Bromsgrove Town Centre Study

Retail Capacity Analysis

January 2004

Prepared by

CB Richard Ellis
Embassy House
60 Church Street
Birmingham, B3 2DJ

Tel: 0121 6097666
Fax: 0121 6090121
e-mail: robert.barnes@cbre.com

Our Ref: RB/LP/59887

Contents

PAGE NUMBER

Comment [KY1]: This text is hidden and will not print out

1. INTRODUCTION

1.1 CB Richard Ellis, Urban Practitioners and Alan Baxter & Associates were appointed by Bromsgrove District Council to undertake a detailed town centre study. The study is wide ranging, and encompasses a property survey and demand analysis, extensive consultation, urban design work and strategy and policy formulation.

1.2 A further important aspect of the study is a detailed retail analysis. The results of a key component of this – a retail capacity study for Bromsgrove – are presented here. The retail capacity analysis helps to inform the remainder of the study, and in particular the findings provide the context for our detailed site assessment work (reported separately).

1.3 In our proposal document for the study we referred to the Ministerial Statement on Retail Planning Policy of April 10 2003, which advised that greater weight will be attached to quantitative considerations in assessing need. In this context, we suggested that an assessment of the quantum of retail floor space supportable in the Bromsgrove market would be of central importance in establishing a future strategy for the centre.

1.4 Since we submitted the proposal, the Office of the Deputy Prime Minister has published a consultation paper on Draft Planning Policy Statement 6, Planning for Town Centres (draft PPS 6). Draft PPS 6 confirms the requirement to undertake need assessments as part of the plan preparation and review process, and suggests that they should be updated regularly (at least every 5 years). It also confirms that in assessing the need and capacity for additional development, Local Planning Authorities should place greater weight on quantitative considerations, based on data and other objective evidence, although full account should also be taken of qualitative considerations.

1.5 Draft PPS 6 goes on to state (paragraph 2.28) that in assessing quantitative need for additional development a Local Planning Authority should assess the likely future demand for additional floor space, based on existing and forecast population levels and expenditure in relation to the classes of goods to be sold, within the broad categories of "convenience" and "comparison" goods. The analysis presented here represents such an assessment.

1.6 The retail capacity analysis is informed by a household interview survey of some 500 households within the Bromsgrove catchment area (detailed results reported separately). The objectives of this survey included gaining an understanding of shopper behaviour, establishing the likes, dislikes and aspirations of shoppers and establishing shopping patterns across the catchment for both convenience and comparison goods. This final objective is of most relevance here. The main focus of the survey was to investigate where people shop for a wide variety of goods and some ten questions were asked in this regard, looking at shopping patterns for main food and top up convenience items, and types of comparison goods ranging from clothing and footwear, to household appliances and DIY supplies.

1.7 In undertaking the retail capacity analysis we have constructed two scenarios. In scenario 1, market share levels are calculated on the basis of the results of the household interview survey, and held constant throughout the study period. In scenario 2, we make the assumption that a modest uplift in Bromsgrove's market share will be achieved as the centre is enhanced over the next few years. The product of this is a range of capacity figures rather than a single value, ranging from the more conservative scenario 1 to the more optimistic scenario 2.

1.8 It is important to understand that all capacity figures quoted here should be regarded as indicative of the order of supportable floor space within the Bromsgrove market, and not as exact or prescriptive values. In particular, whilst any proposed retail development that may come forward in the Bromsgrove area should initially be assessed in the context of our analysis, it will always be important to take into account the characteristics of the individual scheme in determining any planning application.

1.9 The purpose of this report is therefore to summarise the methodology employed, the key data inputs and assumptions made, and the headline results generated, for both of the scenarios produced. The results for scenario 1 are set out in Appendix 2, and the results for scenario 2 are set out in Appendix 3. A map showing the extent of the catchment area is included as Appendix 1.

2. METHODOLOGY

2.1 We summarise below the methodology adopted in conducting our retail capacity analysis. This should be read alongside the appended tables and plan, which are referred to throughout.

CATCHMENT DEFINITION

2.2 In defining the catchment area, we utilised the findings of the CB Richard Ellis National Survey of Local Shopping Patterns (NSLSP) to gain a clear understanding of Bromsgrove's sphere of influence. Driven by a comprehensive, up to date (2002), nationwide survey of where people shop for both convenience and comparison goods, the NSLSP readily allows catchment areas for competing centres to be plotted accurately and market shares to be calculated. The NSLSP programme, originally established in 1996, is the largest household survey of shopping patterns undertaken anywhere in the world. More than 20% of UK households have so far contributed information on their shopping destination preferences to the programme. Importantly it is ideally suited to its application here, i.e. defining a catchment area within which to conduct a household interview survey to inform a need assessment, for three key reasons:-

- Currency – The NSLSP was most recently updated in 2002.
- Coverage – The programme is national in coverage, revealing the full geographic extent of individual catchment areas. This is preferable to the approach generally applied to ad hoc household surveys, which typically define the extent of catchments prior to fieldwork being undertaken, often introducing errors by way of partial sampling.
- Depth – The methodology is designed to ensure representative sampling at cell (postcode sector) level. Again this is preferable to ad hoc household surveys, which typically rely on comparatively small samples, both at cell level and overall terms.

2.3 The boundary of the catchment defined using the results of the NSLSP is illustrated on the plan in Appendix 1. The precise catchment suggested by the NSLSP has been modified slightly in defining the catchment used here to remove a small number of outlying sectors divorced from the main area. However, the area illustrated in Appendix 1 effectively represents the zone from within which the NSLSP suggests Bromsgrove draws virtually 100% of its trade.

2.4 In practice, a very small amount of trade will be derived from beyond this catchement. However, the area defined here is comparatively extensive relative to a town of Bromsgrove's size and function, and the amount of trade drawn from beyond this zone is therefore likely to be very small indeed, and is excluded for the purposes of our analysis.

2.5 The catchment is sub-divided into five constituent zones. These are also illustrated on the plan in Appendix 1. Briefly, they comprise:-

- Zone 1 - Bromsgrove :

  Bromsgrove's primary catchment area, defined as the area from within which the NSLSP suggests the town draws 70% of its comparison goods trade. Indeed, our capacity analysis, driven by the household interview survey, suggests that Bromsgrove draws 69% of its comparison goods trade from within this area. The high level of correspondence between these two figures re-enforces the validity of both the catchment definition applied, and the results of the household interview survey.

- Zone 2 – Northfield :

  The area to the north of Zone 1, including the suburbs to the south west of Birmingham.

- Zone 3 – Redditch :

  The area to the east of Zone 1, mainly south of the M42, through Redditch

- Zone 4 – Droitwich :

  South west of Zone 1 extending through Droitwich as far as the northern end of Worcester.

- Zone 5 – Kidderminster :

  To the north west of Zone 1, not including the urban area of Kidderminster itself, but including areas to the east, south and west of Kidderminster town centre.

POPULATION AND EXPENDITURE

2.6 The population within each catchment zone has been calculated using the MapInfo TargetPro system, and population forecasts have been derived from the same source (Appendix 2, table 1). Similarly, per-capita spending on convenience and comparison goods has also been derived from TargetPro for each zone (Appendix 1, table 2a). The population estimates set out in table 1 are multiplied by the per-capita expenditure figures set out in table 2a to provide an estimate of total available retail expenditure on both convenience and comparison goods (also set out in table 2a). For comparison goods, expenditure levels for eight` sub categories of types of goods have also been calculated (Appendix 1, table 2b).

2.7 Expenditure by special forms of trading (SFT) has been removed from our spending estimates, at a constant level throughout the study period (7.6% for comparison goods, and 0.9% for convenience goods, equivalent to about 4.7% of all retail expenditure). These rates have been taken from a conventional source (The Data Consultancy Information Brief 99/2) and are regularly applied by consultants to this kind of exercise. However, they are now somewhat dated, referring to average levels in the late 1990s. This raises the question of how the changing level of internet sales or e-tailing has affected SFT since then, and what the implications are for the current study.

2.8 More recent (2002) estimates of SFT made by Experian which take into account e-commerce, suggest that SFT accounted for approximately 5.2% of all retail spending by 2000, and can be expected to grow to approximately 6.1% by 2011. This would suggest that the net effects of e-commerce will be comparatively modest, and that the catastrophic impact on the high street suggested by some commentators at the beginning of the decade will not take place. Within this overall position, a number of factors should be noted:-

- E-commerce will not divert trade solely from conventional stores. Rather, it will also impact on other forms of SFT, such as mail order – it is estimated that up to half of internet sales will be taken from other SFT. This “internal impact” reduces the effect of e-commerce on the high street.

- As a new, interactive, evolving sales channel, e-commerce will generate sales in its own right, again reducing the effect on the high street.

- The impact will not be constant across all types of centre. Larger, diverse, well-managed, proactive centres will be less vulnerable. Equally, small centres with an attractive shopping environment, a niche retail offer, and a positive management and development stance will also be less vulnerable. Bromsgrove therefore has every opportunity to take positive action to defend itself against the implications of e-commerce.

- The impact will not be constant across all types of store. For example, sales of certain items such as books and pre-recorded media (videos, CDs, DVDs etc) have been more successful from an e-commerce point of view than others, such as fashion. Accordingly, e-tailers such as Amazon and Screwfix, who allow users to browse on-line through readily catalogued, standard items, which are often compact and easily mailed, and which shoppers are happy to buy without any physical interaction, have done well. Others, dealing with items that shoppers wish to see, feel, or try on –

typically clothes – have done less well (Boo.com was an example of this). Fundamentally, the strength of the High Street is underpinned by fashion.

- Retail is an extremely dynamic sector, and conventional retailers will not stand still in the face of enhanced competition from e-commerce. For example, bookstores have substantially altered their format in recent years through the provision of cafés and lounge areas, whilst department stores have enjoyed a resurgence through intelligent merchandising and creative, sometimes radical, design. Developing "retail as theatre" – a leisure activity rather than a chore – ensures that shoppers return to the High Street.

- Equally, retailers will generally view the internet as simply one more route to their customers – in addition to, not replacing, traditional formats. To a certain extent, stores become showrooms for goods and services, which can also be obtained on-line. It is important that a presence is maintained on the High Street, to keep a brand in the public eye, and act as a barrier to entry to entirely e-based enterprises.

2.9 In summary, the forecast growth in SFT is modest, and much of any growth in e-commerce will be at the expense of SFT, particularly mail order. Bromsgrove has the potential through some enhancement of its retail offer, but in particular through further capitalising on its attractive shopping environment, to counteract the effects of SFT. For these reasons, and given the strategic nature of our "need" advice and tolerances inherent in exercises of this kind, we consider that the assumptions we have made with regard to SFT are robust.

COMPARISON GOODS FLOOR SPACE CAPACITY

2.10 Our analysis of comparison goods is based on an assessment of capacity associated with the town as a whole, and not simply the town centre. Accordingly, it looks at the trading profile of the high street, the limited retail warehouse provision, small comparison goods shops throughout the urban area, and the comparison goods elements of the main food stores. For a centre the size of Bromsgrove, it is considered meaningless to seek to disaggregate these constituent elements. Rather, it is appropriate to examine trade drawn "to Bromsgrove" broadly defined, and seek to understand capacity within this market.

2.11 The figures produced are therefore indicative of retail capacity inherent in the comparison goods market within Bromsgrove as a whole, and are not associated with a specific need for further provision in any particular comparison goods sub-sector or format (e.g. retail warehousing). Any attempt to achieve this would effectively pre-empt the flexibility required by the sequential test. Rather, the correct way to understand our analysis is to examine the overall residual spending available to support new comparison goods retail, and then accept that any realisation of such capacity in the form of new floor space should be subject to sequential testing.

2.12 In table 3a (Appendix 1) we set out our assessment of the market share from within each catchment zone attracted to Bromsgrove - again for clarity, this includes the high street, retail warehousing other stores within the urban area, and the comparison element of the main food stores. These aggregate comparison goods market share figures are derived from the more detailed sub-sector analysis set out in table 3a (ii).

2.13 In this table, we set out on a zone by zone basis the market share attracted to Bromsgrove for each type of comparison goods, on the basis of the responses to the household interview survey. The individual market share figures are then weighted according to spending levels by goods type to arrive at an overall comparison goods market share figure for Bromsgrove from each zone. This weighted average in the final column of table 3a (ii) is carried over into the summary table 3a. In scenario 1 the market shares calculated in this way are held constant throughout the study period.

2.14 These market share figures are applied to the total available expenditure set out in table 2a to arrive at an estimate of the level of spending from within the catchment attracted to Bromsgrove (table 4a). Expenditure on comparison goods attracted to Bromsgrove from each zone as set out in table 4a is summed to provide an estimate of total comparison spending in Bromsgrove from within the catchment, and this is carried forward into table 5a. For the reasons discussed above, no further allowance is made for spending attracted from beyond the catchment.

2.15 Having established the actual estimated comparison goods turnover of Bromsgrove at the base year (2003) and forecasted how we anticipate how this will grow through to 2011 on the basis of (in scenario 1) constant market shares, a separate assessment is made applying a lower, nominal annual growth rate to the base year figures (table 5a).

2.16 In simple terms, the difference between turnover growth in line with total available catchment spending, and turnover growth according to the nominal growth rate applied, represents capacity for further retail development. However, a further adjustment then needs to be made to take account of expenditure attracted to committed floor space in the form of outstanding planning permissions for retail development. The residual, once these commitments have been taken into account is assumed to be available to support entirely new retail proposals.

2.17 In Bromsgrove, such commitments are extremely limited, comprising only the permitted Halfords unit on Birmingham Road and the permitted conversion into shop units of "The Hustler", which we have assumed will be taken up by comparison retailers. Together, we estimate that these commitments would have a turnover of approximately £1million.

2.18 In table 5a we also indicate how this residual spending (i.e. once the commitments have been taken into account) could be translated into supportable floor space by conversion through an indicative sales density figure. However, the most relevant values are the residual spending figures to support new shops in monetary terms, as the exact volume of supportable floor space will always be subject to assumptions made in terms of the sales of density used for conversion.

2.19 It should be noted that the floorspace figure set out in table 5a is derived from Goad data for the town centre, our assessment of the comparison element of Bromsgrove's supermarkets, and assumptions with regard to the ratio of sales area to gross floorspace. The turnover figures refer to all comparison goods trade associated with Bromsgrove – i.e. that associated with these elements, plus other stores in the wider urban area – and are derived from the survey.

2.20 The floorspace figure is likely to represent and underestimate, as it does not include stores within the wider urban area, or upper floor sales space in the town centre. However, because the turnover figures are survey driven, and not estimated using an assumed sales density, this has no implications for the overall capacity results. The role of the floorspace figure is effectively to perform a "sensitivity test", allowing calculation of sales densities to confirm that the survey has produced credible results.

CONVENIENCE CAPACITY

2.21 In general terms, the methodology adopted for analysis of capacity within the convenience goods market is very similar to that adopted for the comparison goods market. However, three important points should be noted in this regard.

2.22 Firstly, our analysis of capacity within the convenience goods market examines only the element of food stores selling convenience goods. Modern food superstores such as Safeway, Asda, and to a lesser extent supermarkets such as Iceland and Somerfield, sell a range of comparison goods, and this element is dealt with separately in the comparison goods side of our analysis. The convenience goods analysis relates to precisely that – i.e. convenience goods.

2.23 Secondly, we have applied a weighting to the two questions asked in the household interview survey on convenience shopping patterns to arrive at an average market share attracted to Bromsgrove from within each zone (table 3a (i)). Informed by our extensive experience of analysing food shopping patterns elsewhere, we have assumed that 75% of household expenditure on convenience goods will be via a main food shop, and the remaining 25% through a top up or basket shop. The effect of this can be seen in table 3a (i) where for example in Zone 1 some 76.2% of respondents to the survey indicated that they conducted their main food shopping in Brosmgrove, with 71.9% indicating that they conducted their top up convenience shopping in the town. To reflect the balance of expenditure between the two types of shopping trip, greater weight is attached to the main food shop figure, yielding a weighted average of 75.1%.

2.24 It should be emphasised that our analysis is based on the attractiveness of Bromsgrove as a whole, not just the town centre. The resultant capacity figures therefore relate to the capacity inherent in this market as a whole. The preferred location for any realisation of that capacity should of course be subjected to the wider requirements of retail planning policy.

2.25 Thirdly, and perhaps most importantly, an explicit comparison is made between the convenience goods expenditure attracted to Bromsgrove on the basis of the survey results, and the convenience goods turnover of the food stores in the town calculated on the basis of company average trading performance (table 5a (i)). The difference between these two figures is treated in our analysis as surplus expenditure at the base year (2003).

2.26 As before, the estimated turnover of pipeline schemes is subtracted from available spending to arrive at a residual to support new shops. As with the comparison goods market, such commitments are extremely limited. In fact, we have made an allowance for just a single scheme in this regard. We have assumed that the retail element of the permitted local centre development at the Oakalls in Bromsgrove will be taken up by a convenience goods retailer, with a turnover of approximately £0.5million.

ALTERNATIVE SCENARIO

2.27 Having prepared our base scenario (scenario 1) for comparison and convenience goods, we have gone on to produce an additional assessment (scenario 2) to test the outcome of alternative assumptions. Scenario 2 adopts the same approach and data inputs as scenario 1, but makes an allowance for the potential of Bromsgrove to enhance its market share.

2.28 For comparison goods, we have tested the assumption that by implementing the improvements to Bromsgrove suggested by the town centre strategy and through the introduction of new floor space it will be possible to generate a 10% increase in market penetration across the catchment (Appendix 3, table 3b). So, for example, whilst the survey suggests that at 2003 Bromsgrove attracts a market share of just under 45% of the comparison goods market within zone 1, we have assumed that by 2008 it will be possible to increase this to 49%.

2.29 For convenience goods, we have looked at the potential for Bromsgrove to increase its market share on the theoretical assumption that a new superstore operated by one of the leading grocers is introduced to the town. We have made this adjustment to zone 1 only, and have based it on levels of leakage from this zone, and the identity of retailers to which this expenditure is lost, as identified by the survey. The result of this is to increase the convenience goods market share attracted to Bromsgrove from zone 1 from 75% at 2003 to 80% at 2008 (Appendix 3, table 3b).

2.30 This level of retention within zone 1 – some four fifths of all convenience goods expenditure – is very high, and represents the upper limit of what we consider could reasonably be achieved by the town in any event. We consider that this level of uplift would only be possible through the introduction of a superstore. However, a slightly more modest uplift could also be achieved through the improvements to the centre implemented through the town centre strategy, or for example through the introduction of a smaller supermarket. The capacity figures from scenario 1 and scenario 2 therefore represent a range of quantitative capacity in the convenience market.

2.31 The results of our analysis for comparison goods and convenience goods are set out below in sections 3 and 4 respectively.

3. COMPARISON GOODS CAPACITY

SCENARIO 1 – BASE SCENARIO

3.1 The results of our base scenario assessment of capacity in the comparison goods market are set out in Appendix 2, and, as discussed above, refer to comparison goods capacity associated with Bromsgrove as a whole. For all comparison goods, our analysis is based on the assumption of an equilibrium position at 2003 i.e. no surplus spending to support additional retail development.

3.2 By 2008, and making a modest allowance for expenditure attracted to committed floor space, a residual to support new shops of some £16.2million emerges, growing to £28.7 million by 2011. Conversion through an indicative sales density suggests capacity for new comparison goods floor space of some 3,080 sq m net at 2008, growing to almost 5,300 sq m net at 2011.

SCENARIO 2 – INCREASED MARKET SHARE

3.3 As discussed above, there may be the potential to increase Bromsgrove's market penetration across the catchment by implementing the improvements to the town centre suggested by the town centre strategy, and through the introduction of new floor space. The implications of such an uplift in market share are set out in Appendix 3.

3.4 The assumption of an equilibrium position at 2003 is maintained in this scenario. However, the effect of increased market share is that a larger residual to support new shops emerges through time – some £27.7 million at 2008, and £41.7 million at 2011. Converting this through an indicative sales density suggests capacity for new floor space of some 5,280 sq m net at 2008, increasing to 7,710 sq m net at 2011.

4. CONVENIENCE GOODS CAPACITY

SCENARIO 1 – BASE SCENARIO

4.1 The results of our base scenario assessment of convenience goods capacity are set out in Appendix 2. This relates to capacity associated with the convenience goods market in Bromgrove as a whole, i.e. it includes off centre provision such as Safeway and small stores distributed throughout the urban area, as well as the town centre itself.

4.2 Taking into account the difference between the level of expenditure attracted to Bromsgrove on the basis of the survey results, and the turnover of stores in the town calculated on the basis of company average performance, our analysis suggests a residual expenditure to support new shops of some £26.9 million at 2003. Making a modest allowance for committed floor space, this would increase to £28.5 million by 2008, and £29.7 million by 2011.

4.3 Applying an indicative sales density to residual spending to calculate the floor space that may be supported, suggests capacity for 2,450 sq m net of convenience floor space by 2003, growing to 2,590 sq m net by 2008, and 2,700 sq m net by 2011.

4.4 It should be noted that this translation of residual spending into supportable floor space is particularly sensitive to the indicative sales density used in the conversion. The nominal figure used in our analysis (£11,000 per sq m) is broadly consistent with that associated with a good quality leading national multiple food retailer. However, the figure associated with for example Tesco would be slightly higher (about £11,800 per sq m) whilst the figure associated with a deep discounter such as Lidl would be much lower (about £5,300 per sq m). Using the Tesco figure as a conversion factor would suggest a lower supportable floor space, whilst applying the Lidl figure would suggest a much higher figure. The key figures in our analysis are, therefore, those expressed in monetary terms referring to residual spending to support new shops.

SCENARIO TWO – INCREASED MARKET SHARE SCENARIO

4.5 Scenario 1 is prepared on the assumption that the market share attracted to Bromsgrove will remain constant throughout the study period. This alternative scenario looks at the implications of Bromsgrove increasing its market share on the assumption that a new superstore operated by one of the leading grocers is introduced to the town. At 2003 the residual spending to support new shops is identical to that identified in scenario 1 (£26.9 million). However, the effect of enhanced market share by 2008 is to increase the residual at this time to £32.5 million, growing further to £33.7 million at 2011.

4.6 Applying an indicative sales density to this residual to calculate the floor space that may be supported suggests capacity for 2,450 sq m net of convenience floor space at 2003, growing to 2,950 sq m by 2008 and 3,070 sq m at 2011. Once again, we would underline the cautionary note that the most relevant figures are those expressed in monetary terms relating the residual spending to support new shops and that the conversion into supportable floor space will be highly sensitive to the sales density used in translation.

5. SUMMARY

5.1 The capacity analysis presented here for comparison and convenience goods is based on the household interview survey conducted as part of the consultation process, and follows a standard step-by-step methodology. It is intended to inform the remainder of the study, and in particular to provide the context for our detailed site assessment work. It is consistent with the approach advocated in Draft PPS 6, for example in terms of the time horizons and the goods based data used.

5.2 All capacity figures quoted here should be regarded as indicative of the order of supportable floor space within the Bromsgrove market, and not as exact or prescriptive values. In particular, whilst any proposed retail development that may come forward in the Bromsgrove area should initially be assessed in the context of our analysis, it will always be important to take into account the characteristics of the individual scheme in determining any planning application.

5.3 We have prepared two capacity scenarios to arrive at an indicative range of capacity figures. Scenario 1 is based on constant market shares, whilst scenario 2 makes an allowance for a modest increase in market share. The headline results are summarised in table 5.1, below. The most relevant values are the residual spending figures to support new shops in monetary terms, as the exact volume of supportable floor space will always be subject to assumptions made in terms of the sales of density used for conversion.

Table 5.1 Indicative Capacity for New Shop Floorspace (Scenario 1 – Scenario 2)

	2003	2008	2011
Comparison Goods	Equilibrium	£16.2M - £27.7M	£28.7M - £41.7M
		3,080 sq m - 5,280 sq m	*5,290 sq m - 7,710 sq m*
Convenience Goods	£26.9M	£28.5M - £32.5M	£29.7M - £33.7M
	2,450 sq m	*2,590 sq m - 2,950 sq m*	*2,700 sq m - 3,070 sq m*

Source: Appendix 2, Table 5a; Appendix 3, Table 5b

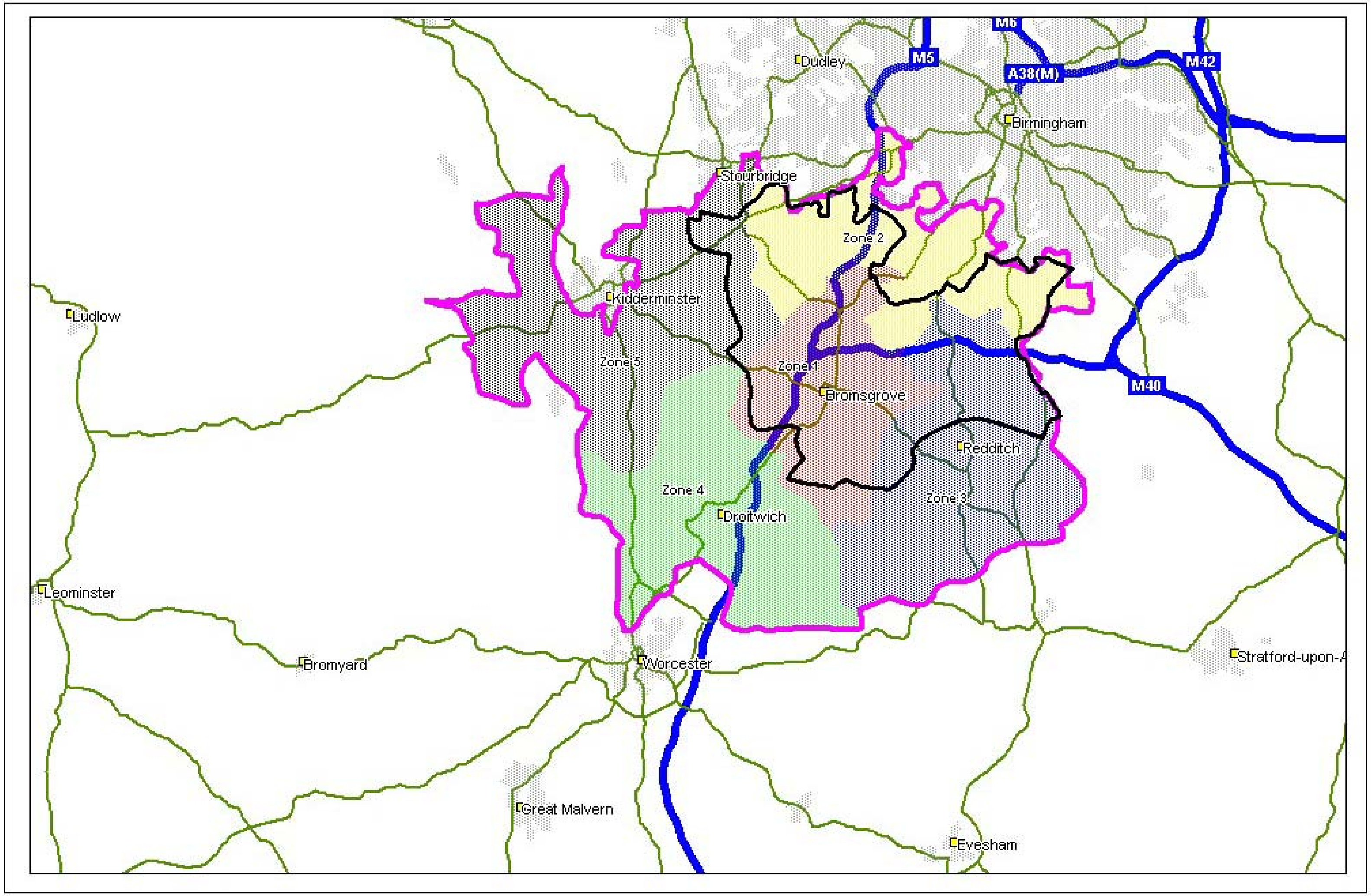
NOTE: All floorspace figures refer to sales areas

5.4 A more detailed interpretation of these figures in terms of what they mean for Bromsgrove, and in the context of the study as a whole, will be presented as part of our final policy and strategy formulation document.

Appendix One

Catchment Area Plan

Bromsgrove: Survey Zones



Appendix Two

Capacity Calculations – Scenario 1

BROMSGROVE CAPACITY MODEL 2003

Project: Bromsgrove Retail Capacity Study 2003
Doc. No.: 59399 Job No: 253114
Latest Revision: 29/01/2004 Client: Bromsgrove Council

TABLE 1
CATCHMENT AREA POPULATION FORECASTS

Zone	Area	Sectors	2001	2003	2008	2011
1	Bromsgrove	B45 9, B60 1, B60 2, B60 3, B60 4, B61 0, B61 7, B61 8, B61 9	58,375	58,956	60,349	61,122
2	Northfield	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	186,082	186,237	186,539	186,645
3	Redditch	B48 7, B80 7, B96 6, B97 4, B97 5, B97 6, B98 0, B98 7, B98 8, B98 9	97,663	98,698	101,182	102,566
4	Droitwich	WR3 7, WR9 0, WR9 7, WR9 8, WR9 9	41,832	42,292	43,396	44,011
5	Kidderminster	4, DY11 7, DY12 1, DY12 2, DY13 8, DY13 9	77,337	78,048	79,750	80,693
TOTAL			461,289	464,231	471,217	475,037

SOURCE: TargetPro Report December 2003
NOTES: The figures for 2003 and 2008 are linear interpolations by CB Richard Ellis

TABLE 2a

CATCHMENT AREA RETAIL EXPENDITURE FORECASTS (2000 prices)

PER CAPITA EXPENDITURE	2000				
	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
Convenience Goods	1,449	1,414	1,435	1,458	1,470
Comparison Goods	2,166	1,997	2,097	2,199	2,249

GROWTH IN PER CAPITA RETAIL EXPENDITURE:	
Convenience Goods:	0.10% pa 2000-11
Comparison Goods:	3.90% pa 2000-11

	Convenience Goods			Comparison Goods		
PER CAPITA EXPENDITURE	2003	2008	2011	2003	2008	2011
Zone 1:	1,453	1,460	1,465	2,429	2,941	3,299
Zone 2:	1,418	1,426	1,430	2,240	2,712	3,042
Zone 3:	1,439	1,446	1,451	2,353	2,849	3,195
Zone 4:	1,462	1,469	1,474	2,467	2,987	3,350
Zone 5:	1,474	1,481	1,486	2,523	3,054	3,426

Catchment Zone	TOTAL RETAIL EXPENDITURE					
	CONVENIENCE GOODS			COMPARISON GOODS		
	2003 (£M)	2008 (£M)	2011 (£M)	2003 (£M)	2006 (£M)	2011 (£M)
1	85.67	88.14	89.54	143.22	177.51	201.65
2	264.16	265.91	266.86	417.10	505.85	567.69
3	142.05	146.36	148.81	232.19	288.22	327.70
4	61.84	63.77	64.87	104.32	129.61	147.43
5	115.05	118.15	119.90	196.88	243.58	276.44
TOTALS	668.77	682.33	689.97	1,093.71	1,344.77	1,520.91

SOURCES: MapInfo Report, December 2003

The Data Consultancy (URPI) Information Brief 99/2

Table 1.

NOTES: Expenditure on Special Forms of Trading excluded.

Table 2b

CATCHMENT AREA COMPARISON GOODS EXPENDITURE BY GOODS CATEGORIES 2003

	Comparison Goods Categories								
	Clothing & footwear	Furniture/ florcvrgs	Household Textiles	Household Appliances	Radio, TV HiFi, etc	DIY goods & decrtrs spls	Chemists goods & cosmetics	Books, jewlry, watches, recnl	**TOTAL**
Zone 1: per capita expenditure	£ 613	£ 223	£ 79	£ 99	£ 184	£ 243	£ 261	£ 728	£ 2,429
% of Total Comparison Spend	25.2%	9.2%	3.2%	4.1%	7.6%	10.0%	10.8%	29.9%	100.0%
Zone 2: per capita expenditure	£ 569	£ 202	£ 73	£ 93	£ 172	£ 221	£ 244	£ 666	£ 2,240
% of Total Comparison Spend	25.4%	9.0%	3.2%	4.2%	7.7%	9.9%	10.9%	29.8%	100.0%
Zone 3: per capita expenditure	£ 597	£ 215	£ 76	£ 96	£ 179	£ 233	£ 253	£ 704	£ 2,353
% of Total Comparison Spend	25.4%	9.1%	3.2%	4.1%	7.6%	9.9%	10.7%	29.9%	100.0%
Zone 4: per capita expenditure	£ 621	£ 227	£ 80	£ 101	£ 188	£ 247	£ 265	£ 739	£ 2,467
% of Total Comparison Spend	25.2%	9.2%	3.2%	4.1%	7.6%	10.0%	10.8%	30.0%	100.0%
Zone 5: per capita expenditure	£ 631	£ 233	£ 82	£ 104	£ 192	£ 253	£ 272	£ 757	£ 2,523
% of Total Comparison Spend	25.0%	9.2%	3.2%	4.1%	7.6%	10.0%	10.8%	30.0%	100.0%
Catchment Zones:	(£M)	(£M)	(£M)	(£M)	(£M)	(£M)	(£M)	(£M)	(£M)
1	36.11	13.14	4.64	5.87	10.88	14.30	15.40	42.89	143.22
2	105.96	37.64	13.51	17.37	32.04	41.11	45.36	124.11	417.10
3	58.92	21.17	7.47	9.51	17.70	23.01	24.96	69.45	232.19
4	26.25	9.60	3.37	4.25	7.93	10.43	11.22	31.25	104.32
5	49.26	18.20	6.39	8.09	14.96	19.74	21.19	59.05	196.88
TOTAL	276.51	99.75	35.39	45.09	83.51	108.59	118.13	326.75	1,093.71

SOURCE: MapInfo Report, December 2003
The Data Consultancy (URPI) Information Brief 99/2
Tables 1 & 2a

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 2003 - 2011.

Catchment Zone	PROPORTION OF EXPENDITURE ATTRACTED TO BROMSGROVE					
	CONVENIENCE GOODS			COMPARISON GOODS		
	2003 (%)	2008 (%)	2011 (%)	2003 (%)	2008 (%)	2011 (%)
1	75	75	75	45	45	45
2	6	6	6	4	4	4
3	4	4	4	4	4	4
4	12	12	12	2	2	2
5	4	4	4	1	1	1

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

TABLE 3a (i)
CONVENIENCE GOODS 2003

ALLOCATIONS TO BROMSGROVE 2003			
	Main Food Q1	Top-up convenience Q4	**WEIGHTED AVERAGE**
Expenditure Weighting:	75	25	100
	(%)	(%)	(%)
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 3a (ii)
COMPARISON GOODS 2003

Catchment Zones	ALLOCATIONS TO BROMSGROVE INDICATED BY THE HOUSEHOLD INTERVIEW SURVEY 2003								
	Clothing & footwear Q5	Furniture/ florcvrgs Q6	Household Textiles Q7	Household Appliances Q8	Radio, TV HiFi, etc Q9	DIY goods & decrtrs spls Q10	hemists gds & cosmetics Q11	Books, jewlry, watches, recnl Q12	**WEIGHTED AVERAGE**
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
1	26.7	38.7	39.0	39.6	38.1	58.6	74.7	49.7	44.8
2	2.8	7.1	1.5	3.0	1.7	3.0	1.4	5.2	3.7
3	2.7	7.7	6.3	5.6	5.6	1.4	3.9	4.4	4.1
4	3.8	1.6	3.1	2.9	4.5	0.0	5.0	0.0	2.2
5	1.4	0.0	0.0	1.4	0.0	0.0	2.5	1.4	1.1

SOURCE: Bromsgrove Household Interview Survey rebased to exclude "don't do", internet, catalogue & mail order; Table MapInfo Report for expenditure

TABLE 4a
FORECAST RETAIL SALES IN BROMSGROVE (2000 prices)

SCENARIO: **As Table 3**

Catchment zone	RETAIL SALES IN BROMSGROVE BY CATCHMENT ZONE					
	CONVENIENCE GOODS			COMPARISON GOODS		
	2003 (£M)	2008 (£M)	2011 (£M)	2003 (£M)	2008 (£M)	2011 (£M)
1	64.4	66.2	67.3	64.2	79.6	90.4
2	17.0	17.2	17.2	15.2	18.5	20.7
3	5.7	5.9	6.0	9.6	11.9	13.5
4	7.4	7.6	7.7	2.3	2.9	3.2
5	4.1	4.2	4.3	2.2	2.7	3.0
TOTALS	98.6	101.1	102.5	93.5	115.4	130.9

SOURCE: Tables 2a & 3a

TABLE 4a (i)
COMPARISON GOODS SALES IN BROMSGROVE BY GOODS TYPE 2003

Catchment Zones	ALLOCATIONS TO BROMSGROVE INDICATED BY HOUSEHOLD INTERVIEW SURVEY 2003								
	Clothing & footwear (£M)	Furniture/ florcvrgs (£M)	Household Textiles (£M)	Household Appliances (£M)	Radio, TV HIFI, etc (£M)	DIY goods & decrtrs spls (£M)	hemists gds & cosmetics (£M)	Books, jewlry, watches, recnl (£M)	TOTAL
1	9.6	5.1	1.8	2.3	4.1	8.4	11.5	21.3	64.2
2	3.0	2.7	0.2	0.5	0.5	1.2	0.6	6.5	15.2
3	1.6	1.6	0.5	0.5	1.0	0.3	1.0	3.1	9.6
4	1.0	0.2	0.1	0.1	0.4	0.0	0.6	0.0	2.3
5	0.7	0.0	0.0	0.1	0.0	0.0	0.5	0.8	2.2
TOTALS	15.9	9.5	2.6	3.6	6.9	9.9	14.2	31.7	93.5
MARKET SHARES	5.7%	9.6%	7.3%	8.0%	7.2%	9.1%	12.0%	9.7%	

SOURCE: Tables 2b and 3a (ii)

TABLE 5a
FUTURE SHOP FLOORSPACE CAPACITY TOWN IN BROMSGROVE

SCENARIO: **As Table 3**

Growth in sales per sq m from shop floorspace existing in 2003 (at 2000 prices)
Convenience Goods: 0.10 % pa 2003-2011 Comparison Goods: 1.0 %pa 2003-11

	CONVENIENCE GOODS			ALL COMPARISON GOODS		
	2003	2008	2011	2003	2008	2011
Residents' Spending £000	98.6	101.1	102.5	93.5	115.4	130.9
Plus visitors' spending (%)	0%	0%	0%	0%	0%	0%
Total spending (£M)	98.6	101.1	102.5	93.5	115.4	130.9
Existing shop floorspace (sq m net)	--	--	--	19,359	19,359	19,359
Sales per sq m net £	--	--	--	4,827	5,074	5,227
Sales from extg flrspce (£M)	71.7	72.0	72.2	93.5	98.2	101.2
minus commitments (£M)	0.0	0.5	0.5	0.0	1.0	1.1
Residual spending to support new shops (£M)	26.9	28.5	29.7	0.0	16.2	28.7
Indicative sales density in new shops (£ / sqm)	11,000	11,000	11,000	5,000	5,255	5,414
Indicative capacity for new shop flrspce (sq m net)	**2,450**	**2,590**	**2,700**	**0**	**3,080**	**5,290**

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

Table 5a (i)
BROMSGROVE EXISTING PROVISION
MAIN FOODSTORES

Store	Net Floorspace (sq m)	onvenience Goods Allocation (%)	Net convnce Goods Floorspace (sq m)	Convenience Goods sales Density (£ per sq m)	onvenience Goods sales (£M)
Safeway, Buntsford Pk Rd	2,889	80	2,311	8,300	19.2
Asda, Market Street	3,364	60	2,018	11,771	23.8
Somerfield, B'ham Rd	975	90	878	5,241	4.6
Iceland, Mill Lane	855	90	769	4,817	3.7
Other, town centre	1,706	100	1,706	2,990	5.1
Other, outside town centre	-	-	-	-	15.3
ALL STORES & SHOPS					71.7

SOURCES: IGD, CB Richard Ellis, Verdict Research

Appendix Three

Capacity Calculations – Scenario 2

BROMSGROVE FORECASTS

Scenario 2 - Modest Increase in Bromsgrove Market Share

TABLE 3b
BROMSGROVE'S DRAW UPON THE CATCHMENT AREA.

SCENARIO:
Market shares at 2003 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 increased market share by 2008 with enhanced town centre.

Catchment Zone	PROPORTION OF EXPENDITURE ATTRACTED TO BROMSGROVE					
	CONVENIENCE GOODS			COMPARISON GOODS		
	2003 (%)	2008 (%)	2011 (%)	2003 (%)	2008 (%)	2011 (%)
1	75	80	80	45	49	49
2	6	6	6	4	4	4
3	4	4	4	4	5	5
4	12	12	12	2	2	2
5	4	4	4	1	1	1

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

TABLE 3b (i)
CONVENIENCE GOODS 2003

ALLOCATIONS TO BROMSGROVE 2003	Main Food Q1	Top-up convenience Q4	WEIGHTED AVERAGE
Expenditure Weighting:	75	25	100
	(%)	(%)	(%)
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 3b (ii)
COMPARISON GOODS 2003

Catchment Zones	ALLOCATIONS TO BROMSGROVE INDICATED BY THE HOUSEHOLD INTERVIEW SURVEY 2003								
	Clothing & footwear Q5	Furniture/ florcvrgs Q6	Household Textiles Q7	Household Appliances Q8	Radio, TV HiFi, etc Q9	DIY goods & decrtrs spls Q10	hemists gds & cosmetics Q11	Books, jewlry, watches, recnl Q12	WEIGHTED AVERAGE
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
1	26.7	38.7	39.0	39.6	38.1	58.6	74.7	49.7	44.8
2	2.8	7.1	1.5	3.0	1.7	3.0	1.4	5.2	3.7
3	2.7	7.7	6.3	5.6	5.6	1.4	3.9	4.4	4.1
4	3.8	1.6	3.1	2.9	4.5	0.0	5.0	0.0	2.2
5	1.4	0.0	0.0	1.4	0.0	0.0	2.5	1.4	1.1

SOURCE: Bromsgrove Household Interview Survey
MapInfo Report for expenditure

TABLE 4b
FORECAST RETAIL SALES IN BROMSGROVE (2000 prices)

SCENARIO: **As Table 3**

Catchment zone	RETAIL SALES IN BROMSGROVE BY CATCHMENT ZONE					
	CONVENIENCE GOODS			COMPARISON GOODS		
	2003 (£M)	2008 (£M)	2011 (£M)	2003 (£M)	2008 (£M)	2011 (£M)
1	64.4	70.2	71.3	64.2	87.5	99.4
2	17.0	17.2	17.2	15.2	20.3	22.8
3	5.7	5.9	6.0	9.6	13.1	14.9
4	7.4	7.6	7.7	2.3	3.1	3.6
5	4.1	4.2	4.3	2.2	2.9	3.3
TOTALS	98.6	105.0	106.5	93.5	127.0	144.0

SOURCE: Tables 2a & 3b

TABLE 4b (i)
COMPARISON GOODS SALES IN BROMSGROVE BY GOODS TYPE 2003

Catchment Zones	ALLOCATIONS TO BROMSGROVE INDICATED BY HOUSEHOLD INTERVIEW SURVEY 2003								
	Clothing & footwear (£M)	Furniture/ florcvrgs (£M)	Household Textiles (£M)	Household Appliances (£M)	Radio, TV HiFi, etc (£M)	DIY goods & decrtrs spls (£M)	hemists gds & cosmetics (£M)	Books, jewlry, watches, recnl (£M)	TOTAL
1	9.6	5.1	1.8	2.3	4.1	8.4	11.5	21.3	64.2
2	3.0	2.7	0.2	0.5	0.5	1.2	0.6	6.5	15.2
3	1.6	1.6	0.5	0.5	1.0	0.3	1.0	3.1	9.6
4	1.0	0.2	0.1	0.1	0.4	0.0	0.6	0.0	2.3
5	0.7	0.0	0.0	0.1	0.0	0.0	0.5	0.8	2.2
TOTALS	15.9	9.5	2.6	3.6	6.0	9.9	14.2	31.7	93.5
MARKET SHARES	5.7%	9.6%	7.3%	8.0%	7.2%	9.1%	12.0%	9.7%	

SOURCE: Tables 2b and 3b (ii)

TABLE 5b
FUTURE SHOP FLOORSPACE CAPACITY TOWN IN BROMSGROVE

SCENARIO: **As Table 3**

Growth in sales per sq m from shop floorspace existing in 2003 (at 2000 prices)
Convenience Goods: 0.10 % pa 2003-2011 Comparison Goods: 1.0 %pa 2003-11

	CONVENIENCE GOODS			ALL COMPARISON GOODS		
	2003	2008	2011	2003	2008	2011
Residents' Spending £000	98.6	105.0	106.5	93.5	127.0	144.0
Plus visitors' spending (%)	0%	0%	0%	0%	0%	0%
Total spending (£M)	98.6	105.0	106.5	93.5	127.0	144.0
Existing shop floorspace (sq m net)	--	--	--	19,359	19,359	19,359
Sales per sq m net £	--	--	--	4,827	5,074	5,227
Sales from extg flrspce (£M)	71.7	72.0	72.2	93.5	98.2	101.2
minus commitments (£M)	0.0	0.5	0.5	0.0	1.0	1.1
Residual spending to support new shops (£M)	26.9	32.5	33.7	0.0	27.7	41.7
Indicative sales density in new shops (£ / sqm)	11,000	11,000	11,000	5,000	5,255	5,414
Indicative capacity for new shop flrspce (sq m net)	**2,450**	**2,950**	**3,070**	**0**	**5,280**	**7,710**

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

Table 5b (i)
BROMSGROVE EXISTING PROVISION
MAIN FOODSTORES

Store	Net Floorspace (sq m)	onvenience Goods Allocation (%)	Net convnce Goods Floorspace (sq m)	Convenience Goods sales Density (£ per sq m)	onvenience Goods sales (£M)
Safeway, Buntsford Park R	2,889	80	2,311	8,300	19.2
Asda, Market Street	3,364	60	2,018	11,771	23.8
Somerfield, Birmingham R	975	90	878	5,241	4.6
Iceland, Mill Lane	855	90	769	4,817	3.7
Other, town centre	1,706	100	1,706	2,990	5.1
Other, outside town centre	-	-	-	-	15.3
ALL STORES & SHOPS					71.7

SOURCES: IGD, CB Richard Ellis, Verdict Research