

BROMSGROVE CAPACITY MODEL 2010

Project: Bromsgrove Retail Capacity Study Update 2010
 Latest Revision: 26/11/2010

Client: Bromsgrove District Council

TABLE 1
CATCHMENT AREA POPULATION FORECASTS

Zone	Area	Sectors	2010	2015	2020	2025
1	Bromsgrove	B45 9, B60 1, B60 2, B60 3, B60 4, B61 0, B61 7, B61 8, B61 9	67,921	72,266	75,734	79,553
2	Northfield	B29 5, B30 1, B30 2, B30 3, B31 1, B31 2, B31 3, B31 4, B31 5, B32 1, B32 4, B38 0, B38 8, B38 9, B45 0, B45 8, B47 5, B47 6, B62 0, B68 0, B90 1, DY9 9	183,750	188,950	193,361	198,088
3	Redditch	B48 7, B80 7, B96 6, B97 4, B97 5, B97 6, B98 0, B98 7, B98 8, B98 9	97,795	100,539	102,600	104,934
4	Droitwich	WR3 7, WR9 0, WR9 7, WR9 8, WR9 9	44,281	45,928	47,200	48,622
5	Kidderminster	DY8 2, DY9 0, DY9 7, DY10 3, DY10 4, DY11 7, DY12 1, DY12 2, DY13 8, DY13 9	75,176	76,697	77,900	77,900
TOTAL			468,923	484,380	496,795	509,097

SOURCE: CB Richard Ellis Profile Report September 2010

NOTES: The figures for 2010 and 2015 are population projections based on MapInfo. % growth by CB Richard Ellis based on straight line projections from MapInfo population projection for 2019.

TABLE 2a

CATCHMENT AREA RETAIL EXPENDITURE FORECASTS (2007 prices)

PER CAPITA EXPENDITURE	2007							
	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5			
Convenience Goods	1,879	1,728	1,774	1817	1,750			
Comparison Goods	3,168	2,783	2,929	3,041	2,881			
GROWTH IN PER CAPITA RETAIL EXPENDITURE:								
Convenience Goods:	0.40% pa 2007/8		-1.50% pa 2008-2009					
	-0.1% pa 2009-2010		0.4% pa 2010-2025					
Comparison Goods:	2.8% pa 2007/8		3.8% pa 2008-2009					
	1.3% pa 2009-2010		3.7% pa 2010-2015					
	3.8% pa 2015-2025							
PER CAPITA EXPENDITURE	Convenience Goods				Comparison Goods			
	2010	2015	2020	2025	2010	2015	2020	2025
Zone 1:	1,672	1,626	1,576	1,522	3,424	3,679	3,977	4,313
Zone 2:	1,692	1,645	1,594	1,540	3,008	3,232	3,494	3,789
Zone 3:	1,737	1,689	1,636	1,581	3,166	3,402	3,677	3,988
Zone 4:	1,779	1,730	1,676	1,619	3,287	3,532	3,818	4,140
Zone 5:	1,713	1,666	1,614	1,560	3,114	3,346	3,617	3,922
Catchment Zone	TOTAL RETAIL EXPENDITURE							
	CONVENIENCE GOODS				COMPARISON GOODS			
	2010	2015	2020	2025	2010	2015	2020	2025
	(£M)	(£M)	(£M)	(£M)	(£M)	(£M)	(£M)	(£M)
1	113.59	117.50	119.34	121.11	232.59	265.90	301.20	343.12
2	310.87	310.78	308.23	305.05	552.76	610.75	675.56	750.55
3	169.85	169.77	167.90	165.90	309.62	342.02	377.27	418.45
4	78.77	79.43	79.11	78.73	145.56	162.22	180.19	201.31
5	128.80	127.76	125.76	121.49	234.11	256.64	281.75	305.56
TOTALS	801.89	805.24	800.34	792.29	1,474.65	1,637.53	1,815.97	2,018.99

SOURCES: Pitney Bowes for expenditure growth - Information Brief 10/11

NOTES: Convenience expenditure grown at:
- 2007-2008 at 0.4% (Pitney Bowes Retail Expenditure Guide 2010/2011; Table 3.2, P22, September 2010)
- 2008-2009 at -1.5% (Pitney Bowes Retail Expenditure Guide 2010/2011; Table 3.2, P22, September 2010)
- 2009-2010 at -0.1% (Pitney Bowes Retail Expenditure Guide 2010/2011; Table 3.4, P24, September 2010)
- 2010-2025 at 0.4% (Pitney Bowes Retail Expenditure Guide 2010/2011; Table 3.4, P24, September 2010)

Comparison expenditure grown at:
- 2007-2008 at 4.6% (Pitney Bowes Retail Expenditure Guide 2009/2010; Table 3.3, P22, September 2009)
- 2008-2012 at 1.6% (Pitney Bowes Retail Expenditure Guide 2009/2010; Table 3.3, P22, September 2009)
- 2012-2017 at 2.9% (Pitney Bowes Retail Expenditure Guide 2009/2010; Table 3.3, P22, September 2009)
- 2017-2025 at 2.9% (Pitney Bowes Retail Expenditure Guide 2009/2010; Table 3.3, P22, September 2009)

SFT for convenience expenditure grown at:
- 2010 at 3.7% (Experian Retail Planner Note 8.1)
- 2010-2015 at 4.7% (Experian Retail Planner Note 8.1)
- 2015-2020 at 5% (Experian Retail Planner Note 8.1)
- 2020-2025 at 5.3% (Experian Retail Planner Note 8.1)

SFT for comparison expenditure grown at:
- 2010 at 8.8% (Experian Retail Planner Note 8.1)
- 2010-2015 at 10.4% (Experian Retail Planner Note 8.1)
- 2015-2020 at 10.3% (Experian Retail Planner Note 8.1)
- 2020-2025 at 10% (Experian Retail Planner Note 8.1)

Table 2b

CATCHMENT AREA COMPARISON GOODS EXPENDITURE BY GOODS CATEGORIES 2007

Comparison Goods Categories										
	Clothing & footwear	Furniture/ floorcvrgs	Household Textiles	Domestic Appliances	Radio, TV HiFi, etc	DIY goods & decrtrs spls	Chemists goods & cosmetics	Other Uses	TOTAL	
Zone 1: per capita expenditure	£ 821	£ 478	£ 333	£ 106	£ 475	£ 387	£ 466	£ 359	£	£ 3,424
% of Total Comparison Spend	24%	14%	10%	3%	14%	11%	14%	10%		100%
Zone 2: per capita expenditure	£ 721	£ 420	£ 293	£ 93	£ 417	£ 331	£ 410	£ 324	£	£ 3,008
% of Total Comparison Spend	24%	14%	10%	3%	14%	11%	14%	10%		100%
Zone 3: per capita expenditure	£ 759	£ 442	£ 308	£ 98	£ 439	£ 348	£ 431	£ 341	£	£ 3,166
% of Total Comparison Spend	24%	14%	10%	3%	14%	11%	14%	10%		100%
Zone 4: per capita expenditure	£ 749	£ 436	£ 304	£ 97	£ 433	£ 344	£ 426	£ 337	£	£ 3,126
% of Total Comparison Spend	24%	14%	10%	3%	14%	11%	14%	10%		100%
Zone 5: per capita expenditure	£ 732	£ 435	£ 303	£ 96	£ 432	£ 343	£ 424	£ 350	£	£ 3,114
% of Total Comparison Spend	24%	14%	10%	3%	14%	11%	14%	10%		99%
Catchment Zones:	(£M)	(£M)	(£M)	(£M)	(£M)	(£M)	(£M)	(£M)	(£M)	(£M)
1	55.75	32.47	22.64	7.20	32.23	26.27	31.67	24.36		232.59
2	132.49	77.17	53.79	17.11	76.60	60.80	75.27	59.52		552.76
3	74.21	43.23	30.13	9.58	42.91	34.06	42.16	33.34		309.62
4	33.18	19.33	13.47	4.28	19.18	15.23	18.85	14.91		138.43
5	55.02	32.69	22.78	7.25	32.44	25.75	31.88	26.30		234.11
TOTAL	350.64	204.89	142.82	45.42	203.37	162.11	199.84	158.43		1,467.52

SOURCE:

- (1) Tables 1 & 2a
(2) CB Richard Ellis Area Profile Report 2010

BROMSGROVE TOWN CENTRE FORECASTS

Scenario 1 - No change in Bromsgrove Market Share

TABLE 3a
BROMSGROVE'S DRAW UPON THE CATCHMENT AREA

SCENARIO:
Market shares calculated from expenditure weighted responses to 2003 household survey.
Figures reflect market share attracted to Bromsgrove as a whole, not just town centre.
Scenario assumes market shares remain constant 2010 - 2025.

Catchment Zone	PROPORTION OF EXPENDITURE ATTRACTED TO BROMSGROVE					COMPARISON GOODS				
	CONVENIENCE GOODS					CONVENIENCE GOODS				
	2010 (%)	2015 (%)	2020 (%)	2025	2010 (%)	2015 (%)	2020 (%)	2025		
1	75	75	75	75	44	44	44	44		
2	6	6	6	6	3	3	3	3		
3	4	4	4	4	4	4	4	4		
4	12	12	12	12	3	3	3	3		
5	4	4	4	4	1	1	1	1		

SOURCE: Tables 3a(i) and 3a(ii)

TABLE 4a
FORECAST RETAIL SALES IN BROMSGROVE (2007 prices)

SCENARIO: As Table 3

Catchment zone	RETAIL SALES IN BROMSGROVE BY CATCHMENT ZONE							
	CONVENIENCE GOODS				COMPARISON GOODS			
	2010 (£M)	2015 (£M)	2020 (£M)	2025 (£)	2010 (£M)	2015 (£M)	2020 (£M)	2025 (£)
1	85.3	88.3	89.7	91.0	102.6	117.3	132.8	151.3
2	20.1	20.0	19.9	19.7	17.8	19.6	21.7	24.1
3	6.8	6.8	6.8	6.7	13.8	15.2	16.8	18.6
4	9.4	9.5	9.4	9.4	4.1	4.6	5.1	5.7
5	4.6	4.6	4.5	4.3	2.0	2.0	2.5	2.7
TOTALS	126.2	129.2	130.2	131	140.3	156.7	178.9	202

SOURCE: Tables 2a & 3a

TABLE 5a
FUTURE SHOP FLOORSPACE CAPACITY TOWN IN BROMSGROVE

SCENARIO: As Table 3

Growth in sales per sq m from shop floorspace existing in 2007 (at 2004 prices)

Convenience Good	2010	2015	2020	2025	Comparison Goods:	2010	2015	2020	2025
0%					0.4%				
0.4%					2.2%				
0.5%					2.2%				
0.5%					2.3%				

	CONVENIENCE GOODS				ALL COMPARISON GOODS			
	2010	2015	2020	2025	2010	2015	2020	2025
Residents' Spending £000	126.2	129.2	130.2	131.0	140.3	156.7	178.9	202.4
Plus visitors' spending (%)	0%	0%	0%	0%	0%	0%	0%	0%
Total spending (£M)	126.2	129.2	130.2	131	140.3	156.7	178.9	202.4
Existing shop floorspace (sq m net)	10,397	10,397	10,397	10,397	24,168	24,168	24,168	24,168
Sales per sq m net £	12,139	12,187	12,248	12,309	5,827	5,955	6,086	6,226
Sales from extg flrspace (£M) minus commitments (£M)	74.8	75.1	75.5	75.9	103.2	105.5	107.8	110.3
Residual spending to support new shops (£M)		-11.6	-11.0	-10.5		29.1	49.0	70.1
Indicative sales density in new shops (£ / sqm)	12,000	12,000	12,000	12,000	6,000	6,000	6,000	6,000
Indicative capacity for new shop flrspace (sq m net)	0	-970.0	-920.0	-880.0	0	4860.0	8170.0	11680.0

SOURCES: Table 4a, Table 5a (i), CB Richard Ellis

TABLE 3a (i)
CONVENIENCE GOODS 2003

ALLOCATIONS TO BROMSGROVE 2003

Expenditure Weighting:	Main Food Q1	Top-up convenience Q4	WEIGHTED AVERAGE
	(%)	(%)	(%)
1	76.2	71.9	75.1
2	6.2	7.2	6.5
3	4.9	1.4	4.0
4	13.9	5.9	11.9
5	3.9	2.6	3.6

Table 5a (i)
BROMSGROVE EXISTING PROVISION
MAIN FOODSTORES

Store	Net Floorspace	Convenience Goods	Net convnce Goods	Convenience Goods sales	Convenience Goods sales
Morrisons, Buntsford Oak	2,603	72	1,874	10,474	19.6
Asda, Market Street	3,362	49	1,647	16,251	26.8
Somerfield, High Street	977	77	752	6,522	4.9
Tesco Express	138	90	124	4,817	0.6
Other	668	90	601	6,676	4.0
Goed floorspace	7,787	100.0	5,397.4	3,500.0	18.9
ALL STORES & SHOPS	11,206	478	10,397	48,240	74.8

SOURCES: IGD, CB Richard Ellis, Verdict Research

Table 5a (ii)
BROMSGROVE EXISTING COMPARISON PROVISION

Store	Net Floorspace (sq m)	Comparison Goods Allocation (%)	Net comparison Goods Floorspace (sq m)	Comparison Goods sales (£ per sq m)	Comparison Goods sales (EM)
Morrisons, Buntsford Oak	2,603	29	729	8,018	6.9
Asda, Market Street	3,362	51	1,715	7,746	13.3
Somerfield, High Street	977	23	225	2,809	0.6
Tesco Express	138	10	14	8,818	0.1
Other supermarkets	668	10	67	3,000	0.2
Bromsgrove retail park	3,255	100	3,255	6,000	19.5
Goed floorspace	20,104	100.0	18,164.7	3,500.0	63.6
ALL STORES & SHOPS	26,768	322	24,168	39,891	103.2

SOURCES: IGD, CB Richard Ellis, Verdict Research 2010

BROMSGROVE FORECASTS

Scenario 2 - Modest Increase in Bromsgrove Market Share

TABLE 3b
BROMSGROVE'S DRAW UPON THE CATCHMENT AREA

Catchment Zone	PROPORTION OF EXPENDITURE ATTRACTED TO BROMSGROVE							
	CONVENIENCE GOODS				COMPARISON GOODS			
	2010 (%)	2015 (%)	2020 (%)	2025 (%)	2010 (%)	2015 (%)	2020 (%)	2025 (%)
1	75	80	80	80	45	50	50	50
2	6	6	6	6	3	3	3	4
3	4	4	4	4	4	4	4	5
4	12	12	12	12	3	3	3	3
5	4	4	4	4	1	1	1	1

SOURCE: Tables 3a(i) and 3a(ii)

TABLE 4b
FORECAST RETAIL SALES IN BROMSGROVE (2004 prices)

Catchment zone	RETAIL SALES IN BROMSGROVE BY CATCHMENT ZONE							
	CONVENIENCE GOODS				COMPARISON GOODS			
	2010 (£M)	2015 (£M)	2020 (£M)	2025 (£M)	2010 (£M)	2015 (£M)	2020 (£M)	2025 (£M)
1	85.3	93.5	95.0	96.9	104.7	131.6	150.6	171.6
2	20.1	20.0	19.9	19.7	16.6	20.2	20.3	30.0
3	6.8	6.8	6.8	6.7	12.4	15.0	15.1	20.9
4	9.4	9.5	9.4	9.4	4.4	5.4	5.9	6.0
5	4.6	4.6	4.5	4.3	2.3	2.8	3.1	3.1
TOTALS	126.2	134.4	135.5	137.0	140.3	175.0	195.0	231.6

SOURCE: Tables 2a & 3b

TABLE 5b
FUTURE SHOP FLOORSPACE CAPACITY TOWN IN BROMSGROVE

Catchment zone	RETAIL SALES IN BROMSGROVE BY CATCHMENT ZONE							
	CONVENIENCE GOODS				COMPARISON GOODS			
	2010 (£M)	2015 (£M)	2020 (£M)	2025 (£M)	2010 (£M)	2015 (£M)	2020 (£M)	2025 (£M)
1	85.3	93.5	95.0	96.9	104.7	131.6	150.6	171.6
2	20.1	20.0	19.9	19.7	16.6	20.2	20.3	30.0
3	6.8	6.8	6.8	6.7	12.4	15.0	15.1	20.9
4	9.4	9.5	9.4	9.4	4.4	5.4	5.9	6.0
5	4.6	4.6	4.5	4.3	2.3	2.8	3.1	3.1
TOTALS	126.2	134.4	135.5	137.0	140.3	175.0	195.0	231.6

Growth in sales per sq m from shop floorspace existing in 2007 (at 2004 prices)	Convenience Goods:				Comparison Goods:			
	2010	2015	2020	2025	2010	2015	2020	2025
	0%	0.4%	0.5%	0.5%	0.4%	2.2%	2.2%	2.3%

	CONVENIENCE GOODS				ALL COMPARISON GOODS			
	2010	2015	2020	2025	2010	2015	2020	2025
Residents' Spending £000	126.2	134.4	135.5	137.0	140.3	175.0	195.0	231.6
Plus visitors' spending (%)	0%	0%	0%	0%	0%	0%	0%	0%
Total spending (£M)	126.2	134.4	135.5	137.0	140.3	175.0	195.0	231.6
Existing shop floorspace (sq m net)	10,397	10,397	10,397	10,397	24,168	24,168	24,168	24,168
Sales per sq m net £	12,139	12,187	12,248	12,309	5,830	5,958	6,095	6,236
Sales from extg flrspce (£M)	74.8	75.1	75.5	75.9	103.2	105.5	107.8	110.1
minus commitments (£M)		65.7	65.7	65.7		22.1	22.1	22
Residual spending to support new shops (£M)		-6.4	-5.6	-4.6		47.4	65.1	99.4
Indicative sales density in new shops (£ / sqm)	12,000	12,000	12,000	12,000	6,000	6,000	6,000	6,000
Indicative capacity for new shop flrspce (sq m net)	0.0	-530.0	-470.0	-380.0	0.0	7910.0	10850.0	16560.0

SOURCES: Table 4b, Table 5b (i), CB Richard Ellis