# Peterborough City Council

## Updated Convenience Goods Retail Capacity Forecasts

April 2007

# Peterborough City Council

## Updated Convenience Goods Retail Capacity Forecasts

# 1. Introduction

1.1 Drivers Jonas was instructed In January 2007 to provide updated information and advice on retail expenditure capacity forecasts for the City Council, based upon work that has been undertaken by DTZ.

## Background

### DTZ Retail Study 2004

1.2 DTZ undertook a Retail Study for the City Council in 2004 to inform the review of the Local Plan. The main stated objectives of the Study were:

(i) An up-to-date assessment of the vitality and viability of the city centre.

(ii) Quantitative retail capacity forecasts for the city centre, district centres and other main food shopping and retail warehouses.

(iii) A review of the needs and potential improvement of the district centres in the context of their identified roles in the retail hierarchy.

(iv) A commercial review of the potential retail development opportunities in the city centre and district centres.

(v) Advice on the strategy for new retail development in the city, taking account of the Council's objectives to promote sustainability, social inclusion and the city's role in the region.

1.3 The key findings and conclusions are set out in Section 8 of the DTZ report and have provided a framework for the City Council on the options and strategy for the future growth and development of the City Centre and its main district centres. The findings of the Study have been used by officers over the last two years or so as an aid to the consideration of retail planning applications.

## Drivers Jonas Instructions

1.4 Drivers Jonas' instructions are to update the DTZ convenience goods retail capacity forecasts, noting any implications for planning policy and the assessment of planning applications. This work is to be carried out using the shopper surveys commissioned by DTZ and the DTZ assessment model.

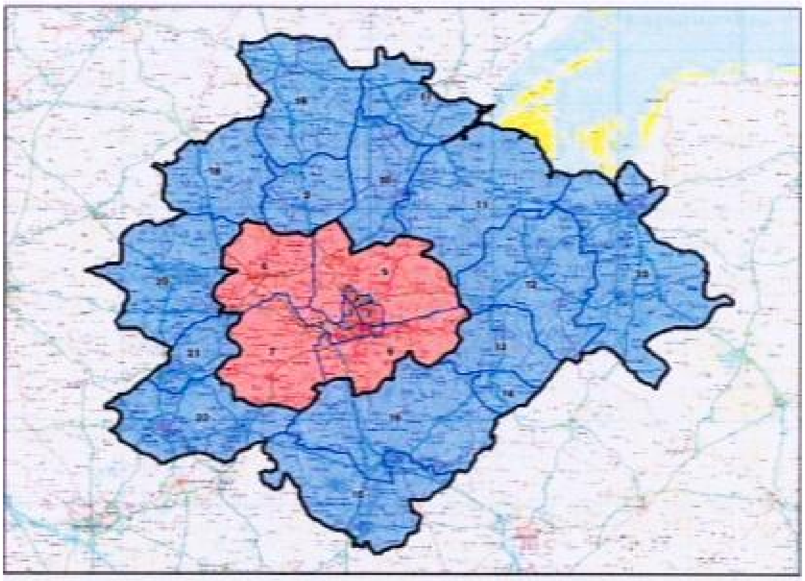
1.5 In the following sections we confirm the material and information inputs that have been taken unaltered from the DTZ studies, as well as describing the revisions that form the basis of our advice to the City Council.

# 2. Study Area and Household Survey

## Study Area

2.1 The Study Area is shown in Figure 4.1 of the DTZ 2004 report, which we reproduce below.

**Peterborough Household Interview Survey Zones 2004**



2.2 The Study Area is broadly similar to that used by CB Hillier Parker (CBHP) in their 'Peterborough Retail Study 2000'. In paragraph 4.02, of their 2004 report, referring to the results of household telephone interview surveys, DTZ says:

*"For the purpose of our analysis, DTZ has also cross-referenced the survey results against the previous 1999 survey conducted as part of the 'Peterborough Retail Study 2000'. For both surveys the same zones 1-21 were used. The 2004 survey was extended to include two extra zones (22 & 23), as DTZ consider that these more accurately reflect the extent of the city centre's potential catchment area, as well as accounting for slight changes to postal sector boundaries.*

*The 23 zones extend up to Sleaford in the north, Downham Market to the east, St Neots in the south and Oakham / Corby in the west.*

*Based on the results of the 2004 survey (and the 1999 survey), as well as the positioning of competing centres, DTZ has split the catchment into two zones. The 'Core Catchment Area' (CCA) comprises Zones 1 – 8 and the 'Outer Catchment Area' (OCA) covers Zones 9 – 23."*

2.3 DTZ goes on to note that the CCA is broadly equivalent to a 30 minute drive time.

## Household Survey

2.4 DTZ commissioned NEMS Market Research who conducted interview surveys in February 2004. The findings of the survey are described in Section 4 of the DTZ 2004 report in respect of food; clothing and footwear; DIY, decorating supplies and garden products; and electrical goods. DTZ makes comparisons between the findings of their surveys and CBHP's 1999 survey.

2.5 As is to be expected, DTZ finds that the City Centre draws the highest proportion of food shoppers from the CCA. The lowest market share is from Zone 8, because of the large foodstores in Stamford (Tesco, Lidl, Co-Op and a large out-of-centre Morrisons).

2.6 Within the OCA DTZ finds that the City Centre's strongest draw is from south towards Huntingdon and St Neots, probably because of good accessibility via the A1. To the north and west there was a noticeable decline of the City Centre's market share in the period 1999-2004, probably due to improvements in the convenience offer in Spalding (new Tesco and Morrisons) and Market Deeping (new Tesco).

2.7 After the City Centre stores, Tesco Serpentine Green has the highest market share with an average market share of 14% from within the CCA. Other popular stores are the two Sainsbury stores in Oxney Road and Bretton Centre respectively.

2.8 DTZ shows that in the period 1999-2004 the City Centre's overall convenience goods market share of available residents' expenditure has increased significantly - from 17% to 23% within the CCA, and from 2% to 5% within the OCA.

2.9 Our analysis in this report relies on the findings of the NEMS 2004 interview surveys. In particular it adopts the market shares of convenience goods expenditure attracted to the CCA and OCA at February 2004 and, having investigated current foodstore commitments and proposals in Peterborough and the surrounding area, maintains these market shares at a constant level through the forecast period.

# 3. The Base and Design Years

## Base Year

3.1 The DTZ 2004 Study adopted 2003 as the base year, when DTZ judged City Centre trading was in equilibrium in terms of trading performance. This is an important issue, which has a material bearing on any retail capacity findings.

3.2 DTZ's views are stated in paragraph 6.12 of the 2004 Study, which says:

*"Equilibrium" – We assume that the city's retail market is in equilibrium at 2003 (in other words the existing town centre businesses and stores are trading at around average turnover levels). This is a conventional approach in retail assessments, as without more detailed local business turnover figures, it is inherently difficult to ascertain whether centres and stores are under-trading or over-trading. Nevertheless, we do accept in the case of Peterborough City Centre that some businesses may be over-trading at the base year, particularly given the low vacancies and strong rental growth highlighted by our health check. If this is the case, them there may be some pent-up capacity at the outset which the model does not take into account."*

3.3 DTZ's comments are referring mostly to comparison goods trading in the City Centre. Nevertheless, their assessment also treats convenience goods trading as being in equilibrium at 2003.

3.4 One indicator of the performance of centres at the base date is outputs from the assessment model on sales densities achieved on existing floorspace. The position at 2003 as assessed by DTZ can be seen in Stage 6 (Appendix 5) of their 2004 report. The figures show healthy trading levels as compared with national 'benchmark' figures for foodstore operators. The lowest sales density figure recorded is that for 'Other District Centres' (excludes Serpentine Green) of £5,869 per sq m, but this appears a realistic figure having regard to representation at these centre in 2003.

3.5 We therefore believe that it is appropriate to regard convenience goods trading in the City as being in equilibrium at 2003. We therefore treat additional convenience goods expenditure generated since 2003 as being potentially available to support new floorspace.

## Design Years

3.6 In their 2004 Study, DTZ forecasts expenditure capacity at 2006, 2011, and 2016. We have adopted the same forecast dates, but in accordance with instructions from the City Council have also run the projections to 2021. It must be appreciated that forecasts 15 years hence are subject of significant margins of error and will need to be monitored over the plan-period.

## Price Base

3.7 All monetary figures in this report are expressed in 2004 prices, and are not therefore directly comparable with the 2000 price base in the DTZ 2004 report.

3.8 We have a used a more recent price base as we believe that this will assist officers when comparing the quantitative findings of this Update with retail assessments brought forward by applicants for new retail floorspace within the City.

# 4. Population Forecasts

4.1 The population forecasts used by DTZ are described in Volume 2 Appendix 5 paragraph 7 of the DTZ 2004 report, which says:

*"Base Year Population & Forecasts – According to TargetPro there were an estimated 243,718 people resident within the CCA in 2000 and a further 619,180 in the OCA. We have applied projections from ONS, for the Peterborough as a whole (+0.58% per annum) up to 2016. This results in a total population of 267,346 in the CCA and 679,208 in the OCA."*

4.2 Because DTZ's population forecasts were derived from a 2000 base year, we commissioned more up-to-date information from *TargetPro* (MapInfo) with a base tear of 2004. The MapInfo base year 2004 population is 253,084 for the CCA and 651,154 for the OCA. These figures are slightly higher than those used by DTZ in their 2004 Study with a 2000 base year.

4.3 For the CCA we have adopted the percentage growth rates shown in Appendix 1. These are the latest population forecasts for the City area (supplied to us by officers of the City Council) based on the latest population projections in the emerging East of England Plan (RSS). The RSS is well advanced and likely to be adopted by spring 2007. The Secretary of State published the Government's Proposed Changes to the Draft Plan for consultation purposes on 19 December 2006.

4.4 We have used the RSS Peterborough growth rates for the CAA, because it is predominantly made up of the Peterborough City area. We have projected the CCA population to 2021 using these growth rates. Because 2003 is our Study base year (consistent with the DTZ Study), we have also projected the MapInfo 2004 figure back to 2003 using the same growth rates.

4.5 For the OCA we have used the same ONS growth rates as in the DTZ Study, but have applied them to the new MapInfo base year population at 2004.

4.6 Substantial population growth is forecast. Within the CCA the forecasts show an additional 47,377 persons in the period 2003 – 2016, and an additional 69,952 persons in the period 2003 – 2021.

# 5. Peterborough Market Shares

5.1 One of the key inputs to DTZ's model is the estimates of the market share of available expenditure achieved by shopping centres. The market share assumptions are informed by the household survey results. However, DTZ rightly stresses that the household survey results provide a broad indication only of shopping patterns across the study area and zones. In particular shopper responses are prone to exaggerate the significance of the dominant stores and centres. Because of this, DTZ has made some adjustments to the survey results in both the 2004 Study (and 2005 Briefing Paper in respect of comparison goods), in order to provide more realistic estimates of market shares.

5.2 In respect of comparison goods, the 2004 Study used 3 scenarios – 'Baseline', 'Clawback', and 'Decline'. These are described in Section 6 of the report. The 'Baseline' scenario assumed no changes over time in the market share and trade draw levels. The 'Clawback' scenario assumed a 10% uplift of the City Centre's market share from 2011. The 'Decline' scenario assumed a 10% decline of the City Centre's market share from 2011.

5.3 In respect of convenience goods retailing, DTZ used the 'Baseline' scenario only (constant market shares), which they say in paragraph 6.25 of their report;

*"….. does provide a useful baseline case against which to model the need for additional convenience provision."*

5.4 We accept this and have done likewise. However, we have noted earlier in this report how the City Centre's market share of convenience trading increased significantly in the period 1999-2004. We also quote below note DTZ's comment in paragraph 6.14 of their report, which, although made in the context of comparison goods, applies also to convenience goods.

*"The 'constant' baseline scenario provides a useful benchmark against which to model the potential changes in Peterborough's comparison goods retail market. However we accept that holding market shares constant over a 10-15 year period is unrealistic, because retailing is a dynamic sector and town centre performance (as measured by changes in turnover and market share) can fluctuate dramatically dependent on changes in the location, quantity and quality of new retail floorspace across catchment areas, as well as the impact of new management and marketing initiatives."*

5.5 We have given further consideration as to what assumptions might reasonably be made in respect of the market shares of available convenience goods expenditure attracted to Peterborough in the future.

5.6 In their 2004 report (paragraph 4.08) DTZ took the view that the increase in the City Centre's market share of convenience goods spending in the period 1999-2004 was due to the strong food offer of Waitrose, Asda, Tesco and M&S. This remains the case, but the surrounding towns are continuing to build up their foodstore representation. A list of small foodstores implemented in these towns is shown in Section 7.

5.7 The principal existing commitments and schemes implemented since 2003 within the City are - the Budgens store opened at Valley Park opened in 2004/5; a small/medium sized foodstore allocated in the Local Plan as part of a new housing area at Paston; and consent at the Orton Centre including a new foodstore (following loss of the original anchor foodstore).

5.8 We have identified no major foodstores in the 'pipeline' within Peterborough or the surrounding towns.

5.9 Having regard to the above, we are of the view that there is little justification for making an assumption (having planning policy implications) that the market share of available convenience goods expenditure attracted to the City will continue to increase. Furthermore, unlike comparison goods shopping, convenience shopping trips have to be undertaken frequently. It appears to us, therefore, that such facilities should be provided reasonably close to home, both for the convenience of residents and so as to achieve sustainable forms of land-use. We reiterate this point further in our findings and recommendations in Section 9.

# 6. Expenditure Per Head and Shop Sales Densities

## Expenditure per head

6.1 DTZ's MapInfo convenience goods expenditure per head estimate in 2000, expressed in 2000 prices, was £1,459 for the CCA and £1,460 for the OCA.

6.2 Our updated estimates from MapInfo at their base date of 2004, expressed in 2004 prices are £1,533 for the CCA and £1,549 for the OCA. Having allowed for the four year time difference and different price base, the difference between these figures is not significant.

6.3 DTZ's expenditure projections over the plan-period were based on the cautious 'ultra long term' growth rate from The Data Consultancy Information Brief 99/2. For convenience goods this was a growth rate of 0.1% per annum.

6.4 The most recent comparable estimates are provided in MapInfo Brief 06/02 published in September 2006, and Experian Retail Planner Briefing Note 4 published in October 2006. MapInfo Brief 06/02 shows the same 'ultra long term' growth rate (based on the years 1964-2005) of 0.1% per annum. The MapInfo short term rate (based on the years 1998-2005) is 0.9% per annum.

6.5 Experian shows a convenience goods 'ultra long term' growth rate (based on the years 1966-2005) of 0.6% per annum, and a medium term growth rate (based on the years 1986-2005) of 1.0%. These forecasts are indicated by Experian as being appropriate over the period 2006 -2015.

6.6 There is some difference between the MapInfo and Experian growth estimates. However, the common picture that emerges from both research companies is that growth rates have increased since the 1990s, and that long term averages going back to the 1960's masks this more recent increase in growth rates.

6.7 Our expenditure forecasts are therefore based on two scenarios. The first contains a 'Cautious' growth rate of 0.6% per annum. This allows for some falling away of recent growth rates (but not to their levels in the 1960s and 1970s) and/or downturns during the forecast period. The second is an 'Optimistic' forecast of 1.0% per annum, which assumes that recent growth rates will be maintained over the forecast period.

6.8 The cautious and optimistic growth rate estimates have been applied from 2005, the latest date prior to which actual growth rate information was available.

## Shop Sales Densities

6.9 We have commented on DTZ's 2003 base date 'equilibrium' convenience sales densities in Section 3.

6.10 DTZ made no allowance for growth of sales densities over the forecast period. In our opinion this was reasonable, having regard to the very low expenditure per head growth rate that they were using. We believe that there is a likely to be a link between the growth of available expenditure and increasing productivity on existing retail floorspace (sales densities), with the former being the driver for the latter. Higher expenditure growth rates are likely to drive up sales densities, and vice versa.

6.11 In the light of more recent information from the research companies, as noted above, we have used a range of expenditure per head growth rates. We have therefore considered whether it is now appropriate to allow for some additional expenditure to be accommodated on existing floorspace through an increase in sales densities.

6.12 Experian Retail Planner Briefing Note 4 suggests that greater allowance should be made for increases in sales densities than has previously been the case, and indicate that a rate of 0.75% might be suitable. It will be apparent that, unless offset by population growth, this rate would lead to a decline in floorspace need with our cautious expenditure growth rate of 0.6%. Having regard to the likely link between expenditure growth and increasing productivity on existing floorspace, we have therefore allowed for sales density to increase at 50% of the expenditure growth rate, i.e. 0.3% with the cautious 0.6% expenditure growth rate and 0.5% with the optimistic 1% expenditure growth rate.

# 7. Existing Commitments

7.1 At the time of the DTZ Study, the only convenience goods commitment for which allowance was made is approximately 100 sq m sales area at Sainsbury Bretton Centre, for which allowance is made in Stage 7 of their retail model.

7.2 We have updated the commitments through reference to the Council's monitoring report 'Retail Development in Peterborough 2006', and discussions with City officers.

## Peterborough City

7.3 The principal schemes either committed or implemented since 2003 within the City, which are shown in Stage 7 of the tables in Appendices 2 and 3 (in addition to Sainsbury Bretton), are as follows:

(i) Paston Reserve Local Centre – a foodstore of 1,500 sq m gross allocated in the Local Plan as part of a new housing area at Paston Reserve.

(ii) Orton Centre – redevelopment proposals granted consent in 2005, including a new foodstore as replacement for original anchor foodstore – a convenience goods floorspace gain of 1,920 sq m.

(iii) Valley Park Local Centre – Budgens store of 1,117 sq m gross implemented in 2004/5.

7.4 We have assumed that no convenience goods floorspace gain will arise from the Asda Rivergate redevelopment proposals that were granted consent in 2004.

## Other Catchment Area Centres

7.5 Outside the City we have identified the following foodstore schemes, which have been implemented since 2003:

(i) M & S Simply Food, Spalding - 557 sq m gross

(ii) M & S Simply Food, Stamford

(iii) Aldi, Sandyland Street, Wisbech - 1,318 sq m gross

(iv) Tesco Express, Rothwell, Kettering - 232 sq m gross

(v) Tesco Express, 151 Great North Road, St Neots - 240 sq m gross

(vi) Tesco Express, 79 Brambleside, Kettering - 176 sq m gross

(vii) Tesco Express, 84 St Augustine Way King's Lynn - 191 sq m gross

(viii) Tesco Express, Unit 1 Wertheim Way, Huntingdon - 168 sq m gross

7.6 These schemes do not feature in the assessment tables in Appendices 2 and 3, because we have modelled the performance and floorspace requirements of Peterborough centres and shopping facilities only. We have, however, had regard to these schemes in considering the future market share of available spending that will be attracted to Peterborough in the future – see Section 5.

# 8. Capacity Scenarios

8.1 We have examined two capacity scenarios, which are contained within Appendices 2 and 3 of this report. Both scenarios assume that the City's retailing was in equilibrium at 2003, and treat expenditure growth post 2003 as being available to support new floorspace.

## Scenario A – Cautious Forecast

8.2 Scenario A (Appendix 2) is a 'cautious' forecast. It applies expenditure per head growth rates throughout the forecast period (from 2005) of 0.6% per annum. This is a little lower than has been achieved in the last 10 years or so, but higher than was achieved in the 1960s and 1970s.

8.3 It allows for an increase in shop sales densities of 0.3%, which represents 50% of the expenditure per head growth rate. It also assumes that the market shares of residents' expenditure attracted to shopping centres within the Study Area remains constant over time.

### Residual Expenditure and Supportable New Floorspace

8.4 Following the DTZ methodology, the Appendices 2 and 3 tables identify turnover and floorspace under the headings – City Centre, Serpentine Green, Other District Centres and Out of Centre Stores. In the table below we amalgamate the outputs into two sub-categories only – City Centre and Other Centres.

8.5 In our view the sub-division of floorspace capacity into two categories only, City Centre and Other Centres, provides a more meaningful indicator of floorspace requirements for the City. The principal reason for this is that planning policy will require that future new convenience goods floorspace provision will not follow the existing distribution of shopping facilities. For example, restrictions are likely to be placed on further large scale shopping development at Serpentine Green; and out-of-centre retail development will be more strictly controlled.

8.6 The residual expenditure potential and supportable new floorspace at 2011, 2016, and 2021 under the Scenario A Cautious Forecast is set out in Table 1 below. This information is derived from Stage 7 of the tables in Appendix 2. The new floorspace requirements are in addition to the commitments shown in the Stage 7 table.

**Table 1 Expenditure and Floorspace Capacity**
**Scenario A – Cautious Forecast**

| | Residual Exp £m | | | Gross Floorspace sq m | | |
|---|---|---|---|---|---|---|
| | 2011 | 2016 | 2021 | 2011 | 2016 | 2021 |
| City Centre | 13.11 | 23.15 | 35.95 | 1,600 | 2,700 | 4,100 |
| Other centres | 21.93 | 39.13 | 60.83 | -1,000 | 1,900 | 5,500 |
| Peterbor City | 35.04 | 62.28 | 96.78 | 600 | 4,600 | 9,600 |

8.7 Although Table 1 suggests that the greatest initial floorspace need is in the City Centre, this is merely reflecting the existing good representation of foodstores in the City Centre and does not mean that future floorspace should be provided with a similar locational pattern. It is for planning policy to decide where the new floorspace should be provided having regard to the location of new residential development, sustainability considerations, etc.

8.8 Table 1 indicates that up to 2011 there is a very small requirement only for new convenience goods floorspace within the City as a whole. It is expected that convenience goods expenditure growth will largely be absorbed by commitments and proposals outside the City Centre, the largest of which are at Orton and Paston. However, the growth of population and residents convenience goods expenditure is expected to generate significant new floorspace needs by 2011 and 2016. We anticipate that much of these floorspace requirements will be linked to housing growth areas.

8.9 It must be emphasised that this type of quantitative assessment is broad brush, because of the coarseness of the input information and assumptions made. The numbers should not therefore be treated as being precise. If, for example, an increase of sales densities on existing floorspace were not to materialise, the new floorspace that could be justified would be much greater.

## Scenario B – Optimistic Forecast

8.10 Scenario B (Appendix 3) is a more optimistic forecast. It applies expenditure per head growth rates throughout the forecast period (from 2005) of 1% per annum. This is more akin to the rates that have been achieved in the last 10 years or so.

8.11 Similar to Scenario A, it allows an increase in sales densities at 50% of the expenditure per head growth rate – in this case 0.5% per annum. It also assumes that the market shares of residents' expenditure attracted to shopping centres within the Study Area remains constant over time.

### Residual Expenditure and Supportable Floorspace

8.12 The residual expenditure potential and supportable new floorspace at 2011, 2016, and 2021 under the Scenario B Optimistic forecasts are set out in Table 2 below. This information is derived from Stage 7 of the tables in Appendix 3. The new floorspace requirements are in addition to the commitments shown in the Stage 7 table.

**Table 2 Expenditure and Floorspace Capacity**
**Scenario B - Optimistic Forecast**

| | Residual Exp £m | | | Gross Floorspace sq m | | |
|---|---|---|---|---|---|---|
| | 2011 | 2016 | 2021 | 2011 | 2016 | 2021 |
| City Centre | 12.29 | 22.97 | 38.27 | 1,400 | 2,600 | 4,300 |
| Other centres | 24.29 | 45.11 | 73.39 | -500 | 2,800 | 7,300 |
| Peterbor City | 36.58 | 68.08 | 111.66 | 900 | 5,400 | 11,600 |

8.13 The pattern of floorspace requirements with Scenario B is similar to that in Scenario A. The difference is a higher level of need which becomes more pronounced over time. At 2011 the greater level of floorspace need in the City as a whole (as compared with Scenario A) is only 300 sq m gross. By

2016 this difference has become 800 sq m gross and by 2021 2,000 sq m gross.

8.14 As with Scenario A, it must be emphasised that this type of quantitative assessment is broad brush, and the numbers should not therefore be treated as being precise.

# 9. Findings and Recommendations

9.1 Retail expenditure capacity assessments and forecasts of supportable retail floorspace are subject of a number of assumptions and judgements. The floorspace requirement outputs should therefore be treated as broad-brush estimates.

9.2 Retail expenditure growth will be affected by the state of the national economy and the growth of catchment residents' disposable income. The translation of available expenditure to a floorspace requirement is particularly difficult. Judgements have to be made on the amount of new expenditure that might reasonably be allowed to be absorbed by existing retail floorspace. In addition, the turnover supported by different types of shopping floorspace varies greatly.

9.3 Because of these issues, in particular that sales densities vary widely between retailers, it is useful for planning purposes to have regard to the residual expenditure generated, as well as the following stage of translating this into floorspace requirements.

9.4 The forecasts indicate that, because of existing commitments and schemes implemented outside the City Centre, there is little need to provide new convenience goods floorspace within the City in the period up to 2011. There is therefore no onus on the City Council in the short term to find sites for new convenience goods floorspace in locations that are acceptable in planning terms. Similarly, in the absence of quantitative need, there will be no justification in the short term for allowing new foodstore developments in locations that are unacceptable in planning terms, e.g. out-of-centre sites.

9.5 Although the scale of population growth in Peterborough does not give rise to any significant new floorspace requirements up to 2011, we have identified requirements in the range of 4,600 – 5,400 sq m gross by 2016 and 9,600 – 11,600 sq m gross by 2021. Much of this requirement will need to be planned as part of the infrastructure of major new housing areas, so as to provide a sustainable pattern of new shopping within the City.

9.6 The forecasts for 2016 and 2021 are made over a long time period, and therefore the potential margins of error associated with these forecasts become increasingly wide. We have drawn attention to the key input assumptions that influence the forecast outputs. Monitoring of the forecasts will indicate how far these input assumptions remain valid.

**Drivers Jonas**
**April 2007**

# Appendix 1

## Peterborough Population Forecasts

**APPENDIX 1 -**

**PETERBOROUGH: PROJECTED POPULATION**

2005-based Population Projections,January 2007

Consultation Draft East of England Plan Target Dwelling Provision, with Peterborough Possible Phased Growth Assumption trajectory

Totals may not add due to rounding. New GAD Mortality

Research Group, Chief Executive's Department, Cambridgeshire County Council, 09.01.07

| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 0-4 | 10,300 | 10,200 | 10,100 | 10,400 | 10,900 | 11,300 | 11,600 | 11,900 | 12,100 | 12,200 | 12,200 | 12,200 | 12,200 | 12,300 | 12,400 | 12,500 | 12,600 | 12,800 | 13,000 | 13,100 | 13,200 |
| 5-10 | 13,200 | 13,000 | 13,100 | 13,000 | 13,000 | 13,100 | 13,100 | 13,100 | 13,200 | 13,500 | 14,000 | 14,400 | 14,800 | 15,100 | 15,400 | 15,600 | 15,800 | 15,800 | 15,900 | 16,000 | 16,100 |
| 11-15 | 10,800 | 10,900 | 10,800 | 10,800 | 10,900 | 11,000 | 10,900 | 11,000 | 11,100 | 11,000 | 10,900 | 10,900 | 10,800 | 10,900 | 11,100 | 11,700 | 12,100 | 12,500 | 12,800 | 13,000 | 13,200 |
| 16-19 | 7,900 | 8,200 | 8,200 | 8,300 | 8,300 | 8,300 | 8,500 | 8,400 | 8,300 | 8,400 | 8,200 | 8,300 | 8,400 | 8,600 | 8,500 | 8,400 | 8,400 | 8,400 | 8,600 | 8,900 | 9,200 |
| 20-24 | 9,700 | 9,600 | 9,700 | 9,900 | 10,100 | 10,300 | 10,500 | 10,600 | 10,700 | 10,600 | 10,700 | 10,700 | 10,700 | 10,800 | 11,000 | 11,000 | 11,200 | 11,400 | 11,400 | 11,200 | 11,200 |
| 25-39 | 37,200 | 36,700 | 36,300 | 35,500 | 35,300 | 35,700 | 35,200 | 34,900 | 34,500 | 34,300 | 34,100 | 33,900 | 33,900 | 34,200 | 34,600 | 35,400 | 36,100 | 36,700 | 37,500 | 37,900 | 38,100 |
| 40-64 | 46,100 | 46,900 | 47,800 | 49,200 | 50,700 | 52,300 | 53,600 | 54,800 | 55,900 | 56,900 | 57,800 | 58,400 | 59,200 | 59,900 | 60,700 | 61,600 | 62,200 | 62,800 | 63,300 | 63,900 | 64,600 |
| 65-74 | 12,100 | 12,100 | 12,200 | 12,300 | 12,400 | 12,500 | 12,700 | 12,900 | 13,400 | 13,900 | 14,300 | 15,300 | 16,100 | 16,800 | 17,400 | 18,100 | 18,600 | 19,100 | 19,600 | 19,900 | 20,200 |
| 75-84 | 7,700 | 7,900 | 8,200 | 8,400 | 8,400 | 8,500 | 8,700 | 8,800 | 8,900 | 9,100 | 9,300 | 9,400 | 9,500 | 9,600 | 9,800 | 10,000 | 10,300 | 10,600 | 11,000 | 11,500 | 11,900 |
| 85+ | 2,400 | 2,500 | 2,500 | 2,500 | 2,700 | 3,000 | 3,200 | 3,300 | 3,400 | 3,600 | 3,700 | 3,900 | 4,000 | 4,200 | 4,400 | 4,600 | 4,800 | 5,000 | 5,100 | 5,300 | 5,500 |
| | | | | | | | | | | | | | | | | | | | | | |
| Total | 157,400 | 158,000 | 158,900 | 160,300 | 162,700 | 166,000 | 168,000 | 169,700 | 171,500 | 173,500 | 175,200 | 177,400 | 179,600 | 182,400 | 185,300 | 188,900 | 192,100 | 195,100 | 198,200 | 200,700 | 203,200 |
| | | | | | | | | | | | | | | | | | | | | | |
| % Change | | | | 0.88% | 1.50% | 2.03% | 1.20% | 1.01% | 1.06% | 1.17% | 0.98% | 1.26% | 1.24% | 1.56% | 1.59% | 1.94% | 1.69% | 1.56% | 1.59% | 1.26% | 1.25% |

# Appendix 2

## Scenario A – Cautious Forecast

**Drivers Jonas Convenience Goods Retail Capacity Update**

**Appendix 2**

## Scenario A: "Cautious" Capacity.

**STAGE 1: PROJECTED CHANGES IN CATCHMENT POPULATION & SPENDING** (all monetary figures expressed in constant 2004 prices):

| | 2003 | 2006 | 2011 | 2016 | 2021 | CHANGE: 2003 - 2021 £m | % |
|---|---|---|---|---|---|---|---|
| **CORE CATCHMENT:** | | | | | | | |
| - Base Year Population & Projections (1): | 250,857 | 262,094 | 276,621 | 298,234 | 320,809 | 69,952 | 27.9% |
| - Average convenience goods spending (£ per capita) (2/3): | £1,500.8 | £1,543.7 | £1,590.6 | £1,638.9 | £1,688.7 | £187.9 | 12.5% |
| **- TOTAL AVAILABLE CONVENIENCE GOODS SPENDING (£ million):** | £376.5 | £404.6 | £440.0 | £488.8 | £541.7 | £165.3 | 43.9% |
| **OUTER CATCHMENT:** | | | | | | | |
| - Base Year Population & Projections (1): | 647,247 | 658,991 | 679,000 | 699,616 | 720,857 | 73,610 | 11.4% |
| - Average convenience goods spending (£ per capita) (2/3): | £1,516.5 | £1,559.9 | £1,607.2 | £1,656.0 | £1,706.3 | £189.8 | 12.5% |
| **- TOTAL AVAILABLE CONVENIENCE GOODS SPENDING (£ million):** | £981.5 | £1,027.9 | £1,091.3 | £1,158.6 | £1,230.0 | £248.5 | 25.3% |
| **TOTAL ESTIMATED POPULATION:** | **898,104** | **921,085** | **955,621** | **997,850** | **1,041,667** | **143,563** | **15.99%** |
| **TOTAL ESTIMATED AVAILABLE SPEND (£m):** | **£1,358.0** | **£1,432.5** | **£1,531.3** | **£1,647.3** | **£1,771.7** | **£413.7** | **30.5%** |

**Assumes no change in market shares, tests a floorspace 'efficiency' ratio of 0.3% per annum and exenditure growth of 0.6% per annum.**

NOTES:

(1) Year 2004 (base) population derived from MapInfo TargetPro.
(2) MapInfo population data for Core Catchment in year 2004 adjusted to year 2003 using Peterborough City Council information on population change, see Appendix 1.
(3) Core Catchment population change 2003-2021 calculated using Peterborough City Council information on population change.
(4) MapInfo population data for Outer Catchment in year 2004 adjusted to year 2003 using information on population change taken from Peterborough Retail Strategy Report (2004) by DTZ.
(5) Outer Catchment population change 2003-2021 calculated using information on population change taken from Peterborough Retail Strategy Report (2004) by DTZ.
(6) 2004 (base) expenditure derived from MapInfo TargetPro. Expenditure 2003-2005 adjusted to reflect actual growth rates. Expenditure 2005 onwards projected based on "ultra long term" trend (0.6% p.a.), as set out in the Experian Retail Planner Briefing Note 4 published in October 2006.
(7) Expenditure on special forms of trading (e.g. mail order) has NOT been deducted from the average spend estimates. Assume 3.2% of total available spend is on mail order, vending machines, internet, etc.

## Drivers Jonas Convenience Goods Retail Capacity Update

### Scenario A: "Cautious" Capacity.

**STAGE 2: FLOORSPACE STOCK - EXISTING AT 2003** (net square metres) (1):

| | | | Gross sq.m (2) | 2003 | 2006 | 2011 | 2016 | 2021 | CHANGE: 2003 - 2021 sq.metres | CHANGE: 2003 - 2021 % |
|---|---|---|---|---|---|---|---|---|---|---|
| CITY CENTRE FLOORSPACE: | | | *16,954* | 11,020 | 11,120 | 11,287 | 11,458 | 11,631 | | |
| | | *SUB-TOTAL:* | *16,954* | **11,020** | **11,120** | **11,287** | **11,458** | **11,631** | | |
| SERPENTINE GREEN | | | *11,202* | 8,962 | 9,042 | 9,179 | 9,317 | 9,458 | | |
| | | *SUB-TOTAL:* | *11,202* | **8,962** | **9,042** | **9,179** | **9,317** | **9,458** | | |
| DISTRICT CENTRES: | Bretton | | *6,240* | 4,992 | 5,037 | 5,113 | 5,190 | 5,269 | | |
| | Orton | | *700* | 560 | 565 | 574 | 582 | 591 | | |
| | Werrington | | *2,854* | 2,283 | 2,304 | 2,339 | 2,374 | 2,410 | | |
| | Millfield | | *1,500* | 1,200 | 1,211 | 1,229 | 1,248 | 1,266 | | |
| | | *SUB-TOTAL:* | *11,294* | **9,035** | **9,117** | **9,254** | **9,394** | **9,536** | | |
| OUT-OF-CENTRE 'BULKY GOODS' FLOORSPACE (5) | | | *13,631* | 10,905 | 11,003 | 11,169 | 11,338 | 11,509 | | |
| | | *SUB-TOTAL:* | *13,631* | **10,905** | **11,003** | **11,169** | **11,338** | **11,509** | | |
| TOTAL CONVENIENCE GOODS FLOORSPACE: | | | *53,081* | **39,922** | **40,282** | **40,890** | **41,507** | **42,133** | **1,585** | **4.0%** |

NOTES:

(1) Please note that all gross floorspace estimates exclude vacant & A3 floorspace.
(2) No allowance is made in Stage 2 for commitments, any commitments are incorporated in Stage 7 below.
(3) Town centre floorspace based on DTZ gross floorspace estimates. Assume a net/gross floorspace ratio for town centre floorspace of 65% for town centres & 80% for out-of-centre space.
(4) Estimates for district centres based on Council and GOAD estimates.

## Drivers Jonas Convenience Goods Retail Capacity Update

### Scenario A: "Cautious" Capacity.

### STAGE 3: MARKET SHARE ESTIMATES(1) (% of available convenience goods spend derived from defined catchment areas)

| | 2003 | 2006 | 2011 | 2016 | 2021 |
|---|---|---|---|---|---|
| **CORE CATCHMENT** | | | | | |
| CITY CENTRE | 22.7% | 22.7% | 22.7% | 22.7% | 22.7% |
| SERPENTINE GREEN | 13.4% | 13.4% | 13.4% | 13.4% | 13.4% |
| OTHER DISTRICT CENTRES | 10.8% | 10.8% | 10.8% | 10.8% | 10.8% |
| OUT OF CENTRE STORES | 17.8% | 17.8% | 17.8% | 17.8% | 17.8% |
| SHOPS & STORES ELSEWHERE (2) | 32.1% | 32.1% | 32.1% | 32.1% | 32.1% |
| HOME AND INTERNET SHOPPING (3) | 3.2% | 3.2% | 3.2% | 3.2% | 3.2% |
| **TOTAL MARKET SHARE:** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **100.0%** |
| **OUTER CATCHMENT** | | | | | |
| CITY CENTRE | 4.7% | 4.7% | 4.7% | 4.7% | 4.7% |
| SERPENTINE GREEN | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% |
| OTHER DISTRICT CENTRES | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% |
| OUT OF CENTRE STORES | 1.9% | 1.9% | 1.9% | 1.9% | 1.9% |
| SHOPS & STORES ELSEWHERE (2) | 87.2% | 87.2% | 87.2% | 87.2% | 87.2% |
| HOME AND INTERNET SHOPPING (3) | 3.2% | 3.2% | 3.2% | 3.2% | 3.2% |
| **TOTAL MARKET SHARE:** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **100.0%** |

NOTES:

(1) Market share estimates informed by Household Interview Survey questions specifically relating to where people shop for 'Main Shop' and 'Top Up' items.
(2) 'Shops & stores' elsewhere category includes all other non-food floorspace both within and outside Peterborough.
(3) Assume 3.2% of total available spend is on mail order, vending machines, internet, etc. (see Stage 1, note 8). Based on MapInfo (formerly URPI) research.

## Drivers Jonas Convenience Goods Retail Capacity Update

### Scenario A: "Cautious" Capacity.

### STAGE 4: TRADE DRAW ESTIMATES

| | 2003 | 2006 | 2011 | 2016 | 2021 |
|---|---|---|---|---|---|
| **CITY CENTRE** | | | | | |
| % Trade draw from within core catchment [1]: | 65% | 66% | 66% | 67% | 67% |
| % Trade draw from within outer catchment [1]: | 35% | 34% | 34% | 33% | 33% |
| % Trade draw from beyond the catchment[2]: | 0% | 0% | 0% | 0% | 0% |
| **TOTAL TRADE DRAW:** | **100%** | **100%** | **100%** | **100%** | **100%** |
| **SERPENTINE GREEN** | | | | | |
| % Trade draw from within core catchment [1]: | 77% | 78% | 78% | 79% | 79% |
| % Trade draw from within outer catchment [1]: | 23% | 22% | 22% | 21% | 21% |
| % Trade draw from beyond the catchment[3]: | 0% | 0% | 0% | 0% | 0% |
| **TOTAL TRADE DRAW:** | **100%** | **100%** | **100%** | **100%** | **100%** |
| **OTHER DISTRICT CENTRES** | | | | | |
| % Trade draw from within core catchment [1]: | 73% | 74% | 74% | 75% | 75% |
| % Trade draw from within outer catchment [1]: | 27% | 26% | 26% | 25% | 25% |
| % Trade draw from beyond the catchment[2]: | 0% | 0% | 0% | 0% | 0% |
| **TOTAL TRADE DRAW:** | **100%** | **100%** | **100%** | **100%** | **100%** |
| **OUT OF CENTRE STORES** | | | | | |
| % Trade draw from within core catchment [1]: | 78% | 79% | 79% | 80% | 80% |
| % Trade draw from within outer catchment [1]: | 22% | 21% | 21% | 20% | 20% |
| % Trade draw from beyond the catchment[3]: | 0% | 0% | 0% | 0% | 0% |
| **TOTAL TRADE DRAW:** | **100%** | **100%** | **100%** | **100%** | **100%** |

NOTES: (1) Trade draw from core and outer catchments areas derived from market share estimates (Stage 3).
(2) DTZ judgement as to what proportion of total turnover is derived from outside the study area based on relative scale, role and location of centres.

## Drivers Jonas Convenience Goods Retail Capacity Update

## Scenario A: "Cautious" Capacity.

### STAGE 5: POTENTIAL CONVENIENCE GOODS TURNOVER (£ million):

| | 2003 | 2006 | 2011 | 2016 | 2021 | CHANGE: 2003 - 2021 £ million | % |
|---|---|---|---|---|---|---|---|
| **CITY CENTRE** | | | | | | | |
| Turnover from within core catchment [(1)]: | £85.5 | £91.8 | £99.9 | £111.0 | £123.0 | | |
| Turnover from within outer catchment [(1)]: | £46.1 | £48.3 | £51.3 | £54.5 | £57.8 | | |
| Trade from beyond the catchment [(2)]: | £0.0 | £0.0 | £0.0 | £0.0 | £0.0 | | |
| **TOTAL CONVENIENCE GOODS TURNOVER:** | **£131.6** | **£140.2** | **£151.2** | **£165.4** | **£180.8** | £33.8 | 25.7% |
| **SERPENTINE GREEN** | | | | | | | |
| Turnover from within core catchment [(1)]: | £50.4 | £54.2 | £59.0 | £65.5 | £72.6 | | |
| Turnover from within outer catchment [(1)]: | £14.7 | £15.4 | £16.4 | £17.4 | £18.4 | | |
| Trade from beyond the catchment [(2)]: | £0.0 | £0.0 | £0.0 | £0.0 | £0.0 | | |
| **TOTAL CONVENIENCE GOODS TURNOVER:** | **£65.2** | **£69.6** | **£75.3** | **£82.9** | **£91.0** | £17.7 | 27.2% |
| **OTHER DISTRICT CENTRES** | | | | | | | |
| Turnover from within core catchment [(1)]: | £40.7 | £43.7 | £47.5 | £52.8 | £58.5 | | |
| Turnover from within outer catchment [(1)]: | £14.7 | £15.4 | £16.4 | £17.4 | £18.4 | | |
| Trade from beyond the catchment [(2)]: | £0.0 | £0.0 | £0.0 | £0.0 | £0.0 | | |
| **TOTAL CONVENIENCE GOODS TURNOVER:** | **£55.4** | **£59.1** | **£63.9** | **£70.2** | **£77.0** | £14.8 | 26.7% |
| **OUT OF CENTRE STORES** | | | | | | | |
| Turnover from within core catchment [(1)]: | £67.0 | £72.0 | £78.3 | £87.0 | £96.4 | | |
| Turnover from within outer catchment [(1)]: | £18.6 | £19.5 | £20.7 | £22.0 | £23.4 | | |
| Trade from beyond the catchment [(2)]: | £0.0 | £0.0 | £0.0 | £0.0 | £0.0 | | |
| **TOTAL CONVENIENCE GOODS TURNOVER:** | **£85.7** | **£91.6** | **£99.1** | **£109.0** | **£119.8** | £23.4 | 27.3% |
| **TOTAL CONVENIENCE GOODS TURNOVER:** | **£337.8** | **£360.5** | **£389.4** | **£427.5** | **£468.6** | £89.6 | 26.5% |
| | 0% | 0% | 0% | 0% | 0% | | |

NOTES: (1) Turnover derived from market share estimates (Stage 3).
(2) Turnover derived from trade draw estimates (Stage 4).

## Drivers Jonas Convenience Goods Retail Capacity Update

### Scenario A: "Cautious" Capacity.

### STAGE 6: POTENTIAL AVERAGE CONVENIENCE GOODS TURNOVER TO FLOORSPACE RATIOS (1):

| | | 2003 | 2006 | 2011 | 2016 | 2021 |
|---|---|---|---|---|---|---|
| **CITY CENTRE** | | | | | | |
| | **£ per square metre** | **£11,941** | **£12,605** | **£13,393** | **£14,436** | **£15,544** |
| | *£ per square foot* | *£1,109* | *£1,171* | *£1,244* | *£1,341* | *£1,444* |
| **SERPENTINE GREEN** | | | | | | |
| | **£ per square metre** | **£7,272** | **£7,701** | **£8,207** | **£8,895** | **£9,626** |
| | *£ per square foot* | *£676* | *£715* | *£762* | *£826* | *£894* |
| **OTHER DISTRICT CENTRES** | | | | | | |
| | **£ per square metre** | **£6,130** | **£6,484** | **£6,904** | **£7,469** | **£8,070** |
| | *£ per square foot* | *£569* | *£602* | *£641* | *£694* | *£750* |
| **OUT OF CENTRE STORES** | | | | | | |
| | **£ per square metre** | **£7,856** | **£8,320** | **£8,868** | **£9,615** | **£10,409** |
| | *£ per square foot* | *£730* | *£773* | *£824* | *£893* | *£967* |

NOTES: (1) Calculated by dividing potential convenience goods turnover (Stage 5) by convenience goods sales area (Stage 2).

## Drivers Jonas Convenience Goods Retail Capacity Update

## Scenario A: "Cautious" Capacity.

### STAGE 7: CONVENIENCE GOODS FLOORSPACE CAPACITY:

***Assumes an annual growth 'efficiency' of: 0.30%***
***Assumes a net/gross floorspace ratio of: 70% for town centre floorspace***
***Assumes a net/gross floorspace ratio of: 80% for retail warehouse floorspace***

| | 2003 | 2006 | 2011 | 2016 | 2021 |
|---|---|---|---|---|---|
| **PETERBOROUGH CITY CENTRE** | | | | | |
| Derived Average Sales Density (£/sq.m) (1): | £11,941 | £12,049 | £12,231 | £12,416 | £12,453 |
| **Derived Convenience Goods Turnover (£m):** | **£131.6** | **£134.0** | **£138.1** | **£142.3** | **£144.8** |
| **Residual Expenditure (£ million) (2):** | £0.00 | £6.18 | £13.11 | £23.15 | £35.95 |
| **Assumed average sales density of new floorspace (£/sq.m) (1):** | £11,941 | £12,049 | £12,231 | £12,416 | £12,453 |
| **SUPPORTABLE NEW FLOORSPACE (net sq m) (3):** | 0 | 500 | 1,100 | 1,900 | 2,900 |
| ***Committed floorspace (net sq m):*** | *0* | *0* | *0* | *0* | *0* |
| **Supportable new floorspace less commitments:** | 0 | 500 | 1,100 | 1,900 | 2,900 |
| **GROSS FLOORSPACE EQUIVALENT:** | **0** | **700** | **1,600** | **2,700** | **4,100** |
| **SERPENTINE GREEN** | | | | | |
| Derived Average Sales Density (£/sq.m) (1): | £7,272 | £7,338 | £7,449 | £7,561 | £7,584 |
| **Derived Convenience Goods Turnover (£m):** | **£65.2** | **£66.4** | **£68.4** | **£70.5** | **£71.7** |
| **Residual Expenditure (£ million) (2):** | £0.00 | £3.28 | £6.96 | £12.42 | £19.31 |
| **Assumed average sales density of new floorspace (£/sq.m) (1):** | £7,272 | £7,338 | £7,449 | £7,561 | £7,584 |
| **SUPPORTABLE NEW FLOORSPACE (net sq m) (3):** | 0 | 400 | 900 | 1,600 | 2,500 |
| ***Committed floorspace (net sq m):*** | *0* | *0* | *0* | *0* | *0* |
| **Supportable new floorspace less commitments:** | 0 | 400 | 900 | 1,600 | 2,500 |
| **GROSS FLOORSPACE EQUIVALENT:** | **0** | **500** | **1,100** | **2,000** | **3,100** |
| **OTHER DISTRICT CENTRES** | | | | | |
| Derived Average Sales Density (£/sq.m) (1): | £6,130 | £6,185 | £6,278 | £6,373 | £6,392 |
| **Derived Convenience Goods Turnover (£m):** | **£55.4** | **£56.4** | **£58.1** | **£59.9** | **£61.0** |
| **Residual Expenditure (£ million) (2):** | £0.00 | £2.73 | £5.79 | £10.30 | £16.00 |
| **Assumed average sales density of new floorspace (£/sq.m) (1):** | £6,130 | £6,185 | £6,278 | £6,373 | £6,392 |
| **SUPPORTABLE NEW FLOORSPACE (net sq m) (3):** | 0 | 400 | 900 | 1,600 | 2,500 |
| ***Committed floorspace (net sq m):*** | *0* | *882* | *3,273* | *3,273* | *3,273* |
| Sainsbury Bretton District Centre | | *100* | *100* | *100* | *100* |
| Paston Reserve Local Centre | | | *1,050* | *1,050* | *1,050* |
| Orton | | | *1,342* | *1,342* | *1,342* |
| Valley Park Local Centre (Budgens unit) | | *782* | *782* | *782* | *782* |
| **Supportable new floorspace less commitments:** | 0 | -482 | -2,373 | -1,673 | -773 |
| **GROSS FLOORSPACE EQUIVALENT:** | **0** | **-600** | **-3,000** | **-2,100** | **-1,000** |

## OUT OF CENTRE STORES

| | | | | | |
|---|---|---|---|---|---|
| Derived Average Sales Density (£/sq.m) [1]: | £7,856 | £7,927 | £8,046 | £8,168 | £8,192 |
| **Derived Convenience Goods Turnover (£m):** | **£85.7** | **£87.2** | **£89.9** | **£92.6** | **£94.3** |
| **Residual Expenditure (£ million) [2]:** | £0.00 | £4.33 | £9.18 | £16.41 | £25.52 |
| **Assumed average sales density of new floorspace (£/sq.m) [1]:** | £7,856 | £7,927 | £8,046 | £8,168 | £8,192 |
| **SUPPORTABLE NEW FLOORSPACE (net sq m) [3]:** | 0 | 500 | 1,100 | 2,000 | 3,100 |
| ***Committed floorspace (net sq m):*** | *0* | *400* | *400* | *400* | *400* |
| Farmfoods, Lincoln Road | | *400* | *400* | *400* | *400* |
| **Supportable new floorspace less commitments:** | 0 | 100 | 700 | 1,600 | 2,700 |
| **GROSS FLOORSPACE EQUIVALENT:** | **0** | **100** | **900** | **2,000** | **3,400** |

NOTES:

(1) Residual expenditure is potential convenience goods turnover (Stage 5) minus derived convenience goods turnover.
(2) Supportable new floorspace calculated by dividing surplus expenditure by assumed sales density of new floorspace, to nearest 100 sq m.
(3) Commitments supplied by Peterborough City Council. See main report.

# Appendix 3

## Scenario B – Optimistic Forecast

## Drivers Jonas Convenience Goods Retail Capacity Update

## Appendix 2

### Scenario B: "Optimistic" Capacity.

**STAGE 1:** **PROJECTED CHANGES IN CATCHMENT POPULATION & SPENDING** (all monetary figures expressed in constant 2004 prices):

| | 2003 | 2006 | 2011 | 2016 | 2021 | CHANGE: 2003 - 2021 £m | % |
|---|---|---|---|---|---|---|---|
| **CORE CATCHMENT:** | | | | | | | |
| - Base Year Population & Projections (1): | 250,857 | 262,094 | 276,621 | 298,234 | 320,809 | 69,952 | 27.9% |
| - Average convenience goods spending (£ per capita) (2/3): | £1,500.8 | £1,549.9 | £1,628.9 | £1,712.0 | £1,799.4 | £298.6 | 19.9% |
| **- TOTAL AVAILABLE CONVENIENCE GOODS SPENDING (£ million):** | £376.5 | £406.2 | £450.6 | £510.6 | £577.3 | £200.8 | 53.3% |
| **OUTER CATCHMENT:** | | | | | | | |
| - Base Year Population & Projections (1): | 647,247 | 658,991 | 679,000 | 699,616 | 720,857 | 73,610 | 11.4% |
| - Average convenience goods spending (£ per capita) (2/3): | £1,516.5 | £1,566.1 | £1,645.9 | £1,729.9 | £1,818.1 | £301.7 | 19.9% |
| **- TOTAL AVAILABLE CONVENIENCE GOODS SPENDING (£ million):** | £981.5 | £1,032.0 | £1,117.6 | £1,210.3 | £1,310.6 | £329.1 | 33.5% |
| **TOTAL ESTIMATED POPULATION:** | **898,104** | **921,085** | **955,621** | **997,850** | **1,041,667** | **143,563** | **15.99%** |
| **TOTAL ESTIMATED AVAILABLE SPEND (£m):** | **£1,358.0** | **£1,438.2** | **£1,568.2** | **£1,720.8** | **£1,887.9** | **£529.9** | **39.0%** |

**Assumes no change in market shares, tests a floorspace 'efficiency' ratio of 0.5% per annum and expenditure growth of 1% per annum.**

NOTES:
(1) Year 2004 (base) population derived from MapInfo TargetPro.
(2) MapInfo population data for Core Catchment in year 2004 adjusted to year 2003 using Peterborough City Council information on population change.
(3) Core Catchment population change 2003-2021 calculated using Peterborough City Council information on population change.
(4) MapInfo population data for Outer Catchment in year 2004 adjusted to year 2003 using information on population change taken from Peterborough Retail Strategy Report (2004) by DTZ.
(5) Outer Catchment population change 2003-2021 calculated using information on population change taken from Peterborough Retail Strategy Report (2004) by DTZ.
(6) 2004 (base) expenditure derived from MapInfo TargetPro. Expenditure 2003-2005 adjusted to reflect actual growth rates. Expenditure 2005 onwards projected based on "medium term" trend (1% p.a.), as set out in the Experian Retail Planner Briefing Note 4.0 published in October 2006.
(7) Expenditure on special forms of trading (e.g. mail order) has NOT been deducted from the average spend estimates. Assume 3.2% of total available spend is on mail order, vending machines, internet, etc.

## Drivers Jonas Convenience Goods Retail Capacity Update

### Scenario B: "Optimistic" Capacity.

**STAGE 2: FLOORSPACE STOCK - EXISTING AT 2003** (net square metres) [1]:

| | | | Gross sq.m [2] | 2003 | 2006 | 2011 | 2016 | 2021 | CHANGE: 2003 - 2021 sq.metres | CHANGE: 2003 - 2021 % |
|---|---|---|---|---|---|---|---|---|---|---|
| **CITY CENTRE FLOORSPACE:** | | | *16,954* | 11,020 | 11,186 | 11,469 | 11,758 | 12,055 | | |
| | | *SUB-TOTAL:* | *16,954* | **11,020** | **11,186** | **11,469** | **11,758** | **12,055** | | |
| **SERPENTINE GREEN** | | | *11,202* | 8,962 | 9,097 | 9,326 | 9,562 | 9,803 | | |
| | | *SUB-TOTAL:* | *11,202* | **8,962** | **9,097** | **9,326** | **9,562** | **9,803** | | |
| **DISTRICT CENTRES:** | **Bretton** | | *6,240* | 4,992 | 5,067 | 5,195 | 5,326 | 5,461 | | |
| | **Orton** | | *700* | 560 | 568 | 583 | 598 | 613 | | |
| | **Werrington** | | *2,854* | 2,283 | 2,318 | 2,376 | 2,436 | 2,498 | | |
| | **Millfield** | | *1,500* | 1,200 | 1,218 | 1,249 | 1,280 | 1,313 | | |
| | | *SUB-TOTAL:* | *11,294* | **9,035** | **9,171** | **9,403** | **9,640** | **9,884** | | |
| **OUT-OF-CENTRE 'BULKY GOODS' FLOORSPACE** [5] | | | *13,631* | 10,905 | 10,905 | 10,905 | 10,905 | 10,905 | | |
| | | *SUB-TOTAL:* | *13,631* | **10,905** | **10,905** | **10,905** | **10,905** | **10,905** | | |
| **TOTAL CONVENIENCE GOODS FLOORSPACE:** | | | *53,081* | **39,922** | **40,359** | **41,103** | **41,865** | **42,647** | **1,944** | **4.9%** |

NOTES:

(1) Please note that all gross floorspace estimates exclude vacant & A3 floorspace.
(2) No allowance is made in Stage 2 for commitments, any commitments are incorporated in Stage 7 below.
(3) Town centre floorspace based on DTZ gross floorspace estimates. Assume a net/gross floorspace ratio for town centre floorspace of 65% for town centres & 80% for out-of-centre space.
(4) Estimates for district centres based on Council and GOAD estimates.

## Drivers Jonas Convenience Goods Retail Capacity Update

### Scenario B: "Optimistic" Capacity.

### STAGE 3: MARKET SHARE ESTIMATES(1) (% of available convenience goods spend derived from defined catchment areas)

| | 2003 | 2006 | 2011 | 2016 | 2021 |
|---|---|---|---|---|---|
| **CORE CATCHMENT** | | | | | |
| **CITY CENTRE** | 22.7% | 22.7% | 22.7% | 22.7% | 22.7% |
| **SERPENTINE GREEN** | 13.4% | 13.4% | 13.4% | 13.4% | 13.4% |
| **OTHER DISTRICT CENTRES** | 10.8% | 10.8% | 10.8% | 10.8% | 10.8% |
| **OUT OF CENTRE STORES** | 17.8% | 17.8% | 17.8% | 17.8% | 17.8% |
| **SHOPS & STORES ELSEWHERE (2)** | 32.1% | 32.1% | 32.1% | 32.1% | 32.1% |
| **HOME AND INTERNET SHOPPING (3)** | 3.2% | 3.2% | 3.2% | 3.2% | 3.2% |
| **TOTAL MARKET SHARE:** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **100.0%** |
| **OUTER CATCHMENT** | | | | | |
| **CITY CENTRE** | 4.7% | 4.7% | 4.7% | 4.7% | 4.7% |
| **SERPENTINE GREEN** | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% |
| **OTHER DISTRICT CENTRES** | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% |
| **OUT OF CENTRE STORES** | 1.9% | 1.9% | 1.9% | 1.9% | 1.9% |
| **SHOPS & STORES ELSEWHERE (2)** | 87.2% | 87.2% | 87.2% | 87.2% | 87.2% |
| **HOME AND INTERNET SHOPPING (3)** | 3.2% | 3.2% | 3.2% | 3.2% | 3.2% |
| **TOTAL MARKET SHARE:** | **100.0%** | **100.0%** | **100.0%** | **100.0%** | **100.0%** |

NOTES:

(1) Market share estimates informed by Household Interview Survey questions specifically relating to where people shop for 'Main Shop' and 'Top Up' items.
(2) 'Shops & stores' elsewhere category includes all other non-food floorspace both within and outside Peterborough.
(3) Assume 3.2% of total available spend is on mail order, vending machines, internet, etc. (see Stage 1, note 8). Based on MapInfo (formerly URPI) research.

## Drivers Jonas Convenience Goods Retail Capacity Update

### Scenario B: "Optimistic" Capacity.

### STAGE 4: TRADE DRAW ESTIMATES

| | 2003 | 2006 | 2011 | 2016 | 2021 |
|---|---|---|---|---|---|
| **CITY CENTRE** | | | | | |
| % Trade draw from within core catchment (1): | 65% | 66% | 66% | 67% | 67% |
| % Trade draw from within outer catchment (1): | 35% | 34% | 34% | 33% | 33% |
| % Trade draw from beyond the catchment(2): | 0% | 0% | 0% | 0% | 0% |
| **TOTAL TRADE DRAW:** | **100%** | **100%** | **100%** | **100%** | **100%** |
| **SERPENTINE GREEN** | | | | | |
| % Trade draw from within core catchment (1): | 77% | 78% | 78% | 79% | 79% |
| % Trade draw from within outer catchment (1): | 23% | 22% | 22% | 21% | 21% |
| % Trade draw from beyond the catchment(3): | 0% | 0% | 0% | 0% | 0% |
| **TOTAL TRADE DRAW:** | **100%** | **100%** | **100%** | **100%** | **100%** |
| **OTHER DISTRICT CENTRES** | | | | | |
| % Trade draw from within core catchment (1): | 73% | 74% | 74% | 75% | 75% |
| % Trade draw from within outer catchment (1): | 27% | 26% | 26% | 25% | 25% |
| % Trade draw from beyond the catchment(2): | 0% | 0% | 0% | 0% | 0% |
| **TOTAL TRADE DRAW:** | **100%** | **100%** | **100%** | **100%** | **100%** |
| **OUT OF CENTRE STORES** | | | | | |
| % Trade draw from within core catchment (1): | 78% | 79% | 79% | 80% | 80% |
| % Trade draw from within outer catchment (1): | 22% | 21% | 21% | 20% | 20% |
| % Trade draw from beyond the catchment(3): | 0% | 0% | 0% | 0% | 0% |
| **TOTAL TRADE DRAW:** | **100%** | **100%** | **100%** | **100%** | **100%** |

NOTES:

(1) Trade draw from core and outer catchments areas derived from market share estimates (Stage 3).

(2) DTZ judgement as to what proportion of total turnover is derived from outside the study area based on relative scale, role and location of centres.

## Drivers Jonas Convenience Goods Retail Capacity Update

### Scenario B: "Optimistic" Capacity.

### STAGE 5: POTENTIAL CONVENIENCE GOODS TURNOVER (£ million):

| | 2003 | 2006 | 2011 | 2016 | 2021 | CHANGE: 2003 - 2021 £ million | % |
|---|---|---|---|---|---|---|---|
| **CITY CENTRE** | | | | | | | |
| Turnover from within core catchment (1): | £85.5 | £92.2 | £102.3 | £115.9 | £131.0 | | |
| Turnover from within outer catchment (1): | £46.1 | £48.5 | £52.5 | £56.9 | £61.6 | | |
| Trade from beyond the catchment (2): | £0.0 | £0.0 | £0.0 | £0.0 | £0.0 | | |
| **TOTAL CONVENIENCE GOODS TURNOVER:** | **£131.6** | **£140.7** | **£154.8** | **£172.8** | **£192.6** | £41.2 | 31.3% |
| **SERPENTINE GREEN** | | | | | | | |
| Turnover from within core catchment (1): | £50.4 | £54.4 | £60.4 | £68.4 | £77.4 | | |
| Turnover from within outer catchment (1): | £14.7 | £15.5 | £16.8 | £18.2 | £19.7 | | |
| Trade from beyond the catchment (2): | £0.0 | £0.0 | £0.0 | £0.0 | £0.0 | | |
| **TOTAL CONVENIENCE GOODS TURNOVER:** | **£65.2** | **£69.9** | **£77.1** | **£86.6** | **£97.0** | £21.4 | 32.8% |
| **OTHER DISTRICT CENTRES** | | | | | | | |
| Turnover from within core catchment (1): | £40.7 | £43.9 | £48.7 | £55.1 | £62.3 | | |
| Turnover from within outer catchment (1): | £14.7 | £15.5 | £16.8 | £18.2 | £19.7 | | |
| Trade from beyond the catchment (2): | £0.0 | £0.0 | £0.0 | £0.0 | £0.0 | | |
| **TOTAL CONVENIENCE GOODS TURNOVER:** | **£55.4** | **£59.4** | **£65.4** | **£73.3** | **£82.0** | £17.9 | 32.3% |
| **OUT OF CENTRE STORES** | | | | | | | |
| Turnover from within core catchment (1): | £67.0 | £72.3 | £80.2 | £90.9 | £102.8 | | |
| Turnover from within outer catchment (1): | £18.6 | £19.6 | £21.2 | £23.0 | £24.9 | | |
| Trade from beyond the catchment (2): | £0.0 | £0.0 | £0.0 | £0.0 | £0.0 | | |
| **TOTAL CONVENIENCE GOODS TURNOVER:** | **£85.7** | **£91.9** | **£101.4** | **£113.9** | **£127.7** | £28.2 | 32.9% |
| **TOTAL CONVENIENCE GOODS TURNOVER:** | **£337.8** | **£361.9** | **£398.8** | **£446.5** | **£499.3** | £108.7 | 32.2% |
| | 0% | 0% | 0% | 0% | 0% | | |

NOTES:
(1) Turnover derived from market share estimates (Stage 3).
(2) Turnover derived from trade draw estimates (Stage 4).

## Drivers Jonas Convenience Goods Retail Capacity Update

### Scenario B: "Optimistic" Capacity.

### STAGE 6: POTENTIAL AVERAGE CONVENIENCE GOODS TURNOVER TO FLOORSPACE RATIOS (1):

| | | 2003 | 2006 | 2011 | 2016 | 2021 |
|---|---|---|---|---|---|---|
| **CITY CENTRE** | | | | | | |
| | **£ per square metre** | **£11,941** | **£12,579** | **£13,499** | **£14,695** | **£15,979** |
| | *£ per square foot* | *£1,109* | *£1,169* | *£1,254* | *£1,365* | *£1,485* |
| **SERPENTINE GREEN** | | | | | | |
| | **£ per square metre** | **£7,272** | **£7,686** | **£8,272** | **£9,054** | **£9,896** |
| | *£ per square foot* | *£676* | *£714* | *£768* | *£841* | *£919* |
| **OTHER DISTRICT CENTRES** | | | | | | |
| | **£ per square metre** | **£6,130** | **£6,471** | **£6,958** | **£7,603** | **£8,297** |
| | *£ per square foot* | *£569* | *£601* | *£646* | *£706* | *£771* |
| **OUT OF CENTRE STORES** | | | | | | |
| | **£ per square metre** | **£7,856** | **£8,429** | **£9,302** | **£10,443** | **£11,706** |
| | *£ per square foot* | *£730* | *£783* | *£864* | *£970* | *£1,088* |

NOTES: (1) Calculated by dividing potential convenience goods turnover (Stage 5) by convenience goods sales area (Stage 2).

## Drivers Jonas Convenience Goods Retail Capacity Update

## Scenario B: "Optimistic" Capacity.

### STAGE 7: CONVENIENCE GOODS FLOORSPACE CAPACITY:

*Assumes an annual growth 'efficiency' of: 0.50%*
*Assumes a net/gross floorspace ratio of: 70% for town centre floorspace*
*Assumes a net/gross floorspace ratio of: 80% for retail warehouse floorspace*

| | 2003 | 2006 | 2011 | 2016 | 2021 |
|---|---|---|---|---|---|
| **PETERBOROUGH CITY CENTRE** | | | | | |
| Derived Average Sales Density (£/sq.m) (1): | £11,941 | £12,121 | £12,427 | £12,741 | £12,805 |
| **Derived Convenience Goods Turnover (£m):** | **£131.6** | **£135.6** | **£142.5** | **£149.8** | **£154.4** |
| **Residual Expenditure (£ million) (2):** | £0.00 | £5.12 | £12.29 | £22.97 | £38.27 |
| **Assumed average sales density of new floorspace (£/sq.m) (1):** | £11,941 | £12,121 | £12,427 | £12,741 | £12,805 |
| **SUPPORTABLE NEW FLOORSPACE (net sq m) (3):** | 0 | 400 | 1,000 | 1,800 | 3,000 |
| ***Committed floorspace (net sq m):*** | *0* | *0* | *0* | *0* | *0* |
| **Supportable new floorspace less commitments:** | 0 | 400 | 1,000 | 1,800 | 3,000 |
| **GROSS FLOORSPACE EQUIVALENT:** | **0** | **600** | **1,400** | **2,600** | **4,300** |
| **SERPENTINE GREEN** | | | | | |
| Derived Average Sales Density (£/sq.m) (1): | £7,272 | £7,382 | £7,568 | £7,760 | £7,798 |
| **Derived Convenience Goods Turnover (£m):** | **£65.2** | **£67.2** | **£70.6** | **£74.2** | **£76.4** |
| **Residual Expenditure (£ million) (2):** | £0.00 | £2.76 | £6.56 | £12.38 | £20.56 |
| **Assumed average sales density of new floorspace (£/sq.m) (1):** | £7,272 | £7,382 | £7,568 | £7,760 | £7,798 |
| **SUPPORTABLE NEW FLOORSPACE (net sq m) (3):** | 0 | 400 | 900 | 1,600 | 2,600 |
| ***Committed floorspace (net sq m):*** | *0* | *0* | *0* | *0* | *0* |
| **Supportable new floorspace less commitments:** | 0 | 400 | 900 | 1,600 | 2,600 |
| **GROSS FLOORSPACE EQUIVALENT:** | **0** | **500** | **1,100** | **2,000** | **3,300** |
| **OTHER DISTRICT CENTRES** | | | | | |
| Derived Average Sales Density (£/sq.m) (1): | £6,130 | £6,222 | £6,379 | £6,540 | £6,573 |
| **Derived Convenience Goods Turnover (£m):** | **£55.4** | **£57.1** | **£60.0** | **£63.1** | **£65.0** |
| **Residual Expenditure (£ million) (2):** | £0.00 | £2.29 | £5.44 | £10.25 | £17.04 |
| **Assumed average sales density of new floorspace (£/sq.m) (1):** | £6,130 | £6,222 | £6,379 | £6,540 | £6,573 |
| **SUPPORTABLE NEW FLOORSPACE (net sq m) (3):** | 0 | 400 | 900 | 1,600 | 2,600 |
| ***Committed floorspace (net sq m):*** | *0* | *882* | *3,273* | *3,273* | *3,273* |
| Sainsbury Bretton District Centre | | *100* | *100* | *100* | *100* |
| Paston Reserve Local Centre | | | *1,050* | *1,050* | *1,050* |
| Orton | | | *1,342* | *1,342* | *1,342* |
| Valley Park Local Centre (Budgens unit) | | *782* | *782* | *782* | *782* |
| **Supportable new floorspace less commitments:** | 0 | -482 | -2,373 | -1,673 | -673 |
| **GROSS FLOORSPACE EQUIVALENT:** | **0** | **-600** | **-3,000** | **-2,100** | **-800** |

## OUT OF CENTRE STORES

| | | | | | |
|---|---|---|---|---|---|
| Derived Average Sales Density (£/sq.m) (1): | £7,856 | £7,974 | £8,175 | £8,382 | £8,424 |
| **Derived Convenience Goods Turnover (£m):** | **£85.7** | **£87.0** | **£89.2** | **£91.4** | **£91.9** |
| **Residual Expenditure (£ million) (2):** | £0.00 | £4.96 | £12.29 | £22.48 | £35.79 |
| **Assumed average sales density of new floorspace (£/sq.m) (1):** | £7,856 | £7,974 | £8,175 | £8,382 | £8,424 |
| **SUPPORTABLE NEW FLOORSPACE (net sq m) (3):** | 0 | 600 | 1,500 | 2,700 | 4,200 |
| ***Committed floorspace (net sq m):*** | *0* | *400* | *400* | *400* | *400* |
| Farmfoods, Lincoln Road | | *400* | *400* | *400* | *400* |
| **Supportable new floorspace less commitments:** | 0 | 200 | 1,100 | 2,300 | 3,800 |
| **GROSS FLOORSPACE EQUIVALENT:** | **0** | **300** | **1,400** | **2,900** | **4,800** |

NOTES:
(1) Residual expenditure is potential convenience goods turnover (Stage 5) minus derived convenience goods turnover.
(2) Supportable new floorspace calculated by dividing surplus expenditure by assumed sales density of new floorspace, to nearest 100 sq m.
(3) Commitments supplied by Peterborough City Council. See main report.