The majority of households (56%) buy food and groceries in main food shopping trips with top-ups in between. This is a reduction from 1998 when 75% undertook main food shopping. More people (39%) now shop more regularly, buying what is needed each time. 4% obtain their shopping from someone outwith their household and just 1% use the internet. In terms of frequency, 85% of households doing a main food shop do it weekly or more often, a slight increase from the 80% in 1998.
- 5.3 The location most often used for main food shopping is shown in Table 3. This demonstrates the continuing popularity of the Falkirk stores where 55% of main food shopping trips are still focused. This has dropped from 60% in 1998, with new stores at Grangemouth and Stenhousemuir having taken some of Falkirk's market share. The amount of main food shopping done outwith the Council area has remained constant at 9%.

Table 3 Location most often used for main food shopping by Falkirk Council households 2009

Location	2009	1998	% difference
Falkirk-Asda (Newmarket St)	24%	18%	+6
Falkirk-Tesco (Central Retail Park)	18%	21%	-3
Grangemouth-Asda	16%	n/a	+16
Falkirk-Morrisons (Brockville)	9%	n/a	+9
Bo'ness-Tesco	6%	8%	-2
Stenhousemuir-Asda	5%	n/a	+5
Cumbernauld	5%	2%	+3
Falkirk-Tesco (Callendar Road)	4%	12%	-8
Grangemouth-Tesco	3%	6%	-3
Linlithgow	2%	2%	0
Denny-Co-op	1%	6%	-5
Denny-Somerfield	1%		+1
Polmont-Co-op	1%		+1
Stirling	1%	2%	-1
Other not in Falkirk	1%		+1
Falkirk-M&S (High St)	0%	1%	-1
Falkirk-Lidl (Arnot St)	0%		
Falkirk-Co-op (Newcarron)	0%	9%	-9
Falkirk-Lidl (Newcarron)	0%		
Other Falkirk Town Centre	0%	0%	0
Other Local shops in Falkirk	0%	1%	-1
Other local shops in Grangemouth	0%	0%	0
Other local shops in Bo'ness	0%	0%	0
Other local shops in Denny	0%	0%	0
Stenhousemuir-Co-op	0%	1%	-1
Local shops in Bonnybridge	0%	0%	0
Bonnybridge-Co-op	0%		
Haggs-Local shops	0%	0%	0

- 5.4 Table 4 indicates which main food shopping locations are most used by residents in different communities, and gives a idea of the extent to which areas are self-contained for main food shopping, with comparisons with 1998. This has particular importance in the context of the Structure Plan strategy of decentralising food shopping out to the District and Local Centres. The new foodstores which have been built have caused some very striking changes. Self containment in Grangemouth and Stenhousemuir has increased significantly. In other communities, however, self containment has reduced. In Bo'ness only 38% now do their main food shopping in the town, with 30% going to the Grangemouth Asda. Self containment has also reduced in the Polmont area, although this is likely to have been reversed since the opening of Tesco in Redding. In Denny/Bonnybridge, increased leakage outwith the

Council area is particularly marked, increasing from 23% to 30%. This reflects the relatively poor food shopping facilities available locally.

Table 4 Location most often used for main food shopping by area of residence 2009 (1998 figures in grey)

Area where shopping is done	Area of residence					
	Bo'ness	Denny and Bonny-bridge	Falkirk	Grange-mouth	Larbert/Stenhousemuir and Rural North	Polmont and Rural South
Bo'ness	39% 68%	0% 0%	0% 0%	1% 2%	0% 0%	0% 0%
Denny and Bonnybridge	0% 0%	12% 41%	0% 1%	0% 0%	0% 1%	0% 0%
Falkirk	19% 14%	56% 38%	94% 95%	16% 41%	45% 87%	76% 78%
Grangemouth	30% 1%	0% 0%	3% 0%	82% 51%	13% 0%	15% 2%
Larbert/Stenhousemuir and Rural North	0% 0%	1% 0%	2% 0%	0% 0%	38% 7%	0% 0%
Polmont and Rural South	0% 1%	0% 0%	0% 0%	0% 3%	0% 0%	2% 16%
Outside Council area	12% 14%	30% 23%	1% 1%	2% 1%	4% 4%	7% 5%

5.5 The most important reasons given in the 2009 survey for choosing the most often used shop were:

- Being handy, convenient or easy to get to (58%)
- Prices (41%)
- Variety/selection of goods (27%)
- Has everything I need (21%)
- Easy parking (18%)

5.6 Convenience is more often cited as a reason for choosing District and Local Centres, whereas variety/selection and 'has everything I need' were more often stated for Falkirk locations. 'Quality' did not figure as a major determinant, but was most often cited as a reason for trips outwith the Council area.

5.7 Car is the main method of travel used to undertake main food shopping, being used by 82% of households. This represents an increase on the 77% reported in 1998. Bus is the second most common method of transport, used by 12% of households.

5.8 42% of households combined their main shopping trip with another purpose either within the same store or at shops nearby. This represents an increase from the 27% reported in 1998.

5.9 The majority of householders were quite satisfied or very satisfied with their main shopping facility. Comparison with the 1998 survey indicates that shoppers have similar levels of satisfaction to those cited in the previous survey.

- 5.10 In terms of top-up shopping, shoppers still tend to use the larger stores, but smaller, local shops are, not surprisingly, used more often than for main food shopping. However, it is clear that local shops have almost universally seen a decrease in their usage since the 1998 survey, with market share taken by some of the larger stores.
- 5.11 Working hours shopping was generally uncommon, and has only marginally increased from the 1998 survey.

Clothing and Footwear

- 5.12 As shown in Table 5, the most frequently visited centre for clothing/footwear purchases is Falkirk Town Centre, which 53% of respondents visited to make their last purchase. This is a decrease from 60% in 1998. However, the second most popular location was Central Retail Park with 13%. If Central Retail Park is seen as part of the Town Centre, the combined percentage has increased, suggesting that the wider Town Centre is holding its own in terms of market share. The popularity of Stirling has remained constant at 3%, whilst that of Glasgow and Edinburgh has decreased marginally. Internet purchases have increased from nothing to 3%.

Table 5 Location of last clothing/footwear purchase by Falkirk Council households 2009

Location	2009	1998	% difference
Falkirk Town Centre	53%	60%	-7
Falkirk Central Retail Park	13%	n/a	13
Grangemouth Town Centre	3%	3%	0
Bo'ness Town Centre	0%	0%	0
Denny Town Centre	0%	1%	-1
Stenhousemuir Town Centre	0%	1%	-1
Other local shopping centre	0%	2%	-2
Stirling	10%	12%	-2
Glasgow (incl. out of town centres like Braehead)	5%	6%	-1
Edinburgh (incl. out of town centres like The Gyle)	2%	5%	-3
Livingston	3%	1%	2
Cumbernauld	2%	1%	1
Other town/city outwith Falkirk	1%	4%	-3
Internet	3%	n/a	3
Catalogue/ Mail Order	3%	4%	-1

Bulky Goods

- 5.13 Table 6 shows that the most popular location for making purchases of furniture or electrical goods is Central Retail Park, where 38% of respondents made their last purchase. This compares with 18% in 1998, indicating

increased market share. Falkirk Town Centre is the second most used location at 30%, although this has reduced from 41%, indicating that there has been a significant shift in household good purchases within Falkirk. Significantly, the internet is the third most popular place to purchase bulky goods at 8%.

Table 6 Location of last furniture/electrical purchase by Falkirk Council households

Location	2009	1998	% difference
Falkirk Central Retail Park	38%	18%	20
Falkirk Town Centre	30%	41%	-11
Internet	8%	n/a	8
Stirling	6%	4%	2
Edinburgh (incl. e.g. out of town centres like The Gyle)	4%	3%	1
Catalogue/ Mail Order	4%	6%	-2
Glasgow (incl. e.g. out of town centres like Braehead)	3%	2%	1
Other town/city outwith Falkirk	3%	-	3
Grangemouth Town Centre	2%	0%	2
Bo'ness Town Centre	1%	-	1
Other local shopping centre	1%	6%	-5
Livingston	1%	1%	0
Cumbernauld	1%	1%	0
Denny Town Centre	0%	-	0
Stenhousemuir Town Centre	0%	-	0

6. Assessment of Centres

Falkirk Town Centre

- 6.1 Falkirk Town Centre plays a key strategic role as a Sub-Regional Centre, with a catchment that encompasses the Council area but stretches beyond the Council boundary into neighbouring local authority areas. The 2009 Retail Floorspace Survey shows it to have a total floorspace of 161,185 sq.m., which includes Central Retail Park. Of this some 52% is comparison floorspace, 17% convenience, 21% non-retail commercial uses, and 10% vacant.
- 6.2 Since 2000, the main changes to retail provision have been the construction of the Morrisons superstore and the completion of Phase 2 of Central Retail Park, with its mix of retail warehousing and leisure uses including a multi-screen cinema. Relaxations to the Section 75 Agreement covering Central Retail Park have seen a change in the character in Phase 1 with more mainstream high street retailers such as Next and Boots represented within it.
- 6.3 The Town Centre has maintained its competitive position, and has proved fairly resilient in the face of the economic recession. Levels of vacancy have

increased, as shown by the 2009 Retail Floorspace Survey, but remain low relative to other comparable centres in Scotland and the UK. The Household Survey demonstrates the Town Centre's continuing popularity with the residents of the Council area. Although market share for comparison shopping appears to have diminished somewhat since 1998, this is mostly attributable to the impact of Central Retail Park. If the retail park is considered as part of the Town Centre, market share has actually increased. After the steady increase through the late 1980s and 1990s, Zone A rentals have remained stable through the 2000s at £88 per sq.ft. This compares favourably with some competitors such as Perth and Cumbernauld, but is less than that achieved in Stirling and Livingston.

- 6.4 In 2010, CACI identified Falkirk as the 7th largest centre in Scotland (137th in the UK), in terms of its retail footprint ranking. Falkirk was classified as an 'average' centre, with the retail offer focused on value and mass-retailing. CACI identified the potential opportunity to improve the offer of upper mass and premium retail. This reflects the view that, although Falkirk has a scale of shopping which is second only to the major cities, it is not viewed as positively for the quality of its overall retail provision.
- 6.5 In terms of the main anchor developments in the Town Centre, the Howgate remains an attractive and successful mall, notwithstanding the current economic climate. Callendar Square has been less successful, and has a relatively high vacancy rate. However, both centres could be considered dated in terms of the size and configuration of units, and this has hindered attempts to improve the retail offer within the core of the Town Centre. Central Retail Park, by contrast, has been able to offer larger more flexible units, albeit that many still consider it to be detached from, and competing with the Town Centre. Central Retail Park continues to be a success and although vacancies increased when the recession hit, there have been some recent new lettings and the park is likely to be fully let again in the near future.
- 6.6 Diversifying the Town Centre functions, with an increased emphasis on leisure and cultural activities, is an increasingly important means of encouraging people to continue to visit Town Centres. Although there is a strong leisure component within Phase 2 of Central Retail Park, the leisure offer within the core of the Town Centre is limited. There is also scope to make more of the Town Centre's built heritage, along the lines of the recent Old Parish Church enhancement project. There is relatively little major office space in the Town Centre, apart from the Municipal Buildings at the west end. Callendar Business Park lies around 1 km to the east. Office development can assist Town Centre vitality and viability through the extra footfall from office workers, and this may be a use which is worth promoting.
- 6.7 Town Centre Management was pioneered within Falkirk Town Centre in the late 1980s and continues to play a key role in improving and marketing the centre. In 2008, this was taken to a new level when Falkirk became one of six pilot Business Improvement Districts (BIDs) in Scotland. This is a mechanism for harnessing a business rate levy to be invested in town centre improvements. The Falkirk BID has now come to end of a successful first 3-year period, and is seeking approval from businesses for a further 5-year term.
- 6.8 Although Town Centre Management has continued to oversee a more co-ordinated approach to the management and maintenance of the physical

fabric of the Town Centre, the last 10 years have seen relatively little large-scale investment in environmental improvements. However, recent schemes include the upgrading the area around the Old Parish Church, and the implementation of new signage and orientation boards. Undoubtedly, there is scope for further enhancement, particularly along key routes within the secondary areas leading in to the High Street.

- 6.9 There continue to be issues around access to, and movement around, the Town Centre. Congestion at peak times is evident on key corridors into the Town Centre and on the gyratory systems within it. For pedestrians, the core pedestrianised area provides a high quality environment, but elsewhere severance and narrow pavements on key routes inhibits movement. Buses experience delays due to the gyratory systems, whilst the bus station itself would benefit from upgrading. In terms of car parking, there are some 6,600 spaces available, a large proportion of which are free and outwith the Council's control. This limits the Council's ability to use parking policy to manage access to the Town Centre and promote sustainable transport.
- 6.10 Future redevelopment opportunities are important if the Town Centre is to continue to develop as a vibrant centre. The Local Plan identifies three possible large-scale opportunities:
- Callendar Road – encompassing the Tesco store (now closed), adjacent uses and the bus station
 - Melville Street – focused on the Melville Street car park and located at a highly visible point opposite Grahamston railway station
 - Williamson Street – a backland area to the south of the eastern end of the High Street focused around the Williamson Street car park
- In addition, the Council is giving consideration to the future of the Municipal Buildings site as part of a review of its operational property. It is possible that this process could lead to a redevelopment opportunity.
- 6.11 In conclusion, although Falkirk Town Centre remains in reasonably good health, there are many challenges and issues to be addressed if it is to remain competitive in the face of ever increasing competition from other centres, other forms of retailing and other leisure attractions. The Council's regeneration focus over recent years has been on the District Centres and, whilst investment and improvements have continued to be made in the Town Centre, there is a case for a new regeneration strategy to focus attention on the range of actions needed.

Grangemouth

- 6.12 Grangemouth is the second largest town centre in the area, with a total floorspace of some 20,181 sq.m. The Town Centre is largely a 1960s precinct, refurbished in 1991. The major change over recent years has been the opening in 2006 of the large Asda foodstore to the north of the Town Centre. The store has been very successful in terms of reducing expenditure leakage out of Grangemouth, attracting some 82% of main food shopping trips by Grangemouth residents. However, its link with the Town Centre is less than ideal and anecdotal evidence suggests that it has had a negative effect on shops in the precinct.
- 6.13 Grangemouth Town Centre faces a number of problems and issues. Vacancy levels in the precinct have gone up between 2004 and 2009, and the amount

of comparison floorspace has decreased. National retailer representation in the centre has declined. The 1960s layout presents problems in terms of its external appearance and the size of retail units offered, whilst the pedestrianised shopping area appears dated. The Town Centre also falls within major hazard consultation zones associated with the Grangemouth industries, which presents constraints on its expansion

- 6.14 In line with the Town Centres Strategy, the Council had sought to take forward the regeneration of the Town Centre through a partnership between the main landowners. A masterplan was produced and was subject to public consultation. However, due to a review of procurement legislation, it is now considered that formal marketing of the regeneration opportunity is required, and the process is being recommenced.

Bo'ness

- 6.15 Bo'ness is a traditional town centre with a distinctive historic character. It has a total floorspace of 12,442 sq.m. and is anchored at its eastern end by Tesco and Lidl foodstores. Since 2004, there has been a significant rise in convenience floorspace, with the opening of Lidl, and the expansion of Farmfoods. Comparison floorspace has declined, due to the loss of Woolworths and the conversion of comparison shops to convenience or services. However, although there has been a fair turnover of businesses, the overall number of vacant units has only increased marginally, suggesting that the Town Centre has held up relatively well in the face of the recession.
- 6.16 The proportion of Bo'ness residents doing their main food shopping in Tesco in the Town Centre declined from 68% to 39% between 1998 and 2009. This is mainly attributable to leakage to the new Asda store in Grangemouth, and points to the possible need to strengthen the food shopping offer within the Town Centre.
- 6.17 The Bo'ness Town Centre Townscape Heritage Initiative (THI) has seen major investment in the fabric of the Town Centre, including building restoration (most notably the Hippodrome which has been brought back into use as a cinema), public realm improvements, tenement repairs and shopfront enhancement. The Bo'ness Foreshore regeneration initiative is a further strand of the Council's strategy for the regeneration of the Town Centre. The proposal is to redevelop the foreshore to the north of the Town Centre for mainly residential, but some commercial uses, together with restoration of the historic dock and harbour, thereby reconnecting the Town Centre to the waterfront. However, the proposal has been put on hold pending an upturn in market conditions.

Denny

- 6.18 Denny Town Centre is split between the precinct style development of Church Walk, which is now vacant pending redevelopment, and the traditional properties of Stirling Street. It has a total floorspace of 6,022 sq.m. The convenience shopping offer in Denny is limited, with just 1,752 sq.m., most of which is accounted for by the small Co-op foodstore. The more recently developed Sainsbury/Iceland store is some half a kilometre south of the Town Centre proper. Only 12% of main food shopping trips by Denny residents are now retained within Denny Town Centre. Nonetheless, the Retail Floorspace Survey showed that the number and range of shops had held up reasonably

well since 2004, the only obviously increase in vacancies being in Church Walk due to the ongoing redevelopment proposals.

- 6.19 Through the Town Centres Strategy, the main priority in Denny Town Centre is the redevelopment of the Church Walk block and the creation of retail and community facilities, anchored by a new foodstore. The Council engaged Henry Boot as development partner, and a planning application was submitted in 2009. However, the project has been delayed by the economic downturn, and revisions are being considered to the masterplan to improve viability.

Stenhousemuir

- 6.20 Stenhousemuir has recently undergone comprehensive redevelopment through the Town Centres Strategy, and has been radically restructured to provide a new Asda foodstore, new non-food retail floorspace and a new library and health centre. The centre now has a total floorspace of 9,861 sq.m., an increase of 80% compared with 2004. A substantial part of the non-food floorspace is not yet let, giving a relatively high proportion of vacant space. The large new foodstore has resulted in the Town Centre retaining 38% of main food shopping trips by Larbert/Stenhousemuir residents, compared to 7% in 1998.

Local Centres

- 6.21 The Local Centres vary considerably in their size and character. Some are small traditional town, village or suburban centres, characterised by shops on the ground floor of tenemental properties (Bainsford, Bonnybridge, Brightons, Camelon, Grahamston, Laurieston, Larbert and Slamannan), whilst others are modern centres based around anchor foodstores (Redding, Newcarron, Polmont). Charlotte Dundas is a small 1960s style precinct. Generally they fulfil top-up shopping and service needs, but in the case of the modern centres, notably Redding, and to a lesser extent Newcarron and Polmont, they may meet main food shopping needs.
- 6.22 The traditional centres are generally constrained in their ability to accommodate or attract significant new convenience floorspace. In the case of Camelon, the Council has approved a large foodstore which is detached from the centre. The extent to which the shopping needs of a growing population can be met in these centres, or whether further new Local Centres will be needed is a key issue for the LDP.

Falkirk Gateway

- 6.23 The proposed commercial centre within the Falkirk Gateway is the one element of the Structure Plan hierarchy that has yet to be implemented, the development having been put on hold pending an upturn in market conditions. The content of the centre is 25,000 sq.m. of bulky goods floorspace. It is possible that pressure will arise for changes to the intended nature of the centre, to assist its viability and vitality. This could involve a wider range of comparison goods or, indeed, the introduction of a convenience shopping element. The bulky goods character of the centre is designed to be complementary to other centres, and to meet a need which could not be met elsewhere. Any proposals to change the mix would have to be viewed in the

context of their impact on the wider network of centres and capacity in the retail system as a whole.

7. Retail Capacity

- 7.1 Retail capacity studies were undertaken for both comparison and convenience shopping in association with the Structure Plan Alteration in 2005. These were prepared to help assess the need for additional retail floorspace in the Council area and the capacity of the retail system to accept new development over the Structure Plan period. The basic methodology is to estimate current expenditure and turnover within the area, projecting it forward to an appropriate date using population and expenditure growth projections. The process involves a lot of assumptions and uncertainties, and the outputs need to be treated with caution.

Comparison Shopping

- 7.2 The Council has decided not to carry out a further comparison shopping capacity study. Given the extent of vacant floorspace in centres, existing commitments at the Falkirk Gateway, intended new non-food floorspace as part of Town Centre regeneration schemes in Denny and Grangemouth, the growth of internet shopping, and the general state of non-food retailing sector, there is unlikely to be any demand for significant additional floorspace in the short to medium term. The capacity for comparison retailing is, in any case, particularly difficult to estimate given the nature of such activity, lack of data, and current economic uncertainties.

Convenience Shopping

- 7.3 The Council has, however, carried out a Convenience Shopping Capacity Study, which is included as Appendix 1 to this report. This looks at the overall picture of expenditure and turnover in the Council area as a whole, but also examines the issue of capacity within sub-areas, and balance of provision, by looking at self-containment and leakage within these sub-areas.
- 7.4 The study indicates that there is considerable uncertainty over current and likely future available expenditure in the Council area, and looks at a range of estimates, based on data from the 2009 Household Survey and the most recent retail consultancy study covering the area. Sensitivity analysis was carried out to test which factors have the greatest influence over future expenditure levels. Turnover ratios are estimated for all the main stores and centres based on the Retail Floorspace Survey and the Household Survey. This shows how various stores are trading relative to one another. The huge variation in ratios indicates that some stores are probably 'overtrading' whilst others are 'undertrading'. Leakage out of the area remains at similar levels to that shown by the Household Survey in 1998. The overall conclusion is that, given growth in population and expenditure, there is likely to be scope for some additional convenience floorspace. Some of this will, of course be taken up by existing commitments such as at Camelon and Denny. There is potential to claw back leakage to surrounding areas, but this would need substantial new stores toward the periphery of the area to counteract the influence of Cumbernauld and Linlithgow.
- 7.5 The study looks at levels of self-containment within sub-areas as a proxy for assessing capacity and the balance of retail provision across the Council

area. It takes into account further changes in provision since the Retail Floorspace Survey (the opening of the new Tesco store at Redding and the closure of the Callendar Road Tesco in Falkirk) and the committed development at Camelon. This analysis indicates an excess of available expenditure compared to floorspace in Bo'ness, Denny and Bonnybridge, Larbert/Stenhousemuir/Rural North, and Polmont/Rural South which suggests possible capacity for the development of new convenience provision.

- 7.6 The need for better provision in Denny/Bonnybridge is already acknowledged in the current Structure Plan. The proposed new store in Denny Town Centre may address this to some extent, although there appear to be limitations on the size of store which can be accommodated. Likewise, other Local Centres, such as Bonnybridge, are constrained, raising the issue of whether new local centres should be promoted and, if so, of what scale.
- 7.7 The analysis also suggests there is some deficiency in provision within Bo'ness, although this is not as marked as in Denny/Bonnybridge.
- 7.8 Larbert/Stenhousemuir/Rural North and Polmont/Rural South show a continuing excess of available expenditure compared to floorspace, in spite of the recent new stores which have been built in these areas. However, this finding should be tempered by the fact that these areas are highly accessible to the Sub-Regional Centre of Falkirk.
- 7.9 The analysis shows that in Falkirk and Grangemouth there is a notional surplus of turnover. In Grangemouth, this would suggest that there is no need for further floorspace. In Falkirk the surplus of turnover clearly relates to the sub-regional role played by Falkirk Town Centre with regard to main food shopping as well as comparison shopping. There is no doubt that this role contributes to Falkirk Town Centre's vitality and viability, although current policy limits new floorspace in Falkirk town as a whole, in order to encourage decentralisation of food shopping provision.
- 7.10 The intentions of the main store operators are, of course, a key factor in considering the potential for future convenience floorspace. Although no specific representations have been made by operators as part of the pre-MIR consultation process, it is understood that there is some market interest in the provision of new stores. Sainsbury are actively seeking a larger presence in the area, and Aldi, who are not represented in the area, have been seeking a site in the recent past.

8. Conclusions

- 8.1 Retailing is a dynamic industry, which is vital to the local economy, and continues to change in response to market trends. Town centres, of which retailing remains a vital part, are central to the area's future image and prosperity. The recession has put considerable pressure on the retail industry and town centres, with only tentative signs of recovery.
- 8.2 National policy is set out in the Scottish Planning Policy. It emphasises the identification of a network of centres, support for town centres, and the sequential approach as the basis of policy.
- 8.3 Structure and Local Plan policy in the Falkirk Council area is based on support for a hierarchy of Sub-Regional, District and Local centres,

complemented by the proposed retail/leisure park at the Falkirk Gateway. The Council's Town Centres Strategy has focused in recent years on the regeneration of the District Centres in particular.

- 8.4 The 2009 Retail Floorspace survey has highlighted some important changes since 2004. Overall floorspace has increased, with several large new foodstores accounting for most of this increase. There has been further increase in convenience floorspace since 2009, and further foodstore proposals are in the pipeline. Vacant floorspace has risen significantly as a result of the recession.
- 8.5 The 2009 Household Survey has highlighted changes in shopping patterns since the last survey in 1998. Falkirk Town Centre continues to dominate main food shopping, although the development of new stores in Grangemouth and Stenhousemuir has reduced leakage of expenditure from these local centres. The recent opening of a new store in Redding will have had a similar effect in the Polmont area. Leakage from Denny/Bonnybridge and Bo'ness has increased. Overall leakage from the Council area to centres in adjacent local authority areas (mainly Cumbernauld and Linlithgow) has remained fairly constant. For clothing and footwear, the role of Central Retail Park has increased, at the expense of the traditional part of the Town Centre, although if the two are considered together, they have increased their market share relative to competing centres such as Glasgow, Edinburgh and Stirling. A similar pattern is evident for bulky household goods.
- 8.6 In terms of the health of the various centres, Falkirk Town Centre has remained resilient in the face of the recession, but faces continuing challenges in the years ahead if it is to improve its competitive position. There is a need to improve the quality of the retail offer; diversify use with a greater emphasis on leisure and cultural activities, and possibly office uses; address access and movement issues; improve the Town Centre environment, particularly away from the pedestrianised core; and capitalise on various potential redevelopment opportunities.
- 8.7 The District Centres have been the focus of regeneration efforts, with successful projects having been implemented in Bo'ness and Stenhousemuir which have helped to stabilise and improve their role. Improvements in Denny and Grangemouth have been delayed. The various Local Centres are diverse in scale and character. Some are based around modern foodstores; the more traditional ones are constrained in their ability to accommodate or attract new investment.
- 8.8 A Convenience Shopping Capacity Study has been carried out, which looks at the overall scope for additional floorspace in the area, and the balance of provision across the various sub-areas. Although there are uncertainties around the key assumptions of the study, population and expenditure growth is likely to give scope for some additional floorspace. Some of this will be absorbed by proposed developments. The analysis of the sub-areas shows a theoretical underprovision in Denny/Bonnybridge and Bo'ness, which have lacked recent investment in new convenience floorspace, but also in Polmont and Larbert/Stenhousemuir, in spite of the recent opening of new stores. Falkirk and Grangemouth show a theoretical overprovision. Clearly, the location of any new convenience floorspace is a key issue which will involve consideration of the role of existing centres, their capacity to accommodate to accommodate further floorspace, and an assessment of the need for, and the

scale of, any new local centres which might be required to meet food shopping needs.

Falkirk Council
Local Development Plan
Technical Report
Research & Information Unit, Corporate & Neighbourhood Services
Convenience Shopping Capacity Study 2011

1.0 Introduction

- 1.1** This paper sets out a convenience shopping capacity study for Falkirk Council area as part of the review of shopping policies being carried out for the first Falkirk Council Local Development Plan (LDP). The method is based on that used in the Council's Structure Plan as described in "*Falkirk Council Structure Plan, Technical Appendix 3: Convenience Shopping Capacity Study*" (1999) which in turn was based on earlier work by Central Regional Council¹ but considerably extended. It also updates the work done for the Consultative Draft Alteration to the Structure Plan in 2004 "*Falkirk Council Structure Plan: Consultative Draft Alteration, Technical Report 3 – Retail Capacity Study*" (June 2004).
- 1.2** This study is limited to convenience shopping. Convenience shopping was defined as food shopping, including supermarkets and small specialist shops such as bakers, butchers and greengrocers, plus tobacco, newspapers, confectioners and off licences. This might also be considered to be shopping for essential every day items (see Appendix 1 for more details). It should be noted however, that since the previous studies were undertaken there has been a considerable increase in the amount of non-convenience floorspace which is found in the larger supermarkets.
- 1.3** The methodology, assumptions and calculations are given in some detail. This Technical Report is intended for a limited professional audience (although it will of course be available to anyone with an interest in the topic), who may wish to check or question the methodology, assumptions and calculations. It is hoped that there is sufficient detail in this report to allow them to do so. The author and the Council's Planning and Environment Service would be happy to answer any queries on the report.

2.0 Methodology

- 2.1** The basic method used was to look at both the projected expenditure in the area and the estimated turnover, given current convenience retail floorspace and known additions, and to compare the two to see if there were any spare capacity within the local shopping system. This will help to assess the need for any additional convenience floorspace or the need to protect existing convenience stores. The report looks at both the Council area as a whole and six sub areas within in.
- 2.2** The projected expenditure was calculated using the projected population from the General Register Office for Scotland (GROS) 2008 based projections, which are being used throughout the Local Development Plan, and projected expenditure per head, from the Council's 2009 local Household Survey (HS2009) commissioned for the LDP with comparisons to other sources. The projected turnover was calculated using information on retail floorspace from the Council's own survey information and estimates of the turnover for stores and centres based on HS2009.

¹ Central Regional Council, Second Alteration which is described in "Central 2000, Technical Report 2 - Convenience Shopping Capacity Study", May 1995.

3.0 Expenditure Projections

- 3.1.1** The first element in the capacity study was the expenditure projections. These were calculated for convenience goods (i.e. food, drink, tobacco and items such as newspapers and cleaning materials) for the years 2009 (the base year for the LDP), 2011, 2016, 2021, 2026, 2031 and 2034² (the final year for the Plan).
- 3.1.2** The population base used was the GROS 2008 based population projections. The Council has decided that these projections represent the most reasonable expectation of the likely future trends in population within the Council area³.
- 3.2.1** Expenditure per head: It is difficult to obtain accurate expenditure per head figures for convenience shopping to build into the calculations. A number of sources are considered below.
- 3.2.2** The Council commissioned a Household Survey (HS2009) in 2009 which was carried out during February and March of that year. One of the aims of the survey was to look at the change in retailing patterns which had taken place since the previous survey in 1998 for the first Structure Plan.
- 3.2.3** This survey found that the mean expenditure on main food a grocery shopping on a single trip was £73.40⁴. HS2009 showed that 85% of households doing a main shopping trip shopped at least once a week, the rest shopped less frequently. Using detailed information from the survey, it was calculated that the average annual expenditure per household for those who did a main shopping trip was £3,312. Assuming an average household size of 2.20⁵, this gives an estimated average annual expenditure per head on convenience goods in 2009 of £1,505. Since this figure is based on survey data from a survey carried out in 2009, the price base is 2009.
- 3.2.4** The HS2009 showed that although 85% of households shopped at least once a week, 44% of households did not do a single main shopping trip, but either relied on other people to shop for them, or, much more commonly (39%), made more frequent shopping trips buying what was needed each time. Only 1% shopped on the internet.
- 3.2.5** The percentage making more frequent shopping trips buying what was needed each time, varied with the type of household, with pensioner households in particular more likely to shop more frequently e.g. 52% of single pensioner households shop more frequently, while for large family households only 16% shopped this way.
- 3.2.6** It has however been assumed that those households which do not do a main food shop will require to spend approximately the same amount on the bulk of their convenience shopping as those who do a main shopping trip and so the annual average expenditure per head calculated above is assumed to apply to these households too.
- 3.2.7** However, this still excludes top up shopping by those who do a main food shop – (it has been assumed that those who shop more frequently do not do top up shopping as such and that since they are normally smaller households and poorer households their spend will be lower overall than the average household). No information was collected in the 2009 survey on the amount spent on top up shopping. The previous household survey in 1998 found that only 9% of the 75% of households who then did a main shop, never did top up shopping.

² Note that the population projections provided by GROS only project to 2033. However, given that these show a steady increase in the population over the period 2008-2033, it has been possible to extrapolate the projections to 2034.

³ For a more detailed discussion on the reasons behind the Council's choice of population projections see Falkirk Council, 2010, "Local Housing Strategy and Local Development Plan: Demographics".

⁴ Research Resource, 2009, "Local Development Plan Household Survey: Main Survey Report V2" para 4.3

⁵ GROS household projections 2008 based (Table 17) show an average household size for Falkirk of 2.21 in 2008. Looking at the reduction in average household size predicted in these projections suggests an average household size of 2.20 in 2009.

- 3.2.8** An estimate had to be made of the value of the top up shopping. This was, somewhat arbitrarily, assumed to be an average of £3 per top up shopping trip in the first Structure Plan study. Information from that household survey allowed a calculation of the amount spent per household per year, based on the number of top up trips per week. This gave an average of £103 per head per year on top up shopping. Rebasing that figure to 2009, using the Retail Prices Index for food,⁶ for 1990 (119.4) and 2009 (189.1), gives a 2009 expenditure per head on top up shopping of £163.
- 3.2.9** Adding this to the figure in paragraph 3.4 gives a total expenditure per head of £1,668 in 2009.
- 3.2.10** The first convenience capacity study which the Council carried out for its first Structure Plan⁷ looked at a variety of different expenditure per head figures. These ranged from £989 to £1,054 per head per annum. These were on a 1990 price base. Rebasing these figures to 2009, for comparison with the Council's latest survey figures, using the Retail Prices Index for food, for 1990 (119.4) and 2009 (189.1), gives 2009 expenditure per head figures of between £1,566 and £1,669 respectively.
- 3.2.11** The Council's previous report, "*Falkirk Council Structure Plan: Consultative Draft Alteration, Technical Report 3 – Retail Capacity Study*" (June 2004), quoted two further annual convenience expenditure per head figures (para 3.3, Fig1). One was the Council's own figure of £1,466 and the other was taken from a C B Hillier Parker report on the then proposed new Asda store at Grangemouth of £1,568. Both these figures were on a 2001 price base. Rebasing these figures to 2009, for comparison with the Council's survey figures, using the Consumer Prices Index for food, alcohol and tobacco⁸ for 2001 (94.9) and 2009 (120.9), gives 2009 expenditure per head figures of £1,868 and £1,997 respectively.
- 3.2.12** The report by RDPC on the proposed Tesco supermarket in Glasgow Road, Camelon⁹ estimated (Table 3) that expenditure per head in the Falkirk Council area in 2008 was £1,827. This was at 2004 prices. Rebasing that figure to 2009, for comparison with the Council's survey figures, using the Consumer Prices Index for food, alcohol and tobacco¹⁰ for 2004 (98.3) and 2009 (120.9), gives a 2009 expenditure per head figure of £2,247.
- 3.2.13** The Office for National Statistics carries out an annual Family Spending Survey across the UK. The results for the 2009 survey are published in "Family Spending 2010"¹¹. This report contains information on average household expenditure on "Food and non-alcoholic drinks" and "Alcoholic drinks and tobacco" which are approximately equivalent to convenience shopping. Average weekly spend on these items in 2009 was £63.40 which is £3,296.80 per year. This is based on an average household size of 2.3 which gives an average expenditure per head per year on these items of £1,433.40.
- 3.2.14** These are UK figures, however, it is also shown in this report that the average total household expenditure on all items in Scotland is close to the UK average, although slightly below it. It is therefore assumed that the UK expenditure per head calculation is a close approximation to the Scottish and Falkirk figures.
- 3.2.15** We therefore have a range of figures to consider. These are summarised in Table 1.

⁶ RPI 1990 and 2009 <http://www.statistics.gov.uk/statbase/tsdtables1.asp?vlnk=mm23> CPI only introduced in 1996 (accessed Nov 2010)

⁷ "Falkirk Council Structure Plan, Technical Appendix 3: Convenience Shopping Capacity Study" (1999) Table 1, page 4.

⁸ CPI 2004 and 2009 <http://www.statistics.gov.uk/statbase/tsdtables1.asp?vlnk=mm23> (accessed Nov 2010)

⁹ RDPC, July 2009 "Proposed Superstore, Glasgow Road, Camelon: Analysis of Planning Policy and Retail Impact Issues"

¹⁰ CPI 2004 and 2009 <http://www.statistics.gov.uk/statbase/tsdtables1.asp?vlnk=mm23> (accessed Nov 2010)

¹¹ http://www.statistics.gov.uk/downloads/theme_social/family-spending-2009/familyspending2010.pdf
Table 3.2

Source	Expenditure per head per annum
First Structure Plan – lowest estimate	£1,566
highest estimate	£1,669
Draft alteration – Falkirk Council	£1,868
C B Hillier Parker	£1,997
Falkirk Council Survey 2009	£1,668
RDPIC	£2,247
Family Spending Survey	£1,433

3.2.16 For the initial analysis it has been decided to use the figures derived from the Council's 2009 household survey - £1,668 per year - together with the RDPIC figures - £2,247 per year - as this will give a range of estimates of expenditure per head per year which can then be compared with the turnover figures.

3.3.2 In the previous convenience shopping capacity study for the first Structure Plan¹², the Council made use of trend projections provided by The Data Consultancy (now MapInfo) in their regular Briefs. Since this information was used on a very infrequent basis, the Council no longer subscribes to this information. However, since the last capacity study was carried out, a number of retail impact studies have been carried out by consultants in relation to planning applications. These have been consulted, along with other retail impact reports produced in other local authorities, in order to develop a view as to the likely future trends in convenience spending. It is assumed that trends in Falkirk will mirror those nationally.

3.3.3 The Data Consultancy Brief¹³ used in the previous Structure Plan study offered four alternative trend projections based on short term, medium term, long term and ultra long term trends, covering periods of from 5 years to over 30 years. All these trends showed relatively small annual increases of between 0.32% and 0.51% in convenience expenditure. Since the Data Consultancy Brief suggested that the ultra long term trends provided a best fit for the data, this was the trend which was adopted. A log-linear regression equation was used to calculate the growth in convenience expenditure. This estimated growth at an average of 0.32% per year – at the lower end of the range of all the growth trends.

3.3.4 For the Consultative Draft Alteration to the Structure Plan, the opportunity was taken to update the retail capacity study. In that report, a comparison was made with expenditure growth figures proved by C B Hillier Parker in their capacity study for the proposed Asda store in Grangemouth¹⁴. This used an annual growth figure of 0.1% which was adopted in this study.

3.3.5 More recently, the current economic circumstances have led to reductions in the predicted level of growth in expenditure. In their Retail Impact study for the proposed Tesco Superstore in Glasgow Road, Camelon in July 2009¹⁵, RDPIC suggested (para 3.9) that “Until recently it was common practice to assume a growth rate per annum of around 1% for convenience spending”. This report goes on to say that because of the economic downturn new growth projection figures had been issued which showed a reduction in convenience expenditure over a four year projection period to 2012 which was contained in their report.

¹³ Data Consultancy Brief 98/2 "UK Goods Based Retail Expenditure Estimates and Price Indices" published in September 1998

¹⁵ RDPC, July 2009 “Proposed Superstore, Glasgow Road, Camelon: Analysis of Planning Policy and Retail Impact Issues”

3.3.6 Given the uncertainty and the variation in the estimates of likely future growth in convenience expenditure, it has been decided to look at a range of options. These are:

- 0% growth per annum
- 0.1% growth per annum as used in the 2004 study – see para 3.3.4 above
- 0.32% growth per annum as in the previous Structure Plan Report – see para 3.3.3 above
- 1% growth per annum as suggested in the RDPC report in para 3.3.5 above as being recent common practice.

3.3.7 In spite of the predicted decrease in convenience expenditure in the short term suggested in the report by RDPC in the previous paragraph, the Office for National Statistics have shown that the seasonally adjusted value of retail sales in predominantly food stores in the year to September 2010 increased by 1.7%¹⁶. It has therefore been decided to reject any projection showing a decrease in expenditure per head.

3.4.1 Expenditure projections: Each of these expenditure growth projections has been applied to the two base 2009 expenditure per head calculations from para 3.2.16 and the projected growth in population, to give a projected total available expenditure in each year as shown in Table 2.

Table 2: Convenience expenditure projections Falkirk Council area

Falkirk Council Household Survey Expenditure Estimates									
Year	Population	Growth in expenditure per head per annum							
		0.0%		0.1%		0.32%		1.0%	
		Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure
2009	152,480	£1,668	£254m	£1,668	£254m	£1,668	£254m	£1,668	£254m
2011	154,148	£1,668	£257m	£1,671	£258m	£1,679	£259m	£1,702	£262m
2016	158,509	£1,668	£264m	£1,680	£266m	£1,706	£270m	£1,788	£283m
2021	162,773	£1,668	£272m	£1,688	£275m	£1,733	£282m	£1,880	£306m
2026	166,635	£1,668	£278m	£1,697	£283m	£1,761	£293m	£1,975	£329m
2031	170,002	£1,668	£284m	£1,705	£290m	£1,789	£304m	£2,076	£353m
2034	171,780	£1,668	£287m	£1,710	£294m	£1,807	£310m	£2,139	£367m
RDPC Expenditure Estimates									
Year	Population	Growth in expenditure per head per annum							
		0.0%		0.1%		0.32%		1.0%	
		Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure
2009	152,480	£2,247	£343m	£2,247	£343m	£2,247	£343m	£2,247	£343m
2011	154,148	£2,247	£346m	£2,251	£347m	£2,261	£349m	£2,292	£353m
2016	158,509	£2,247	£356m	£2,263	£359m	£2,298	£364m	£2,409	£382m
2021	162,773	£2,247	£366m	£2,274	£370m	£2,335	£380m	£2,532	£412m
2026	166,635	£2,247	£374m	£2,286	£381m	£2,372	£395m	£2,661	£443m
2031	170,002	£2,247	£382m	£2,297	£390m	£2,411	£410m	£2,797	£475m
2034	171,780	£2,247	£386m	£2,304	£396m	£2,434	£418m	£2,882	£495m

Source: Population projections: GROS 2008 based projections <http://www.gro-scotland.gov.uk/files2/stats/population-projections/2008-based-pop-proj-scottish-areas/08pop-proj-scottishareas-alltables.xls>

3.4.2 The results of these calculations show a considerable variation in total available expenditure in the Council area at the end of the LDP period. Column 4 in both halves of the table shows the effect of population growth on expenditure if there were to be no real growth in expenditure per head. The final column shows the combined effect of population growth and a high level (1%) of real growth in expenditure which would result in a 44% increase in total available expenditure by 2034 compared to only 13% if only population increase is allowed for.

¹⁶ Office for National Statistics, October 2010 "Statistical Bulletin: Retail Sales, September 2010" <http://www.statistics.gov.uk/pdfdir/rs1010.pdf> page 2

- 3.4.3** There is a wide variation between the lowest projected total available expenditure in 2034 – 0% annual growth in expenditure and a base expenditure per head of £1,668 – which is £287m, and the highest projection – 1% annual growth in expenditure and a base of £2,247 expenditure per head – which is £495m and 72% higher. It is likely that the actual figure will be somewhere in between these projections.
- 3.4.4** No conclusion has yet been drawn as to the most likely future scenario.
- 3.5.1** Leakage: While the above calculations give an indication of the amount of money which is spent on convenience shopping by people living in the Falkirk Council area, this does not take into account leakage into and out of the area. Some people living in Falkirk Council area shop outwith the area. Figures from the HS2009 suggest that 9.7% of convenience main food shopping is done outside the area, mainly in Linlithgow and Cumbernauld¹⁷. Since the survey also shows that those who shop outside the Council area spend above average amounts per head per year, a calculation was done which suggested that 11.0% of all convenience main food expenditure leaked out of the area.
- 3.5.2** Previous estimates in the amount of leakage in the first Structure Plan Study, using information for the 1998 Household Survey, suggested leakage of expenditure out of the Council area of 9.9% (para 3.16) - slightly lower than the current estimate but of the same order.
- 3.5.3** There are no figures from the 2009 household survey on the amount of leakage into the area because this was a household survey of those living in the area. Previous reports have concluded that leakage into and out of the Council area was of a very similar scale and so they assumed that the net effect on total expenditure was zero. There is no evidence to make any different assumption this time.
- 3.6.1** Sensitivity analysis: There is a considerable variation in the projected total available expenditure in the Council area by 2034 of between £287m (no growth in expenditure per head and the Council's estimate of current spend per head) and £495m (1% annual growth in spending and PDPC estimate of current spending per head). It is useful, therefore, to consider the effect of different elements in the calculations to see what changes to the assumptions would have the greatest effect on the results. Four elements are considered:
- Population
 - Expenditure per head
 - Increase in convenience expenditure
 - Expenditure leakage
- 3.6.2** The future population of the area is subject to uncertainty. The Council has opted to accept the principal population projection published by the General Register Office for Scotland as the most reasonable one based on current trends in fertility and mortality and a long term net migration assumption of +650 per year. This migration assumption is slightly higher than the recent average and can only be achieved if new house building remains high in the longer term. On the other hand, recent birth figures have been higher than those in the GROS population projections (although birth figures are notoriously difficult to forecast).
- 3.6.3** A difference of 1,000 in the population projections would give a range of between £1.668m and £2.882m of expenditure per year in the total by 2034. This is between 0.8% and 1.4% of the difference between the highest and lowest of the estimates of future expenditure in 2034. Therefore population change does not have a very great impact on the expenditure projections.
- 3.6.4** Expenditure per head is difficult to estimate, as described in section 3.2 above. This leads to a considerable variation in the estimates. On the projected population of 171,780 in 2034, £100 of extra expenditure per head equates to £17.178m, or 8.3% of the difference between the highest and lowest projected total expenditure. Thus the calculations are quite sensitive to different estimates of base expenditure per head.

¹⁷ This compares with 8.6% in the 1998 survey, so there has been little change. Only 1% was on the internet.

- 3.6.5** The real increase in expenditure per head will depend on the state of the economy and the income of the local population. Variations between no increase and a 1% per year increase have been calculated. Over the period to 2034 the difference between the lowest and highest rates on increase result in variations from £287m to £367m for the Falkirk Council expenditure per head estimate and between £386m and £495m for the RDPC estimate. These are considerable variations showing a 35% higher figure with the highest rate of increase in one case and a 28% higher figure in the other. Thus the actual rate of increase in the expenditure per head could have a significant influence on the total available expenditure by 2034. This is particularly true if the rate of increase is sustained across the whole projection period.
- 3.6.6** Leakage of expenditure into or out of the Council area will have an effect on the total available expenditure. Leakage out will reduce the expenditure while leakage in will increase it. The assumption made above (para 3.5.3) is that the net effect is currently zero with an equal amount of leakage in and out of the area. However, leakage of 1% of expenditure – in either direction – equates to between £2.87m and £4.95m in 2034 depending on the other assumptions. This is between 1.4% and 2.4% of the difference between the highest and lowest projected expenditure per head figures. Thus leakage would have to be quite substantial before it had a significant effect on the total expenditure estimates
- 3.6.7** This section shows that leakage and differences in population would have relatively low impact on the overall estimates of total expenditure, but the calculations are much more sensitive to changes in the rate of increase in convenience expenditure and to the estimates of current expenditure per head.

4.0 Shopping Floorspace

- 4.1.1** Gross retail floorspace: The second element in the capacity study required the gross floorspace in convenience retailing for settlements and specific major supermarkets and superstores which have been identified separately for the purposes of this report - that is all those over 500 sq. m gross floorspace for which specific turnover figures were calculated (see below).
- 4.1.2** In 1993, Central Regional Council carried out a retail floorspace survey using information on floorspace from the Regional Assessor's valuation files, together with a field work survey of all retail premises in the Region to find out the kind of businesses which were being carried out. Falkirk Council has updated this exercise on a number of occasions, most recently in 2009 to coincide with the date of the household survey. This has allowed the identification of new retail premises, the deletion of those no longer in retail use and any changes to the retail type to be noted.
- 4.1.3** Using kind of business codes, the 2009 floorspace information was divided into convenience, comparison, service and vacant categories. The definitions of convenience and comparison shopping are set out in Appendix 1. From this, the gross convenience floorspace figures for particular stores and shopping centres were calculated and these are shown in Table 3 which identifies the larger supermarkets and superstores separately. Floorspace figures have been rounded to the nearest 5 sq m. It should be noted in the case of the larger supermarkets where there may be an element of comparison floorspace within the store that this distinction is not made in this table which shows the total floorspace in each case. Settlement totals are shown in bold type.

Table 3: Gross retail convenience floorspace

Settlement	Specific stores included in total	Gross Convenience floorspace (sq. m)	No of units
Falkirk		38,495	67
Town centre		1,890	20
	Morrisons	7,645	1
	Asda	7,165	1
	Tesco - Central Retail Park	6,110	1

Bainsford Camelon Grahamston	Tesco - Callendar Road	4,185	1
	Iceland	715	1
	Lidl	1,300	1
		130	1
		610	6
		210	3
	Co-op - New Carron Village	3,580	1
Remainder	Lidl - New Carron Village	1,610	1
		3,345	29
Banknock		900	4
Remainder	Co-op - Haggs	735	1
		165	3
Bonnybridge		1,815	13
Town centre		260	4
Remainder	Co-op	790	1
		765	8
Bo'ness		7,000	26
Town centre		640	8
Remainder	Tesco	2,270	1
	Lidl	1,400	1
	Farmfoods	690	1
		2,000	15
Denny		5,330	21
Town centre		410	5
Remainder	Co-op	1,340	1
	Sainsbury's	1,530	1
	Iceland	705	1
		1,345	13
Grangemouth		11,770	30
Town centre		860	7
Charlotte Dundas Remainder	Asda	6,040	1
	Tesco	1,850	1
	Iceland	600	1
		710	4
		1,710	16
Polmont		2,510	4
Remainder	Co-op	2,240	1
		270	3
Brightons		500	4
Laurieston		630	3
Remainder	Co-op	500	1
		130	2
Braes - remainder		1,130	13
Larbert/Stenhousemuir		6,310	25
Town centre		700	7
Larbert Remainder	Asda	3,720	1
		500	3
		1,390	14
Rural North		375	5
Rural South		1,360	12
Total		78,125	227

Source: Falkirk Council Retail Floorspace Survey 2009

Note that figures may not total due to rounding

4.2.1 Net floorspace: Since the turnover figures used in the next section relate to **net** floorspace rather than the gross figures available from the Council's floorspace database, the gross figures had to

be converted into net. Net floorspace is the area of shops used for selling and displaying goods, this excludes storage and handling areas, preparation space and staff rooms.

4.2.2 Information was available from the Assessor's floorspace database from the original survey in 1993. This allowed approximate net to gross ratios to be calculated for each shop unit on the database for which full floorspace information was available for the previous Structure Plan study in 1999. This is now considerably out of date and because the Assessor's information often recorded floorspace as two uses e.g. sales/stock, in many cases the net floorspace may have been over estimate, although by how much it is difficult to assess.

4.2.3 These net to gross ratios were averaged for the settlements and a fairly clear pattern emerged. This showed net to gross ratios of 65% for Falkirk Town Centre; around for 80% for Falkirk outside the town centre, Bonnybridge, Bo'ness, Polmont, Stenhousemuir and the remainder of the Council area; and 90% for Banknock, Denny and Grangemouth. For individual stores, Asda in Falkirk, and the Co-op in New Carron Village had ratios of around 90%; with all the other stores in existence at that time being around 70%. These net to gross ratios are shown in Table 4 for the different centres and for the individual stores which remain in existence and under the same ownership.

Table 4: Net floorspace ratios 1999

Settlement	Specific stores	Net: gross ratio
Falkirk Town Centre		80%
		65%
	Asda	90%
	Tesco - Central Retail Park	70%
	Tesco - Callendar Road	70%
	Iceland	70%
	Co-op - New Carron Village	90%
Banknock	Lidl - New Carron Village	70%
	Co-op - Haggs	90%
Bonnybridge		70%
Bo'ness		80%
	Tesco	70%
Denny		90%
	Iceland	70%
	Co-op	70%
Grangemouth		90%
	Tesco	70%
	Iceland	70%
Polmont		80%
Stenhousemuir		80%
Remainder of Falkirk Council area		80%

4.2.4 Information in the Data Consultancy Brief 94/8 "Trading to Gross Floorspace Ratios of UK Hypermarkets and Superstores", again considerably out of date, suggested an average of only 57% net to gross ratio, which is significantly lower than the figures calculated in the previous paragraphs.

4.2.5 The Council produced a report in 2002 for the Local Plan which looked at convenience retail expenditure for sub areas of the Council¹⁸. This took into consideration the Data Consultancy information and the 1999 calculated ratios in Table 4, above, and the first retail impact assessment by Robert Drysdale Consultants on the Tesco Supermarket in Camelon which

¹⁸ Falkirk Council Local Plan Technical Report, (2002) "Convenience Shopping Capacity Study"

suggested that a realistic figure for a net to gross floorspace ratio might be in the range 60-65%. Having considered these sources, this report concluded that a ratio of 62.5% should be used.

- 4.2.6** The report by RDPC on the proposed Tesco supermarket in Glasgow Road, Camelon,¹⁹ which is the most recent retail impact survey carried out in the Council area, used an estimate of 60% as its net to gross ratio in most cases (see Table 16 in that report). However, it should be noted that there were a small number of cases in the list of stores and centres used in that report where a figure other than 60% appears to have been used. These differences were not explained.
- 4.2.7** The Council's Structure Plan report in 2004²⁰ compared three different estimates of net floorspace for ten large stores. These showed significant variations. These were the Council's net floorspace estimates from the 1999 study and two from consultants C B Hillier Parker and Robert Drysdale, taken from retail impact studies submitted in support of planning applications.
- 4.2.8** In that report, the Council's total net floorspace was significantly higher than that estimated by the two consultants, but the estimates for individual stores from the consultants also showed sizeable variations. In one case the ratio was as low as 25% (assuming current gross floorspace figures) and both averaged at just over 40% for all ten stores. The ratios from these two consultants reports are considered to be too low and too variable to apply in this study. It should also be noted that the more recent report from RPDC (the same company as Robert Drysdale) was using a 60% ratio (see para 4.2.6 above).
- 4.2.9** Most larger shops now operate "just in time" ordering, resulting in less need for storage space than previously, so it is not thought that the ratios are likely to have decreased.
- 4.2.10** Taking all the evidence from paragraphs 4.2.2 to 4.2.9, it is considered that it would be reasonable to continue to use the ratio of 62.5% which was used in the Local Plan report in 2002 as there is no sufficiently reliable evidence to justify a change.
- 4.2.11** Additional complications in calculating net convenience floorspace are that many of the larger supermarkets now have a significant proportion of comparison floorspace which has to be removed from the calculations. However, estimates were available from the RPDC 2009 retail impact study on the Tesco proposal in Camelon²¹ for the eleven stores where there is significant comparison floorspace within the stores, and these figures have been used here.²²
- 4.2.12** Table 5 shows the estimates of net convenience floorspace throughout the Council area. The stores in italics are the ones where comparison floorspace has been subtracted.

Table 5: Estimated net convenience floorspace

Settlement	Specific stores included in total	Gross convenience floorspace*	Net sales floorspace*	Net convenience floorspace*
Falkirk		38,495	24,059	20,352
Town centre		1,890	1,181	1,181
	<i>Morrison's</i>	7,645	4,778	3,916
	<i>Asda</i>	7,165	4,478	3,433

¹⁹ RDPC, July 2009 "Proposed Superstore, Glasgow Road, Camelon: Analysis of Planning Policy and Retail Impact Issues"

²⁰ Falkirk Council Structure Plan, Consultative Draft Alteration "Technical Report 3 – Retail capacity Study" para 5.6.

²¹ RDPC, July 2009 "Proposed Superstore, Glasgow Road, Camelon: Analysis of Planning Policy and Retail Impact Issues", Tables 16 and 19

²² Note that the comparison figures from the RDPC report are calculated by subtracting convenience from total net floorspace *after* the calculation of the net floorspace, and that RDPC used a variety of net to gross ratios while this report uses 62.5% throughout. Note also that the gross floorspace figures in the RDPC report do not necessarily match the ones being used in this report.

	<i>Tesco - Central Retail Park</i>	6,110	3,819	2,811
	<i>Tesco - Callendar Road</i>	4,185	2,616	2,239
	Iceland	715	447	447
	Lidl	1,300	813	813
Bainsford		130	81	81
Camelon		610	381	381
Grahamston		210	131	131
	<i>Co-op - New Carron Village</i>	3,580	2,238	1,935
	<i>Lidl - New Carron Village</i>	1,610	1,006	894
Remainder		3,345	2,091	2,091
Banknock		900	563	563
	Co-op - Haggs	735	459	459
Remainder		165	103	103
Bonnybridge		1,815	1,134	1,134
Town centre		260	163	163
	Co-op	790	494	494
Remainder		765	478	478
Bo'ness		7,000	4,375	4,307
Town centre		640	400	400
	<i>Tesco</i>	2,270	1,419	1,351
	Lidl	1,400	875	875
	Farmfoods	690	431	431
Remainder		2,000	1,250	1,250
Denny		5,330	3,331	3,331
Town centre		410	256	256
	Co-op	1,340	838	838
	Sainsbury's	1,530	956	956
	Iceland	705	441	441
Remainder		1,345	841	841
Grangemouth		11,770	7,356	6,090
Town centre		860	538	538
	<i>Asda</i>	6,040	3,775	2,567
	<i>Tesco</i>	1,850	1,156	1,098
	Iceland	600	375	375
Charlotte Dundas		710	444	444
Remainder		1,710	1,069	1,069
Polmont		2,510	1,569	1,435
	Co-op	2,240	1,400	1,266
Remainder		270	169	169
Brightons		500	313	313
Laurieston		630	394	394
	Co-op	500	81	81
Remainder		130	313	313
Braes - remainder		1,130	706	706
Larbert/Stenhousemuir		6,310	3,944	3,294
Town centre		700	438	438
	<i>Asda</i>	3,720	2,325	1,675
Larbert		500	313	313
Remainder		1,390	869	869
Rural North		375	234	234
Rural South		1,360	850	850
Total		78,125	48,828	43,003

* all figures in sq m

5.0 Turnover

- 5.1** Since the cessation of the Census of Distribution in 1971, some 40 years ago, there has been no reliable turnover information. Individual companies are understandably unwilling to release turnover figures for individual stores for commercial confidentiality reasons, and average trading figures are only of limited use since each store is individual in its location and product mix and may trade much better or worse than the company average.
- 5.2** The original study for the Council's first Structure Plan used information from the Data Consultancy²³ on turnover to floorspace ratios. However, this information was not even at that time being updated. So although this method would provide an independent estimate of turnover, it has not been possible to repeat this exercise.
- 5.3** One alternative is to use the results of the Council's Shopping Survey 2009 (HS2009) in order to estimate the turnover of each store and shopping centre. There are a number of limitations to this, including the sample size which may affect the figures for centres and shops where the number of people in the sample who shopped there regularly is small. However, this is the method used by RDPC in their retail impact studies including the latest one in 2009 in the Tesco application in Camelon.
- 5.4** The main drawback of this method is that it assumes that the total expenditure figures (see previous section) are correct and simply distributes them across the stores and centres in the Council area using the results of the HS2009. So it becomes a somewhat circular argument to compare these turnover figures with the expenditure figures from the HS2009. Nonetheless, this method does provide an indication of which stores and centres are trading well and where there may be some capacity to add additional floorspace.
- 5.5** The method used by RDPC was replicated from the HS2009 data and using both the RDPC and the Household Survey estimates of total expenditure in 2009. RDPC proportions of different types of shopping were accepted and the appropriate results from the survey questions as follows²⁴:
- Main food spend 56% -Q9b – which one place household does main food shopping
 - Supplementary main food 25% -Q9a – which places does household regularly use for main food shopping
 - Top-up spend 18% - Q17b – which one is the main place household uses for top-up shopping
 - Internet 1% - Q7 – households who mainly shop on the internet.
- 5.6** It was not possible, given the limitations of the sample survey, to calculate expenditure figures for all the centres and stores included in the floorspace calculation. This is particularly true for the smaller stores and centre. However, the majority of stores and centres are given in Table 6 which shows the estimated distribution of convenience expenditure by centre and individual store. Unsurprisingly, the distribution in percentage terms is very similar to that in the RDPC report.

Table 6: Distribution of convenience expenditure 2009

Settlement	Specific stores included in total	Household Survey expenditure	RDPC expenditure
Falkirk Town centre	Morrison's Asda	£3.283m £21.337m £51.250m	£4.423m £28.744m £69.040m

²³ Falkirk Council Structure Plan Technical Appendix 3 "Convenience Shopping Capacity Study", 2002, para 5.1

²⁴ RDPC, July 2009 "Proposed Superstore, Glasgow Road, Camelon: Analysis of Planning Policy and Retail Impact Issues", Table 6

Bainsford Camelon	Tesco - Central Retail Park	£41.475m	£55.872m
	Tesco - Callendar Road	£12.236m	£16.483m
	Lidl	£1.525m	£2.054m
		£0.032m	£0.044m
		£0.470m	£0.633m
	Co-op - New Carron Village	£2.110m	£2.842m
Remainder	Lidl - New Carron Village	£1.272m	£1.715m
		£3.339m	£4.498m
Banknock		£0.545m	£0.735m
Bonnybridge	Co-op	£1.777m	£2.394m
Remainder		£0.198m	£0.267m
Bo'ness	Tesco	£14.168m	£19.086m
Remainder		£3.333m	£4.490m
Denny	Co-op	£3.840m	£5.174m
Remainder	Sainsbury's/Iceland	£3.721m	£5.014m
		£0.367m	£0.494m
Grangemouth	Asda	£36.264m	£48.852m
Remainder	Tesco	£8.166m	£11.000m
		£1.954m	£2.632m
Polmont	Co-op	£2.289m	£3.084m
Laurieston	Co-op	£0.490m	£0.660m
Remainder		£0.016m	£0.022m
Braes - remainder		£0.113m	£0.153m
Larbert/Stenhousemuir	Asda		
Town centre		£0.552m	£0.744m
Remainder		£13.436m	£18.099m
		£0.549m	£0.739m
Rural North		£0.162m	£0.218m
Rural South		£0.291m	£0.393m
Other Falkirk		£0.376m	£0.508m
Total		£230.940m	£311.105m

Note that due to rounding figures may not add to total

- 5.7** These figures give an indication of which stores and centres are trading well and which are doing rather less well. Table 7 shows the estimated turnover per sq m calculated by dividing the figures for total turnover in Table 6 by the net floorspace figures in Table 5.

Table 7: Estimated turnover per sq m (net) 2009

Settlement	Specific stores included in total	Household Survey expenditure	RDPC expenditure
Falkirk town centre		£2,016	£2,716
Bainsford Camelon	Morrison's	£5,449	£7,340
	Asda	£14,928	£20,110
	Tesco - Central Retail Park	£14,756	£19,978
	Tesco - Callendar Road	£5,466	£7,363
	Lidl	£1,877	£2,528
		£399	£537
Remainder	Co-op - New Carron Village	£918	£1,236
	Lidl - New Carron Village	£1,091	£1,469
		£1,423	£1,917
		£1,597	£2,152
Banknock		£970	£1,306
Bonnybridge	Co-op	£3,590	£4,948
Remainder		£309	£416
Bo'ness	Tesco	£10,489	£14,130

Remainder		£1,127	£1,519
Denny	Co-op	£4,586	£6,177
	Sainsbury's/Iceland	£3,892	£5,243
Remainder		£239	£322
Grangemouth	Asda	£14,127	£19,031
	Tesco	£7,435	£10,016
Remainder		£806	£1,085
Polmont	Co-op	1,808	£2,436
Laurieston	Co-op	£1,568	£2,112
Remainder		£199	£269
Larbert/Stenhousemuir town centre		£1,263	£1,701
	Asda	£8,021	£10,806
Remainder		£465	£626
Rural North		£691	£931
Rural South		£434	£462
Other Falkirk		£412	£555
Total		£5,370	£7,234

5.8 There are limitations in the survey data, in particular in relation to the smaller stores and centres where the number of responses in the survey was small, and so they appear to have lower turnovers than they probably do in reality. Table 7 also shows the high level of trading in the three Asda stores – including the new one at Stenhousemuir – and the Tesco site, in particular Central Retail Park.

5.9 Because the turnover figures have been constructed from the HS2009, they necessarily exclude expenditure on internet shopping, and leakage - both spending by Falkirk residents outside the Council area and, more importantly from a turnover point of view, spending by people from outside the area in shops within Falkirk. So, at a Council area level (excluding the expenditure mentioned above) the figures for turnover and available expenditure are quite close in 2009 (see Table 8). It is therefore difficult to draw any conclusions from the comparison of available expenditure and turnover in relation to need for additional convenience floorspace (or otherwise) at a Council area level. However, the following section of the report looks at available expenditure and turnover at a sub area level and this is much more fruitful in terms of assessing the need for additional floorspace (or otherwise).

Table 8: Comparison of available expenditure and turnover 2009

	Household Survey	RDPC
Available expenditure	£254m	£343m
Turnover	£231m	£311m

5.10 The increase in future available expenditure is somewhat uncertain as it is dependent on the rate of growth in both the population and expenditure in real terms. The anticipated growth in the population would lead to the conclusion that there will be a need for some additional convenience floorspace, certainly in the longer term (this is assuming that there is currently a balance between available expenditure and turnover in local shops). This might be around 13% which corresponds to the anticipated growth in the population. Also, if expenditure per head were to grow in real terms, there could be some scope for additional floorspace to carry additional convenience goods – assuming that the increased expenditure is spent on additional products rather than people trading up to more expensive brands.

6.0 Retail patterns at a sub area level

6.1 For the Local Development Plan the Council area has been sub divided into six sub areas each of which is being considered separately. These are:

- Bo'ness
- Denny and Bonnybridge
- Falkirk

- Grangemouth
- Larbert, Stenhousemuir and Rural North
- Polmont and Rural South

These areas are shown on the map in Appendix 2.

6.2.1 Retail self containment: These areas were defined as housing sub market areas within the Council, but for many purposes they can also be considered as self contained or at least partially self contained. From a retail point of view, information from the 2009 Household Survey can be used to show the extent to which people living in each area also do most of their shopping in that area and also the other areas in which they shop²⁵. Table 9 shows how self contained each area is for all centres regularly used and the level of self containment for the centres most frequently used.

Table 9: Retail self containment convenience shopping –% of trips

All centres regularly used						
Area where shopping is done	Area of residence					
	Bo'ness	Denny and Bonnybridge	Falkirk	Grangemouth	Larbert/Stenhousemuir and Rural North	Polmont and Rural South
Bo'ness	40.9%	0.0%	0.0%	0.5%	0.0%	0.7%
Denny and Bonnybridge	0.0%	15.8%	0.2%	0.0%	0.6%	0.0%
Falkirk	24.1%	58.9%	94.2%	26.6%	51.0%	73.6%
Grangemouth	24.1%	0.4%	2.6%	71.3%	11.2%	15.3%
Larbert/Stenhousemuir and Rural North	0.0%	0.9%	2.3%	0.5%	31.9%	0.0%
Polmont and Rural South	0.0%	0.0%	0.0%	0.0%	0.0%	3.5%
Outside Council area	11.0%	24.0%	0.8%	1.0%	5.3%	6.8%
Centres most frequently used						
Area where shopping is done	Area of residence					
	Bo'ness	Denny and Bonnybridge	Falkirk	Grangemouth	Larbert/Stenhousemuir and Rural North	Polmont and Rural South
Bo'ness	38.9%	0.0%	0.0%	0.5%	0.0%	0.2%
Denny and Bonnybridge	0.0%	12.2%	0.3%	0.0%	0.0%	0.0%
Falkirk	18.6%	56.4%	93.9%	15.5%	45.0%	76.4%
Grangemouth	30.4%	0.3%	2.9%	81.8%	12.6%	14.8%
Larbert/Stenhousemuir and Rural North	0.0%	1.3%	2.3%	0.0%	38.2%	0.0%
Polmont and Rural South	0.0%	0.0%	0.0%	0.0%	0.0%	1.7%
Outside Council area	12.1%	29.8%	0.6%	2.1%	4.2%	6.9%

6.2.2 Table 9 shows two very similar patterns with both Falkirk and Grangemouth showing high levels of self containment, especially Falkirk where over 90% of shopping trips of those living in the area are within the area. Larbert, Stenhousemuir and Rural North and Bo'ness sub areas have

²⁵ It should be noted that it is not possible to get an exact match between the travel zones used in the 2009 Household Survey and the six LDP sub areas. In the case of the Hallglen/Shieldhill travel zone it has been allocated to the Polmont and Rural South LDP sub area although Hallglen is in the Falkirk LDP sub area.

similar levels of self containment at around 30-40%, but both Denny and Bonnybridge and Polmont and Rural South have very low levels of self containment. It should be noted that these tables are based on numbers of trips and not on expenditure.

6.2.3 It could be argued that the level of self containment provides one measure of the capacity of each sub area to take new retail developments. In that case, it would seem that on the 2009 retail pattern, there is no need for additional capacity in Falkirk or Grangemouth, there is some capacity in Larbert, Stenhousemuir and Rural North and Bo'ness sub areas and significant capacity in Denny and Bonnybridge and Polmont and Rural South. However, a new Tesco store opened at Redding in 2009, after the completion of the household survey, and will have affected the retail patterns in Polmont and Rural South providing an intervening opportunity between that sub area and the stores in Falkirk which in 2009 attracted almost 75% of the convenience retail trips from the area.

6.3.1 Expenditure projections: Some estimate can be made of the likely levels of expenditure available in each sub area both now and in the future based on the population and expenditure per head figures. Because these figures become less reliable at a small area level, the figures are only given for 2009, 2021 and 2034 and only for the highest and lowest estimates of expenditure per head and for the highest and lowest growth rates. This shows the highest and lowest total expenditure estimates which can be compared with the Falkirk Council totals.

Table 10: Convenience expenditure projections – sub areas

Bo'ness					
Year	Population	0% growth		1% growth	
		Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure
2009	15,337	£1,668	£25.6m	£2,247	£34.5m
2021	15,891	£1,668	£26.5m	£2,532	£40.2m
2034	17,381	£1,668	£29.0m	£2,882	£50.1m
Denny and Bonnybridge					
Year	Population	0% growth		1% growth	
		Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure
2009	26,517	£1,668	£44.2m	£2,247	£59.6m
2021	31,297	£1,668	£52.2m	£2,532	£79.2m
2034	33,421	£1,668	£55.7m	£2,882	£96.3m
Falkirk					
Year	Population	0% growth		1% growth	
		Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure
2009	38,215	£1,668	£63.7m	£2,247	£95.9m
2021	37,882	£1,668	£63.2m	£2,532	£95.9m
2034	35,499	£1,668	£59.2m	£2,882	£102.3m
Grangemouth					
Year	Population	0% growth		1% growth	
		Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure
2009	16,838	£1,668	£28.1m	£2,247	£37.8m
2021	15,804	£1,668	£26.4m	£2,532	£40.0m
2034	14,385	£1,668	£24.0m	£2,882	£41.4m
Larbert/Stenhousemuir and Rural North					
Year	Population	0% growth		1% growth	
		Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure

2009	26,513	£1,668	£44.2m	£2,247	£59.6m
2021	27,991	£1,668	£46.7m	£2,532	£70.9m
2034	31,614	£1,668	£52.7m	£2,882	£91.1m
Polmont and Rural South					
Year	Population	0% growth		1% growth	
		Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure
2009	29,060	£1,668	£48.5m	£2,247	£65.3m
2021	33,909	£1,668	£56.6m	£2,532	£85.9m
2034	39,478	£1,668	£65.8m	£2,882	£113.8m
Falkirk Council					
Year	Population	0% growth		1% growth	
		Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure
2009	152,480	£1,668	£254m	£2,247	£343m
2021	162,774	£1,668	£272m	£2,532	£412m
2034	171,778	£1,668	£287m	£2,882	£495m

2009 prices

- 6.3.2** Table 10 shows that in those areas where the population is expected to grow, there will be significant growth in total available expenditure. While the total expenditure growth under the 0% growth scenario for the Council area as a whole will be 14% by 2034, it will grow by as much as 26% in Denny and Bonnybridge and 36% in Polmont and Rural South but fall by 15% in Grangemouth in line with the projected change in the population.
- 6.3.3** On the other hand, if the highest expenditure per head figures are used together with a 1% growth in expenditure, total available expenditure will grow in all areas by 2034, although it will grow least in Grangemouth (9.5%), but by as much as 61.6% in Denny and Bonnybridge.
- 6.3.4** The figures in Table 10 are based on the assumption that the expenditure per head figures are the same across the whole of the Council area. This will in reality not be the case as some areas within the Council area are better off than others and have different family size mixes. There is very little income data available at a small area level – and it is limited even for the Council area as a whole. However, some indication of the variation in income is shown in Table 11 which provides average household income data for each of the six sub areas from CACI PayCheck.

Table 11: Average household income by sub area 2009

Sub area	Average household income
Bo'ness	£34,792
Denny and Bonnybridge	£34,880
Falkirk	£31,679
Grangemouth	£28,322
Larbert, Stenhousemuir and Rural North	£38,218
Polmont and Rural South	£37,685
Falkirk Council	£34,225

Source: CACI PayCheck 2009

- 6.3.5** Using the ratio of the average household income in each sub area to the Council average to adjust the expenditure per head figures for each area and controlling to the Council area totals gives the expenditure per head per sub area and the total available expenditure figures shown in Table 12. These calculations assume that the differential incomes between the sub areas remain the same across the LDP period.

Table 12: Adjusted convenience expenditure projections by sub area

Bo'ness					
Year	Population	0% growth		1% growth	

		Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure
2009	15,337	£1,675	£25.7m	£2,269	£34.8m
2021	15,891	£1,675	£26.6m	£2,543	£40.4m
2034	17,381	£1,675	£29.2m	£2,871	£49.9m
Denny and Bonnybridge					
		0% growth		1% growth	
Year	Population	Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure
2009	26,517	£1,679	£44.5m	£2,274	£60.3m
2021	31,297	£1,679	£52.6m	£2,549	£79.8m
2034	33,421	£1,679	£56.1m	£2,879	£96.2m
Falkirk					
		0% growth		1% growth	
Year	Population	Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure
2009	38,215	£1,525	£58.3m	£2,065	£78.9m
2021	37,882	£1,525	£57.8m	£2,315	£87.7m
2034	35,499	£1,525	£54.1m	£2,615	£92.8m
Grangemouth					
		0% growth		1% growth	
Year	Population	Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure
2009	16,838	£1,363	£23.0m	£1,847	£31.1m
2021	15,804	£1,363	£21.5m	£2,070	£32.7m
2034	14,385	£1,363	£19.6m	£2,337	£33.6m
Larbert/Stenhousemuir and Rural North					
		0% growth		1% growth	
Year	Population	Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure
2009	26,513	£1,840	£48.8m	£2,492	£66.1m
2021	27,991	£1,840	£51.5m	£2,792	£78.2m
2034	31,614	£1,840	£58.2m	£3,154	£99.7m
Polmont and Rural South					
		0% growth		1% growth	
Year	Population	Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure
2009	29,060	£1,814	£52.7m	£2,457	£71.4m
2021	33,909	£1,814	£61.5m	£2,754	£93.4m
2034	39,478	£1,814	£71.6m	£3,110	£122.8m
Falkirk Council					
		0% growth		1% growth	
Year	Population	Expenditure per head	Total available expenditure	Expenditure per head	Total available expenditure
2009	152,480	£1,668	£254m	£2,247	£343m
2021	162,774	£1,668	£272m	£2,532	£412m
2034	171,778	£1,668	£287m	£2,882	£495m

Note that due to rounding error the figures for the sub areas may add to the Council area total

6.3.6 The figures for available expenditure from Table 12 can be compared in 2009 with the turnover figures for each of the six sub areas in that year. This comparison is shown in Table 13, but it must be remembered that the turnover figures are derived from the HS2009 data and so the only

conclusions which can be drawn relate to the degree to which the estimated expenditure in each area can be compared with the estimated turnover.

Table 13: Comparison of expenditure and turnover by sub area 2009

Sub area	Convenience expenditure		Turnover		Difference	
	Household Survey	RDPC	Household Survey	RDPC	Household Survey	RDPC
Bo'ness	£25.7m	£34.8m	£17.5m	£23.6m	+ £8.2m	+ £11.2m
Denny and Bonnybridge	£44.5m	£60.3m	£10.4m	£14.1m	+ £34.1m	+ £46.2m
Falkirk	£58.3m	£79.0m	£138.3m	£186.3m	- £80.0m	- £107.3m
Grangemouth	£23.0m	£31.1m	£46.4m	£62.5m	- £23.4m	- £31.4m
Larbert, Stenhousemuir and Rural North	£48.8m	£66.1m	£14.7m	£19.8m	+ £34.1m	+ £46.3m
Polmont and Rural South	£52.7m	£71.4m	£3.1m	£4.2m	+ £49.6m	+ £67.2m
Total	£254m	£343m	£231m	£311m	+ £23m	+ £32m

Note that some turnover could not be allocated to sub areas and so the figures for sub areas do not add to the Council area totals

- 6.3.7** Table 13 shows the areas where there was apparently more expenditure available than turnover in 2009 (positive values in the table). Both Falkirk and Grangemouth sub areas have higher turnover than expenditure available in the area from the local population, while three of the other four sub areas have considerably more available expenditure than is being spent in convenience shops in their area. Bo'ness shows a small surplus of available expenditure too.

7.0 Changes in retail system

- 7.1** Since the Household Survey was carried out in 2009 there have been some significant changes to the retail system. In 2010 Tesco opened a large new store in Redding (6,940 sq m gross floorspace) in the Polmont and Rural South sub area and simultaneously closed their smaller store in Falkirk at Callendar Road (4,185 sq m gross floorspace). In addition, Tesco received planning consent for a 5,540 sq m (gross) superstore in Glasgow Road, Camelon. It is anticipated that this store will open in late 2011 or early 2012.
- 7.2** These changes obviously affect the shopping patterns of Falkirk Council residents which were identified in the HS2009 before these stores were opened and will affect the turnover of the remaining stores and centres, some of which are likely to already have lost trade to the new store at Redding, while others will lose trade once the new store opens in Camelon.
- 7.3** RDPC in carrying out their impact assessment for the planning application for the Camelon store made some estimates of the likely effect of the new store²⁶. They included estimates of the trade diversion to the new Tesco store at Redding and the proposed store at Camelon but did not account for the closure of the store at Callendar Road, Falkirk. These estimates are considered reasonable and, in the absence of any alternatives, have been used in to calculate the likely effect on expenditure patterns.
- 7.4** On the other hand RDPC also made some assumptions about additional floorspace in the Denny Town Centre redevelopment. This development is still subject to planning applications which have not yet been approved and so it has been decided not to include this development in the revised calculations below. Instead, it is proposed to recommend that additional floorspace may be required in the Denny and Bonnybridge sub area (see para 6.3.7 above). Thus the outstanding planning applications would fit with the conclusions and analysis here.

²⁶ RDPC, July 2009 "Proposed Superstore, Glasgow Road, Camelon: Analysis of Planning Policy and Retail Impact Issues", p22.

- 7.5** It is relatively straightforward to take account of the closure of the Tesco Callendar Road store as there is sufficient information in the household survey to reallocate the expenditure among the six sub areas. The data is not considered to be sufficiently robust to allocate expenditure to particular stores. Table 14 shows the sub areas from which the HS2009 showed that expenditure in the store came.

Table 14: Spend at Tesco Callendar Road

Sub area	% of turnover
Bo'ness	3.8%
Denny and Bonnybridge	7.3%
Falkirk	33.7%
Grangemouth	6.5%
Larbert, Stenhousemuir and Rural North	0.8%
Polmont and Rural South	47.8%

- 7.6** With the opening of the new Tesco store at Redding, it is assumed that all the expenditure at the Tesco in Callendar Road from the Polmont and Rural South area is transferred to the new store in that area. While it is unlikely that all expenditure will transfer, it is not possible to estimate what that percentage would be. Also, it is assumed that the expenditure from all the other sub areas will remain within the Falkirk sub area. It seems a reasonable assumption that those living in the Falkirk sub area are unlikely to travel to a store in another area for their shopping. It is further assumed that those in the remaining four sub areas who shopped at Tesco in Callendar Road did so because they wished to shop in the Falkirk area, for example because it was convenient for their place of work, and they will therefore continue to do so.
- 7.7** RPDC in carrying out their impact assessment for the planning application for the Camelon store made some estimates of the likely effect of the new Tesco store at Redding²⁷. They estimated that it would take some 9.8% of the total turnover in the area. They also estimated that 7% of its turnover would come from the Grangemouth area and the remainder from the Polmont and Rural South area. However, some of these people would have previously shopped in Falkirk or Grangemouth as well as outside the Council area. Applying these figures, gives Table 15. This shows the change in turnover in each sub area in £m for each of the two sets of turnover estimates.

Table 15: Estimated change in turnover from new Tesco store at Redding (2009 prices)

Sub area	Turnover change	
	Household Survey	RDPC
Bo'ness	- £0.3m	- £0.4m
Denny and Bonnybridge	£0m	£0m
Falkirk	- £17.1m	- £23.0m
Grangemouth	- £4.1m	- £5.5m
Larbert, Stenhousemuir and Rural North	£0m	£0m
Polmont and Rural South	+ £22.6m	+ £30.5m
Elsewhere	- £1.2m	- £1.6m

- 7.8** The figures in Table 15 show that the new store in Redding draws most of its trade from stores in the Falkirk sub area, including trade from the closure of the Tesco store at Callendar Road considered above in para 7.5 and 7.6. Trade drawn from elsewhere represents the estimated amount of expenditure currently leaking from the Council area which might be expected to return to the area.
- 7.9** RPDC also estimated the turnover and trade draw of the proposed Tesco store at Camelon which has now received planning consent. They estimated that 8% of total turnover would be

²⁷ RDPC, July 2009 "Proposed Superstore, Glasgow Road, Camelon: Analysis of Planning Policy and Retail Impact Issues", Tables 18, 20, 21 and 24.

taken by the new store at Camelon. Table 16 shows the estimated change in turnover in each sub area in £m for each of the two sets of turnover estimates.

Table 16: Estimated change in turnover from proposed Tesco store at Camelon (2009 prices)

Sub area	Turnover	
	Household Survey	RDPC
Bo'ness	£0m	£0m
Denny and Bonnybridge	£0m	£0m
Tesco Camelon	+ £18.4m	+ £24.8m
Elsewhere in Falkirk	- £16.0m	- £21.6m
Grangemouth	- £0.4m	- £0.5m
Larbert, Stenhousemuir and Rural North	- £0.5m	- £0.7m
Polmont and Rural South	- £0.1m	- £0.2m
Elsewhere	- £1.4m	- £1.9m

7.10 Table 16 shows that the main impact of the new store at Camelon is expected to be on other shops in the Falkirk area with only a small effect on other areas.

7.11 Taking all the changes considered in the previous paragraphs, it is then possible to create a revised version of Table 13 to compare the available expenditure in each sub area with the turnover following the new and planned retail developments.

Table 17: Comparison of expenditure and turnover by sub area including recent developments 2009

Sub area	Convenience expenditure		Turnover		Difference	
	Household Survey	RDPC	Household Survey	RDPC	Household Survey	RDPC
Bo'ness	£25.7m	£34.8m	£17.2m	£23.2m	+ £8.5m	+ £11.6m
Denny and Bonnybridge	£44.5m	£60.3m	£10.4m	£14.1m	+ £34.1m	+ £46.2m
Falkirk	£58.3m	£79.0m	£123.7m	£166.6m	- £65.4m	- £87.6m
Grangemouth	£23.0m	£31.1m	£41.9m	£56.4m	- £18.9m	- £25.3m
Larbert, Stenhousemuir and Rural North	£48.8m	£66.1m	£14.2m	£19.2m	+ £34.6m	+ £41.9m
Polmont and Rural South	£52.7m	£71.4m	£25.6m	£34.5m	+ £27.1m	+ £36.9m
Total	£254m	£343m	£233m	£314m	+ £21m	+ £29m

7.12 Table 17 shows a small increase in total turnover within the Council area compared to Table 13 due to the diversion of a small amount of expenditure which the HS2009 showed was leaking to retail centres outwith the Council area back into the area with the opening of the two new stores at Redding and Camelon.

7.13 The major change in turnover is the increase in the Polmont and Rural South area with the opening of the new Tesco store at Redding and the closure of the Tesco store at Callendar Road and the consequent reduction of turnover in the Falkirk area. The net effect of the new store at Camelon at a sub area level is likely to be small, with most of the effect being on other stores in the Falkirk area.

7.14 However, Falkirk retains significantly higher turnover than available expenditure figures and there remains a considerable excess of available expenditure in the Polmont and Rural South area.

8.0 Conclusions

8.1 This paper had considered the available expenditure for convenience shopping in the Falkirk Council area and its six sub areas as an input to the Local Development Plan currently being prepared. This has used information from the Council's 2009 Household Survey to estimate the

available expenditure in 2009 and also the turnover in each the settlements and the sub areas including some of the major stores.

- 8.2** Available expenditure has been projected for the Council area and the sub areas across the lifetime of the LDP to give an indication of different growth scenarios.
- 8.3** Overall, the current retail pattern seems to be in a reasonable balance across the Council area, although this is somewhat inevitable given that the method to calculate expenditure and turnover relies on the same data source – the 2009 Household Survey. However, there is no evidence in terms of excessive demand for new floorspace or large numbers of vacant premises to suggest anything else. Estimated turnover ratios suggest that some stores are probably ‘overtrading’ whilst others are ‘undertrading’. There is some evidence of continuing demand for new store locations, although this is probably driven by certain national operators wishing establish, or increase, market share in the area, rather than any notional underprovision.
- 8.4** Given the current balance, future requirements for additional floorspace overall in the Council area will depend on the continued population growth which do indicate that over the period of the LDP there will be some capacity for additional floorspace. Further requirements will be dependent on real growth in expenditure which is largely outwith the control of the Council and will depend on national economic conditions.
- 8.5** At a sub area level, it is obvious from the mismatch between the expenditure available in each area and the current turnover of stores in each area (Table 17), that there is no requirement for additional convenience floorspace in either the Falkirk or Grangemouth sub areas, where capacity exceeds current and likely future available expenditure, especially since these two areas are the ones which are likely to see a decline in population across the period of the LDP.
- 8.6** However, in the case of Falkirk, it currently acts as the regional retail centre attracting customers for comparison as well as for convenience shopping. It is therefore likely that Falkirk will continue to have an excess of convenience floorspace compared to available expenditure requirements. So policy consideration should be given to the extent to which the Council wishes to retain, or perhaps even increase, the attractiveness of Falkirk as a retail centre by providing a range of convenience shopping opportunities.
- 8.7** In the longer term, the issue for Grangemouth may be how to retain the existing convenience capacity, in particular the two major Asda and Tesco stores.
- 8.8** While Bo’ness shows a current excess of available expenditure compared to floorspace turnover, the figures are relatively small and do not equate to the turnover of a single superstore. Modest population growth may take place in the sub area within the period of the LDP. This would suggest that policy might be to maintain or expand existing capacity rather than looking to attract additional large stores.
- 8.9** The other three sub areas have apparently considerable capacity to retain more of their available convenience expenditure within their areas. In spite of the development of the new Asda store in Stenhousemuir, their remains considerable excess available expenditure in the Larbert Stenhousemuir and Rural North sub area. It may be that there is still scope for this relatively new store to attract more expenditure, or indeed for further floorspace to be provided. However the proximity and attractiveness of Falkirk Town Centre as a main food shopping destination may limit the scope for major additional floorspace in the local area.
- 8.10** The proposed redevelopment of Denny Town Centre is intended to improve the convenience shopping opportunities in that sub area, and this study confirms that there is more than sufficient available expenditure within the area which could be attracted to a well designed development.
- 8.11** In spite of the opening of the new store at Redding, there remains convenience expenditure within the Polmont and Rural South sub area which is going elsewhere. Given the geography of the area and the lack of any retail centres of any size, it is difficult to see where further significant convenience floorspace could be developed. There is nevertheless the potential for the area to

retain more of its expenditure if a suitable development was proposed. As with Larbert/Stenhousemuir, the proximity of Falkirk Town Centre may be a constraining factor.

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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

Local Development Plan Sub Areas

Appendix 2



Falkirk Council

Larbert, Stenhousemuir and Rural North

Denny and Bonnybridge

Falkirk

Grangemouth

Bo'ness

Polmont and Rural South



Scale
1:120,000

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