Bridgend County Retail Needs Planning Study 2007 to 2021

Final Report

Prepared by

CACI Ltd

for

Bridgend County Borough Council

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Table of Contents

Table of Figures

Table of Annexes

1.0 Executive Summary

The Retail Economy of Bridgend County – residents and tourists

1.1 Bridgend's retail economy is based on both strong resident-based demand for goods, in addition to a strong tourist-based demand for goods. Bridgend County's population is currently estimated at 132 thousand, spending £182m per annum on convenience goods and £286m on comparison goods and £78m on bulky goods. Tourists visiting the county spend £32m per annum on convenience goods and £70m on shopping (assumed to be predominantly comparison goods retail).

1.2 The county's non-food retail provision is concentrated in the three main town centres of Maesteg, Porthcawl and Bridgend, and also by a number of out-of-town retail sites, including the Bridgend Fashion Outlet Centre, Bridgend and Waterton Bulky Goods Retail Parks.

1.3 Bridgend acts as a sub-regional hub for retailing, representing the most significant retail centre between Swansea and Cardiff. Whilst Porthcawl and Maesteg operate with relatively local, 'captive' catchments, Bridgend Town Centre operates in the context of much more competition for its catchment population – in particular competition with Bridgend Outlet Centre and Cardiff.

1.4 In addition to smaller format stores there exists a number of large (>2,500 sq m net) supermarkets, including the Sainsbury's at the Pines, the Tesco-Extra on Cowbridge Road, the Tesco on the edge of Bridgend and the Co-Op in Pyle, all of which do not lie within the boundaries of the three main town centres.

Future Growth in the County – planned, forecast and proposed

1.5 The economy of South Wales is growing at a strong rate, with particularly strong growth in the employment sector of Cardiff driving resident-based growth of conurbations within commuting distance of the Welsh capital.

1.6 South Wales is also benefiting from a renaissance in the UK tourism market, with particularly strong growth in Bridgend County – 32% growth in tourist spend over a 5-year period from 2001 to 2006.

1.7 Porthcawl has substantial physical regeneration development plans, to include residential, leisure and retail proposals - focussed on its Waterfront, but also including an integrated extension of the existing town centre. The corresponding sustainable level from a needs perspective of the retail proposals is qualified in this report.

1.8 Bridgend has also substantial physical regeneration development plans, to include residential, leisure and retail proposals – more detail on which has been the subject of CACI's Retail Vision study. This includes retail development strategy options, ranging between circa 10,000 – 20,000 sq m net of additional comparison goods retail space, qualifying the corresponding sustainable level from a needs perspective in this report.

1.9 All three main town centres are set to experience impacts from the provision of new large (<2,500 sq m net) supermarkets, all planned to open by 2011:

- Tesco, Edge-of-Town, Maesteg (5,283 sq m gross) – open Nov 2007
- ASDA, In Town, Bridgend (9,920 sq m gross) – open 2008

- Unknown Fascia, In Town, Porthcawl (4,647 sq m gross) – likely opening 2011

1.10 Whilst the Tesco and Asda area are clearly already committed developments, we have also assumed the proposal in Porthcawl to be a 'given', and assessing its impact on the overall future need in addition to this proposal.

1.11 Finally, Bridgend Day Centre has approval for an additional 2,787 sq m gross of bulky goods floorspace – which will add to the strong agglomeration of bulky goods uses found at the Bridgend Retail Park located to the south east of Bridgend Town Centre. There is also an opportunity an extension of the Bridgend Retail Park for circa 5,000 sq m gross of bulky goods provision. This report qualifies the need for additional provision at sites such as the Bridgend Retail Park, supported by a qualitative retail demand assessment that examines the level of retailer demand for bulky goods in the county and at the Bridgend Day Centre and Bridgend Retail Park sites.

Implications of Growth and Qualitative Factors on Floorspace Need

1.12 Whilst the projected growth in the wealth of residents provides an encouraging backdrop for investment in the retail property market, it is the purpose of the planning system to simply highlight evidence of a need for additional floorspace consented to retail use. Required floorspace relates to the number and nature of goods sold – not on their price. Considering the complex interactions and implications of growth in expenditure per capita and the price of goods sold, CACI have recommended that the most robust assessment for future needs should be based upon estimates in the growth of footfall – primarily driven by resident population growth and impacts on the retail property sector due to increases in the sales of goods through home-delivery channels, such as the internet and catalogues.

1.13 For this reason, this report does not employ any assumptions in relation to changes in expenditure per capita or changes in floorspace efficiencies (i.e. trading density) to arrive at an assessment of future floorspace needs.

1.14 As part this study, CACI have also strongly recommended to the council that "headroom" for floorspace, derived from calculations involving expenditure, current floorspace provision and target trading densities (floorspace efficiencies), should not necessarily be directed correlated to actual "need" for floorspace, without qualifying that there is a corresponding level of retailer demand and need from a consumer choice perspective. Whilst not explicitly outlined in planning policy guidelines, CACI have a track record of providing evidence of retailer demand and the need to address consumer choices that, although apparently qualitative in nature, has been be used as material evidence for interpreting headroom figures into quantitative need (i.e. need for additional floorspace, measurable in sq m net/gross).

1.15 It is also worth noting that in their assessment of floorspace need, CACI has also assessed the current and future balances of trade, and taken these into account when determining the actual desirable need for additional floorspace in any particular location. This ensures that any new development does not cause undesirable imbalance, and if possible, that they actually help to address any current imbalance (sometimes referred to as 'claw-back' of trade.

1.16 On this basis, it is worth noting that the significant number of new large supermarkets proposed for Bridgend were justifiable by a need to improve the balance of trade in each area, and that the floorspace needs scenarios for Bridgend were based upon an intentional 'claw-back' of spend achievable through the retail strategies developed in CACI's Retail Vision for this centre.

1.17 CACI has also demonstrated that regardless of any higher "headroom" estimates derived from previous capacity studies, the need for additional bulky goods retail space in the area is actually limited by the level of demand for new space from the bulky goods operators themselves. A different view on the most desirable distribution of additional bulky goods space has also been derived from a view on the most desirable balances of trade, which differs from the underlying assumption of previous studies to maintain current trading patterns.

Convenience Floorspace Need

1.18 Using their Provision supermarket turnover model, CACI have assessed the current and future balances of trade (ratio between store resident-based turnover and available resident spend) of convenience goods spend from three planning zones, based around Maesteg, Porthcawl and Bridgend. The needs assessment has taken into account both resident-based and tourist-based spend. Taking the three large supermarket proposals into account (as well and some additional known committed developments) and the impacts of resident population and tourist growth and internet impacts, the following conclusions were drawn on future need:

- The **new Tesco** supermarket on the edge of Maesteg Town Centre will have a **beneficial impact of improving the balance of trade in the zone from 79.0% to 92.8%,** but due to the size of the store and impacts of the internet, **the overall additional need up to 2021 will be for 631 sq m net for the Maesteg planning zone**, which can be delivered through incremental development of small format convenience stores.
- The **new proposed supermarket** for Porthcawl Town Centre will have a **beneficial impact of improving the balance of trade in the zone from 39.8% to 51.2%,** but due to the size of the store and impacts of the internet, **there will be no further additional need up to 2021 for the Porthcawl planning zone**.
- Whilst the **new ASDA** supermarket for Bridgend Town Centre will have a **beneficial impact of drawing trade back from supermarkets at out-of-town locations** such as the Sainsbury's at The Pines and the Tesco-Extra on Cowbridge Road to the town centre, the net impact of all proposed supermarket development in the area (in particular development at Maesteg and Porthcawl) will see the overall balance of trade fall from 101.5% to 95.0%. Therefore, in this case the impact of new provision has not induced further need from 'claw-back' spend for the planning zone. Rather, the new supermarket has absorbed a current deficiency for floorspace, following which **we have identified very little headroom for additional floorspace (254 sq m net by 2021) for the Bridgend planning zone**, since little additional need will be driven by the growth in population, due to negative impacts of the internet.

Comparison Goods Floorspace Need

1.19 CACI has employed their Retail Footprint comparison goods catchment and turnover model to estimate current and future turnover potential at each of the three main town centres. Converting this turnover potential into capacity, CACI have used target trading densities (floorspace efficiency) to determine 'headroom' estimates for each town. A separate future floorspace needs assessment has been performed under three retail development strategy scenarios for Bridgend Town Centre ("Do Nothing", "Do Minimum" and "Do Maximum"). Under each scenario, a different level of 'claw-back' for Bridgend Town Centre and related increased 'leakage' from Maesteg and Porthcawl catchments has been taken into account.

1.20 Taking into account the impacts of resident population and tourist growth and internet impacts, the following conclusions were drawn on future need:

- A high level of current comparison goods floorspace deficiency was identified for **Maesteg**, meaning that an **identified headroom for additional floorspace of at least 5,120 sq m net by 2021** (under "Do Maximum" scenario for Bridgend). **However, tourist-based spend makes up for 41% of Maesteg's turnover potential.** Therefore, considering this 'headroom' is driven by tourist spend rather than resident-based spend, and the related seasonality of tourist spending patterns, and potential for this tourist spend to be alternatively captured and served by Bridgend Town Centre, we have concluded there is not a strong need and hence **no need for the council to seek to allocate further sites** for major levels of comparison goods use. Rather it is noted that any comparison goods retailing associated with other tourist-based attractions can be supported over the planning period**.**
- Due to the two catchments overlapping, the level of 'headroom' available for **Porthcawl is sensitive to the development strategy for Bridgend**. Assuming that Bridgend does not stand still in terms of development, **there is headroom for circa 3,000 – 3,500 sq m net of comparison goods floorspace**. This would indicate that retail proposals for a commercial zone at Hillsboro place, in particular the proposed retail units along Dock Street, would be sustainable (circa 20,000 sq ft gross unspecified retail) – albeit, since **51% of Porthcawl's turnover potential is made from tourist-based spend**, **any comparison goods offer needs to be made in conjunction with an improved tourist offer for the town centre**, to ensure such spend from tourists is actually attained.
- The competitive situation with Bridgend Outlet Centre and Cardiff, means that there is **opportunity for Bridgend Town Centre to 'claw-back' spend** under its two "do something" scenarios. This means that from a **current deficiency for 12,071 sq m net**, we have assessed that the town can sustain up to an additional **20,616 sq m net by 2021**, on top of the new floorspace being brought into the town from the ASDA (1,489 sq m net of comparison goods) and the redevelopment of the Brackla Centre (1,952 sq m net of comparison goods). **CACI's "Do Minimum" scenario would relate to headroom for circa 17,000 sq m net** of additional floorspace up to 2021 – with similar levels supportable earlier on in the planning period, meaning that **Bridgend's development options are all supportable at any time throughout the planning period**.

Bulky Goods Floorspace Need

1.21 By assessing retail floorspace need against an 'idealised' balance of trade of 100% for each planning zone, CACI have identified far less 'headroom' for additional bulky goods provision than a previous 2002 capacity study that used current trading patterns as a basis for implying current deficiencies. Furthmore CACI have identified less need in future, due to the impacts of the internet on the need for retail sales space.

1.22 Qualifying 'headroom' against a qualitative analysis of retailer demand, and in particular how the Bridgend Day Centre and an extension of the Bridgend Retail Park could satisfy this demand, has resulted in the conclusion that taking into account the opportunities to satisfy circa 6,200 sq m net of bulky goods floorspace at these sites, there would just be a residual headroom for additional floorspace of 4,100 – 4,900 sq m net.

2.0 Introduction

Agenda

2.1 Bridgend County Council required a planning study that would help guide the current town centre vision work being performed for Bridgend Town Centre and to provide an evidence base for the preparation of council policies in their new Local Development Plan.

2.2 This planning study has the four following underlying objectives:

- To provide a comprehensive overview of the current shopping dynamics in Bridgend County.
- To undertake quantitative and qualitative appraisal of existing retail provision relative to expenditure levels and latent potential.
- To assess Bridgend's capacity to absorb additional retail floorspace at both commercially and economically viable levels, and
- To help inform the preparation of Bridgend County Council's Local Development Plan.

2.3 To address these objectives, and to help separate the study work between planning and regeneration agendas, whilst providing joined-up conclusions, CACI have undertaken two streams of work:

- Regeneration Work Stream - Retail Visioning for Bridgend Town Centre.
- Planning Work Stream - Retail Needs Planning study for Bridgend County.

2.4 Whilst both work streams rely on the same economic data and evidence, the planning study requires a robust, transparent methodology for arriving at specific levels of floorspace requirements for the purpose of controlling development in the area and allocating sites; whilst the regeneration study requires a methodology that takes into account a wider agenda and a greater concern for commercial viability. It accepts a greater lead from more qualitative analysis and in particular relating to consumer lifestyles, retailer market positioning, mix, demand and requirements.

2.5 This report relates to the aforementioned planning study, with cross-references made to CACI's Retail Visioning work for qualitative aspects of the needs assessment.

Study Approach & Scope

2.6 This report focuses on providing a robust quantitative needs assessment for additional floorspace in Bridgend County (split into three planning zones) over the planning period 2007-2021, providing advice in for 5 year periods on:

- Convenience Goods Uses
- Comparison Goods Uses (Non-Bulky)
- Bulky Goods Uses

2.7 In each case, spend on these categories from residents and tourists have been considered and related to the current provision of use. Using the concept of comparing turnover potential with benchmark trading densities, capacities for floorspace have been derived for each zone. In doing so, headroom (or surplus) has been identified by comparing the capacities with current and future committed floorspace.

Definition of Bridgend's planning zones

2.8 To allow consistency between this retail study and previous retail study work, CACI have adopted a retail study zone structure that incorporates previous definitions, while extending the structure to take into account a wider area than has previously been analysed. The wider area has been defined based upon CACI's understanding of retail centre and supermarket catchments.

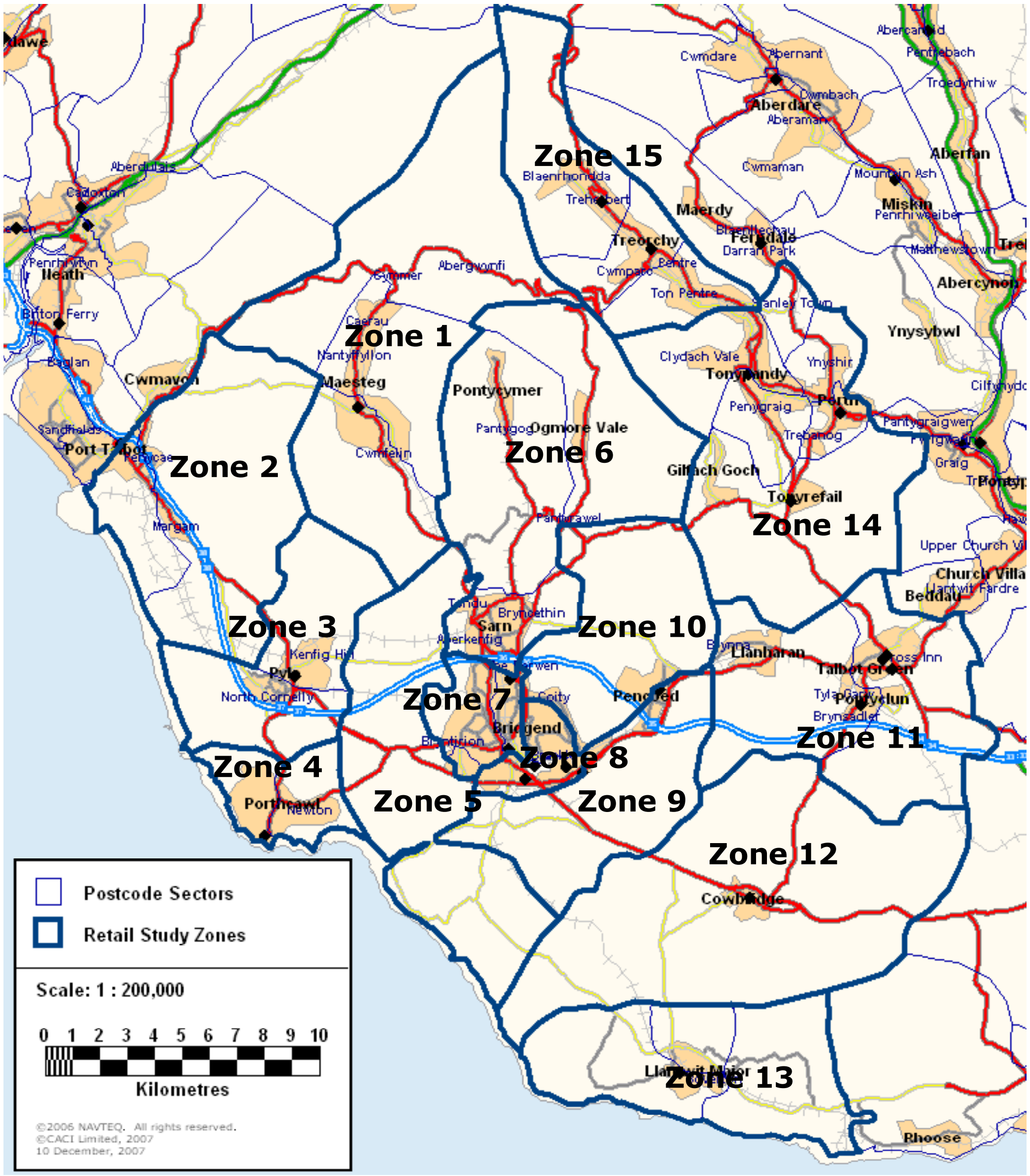
2.9 Figure 2.1 provides a definition of each retail study zone, which is defined by grouping together postcode sectors areas.

Figure 2.1 – Postcode Sector Definition of Zones

Postcode Sector	Postcode Town	Zone
CF31 1	BRIDGEND	Zone 07
CF31 2	BRIDGEND	Zone 08
CF31 3	BRIDGEND	Zone 08
CF31 4	BRIDGEND	Zone 07
CF31 5	BRIDGEND	Zone 07
CF32 0	BRIDGEND	Zone 05
CF32 7	BRIDGEND	Zone 06
CF32 8	BRIDGEND	Zone 06
CF32 9	BRIDGEND	Zone 06
CF33 4	BRIDGEND	Zone 03
CF33 6	BRIDGEND	Zone 03
CF34 0	MAESTEG	Zone 01
CF34 9	MAESTEG	Zone 01
CF35 5	BRIDGEND	Zone 09
CF35 6	BRIDGEND	Zone 10
CF36 3	PORTHCAWL	Zone 04
CF36 5	PORTHCAWL	Zone 04
CF61 1	LLANTWIT MAJOR	Zone 13
CF61 2	LLANTWIT MAJOR	Zone 13
CF62 4	BARRY	Zone 13
CF71 7	COWBRIDGE	Zone 12
CF72 8	PONTYCLUN	Zone 11
CF72 9	PONTYCLUN	Zone 11
SA13 1	PORT TALBOT	Zone 02
SA13 2	PORT TALBOT	Zone 02
SA13 3	PORT TALBOT	Zone 01
CF39 0	PORTH	Zone 14
CF39 8	PORTH	Zone 14
CF39 9	PORTH	Zone 14
CF40 1	TONYPANDY	Zone 14
CF40 2	TONYPANDY	Zone 14
CF41 7	PENTRE	Zone 14
CF42 5	TREORCHY	Zone 15
CF42 6	TREORCHY	Zone 15
CF43 3	FERNDALE	Zone 15

2.10 Figure 2.2 presents these retail study zone definitions on a base map of the area.

Figure 2.2 Retail Study Zones



2.11 For the purposes of assessing capacity for convenience floorspace, CACI have grouped together the following retail study zones into three planning zones, that broadly reflect three distinct areas of Bridgend County Borough:

- Maesteg – the area north of the M4 and served by Maesteg town centre
- Porthcawl – the area south of Bridgend and served by Porthcawl town centre
- Bridgend – the area immediately south of the M4 and served by Bridgend town centre

2.12 Figure 2.3 provides a definition of these planning zones, by retail study zone.

Figure 2.3 – Study Zone Definition of Planning Zones

Study Zone	Name	Planning Zone
1	Maesteg	Maesteg
2	Margam	Porthcawl
3	Pyle	Porthcawl
4	Porthcawl	Porthcawl
5	Laleston/St Brides	Bridgend
6	Pontycymer	Bridgend
7	Bridgend Town North	Bridgend
8	Bridgend Town South	Bridgend
9	Pencoed	Bridgend
10	Blackmill	Bridgend
11	Llantrisant	External
12	Cowbridge	Bridgend
13	Llantwit Major	External
14	Tonyrefail	External
15	Treorchy	External

Population Growth Assumptions

2.13 To assess future floorspace needs, this report uses population growth assumptions as provided by the council. These relate to a range of growth options under consideration for the emerging LDP.

2.14 The population figures provided were for the years 2006, 2011, 2016 and 2021. Since this report works from a 2007, CACI have provided their own projection of population for 2007, from which growth to 2011, 2016 and 2021 has been calculated to match the overall population levels predicted in the growth options (see figures 2.4a and 2.4b below).

Figure 2.4a – Population Figures for Bridgend County

Year	1. Do Nothing	2. UDP Growth Strategy	**3. Trend Based**	4. High Growth	5. Very High Growth
2006	131,604	131,604	**131,604**	131,604	131,604
2007	132,213	132,213	**132,213**	132,213	132,213
2011	133,532	134,069	**134,651**	136,051	136,767
2016	135,693	136,618	**137,690**	140,467	141,854
2021	138,432	139,800	**141,378**	145,489	147,534

Figure 2.4b – Population Growth for Bridgend County

Year	1. Do Nothing	2. UDP Growth Strategy	**3. Trend Based**	4. High Growth	5. Very High Growth
2006-2007	0.46%	0.46%	**0.46%**	0.46%	0.46%
2007-2011	1.00%	1.40%	**1.84%**	2.90%	3.44%
2011-2016	1.62%	1.90%	**2.26%**	3.25%	3.72%
2016-2021	2.02%	2.33%	**2.68%**	3.58%	4.00%

2.15 Considering the strong economic growth in the region, but considering that the risk of an under-provision of retail would not result in civil problems, this report adopts the Trend-Based scenario for all the needs tests performed.

3.0 CONVENIENCE GOODS CAPACITY

3.1 Using Census population projections, EFES based expenditure estimates and by disaggregating STEAM tourist spend data by CACI's Tourist Demand Surface, estimates of 2007 convenience goods expenditure for each planning zone have been derived. Figure 3.1 summarises the key statistics. As a proportion of total spend, tourist spend in Maesteg and Porthcawl is a lot more critical to the economy than is currently the case in Bridgend.

Figure 3.1 –Planning Zone Statistics 2007

Planning Zone	Residential Population	Resident Spend per capita	Resident Spend on Convenience (£'s per annum)	Tourist Spend on Convenience (£'s per annum)	Total Spend on Convenience (£'s per annum)
Maesteg	25,968	£1,366.0	£35,473,214	£15,180,460	£50,653,674
Porthcawl	43,109	£1,383.8	£59,654,217	£20,528,343	£80,182,561
Bridgend	94,759	£1,378.2	£130,594,169	£15,831,124	£146,425,293
Total	**163,836**	**£1,377.7**	**£225,721,600**	**£51,539,928**	**£277,261,528**

3.2 In terms of estimating growth in residential spend, CACI have only applied assumptions of population growth. This is because the current trends on convenience spend per capita are complex, due to food prices deflating in many areas, mainly attributable to supermarkets finding more ways to reduce costs from economies of scale. Furthermore, the relationship between increases in spend per capita and the need for additional floorspace is also very complex, since a more or less affluent population may not necessarily consume more or less goods – but simply be prepared to pay different prices for their goods. Overall, this means that our view is that the only robust method of assessment is through assessing population growth alone, which can be easily understood in terms of increases in the number of shoppers available, and hence footfall.

3.3 CACI have applied the trend-based projections of population growth for the study area as a whole, which has not been disaggregated by study zone, they are:

- 2007-2011: 1.84%
- 2011-2016: 2.26%
- 2016-2021: 2.68%

3.4 Growth in tourist spend has been applied based upon an assessment of historic growth, from the council's STEAM reports. CACI estimate that tourist spend will grow by 2.8% p.a. up to 2016, after which it is assumed the tourist market will have reached saturation.

3.5 To take into account home delivery sales channels (otherwise known as Special Forms of Trading) it has been assumed for this study that in the base year of 2007, 3.86% of all retail sales take place over home delivery sales channels for convenience goods.

3.6 It is assumed that this figure of 3.86% increases by 1% per year to 2016, after which it is assumed that the market will stabilise around this level of impact.

3.7 The effect of increases in tourist and impacts home delivery sales will need to be monitored over the Development Plan period as more research becomes available in order to plan for their effects.

Figure 3.2 –Impact of Home Delivery on Residential Spend 2007-2021

Planning Zone	2007 Resident Spend (exc. Home Delivery) / % Home Deliveries Impact	2011 Resident Spend (exc. Home Delivery) / % Home Deliveries Impact	2016 Resident Spend (exc. Home Delivery) / % Home Deliveries Impact	2021 Resident Spend (exc. Home Delivery) / % Home Deliveries Impact
Maesteg	£34,103,948	£33,287,628	£32,191,782	£33,054,033
	-3.86%	-7.86%	-12.86%	-12.86%
Porthcawl	£57,351,565	£55,978,785	£54,135,934	£55,585,955
	-3.86%	-7.86%	-12.86%	-12.86%
Bridgend	£125,553,234	£122,547,965	£118,513,621	£121,687,985
	-3.86%	-7.86%	-12.86%	-12.86%

Figure 3.3 –Tourist Spend Growth 2007-2021

Planning Zone	2007 Tourist Spend / % Growth from Base	2011 Tourist Spend / % Growth from Base	2016 Tourist Spend / % Growth from Base	2021 Tourist Spend / % Growth from Base
Maesteg	£10,641,964	£11,893,380	£13,666,575	£13,666,575
		11.76%	28.42%	28.42%
Porthcawl	£17,896,265	£20,000,733	£22,982,661	£22,982,661
		11.76%	28.42%	28.42%
Bridgend	£22,853,980	£25,541,438	£29,349,434	£29,349,434
		11.76%	28.42%	28.42%

3.8 Having derived the retail spend available in the study area, and forecast growth in spend, the remainder of the chapter analyses each planning zone separately, to derive a quantitative assessment of current and future floorspace needs.

Quantitative Needs Assessment for Maesteg

3.9 Floorspace figures for supermarkets in the area and other convenience stores in Maesteg Town Centre have been assessed by CACI. The following table summarises the size and location of the stores in Maesteg, in terms of net provision of space allocated to the retail of convenience goods.

Figure 3.4 –Convenience Stores in Maesteg

Grocery Store	Location	Size (sq m net)
Aldi	Maesteg Town Centre	697
Somerfield	Maesteg Town Centre	1,131
Iceland	Maesteg Town Centre	428
Spar	Maesteg Town Centre	103
Go Bananas	Maesteg Town Centre	32
Total		**2,392**

Source: CACI analysis (2007)

3.10 To gain an understanding of the relationship between supply and demand between the residents of Maesteg and the convenience stores in Maesteg CACI have used their Provision model and market knowledge to estimate the total spend drawn to the stores in Maesteg from residents.

Figure 3.5 –2007 Resident-based Store Turnover Estimates

Grocery Store	Estimated Turnover Derived from Resident Spend	Trading Density (£'s per sq m net)
Aldi	£6,970,000	£10,000
Somerfield	£15,268,500	£13,500
Iceland	£4,280,000	£10,000
Spar	£309,000	£3,000
Go Bananas	£96,000	£3,000
Total	**£26,923,500**	**£11,260**

Source: CACI analysis (2007)

3.11 Figure 3.6 summarises the current 2007 estimates and growth in available convenience expenditure in Maesteg, from 2007 to 2021.

Figure 3.6 –Convenience Spend Forecasts for Maesteg

Year	Resident Spend (£'s p.a.)	Tourist Spend (£'s p.a.)	Total Spend (£'s p.a.)	**Growth from Base (2007)**
2007	£34,103,948	£10,641,964	£44,745,912	**0.00%**
2011	£33,287,628	£11,893,380	£45,181,009	**0.97%**
2016	£32,191,782	£13,666,575	£45,858,357	**2.49%**
2021	£33,054,033	£13,666,575	£46,720,608	**4.41%**

Source: Census, EFES and STEAM data

3.12 This assessment has identified the current (2007) estimate of the balance of trade / self-containment that the Maesteg area achieves. Currently the ratio between spend at stores and spend of residents in the Maesteg area is 79.0%, which indicates a current spending pattern where a greater level of spend is leaked from the area than what is drawn into the area.

3.13 Figure 3.7 summarises the current 2007 estimates and growth in convenience expenditure at Maesteg stores from 2007 to 2021, assuming that the current levels of balance of trade remain constant for residents, and that Maesteg stores capture 100% of available tourist spend on convenience goods.

Figure 3.7 –Store Turnover Forecasts @ 79.0% Balance of Trade

Year	Resident Spend (£'s p.a.)	Resident Store Turnover / Resident Spend in Maesteg (Balance of Trade)	Resident-based Store Turnover	Tourist-based Store Turnover (£'s p.a.)	Total Store Turnover (£'s p.a.)
2007	£34,103,948	79.0%	£26,923,500	£10,641,964	**£37,565,464**
2011	£33,287,628	79.0%	£26,279,053	£11,893,380	**£38,172,434**
2016	£32,191,782	79.0%	£25,413,933	£13,666,575	**£39,080,508**
2021	£33,054,033	79.0%	£26,094,640	£13,666,575	**£39,761,215**

3.14 Based upon the spend estimates in the table above, and using a target trading density of £7,500 per sq m net, a floorspace headroom analysis has been performed, indicating, that with the addition of 3,400 sq m net of new floorspace from the Tesco opening in Maesteg in November 2007, there is little evidence for the need for additional space.

Figure 3.8 Floorspace Needs: Current Balance of Trade @ 79.0%

Year	Convenience Goods Market Potential (£'s)	Target Trading Density (£'s per sq m net)	Floorspace Capacity (sq m net)	Current Floorspace (sq m net)	**Headroom for Additional Floorspace (sqm net)**
2007	£37,565,464	£7,500	5,009	2,392	**2,616**
2011	£38,172,434	£7,500	5,090	5,283	**-193**
2016	£39,080,508	£7,500	5,211	5,283	**-72**
2021	£39,761,215	£7,500	5,301	5,283	**19**

3.15 However, the addition of the new Tesco is likely to draw more trade into Maesteg area than previously, adjusting the balance of trade. CACI have tested the impact of adding the new Tesco, and predict that its presence will change the overall balance of trade from 79.0% to 92.8%.

3.16 Figure 3.9 summarises the 2011 estimates and growth in convenience expenditure at Maesteg stores to 2021, assuming that the current levels of balance of trade for residents changes from 79.0% to 92.8% by 2012, and that Maesteg stores capture 100% of available tourist spend on convenience goods.

Figure 3.9 – Store Turnover Forecasts @ 92.8% Balance of Trade (from 2011)

Year	Resident Spend (£'s p.a.)	Resident Store Turnover / Resident Spend in Maesteg (Balance of Trade)	Resident-based Store Turnover	Tourist-based Store Turnover (£'s p.a.)	Total Store Turnover (£'s p.a.)
2011	£33,287,628	92.82%	£30,899,177	£11,893,380	**£42,792,557**
2016	£32,191,782	92.82%	£29,881,960	£13,666,575	**£43,548,535**
2021	£33,054,033	92.82%	£30,682,342	£13,666,575	**£44,348,917**

3.17 Taking this shift in spending patterns into account, a new floorspace headroom has been performed, which indicates a moderate need for new convenience goods floorspace of 631 sq m up to the period 2021 (Figure 3.10).

Figure 3.10 Floorspace Needs: New Balance Of Trade @ 92.8% from 2011

Year	Convenience Goods Market Potential (£'s)	Target Trading Density (£'s per sq m net)	Floorspace Capacity (sq m net)	Current Floorspace (sq m net)	**Headroom for Additional Floorspace (sqm net)**
2007	£37,565,464	£7,500	5,009	2,392	**2,616**
2011	£42,792,557	£7,500	5,706	5,283	**423**
2016	£43,548,535	£7,500	5,806	5,283	**524**
2021	£44,348,917	£7,500	5,913	5,283	**631**

3.18 **This level of need would indicate that it is not necessary for the authority to pro-actively allocate further sites for convenience goods provision, since it is likely that incremental developments of small format convenience stores (circa 200 sqm net or less) could occur during the planning period that would satisfy the need identified.**

Quantitative Needs Assessment for Porthcawl

3.19 Floorspace figures for supermarkets in the area and other convenience stores in Porthcawl Town Centre have been assessed by CACI. The following table summarises the size and location of the stores in Porthcawl, in terms of net provision of space allocated to the retail of convenience goods.

Figure 3.11 –Convenience Stores in Porthcawl

Grocery Store	Location	Size (sq m net)
Co-op	Pyle	2,701
Somerfield	Porthcawl Town Centre	1,144
Huw Jones	Porthcawl Town Centre	47
Spar	Porthcawl Town Centre	217
Stoke's	Porthcawl Town Centre	69
One Stop	Porthcawl Town Centre	161
Total		**4,339**

Source: CACI analysis (2007)

3.20 To gain an understanding of the relationship between supply and demand between the residents of Porthcawl and the convenience stores in Porthcawl CACI have used their Provision model and market knowledge to estimate the total spend drawn to the stores in Porthcawl from residents.

Figure 3.12 –2007 Resident-based Store Turnover Estimates

Grocery Store	Estimated Turnover Derived from Resident Spend	Trading Density (£'s per sq m net)
Co-op	£10,803,903	£4,000
Somerfield	£11,437,732	£10,000
Huw Jones	£140,400	£3,000
Spar	£651,600	£3,000
Stoke's	£207,000	£3,000
One Stop	£484,200	£3,000
Total	**£23,724,836**	**£5,468**

Source: CACI analysis (2007)

3.21 Figure 3.13 summarises the current 2007 estimates and growth in available convenience expenditure in Porthcawl, from 2007 to 2021.

Figure 3.13 –Convenience Spend Forecasts for Porthcawl

Year	Resident Spend (£'s p.a.)	Tourist Spend (£'s p.a.)	Total Spend (£'s p.a.)	**Growth from Base (2007)**
2007	£57,351,565	£17,896,265	£75,247,830	**0.00%**
2011	£55,978,785	£20,000,733	£75,979,519	**0.97%**
2016	£54,135,934	£22,982,661	£77,118,595	**2.49%**
2021	£55,585,955	£22,982,661	£78,568,615	**4.41%**

Source: Census, EFES and STEAM data

3.22 This assessment has identified the current (2007) estimate of the balance of trade / self-containment that the Porthcawl area achieves. Currently the ratio between spend at stores and spend of residents in the Porthcawl area is just 39.8%, which indicates a very strong current spending pattern where the majority of spend is leaked from the area than what is drawn into the area.

3.23 Figure 3.14 summarises the current 2007 estimates and growth in convenience expenditure at Porthcawl stores from 2007 to 2021, assuming that the current levels of balance of trade remain constant for residents, and that Porthcawl stores capture 100% of available tourist spend on convenience goods.

Figure 3.14 –Store Turnover Forecasts @ 39.8% Balance of Trade

Year	Resident Spend (£'s p.a.)	Resident Store Turnover / Resident Spend in Maesteg (Balance of Trade)	Resident-based Store Turnover	Tourist-based Store Turnover (£'s p.a.)	**Total Store Turnover (£'s p.a.)**
2007	£57,351,565	39.8%	£22,809,057	£17,896,265	**£40,705,322**
2011	£55,978,785	39.8%	£22,263,095	£20,000,733	**£42,263,828**
2016	£54,135,934	39.8%	£21,530,182	£22,982,661	**£44,512,843**
2021	£55,585,955	39.8%	£22,106,863	£22,982,661	**£45,089,524**

3.24 Based upon the spend estimates in the table above, and using a target trading density of £7,500 per sq m net, a floorspace headroom analysis has been performed, indicating, that with the addition of 2,542 sq m net of new floorspace from a new supermarket, reflecting likely proposals in the regeneration masterplan of Hillsborough Place, there is little evidence for the need for additional space, and indeed evidence that there would be a significant excess of floorspace (1,246 sqm net in 2011), which would imply the proposed supermarket would not represent a sustainable option with respect to impacts on existing trade.

Figure 3.15 Floorspace Needs: Current Balance of Trade @ 39.8%

Year	Convenience Goods Market Potential (£'s)	Target Trading Density (£'s per sq m net)	Floorspace Capacity (sq m net)	Current Floorspace (sq m net)	**Headroom for Additional Floorspace (sqm net)**
2007	£40,705,322	£7,500	5,427	4,339	**1,089**
2011	£42,263,828	£7,500	5,635	6,881	**-1,246**
2016	£44,512,843	£7,500	5,935	6,881	**-946**
2021	£45,089,524	£7,500	6,012	6,881	**-869**

3.25 However, the addition of the new supermarket is likely to draw more trade into Porthcawl area than previously, adjusting the balance of trade. CACI have tested the impact of adding the new supermarket, and predict that, based upon the results of their impact modelling, its presence will change the overall balance of trade from 39.8% to 51.2%.

3.26 Figure 3.16 summarises the 2011 estimates and growth in convenience expenditure at Porthcawl stores to 2021, assuming that the current levels of balance of trade for residents changes from 39.8% to 51.2% by 2011, and that Porthcawl stores capture 100% of available tourist spend on convenience goods.

Figure 3.16 – Store Turnover Forecasts @ 51.2% Balance of Trade (from 2011)

Year	Resident Spend (£'s p.a.)	Resident Store Turnover / Resident Spend in Maesteg (Balance of Trade)	Resident-based Store Turnover	Tourist-based Store Turnover (£'s p.a.)	**Total Store Turnover (£'s p.a.)**
2011	£55,978,785	51.2%	£28,638,324	£20,000,733	**£48,639,057**
2016	£54,135,934	51.2%	£27,695,535	£22,982,661	**£50,678,196**
2021	£55,585,955	51.2%	£28,437,355	£22,982,661	**£51,420,015**

3.27 Taking this shift in spending patterns into account, a new floorspace headroom assessment has been performed, stills indicates an future excess of floorspace, but at more sustainable levels (396 sqm net in 2012 and only 25 sqm net in 2021).

Figure 3.17 Floorspace Needs: New Balance Of Trade @ 51.2% from 2011

Year	Convenience Goods Market Potential (£'s)	Target Trading Density (£'s per sq m net)	Floorspace Capacity (sq m net)	Current Floorspace (sq m net)	**Headroom for Additional Floorspace (sqm net)**
2007	£40,705,322	£7,500	5,427	4,339	**1,089**
2011	£48,639,057	£7,500	6,485	6,881	**-396**
2016	£50,678,196	£7,500	6,757	6,881	**-124**
2021	£51,420,015	£7,500	6,856	6,881	**-25**

3.28 **This implies that the proposed new supermarket will be sustainable in terms of meeting identified need for new floorspace for the whole planning period, whilst demonstrating that following its development, there will be no further headroom for any further major applications, and hence it will not be necessary for the authority to pro-actively allocate further sites for convenience goods provision.**

Quantitative Needs Assessment for Bridgend

3.29 Floorspace figures for supermarkets in the area and other convenience stores in Bridgend Town Centre have been assessed by CACI. The following table summarises the size and location of the stores in Bridgend, in terms of net provision of space allocated to the retail of convenience goods.

Figure 3.18 –Convenience Stores in Bridgend

Grocery Store	Location	Size (sq m net)
Aldi	Bridgend Town Centre	835
Stokes	Bridgend Town Centre	58
Farm Foods	Bridgend Town Centre	403
Spar	Bridgend Town Centre	158
Tesco	Bridgend Edge of TC	2,018
Co-Op	East of Bridgend TC	989
Tesco Extra	Cowbridge Road	3,672
Sainsburys	The Pines	3,208
Lidl	Bridgend Retail Park	1,019
Co-Op	Pencoed	418
Iceland	Pencoed	440
Total		**13,219**

Source: CACI analysis (2007)

3.30 To gain an understanding of the relationship between supply and demand between the residents of Bridgend and the convenience stores in Bridgend CACI have used their Provision model and market knowledge to estimate the total spend drawn to the stores in Bridgend from residents.

Figure 3.19 –2007 Resident-based Store Turnover Estimates

Grocery Store	Estimated Turnover Derived from Resident Spend	Trading Density (£'s per sq m net)
Aldi	£2,088,290	£2,500
Stokes	£432,000	£7,500
Farm Foods	£1,207,800	£3,000
Spar	£473,400	£3,000
Tesco	£30,270,586	£15,000
Co-Op	£5,936,431	£6,000
Tesco Extra	£55,085,270	£15,000
Sainsburys	£32,084,108	£10,000
Lidl	£1,528,167	£1,500
Co-Op	£1,254,647	£3,000
Iceland	£2,200,000	£5,000
Total	**£132,560,698**	**£10,028**

Source: CACI analysis (2007)

3.31 Figure 3.20 summarises the current 2007 estimates and growth in available convenience expenditure in Bridgend, from 2007 to 2021. Forecast growth is less than that predicted for the Maesteg and Porthcawl areas, since the relative level of tourism spend is lower.

Figure 3.20 –Convenience Spend Forecasts for Bridgend

Year	Resident Spend (£'s p.a.)	Tourist Spend (£'s p.a.)	Total Spend (£'s p.a.)	Growth from Base (2007)
2007	£125,553,234	£22,853,980	£148,407,213	**0.00%**
2011	£122,547,965	£25,541,438	£148,089,403	**-0.21%**
2016	£118,513,621	£29,349,434	£147,863,055	**-0.37%**
2021	£121,687,985	£29,349,434	£151,037,419	**1.77%**

Source: Census, EFES and STEAM data

3.32 This assessment has identified the current (2007) estimate of the balance of trade / self-containment that the Bridgend area achieves. Currently the ratio between spend at stores and spend of residents in the Bridgend area is 101.5%, which indicates a well balanced current spending pattern where the overall spend leaked out of the area is equal to the spend drawn into the area. This means that Bridgend is self-contained with respect to convenience goods spend.

3.33 Figure 3.21 summarises the current 2007 estimates and growth in convenience expenditure at Bridgend stores from 2007 to 2021, assuming that the current levels of balance of trade remain constant for residents, and that Bridgend stores capture 100% of available tourist spend on convenience goods.

Figure 3.21 –Store Turnover Forecasts @ 101.5% Balance of Trade

Year	Resident Spend (£'s p.a.)	Resident Store Turnover / Resident Spend in Maesteg (Balance of Trade)	Resident-based Store Turnover	Tourist-based Store Turnover (£'s p.a.)	Total Store Turnover (£'s p.a.)
2007	£125,553,234	101.5%	£127,443,855	£22,853,980	**£150,297,834**
2011	£122,547,965	101.5%	£124,393,331	£25,541,438	**£149,934,769**
2016	£118,513,621	101.5%	£120,298,237	£29,349,434	**£149,647,671**
2021	£121,687,985	101.5%	£123,520,402	£29,349,434	**£152,869,836**

3.34 Between 2007 and 2011 it is anticipated that three major committed grocery developments will have opened, namely:

- ASDA in Bridgend Town Centre: 4,446 net sqm convenience goods floorspace
- LIDL in Tondu: 836 net sqm convenience goods floorspace
- Bridgend Day Centre Site: 558 net sqm convenience goods floorspace

3.35 Based upon the spend estimates in the table above, and using a target trading density of £7,500 per sq m net, a floorspace headroom analysis has been performed, indicating, that with the addition of 5,860 sq m net of new floorspace from the new stores, there is an additional need for new convenience goods floorspace of 1,305 sq m up to the period 2021.

Figure 3.22 Floorspace Needs: Current Balance of Trade @ 101.5%

Year	Convenience Goods Market Potential (£'s)	Target Trading Density (£'s per sq m net)	Floorspace Capacity (sq m net)	Current Floorspace (sq m net)	Headroom for Additional Floorspace (sqm net)
2007	£150,297,834	£7,500	20,040	13,219	**6,821**
2011	£149,934,769	£7,500	19,991	19,078	**913**
2016	£149,647,671	£7,500	19,953	19,078	**875**
2021	£152,869,836	£7,500	20,383	19,078	**1,305**

3.36 However, the addition of the new supermarket in the town centre is likely to significantly change current shopping patterns, meaning more convenience spend being captured in the town centre, clawing back expenditure from the out-of-town location supermarkets, in particular the Tesco-Extra in Cowbridge Road and the Sainsbury's at The Pines adjusting the balance of trade. Furthermore, CACI has identified significant clawback of spend for the adjacent Maesteg and Porthcawl areas, some of which will clearly impact on current spending patterns in relation to stores in Bridgend.

3.37 CACI have tested the impact of not only adding the new stores in Bridgend mentioned above, but also the external impact of the new stores in Maesteg and Porthcawl. Overall, CACI predict that the net effect is to change the overall balance of trade from 101.5% to 95.0%. This relates to less spend leaking into Bridgend from Maesteg and Porthcawl.

3.38 Figure 3.23 summarises the 2011 estimates and growth in convenience expenditure at Bridgend stores to 2021, assuming that the current levels of balance of trade for residents changes from 101.5% to 95.0% by 2011, and that Bridgend stores capture 100% of available tourist spend on convenience goods.

Figure 3.23– Store Turnover Forecasts @ 95.0% Balance of Trade (from 2012)

Year	Resident Spend (£'s p.a.)	Resident Store Turnover / Resident Spend in Maesteg (Balance of Trade)	Resident-based Store Turnover	Tourist-based Store Turnover (£'s p.a.)	**Total Store Turnover (£'s p.a.)**
2011	£122,547,965	95.0%	£116,460,539	£25,541,438	**£142,001,977**
2016	£118,513,621	95.0%	£112,626,597	£29,349,434	**£141,976,031**
2021	£121,687,985	95.0%	£115,643,279	£29,349,434	**£144,992,713**

3.39 Taking this shift in spending patterns into account, a new floorspace headroom has been performed, which indicates that due to major new supermarket developments within and adjacent to Bridgend, there will be little headroom for further convenience goods development up to the 2021 (254 sqm net).

Figure 3.24 Floorspace Needs: New Balance Of Trade @ 51.2% from 2012

Year	Convenience Goods Market Potential (£'s)	Target Trading Density (£'s per sq m net)	Floorspace Capacity (sq m net)	Current Floorspace (sq m net)	**Headroom for Additional Floorspace (sqm net)**
2007	£150,297,834	£7,500	20,040	13,219	**6,821**
2012	£142,001,977	£7,500	18,934	19,078	**-145**
2016	£141,976,031	£7,500	18,930	19,078	**-148**
2021	£144,992,713	£7,500	19,332	19,078	**254**

3.40 **This means that it will not be necessary for the authority to pro-actively allocate further sites for convenience goods provision.**

4.0 Comparison Goods Capacity Assessment

Current Comparison Floorspace Provision

4.1 Figure 4.1 provides a summary of current non-vacant, net internal comparison goods retail floorspace within Maesteg, Porthcawl and Bridgend town centres, by goods category. These estimates have been based on Bridgend County Councils 2007 audit data of gross floorspace estimates, using a ratio of 0.7 to convert from gross to net floorspace.

Figure 4.1 – Comparison Goods Floorspace (sq m net)

Retail Category	Maesteg – Floorspace (net sq m)	Porthcawl – Floorspace (net sq m)	Bridgend – Floorspace (net sq m)
Clothing, Accessories & Sports	1,697	2,192	5,429
Household Goods and Gifts	786	953	2,917
Electrical Goods	134	128	545
Music, Video, Games, Toys, Books and Stationery	185	382	1,908
Health and Beauty	983	1,003	1,857
Charity	185	221	259
Department/Variety	225	595	3,013
Total	**4,196**	**5,474**	**15,927**

Source: Bridgend Council Audits (2007)

4.2 To estimate residential catchment, market shares and hence centre turnover, CACI have employed their Retail Footprint model, which models resident's choice of location to for comparison goods shopping, based on factors such as the attractiveness of the centre, relative distance to centre and competing centres. Further information on Retail Footprint can be found in Annex 1.

4.3 CACI have also performed their own qualitative assessments of the centres, which in combination with the audit fascia information, has enabled CACI to update their baseline Retail Footprint with the most up-to-date information on the retail mix, attractiveness, market positioning and role of each centre. All of these characteristics are taken into account in the Retail Footprint model to estimate the residential catchment and market shares for each centre.

4.4 Figure 4.2 summarises key attributes of each centre used by the Retail Footprint model.

Figure 4.2 – Key attributes of each centre

Centre	Role	Number of Comparison Goods Units	Proportion of Comparison Goods Units Independent	Retail Footprint Score	Market Positioning
Maesteg Town Centre	Rural Centre	43	72%	48	N/a
Porthcawl Town Centre	Rural Centre	66	80%	54	N/a
Bridgend Town Centre	Regional Town Centre	121	39%		Value

Source: Bridgend Council and CACI Audits (2007)

Analysis of Residential Catchment Areas

4.5 In order to perform a comparison goods capacity assessment, catchment areas need to be defined to assess the level of comparison goods spend attributable to the three towns. This has been defined by CACI using their Retail Footprint model (Figures 3.3a to 3.5a for each centre respectively).

4.6 The modelled retail catchments are broken down into four sub-catchment areas. The Primary Catchment area is defined by where the first 50% of shoppers come from. The Secondary Catchment is defined by where the next 25% of shoppers come from. Tertiary and Quaternary catchments are similarly defined, representing where the next 15% and final 10% of shoppers come from.

4.7 The combination of the Primary, and Secondary catchments is referred to as the core catchment area. This area represents where 75% of a centre's spend comes from. The combination of Primary, Secondary and Tertiary catchments is referred to as the major catchment area. This area represents where the majority (90%) of a centre's spend comes from.

4.8 Due to the definition of these areas at Postcode Sector level, the actual proportion of shoppers coming from any particular sub-catchment may vary slightly, with the cut-off marks as close to the targets of 50%, 25%, 15% and 10% as possible.

4.9 Retail Footprint is also able to provide information on the estimated market share of resident-based spend that a centre is achieved, by postcode sector. Figures 3.3b to 3.5b provide market share maps for each centre respectively.

4.10 By multiplying market share within each postcode sector by resident-based spend on comparison goods, and adding up this spend component across all postcode sectors, it is possible to obtain an estimate of spend attributable to each centre. This is referred to as the market potential of the centre.

4.11 Catchment analysis is also useful to understand where and who the centre's potential resident-based shoppers are, and what choices they have to shop in relation to the centre being analysed. More detailed analysis of the socio-demographics of each catchment, and benchmark performance analysis of each centre to assess the health of the retail mix has been performed and made available in Annex 6 for Maesteg and Porthcawl and in CACI's Retail Vision for Bridgend Town Centre. This provides a more qualitative basis for understanding the retail needs of each town with respect to the consumers that it serves and the likely demand for retail space from retailers.

Figure 4.3a Catchment Area for Maesteg (Source: CACI Retail Footprint)

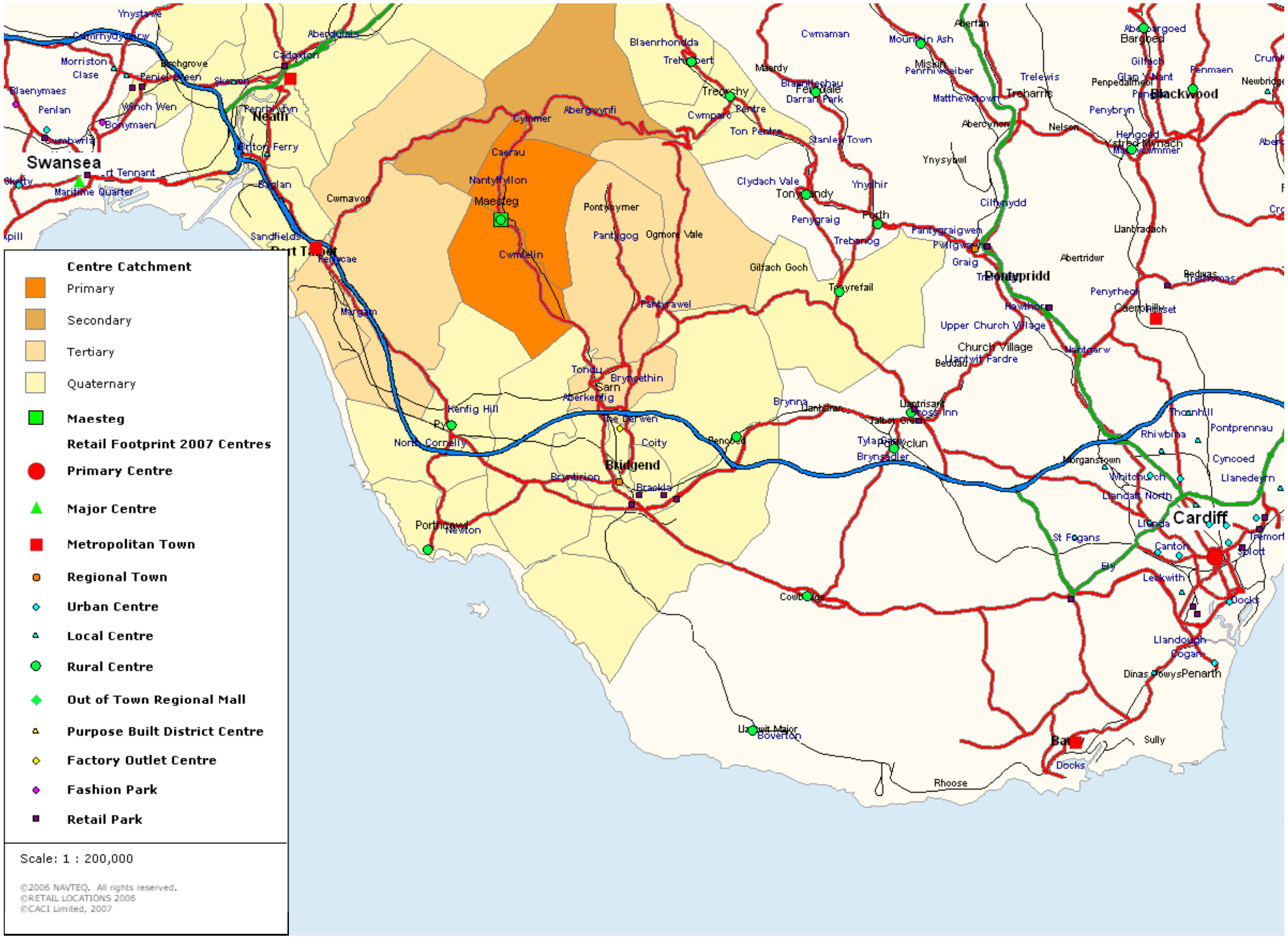


Figure 4.3b Market Shares for Maesteg (Source: CACI Retail Footprint)

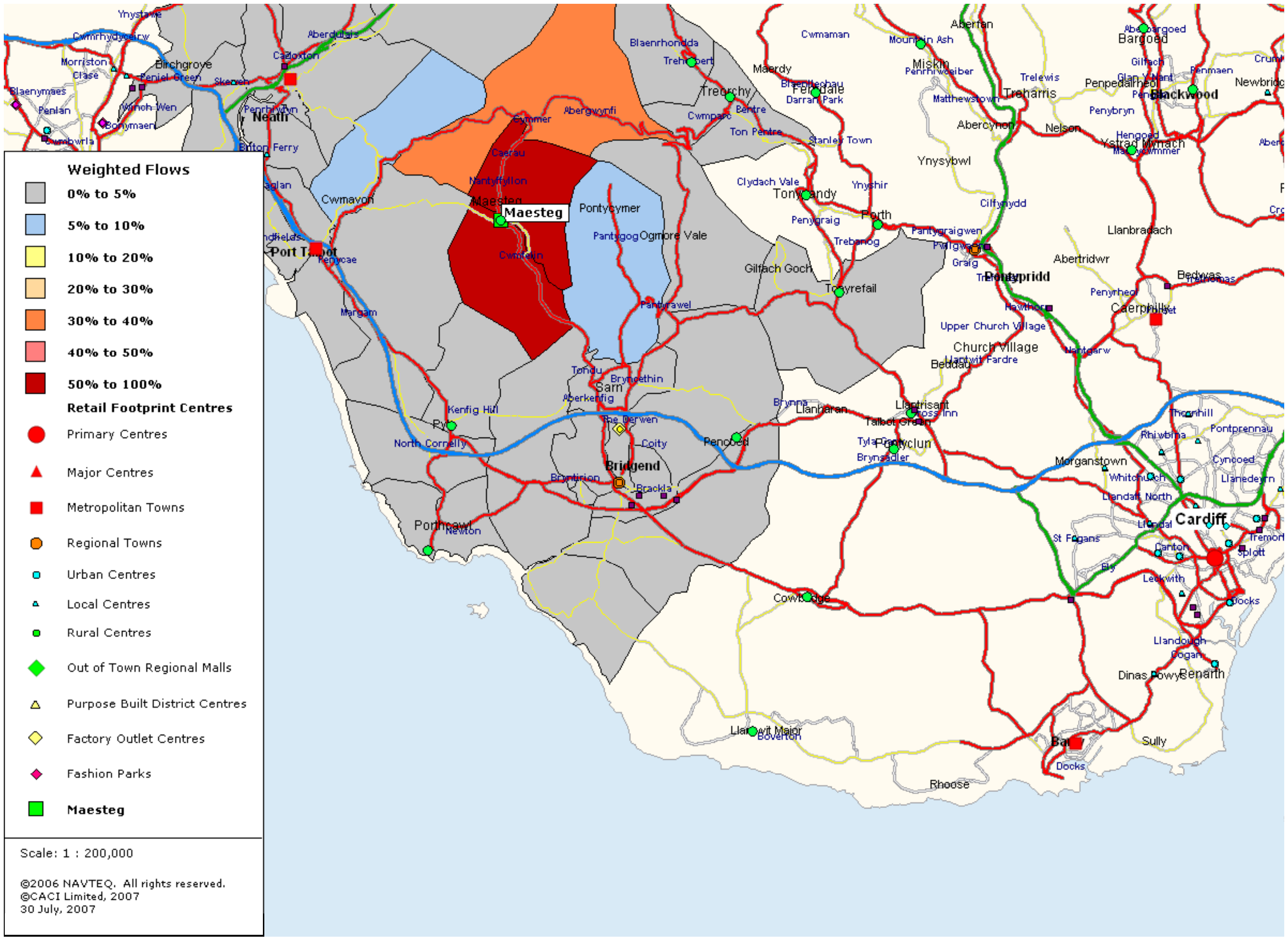


Figure 4.4a Catchment Area for Porthcawl (Source: CACI Retail Footprint)

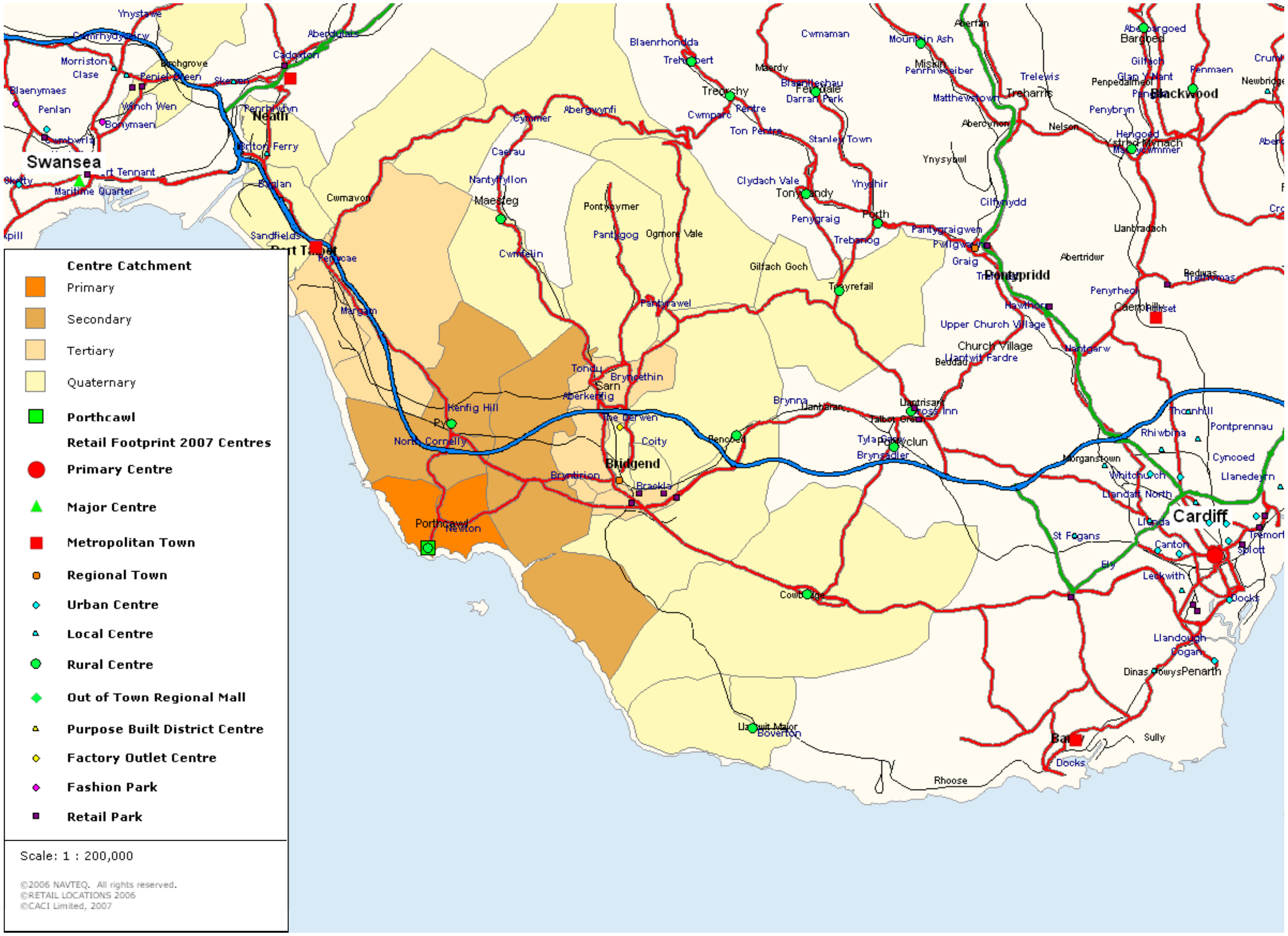


Figure 4.4b Market Shares for Porthcawl (Source: CACI Retail Footprint)

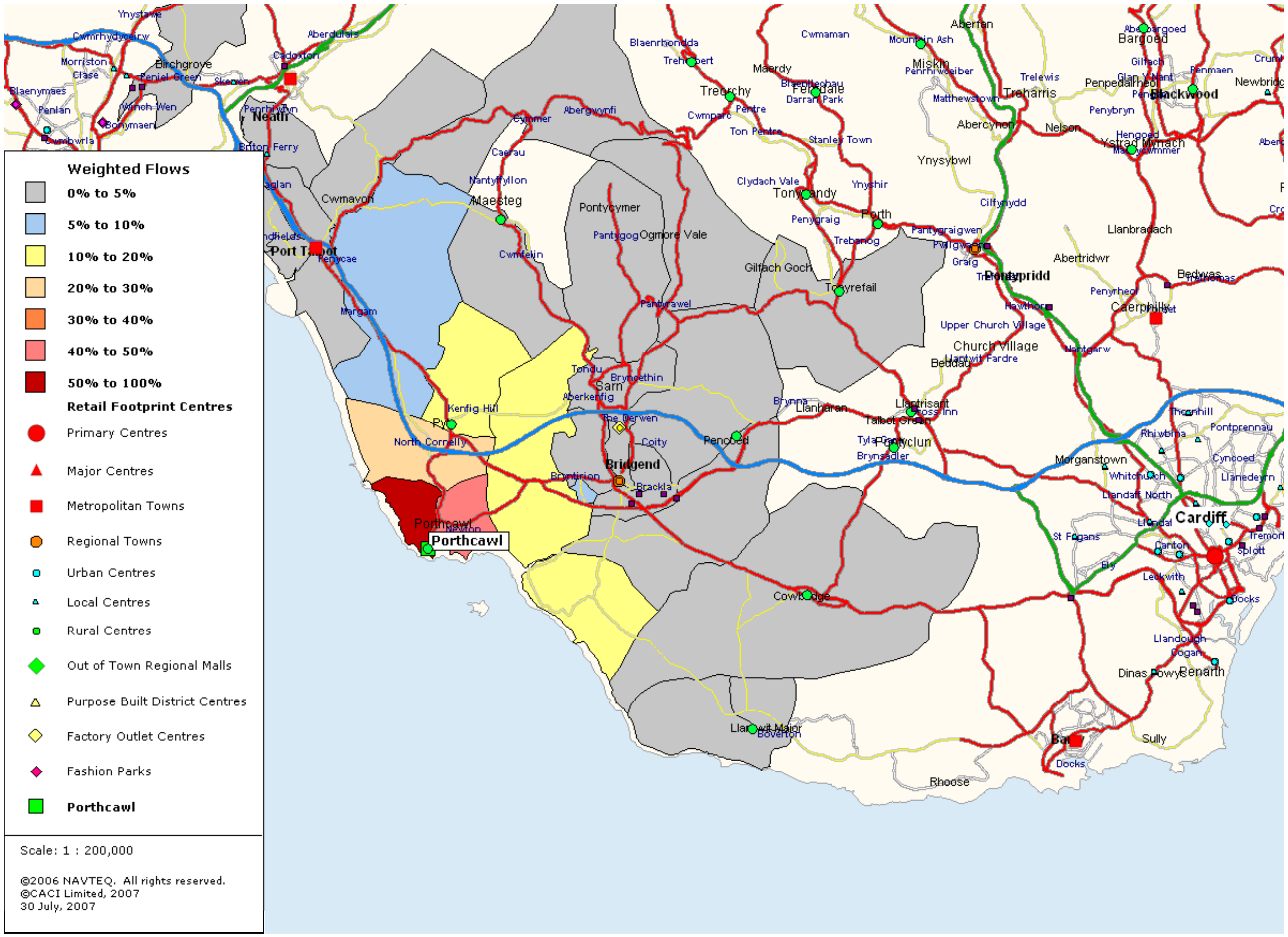


Figure 4.5a Catchment Area for Bridgend (Source: CACI Retail Footprint)

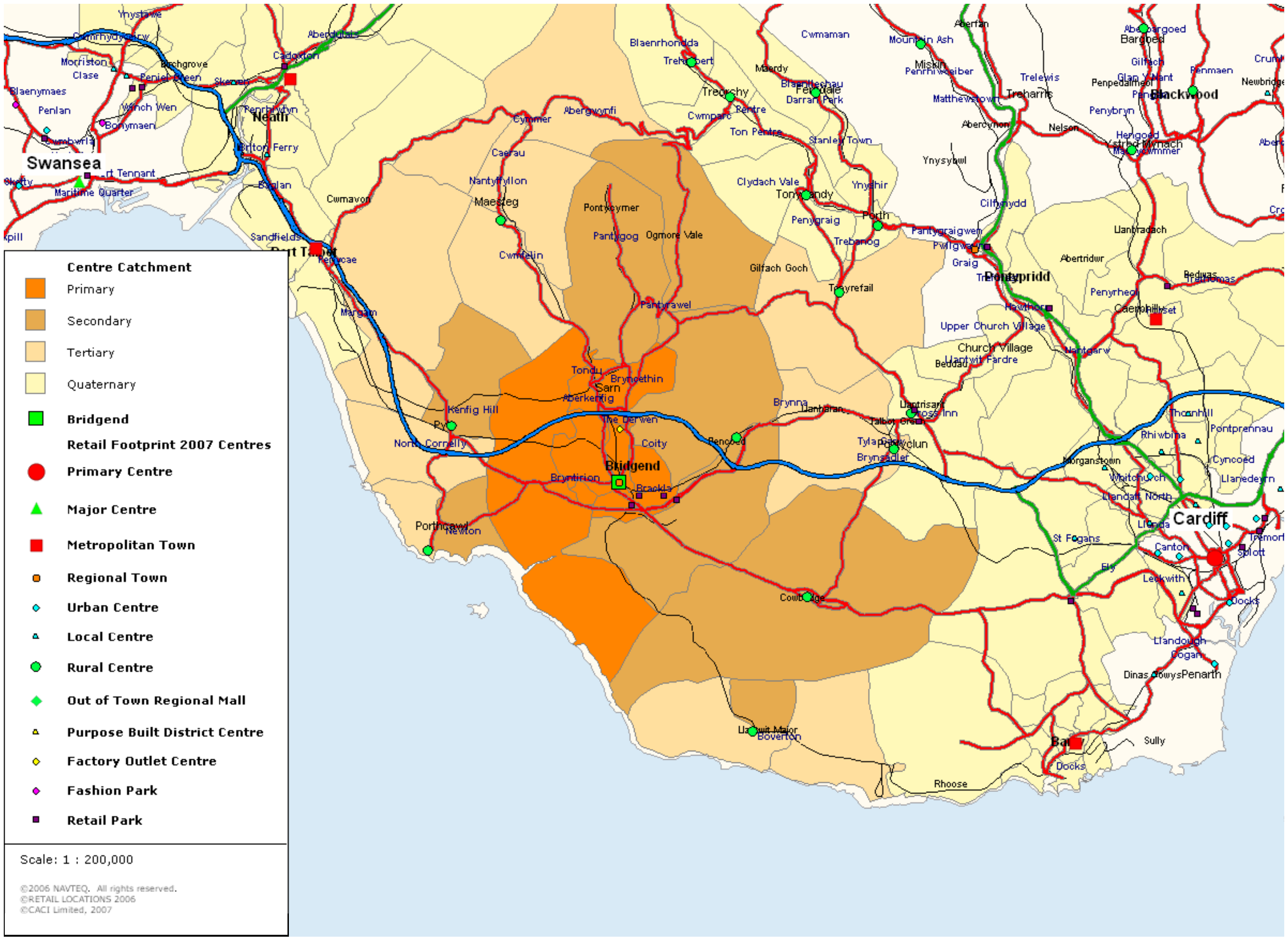
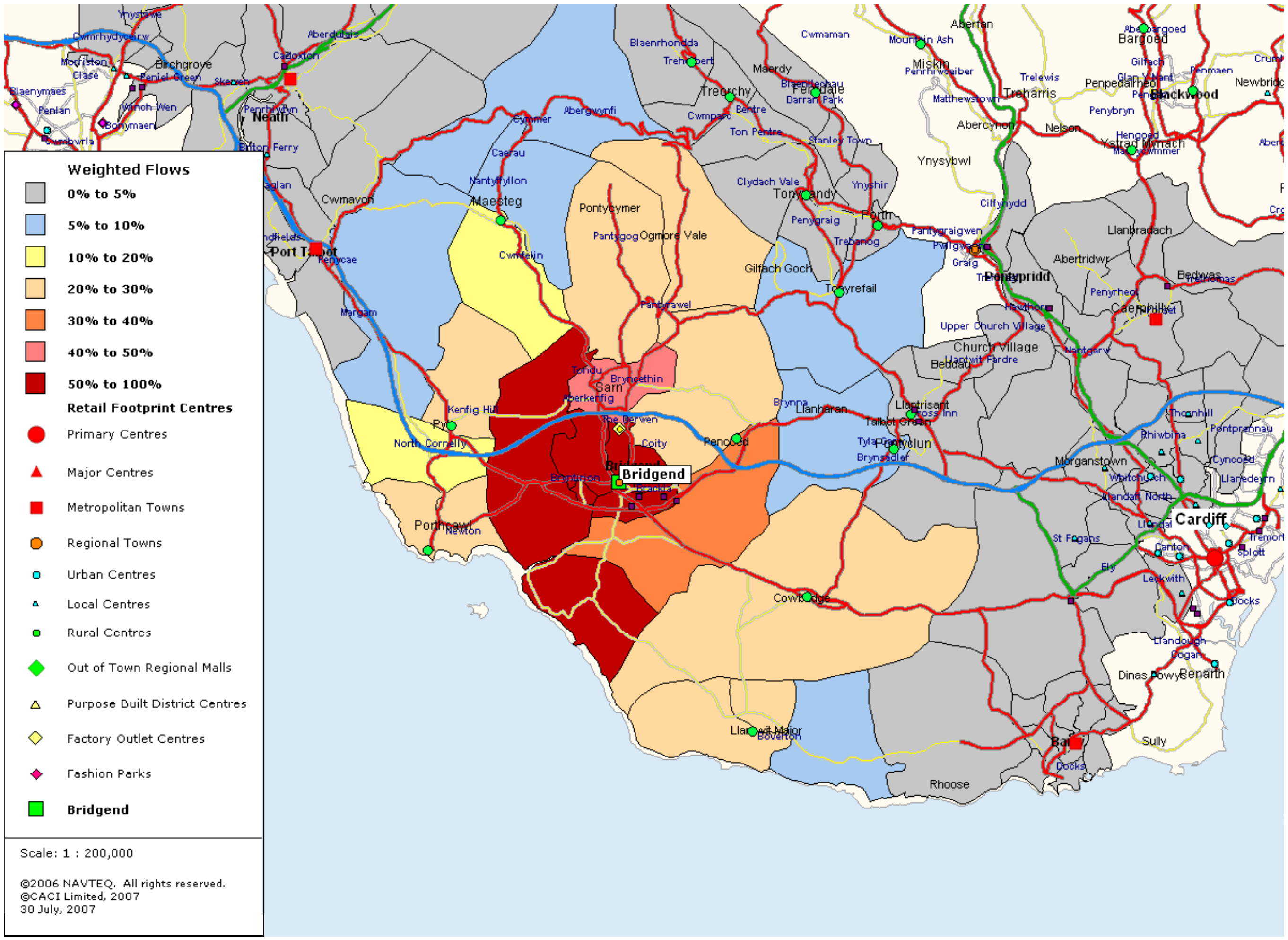


Figure 4.5b Market Shares for Bridgend (Source: CACI Retail Footprint)



Catchment Analysis and Estimates of market potential

4.12 By understanding the amount of comparison goods expenditure in each postcode sector of each town centre's catchment and applying its market share of each sector, an overall resident-based market potential for each centre, due to residential spend, has been derived of:

- £35.5m for Maesteg,
- £29.6m for Porthcawl, and
- £136.3m for Bridgend

4.13 Figures 4.6 to 4.8 provide a breakdown of catchment population and expenditure statistics, by sub-catchment area.

Figure 4.5 Maesteg Catchment Expenditure Statistics 2007

Catchment	Total Population	Total Households	Total Comparison Goods Expenditure (£million)	Market Share of Expenditure (%)	Resident-Based Comparison Goods Market Potential (£million)	Cumulative Origin of Residential Shoppers (%)
Primary	20,490	8,694	£39.9	62.5%	£25.0	69.7%
Secondary	5,420	2,331	£9.4	38.7%	£3.6	81.1%
Tertiary	44,227	19,091	£87.0	4.1%	£3.6	91.1%
Quaternary	223,890	96,661	£453.7	0.7%	£3.3	100.0%
Total	**294,027**	**126,777**	**£590.0**	**6.0%**	**£35.5**	

4.14 Of the three town centres, Maesteg is the most remote from the main motorway, and is only served by a road running north to south.

4.15 The centre's remoteness means that it commands a relatively high market share of its primary catchment, despite the relatively poor retail offer in the town compared to competition.

4.16 Its secondary catchment area, located to the north of the centre also has a significant market share reflecting the relative lack of competition with other centres in this area, with the main competition coming from Port Talbot. Furthermore, residents in this area would need to bypass Maesteg to drive onto the larger shopping centres of Bridgend Town Centre and Bridgend Outlet Centre. However, the relatively low levels of population in this area means that this area is not as critical to the economy of Maesteg than its primary catchment, which due to the size of the Postal Sector and the limited area of influence that Maesteg commands, actually represents where nearly 70% of where its shoppers come from.

4.17 Market shares fall sharply outside of the core catchment, due to much stronger and more accessible alternatives to residents outside of its core catchment.

4.18 This means that Maesteg depends heavily on the patronage of a localised, captive market. This catchment characteristic means that Maesteg is less sensitive to external competition, but can create complacency amongst retailers currently operating in the town. A localised catchment also provides opportunities to specialise the retail offer on the specific needs of its local population.

4.19 More detail on Maesteg's current performance against the needs of its resident shopper population can be found in Annex 6. The analyses identifies a limited demand from multiple comparison goods retailers for a location such as Maesteg, due to its market size.

Figure 4.6 Porthcawl Catchment Expenditure Statistics 2007

Catchment	Total Population	Total Households	Total Comparison Goods Expenditure (£million)	Market Share of Expenditure (%)	Resident-Based Comparison Goods Market Potential (£million)	Cumulative Origin of Residential Shoppers (%)
Primary	15,757	7,026	£34.4	48.3%	£16.6	54.6%
Secondary	19,077	8,032	£38.5	16.5%	£6.3	77.1%
Tertiary	45,485	19,839	£96.6	3.9%	£3.7	89.8%
Quaternary	151,454	64,453	£306.7	0.9%	£2.9	100.0%
Total	**231,773**	**99,350**	**£476.2**	**6.2%**	**£29.6**	

4.20 Porthcawl enjoys relatively good access from the main motorway. However, its coastal location, with its main roads both orientated inland, means that Porthcawl does not enjoy any passing trade or benefits from cross-trade between centres. Furthermore, the good accessibility to the motorway provides greater opportunities for residents to shop elsewhere than it does to attract shoppers in.

4.21 Market shares fall sharply outside of the core catchment, due to much stronger and more accessible alternatives to residents outside of its core catchment.

4.22 Compared with Maesteg, Porthcawl enjoys patronage from a larger core catchment population (circa 45k compared to circa 26k), albeit that the market shares of this core catchment are lower due to the greater choices that residents have. As a result the two centres have similar market potentials, despite very different catchment characteristics.

4.23 Next to Bridgend Town Centre, Porthcawl's next major competitor is Port Talbot, which benefits from a location just off the motorway.

4.24 This means that Porthcawl relies heavily on the patronage its local catchment, without the security of a captive market. This catchment characteristic means that Porthcawl is much more sensitive to external competition, but that strategies to claw-back expenditure by competing head-to-head with the competition are unlikely to succeed. Rather, it is more important for the centre to increase its relevance to it core customers.

4.25 More detail on Porthcawl's current performance against the needs of its resident shopper population can be found in Annex 6. The analysis identifies a limited demand from multiple comparison goods retailers for a location such as Porthcawl, due to its market size.

Figure 4.7 Bridgend Catchment Expenditure Statistics 2007

Catchment	Total Population	Total Households	Total Comparison Goods Expenditure (£million)	Market Share of Expenditure (%)	Resident-Based Comparison Goods Market Potential (£million)	Cumulative Origin of Residential Shoppers (%)
Primary	56,941	24,487	£121.9	57.5%	£70.1	50.8%
Secondary	56,803	23,845	£122.4	27.9%	£34.2	75.4%
Tertiary	87,640	37,072	£175.7	11.1%	£19.6	90.6%
Quaternary	546,948	234,743	£1,119.1	1.1%	£12.4	100.0%
Total	**748,332**	**320,147**	**£1,539.2**	**8.9%**	**£136.3**	

4.26 Bridgend, as the county's main town, enjoys a much larger catchment area and market share of trade than Maesteg and Porthcawl, resulting in a market potential twice that of the two other towns combined.

4.27 The centre enjoys relatively good access from the motorway, however, more significantly for the town it enjoys good radial access by main roads that make it highly accessible to residents of Bridgend, and the neighbouring county of the Vale of Glamorgan.

4.28 The core catchment is impacted strongly by the competition with the Bridgend Outlet Centre to the east of the town, which happens to also enjoy superior motorway access, due to its function as serving as a regional destination centre for discount branded goods.

4.29 This means that Bridgend's primary catchment has been pushed westwards. This has a knock on effect on Porthcawl, since Bridgend is currently reliant on taking significant levels of custom from Porthcawl's more limited catchment area.

4.30 CACI's Retail Vision examines the issues of Bridgend's competitive situation in more detail and identifies a strong need for Bridgend to claw-back expenditure from the Bridgend Outlet Centre. This centre is currently being used as a substitute main centre for many residents, due to the poor quality and erratic mix of retail provision in Bridgend Town Centre that fails to meet the residents shopping needs for a main regional town centre.

4.31 In a wider context, the town has the role regional town centre, with Swansea to the west and Cardiff to the east serving its neighbouring regions. Of the two, Cardiff is a much more significant centre, acting not only on a regional level, but serving Wales at a national level. Due to its national role, greater leakage to Cardiff from Bridgend's catchment is observed compared to Swansea.

4.32 While to some degree in competition, it is important that Swansea, Bridgend and Cardiff all concentrate on serving their own core catchments well. That Bridgend is currently underperforming with respect to its retail offer –and in particular the needs of its core catchment consumers - highlights a strategic priority to improve the performance of Bridgend in this wider context.

4.33 Considering the larger catchment area that Bridgend enjoys and its current underperformance as a retail centre, there should be headroom to significantly change current shopping patterns to increase the turnover potential at this important regional town.

Forecasting Comparison Goods Expenditure

4.34 Using Census population projections, EFES based expenditure estimates and by disaggregating STEAM tourist spend data by CACI's Tourist Demand Surface, estimates of 2007 comparison goods expenditure for each planning zone have been derived. Figure 4.8 summarises the key statistics. As a proportion of total spend, tourist spend in Maesteg and Porthcawl is a lot more critical to the economy than is currently the case in Bridgend.

Figure 4.8 –Planning Zone Statistics 2007

Planning Zone	Residential Population	Resident Spend per capita	Resident Spend on Comparison Goods (£'s per annum)	Tourist Spend on Comparison Goods (£'s per annum)	Total Spend on Comparison Goods (£'s per annum)
Maesteg	25,968	£1,978	£51,367,190	£25,683,595	£77,050,785
Porthcawl	43,109	£2,153	£92,808,839	£32,483,094	£125,291,932
Bridgend	94,759	£2,219	£210,289,942	£42,057,988	£252,347,930
Total	**163,836**	**£2,164**	**£354,465,971**	**£100,224,677**	**£454,690,648**

4.35 In terms of estimating growth in residential spend, CACI have only applied assumptions of population growth. This is because the current trends on comparison spend per capita are complex, due to prices deflating in many areas, mainly attributable to cheaper imports. Furthermore, the relationship between increases in spend per capita and the need for additional floorspace is also very complex, since a more or less affluent population may not necessarily consume more or less goods – but simply be prepared to pay different prices for their goods. Overall, this means that our view is that the only robust method of assessment is through assessing population growth alone, which can be easily understood in terms of increases in the number of shoppers available, and hence footfall.

4.36 CACI have applied the trend-based projections of population growth for the study area as a whole, which has not been disaggregated by study zone, they are:

- 2007-2011: 1.84%
- 2011-2016: 2.26%
- 2016-2021: 2.68%

4.37 Applying population forecasts, Figure 4.9 provides estimates of Comparison Goods Market Potential for each town centre over the planning period, assuming no change in current shopping patterns.

Figure 4.9 –Resident Comparison Market Potential (2007 – 2021)

Year	Maesteg Comparison Goods Market Potential (£'s pa), Resident Spend	Porthcawl Comparison Goods Market Potential (£'s pa), Resident Spend	Bridgend Comparison Goods Market Potential (£'s pa), Resident Spend
2007	£35,348,941	£29,466,014	£136,300,000
2011	£36,000,664	£30,009,275	£138,812,944
2017	£36,813,180	£30,686,568	£141,945,877
2021	£37,799,214	£31,508,501	£145,747,870

Source: CACI analysis (2007)

4.38 Growth in tourist spend has been applied based upon an assessment of historic growth, from the council's STEAM reports. CACI estimate that tourist spend will grow by 2.8% p.a. up to 2016, after which it is assumed the tourist market will have reached saturation. This relates to a growth in tourist-based comparison goods turnover of 11.76% by 2011 and 28.42% by 2016 compared to the 2007 baseline.

Turnover Potential Estimates

4.39 To enable a quantitative retail needs assessment, it is necessary to estimate the actual turnover potential for each town. Turnover potential represents what, according to modelled expenditure flows, a centre has the potential to turnover. The turnover potential can be compared against floorspace figures and benchmark trading densities to provide an assessment on whether there is a need based upon this potential to provide additional retail floorspace.

4.40 In order to estimate actual resident-based turnover potential for the towns, an adjustment to CACI's comparison goods market potential figure must be made. This is to account for household expenditure that is not spent at the retail centres in CACI's retail footprint model. It includes sales made by home-delivery channels (such as catalogue and Internet), sales made at supermarkets, bulky goods and garden centre retail locations, which fall outside of retail footprint centres.

4.41 The adjustment has been made by compounding the following adjustments:

- An adjustment for comparison goods bought at retail locations, which fall outside of the retail footprint centre; and
- An adjustment for comparison goods bought using home-delivery channels.

4.42 The first adjustment is estimated by first dividing the comparison goods category into items that are predominantly bought at retail footprint centres and items that are not.

4.43 The following goods are considered to be predominantly bought at retail footprint centres: Clothing, Haberdashery and Accessories, Clothing Materials, Footwear, Luxury Goods, Small Household Electrical, Glassware, Tableware & Utensils, Household Textiles, Music & Video, Toys & Hobbies, Computer Games & Consoles, Sport Equipment, Books, Communications, Jewellery, Stationery & Cards, Personal Care Electrical Appliances, Sunglasses, Chemist Goods, Toiletries, Cosmetics & Perfume, and Cameras & Binoculars.

The following goods are considered to be predominantly bought outside retail footprint centres: Major Tools and Equipment, Garden Equipment, Plants and Flowers, Carpets, and Furniture and DIY goods.

4.44 Based upon this split CACI have recommended an adjustment of 71.2% to account for 28.8% of comparison goods expenditure spent at bulky goods and garden centre retail locations that fall outside of Retail Footprint centres.

4.45 The second adjustment has been based upon an industry expert view on the current and future market share of the home-deliveries channels for comparison goods. This includes reference to "The Home Delivery Sector in the UK 1995 to 2010" (October 2003, a project funded by the Department for Transport undertaken by De Montfort University, the Freight Transport Association and associates). CACI have recommended an adjustment of 89.4% to account for 10.6% of comparison goods expenditure spent using catalogue and Internet home-delivery sales channels. This adjustment is changed to 85.4% and 79.4% to account for growth in the market share of this sector to 15.6% and 20.6% for 2011 and 2016 respectively.

4.46 The compound effect of these adjustments is to apply 63.7%, 60.8% and 56.5% to CACI's comparison goods market potential for the towns in the years 2007, 2011 and 2016 respectively. The same adjustment for 2021 is made as for 2016. *These estimates assume no change in the current market share either town achieves over their catchment areas.*

4.47 For tourist spend, it is assumed that 60% of spend in the planning zone can be attributed to the turnover potential in the main town centre, with the remainder of spend assigned to the sales of comparison goods at shops aimed specifically at tourists and generally at other retail locations that tourists may visit during their stay.

4.48 Figures 3.10 to 3.12 provide the derived resident-based and tourist-based turnover potential for each town centre for over the planning period.

Figure 4.10 –Turnover Potential in Maesteg assuming no change in market share (2007-2017)

Year	Resident-based Comparison Goods Turnover Potential (£'s pa)	Tourist-based Comparison Goods Turnover Potential (£'s pa)	Total Comparison Goods Turnover Potential(£'s pa)	Turnover Potential Density with Current Floorspace (4,196 sq m net)
2007	£22,500,591	£15,410,157	£37,910,748	£9,036
2011	£21,890,132	£17,222,391	£39,112,523	£9,322
2016	£20,811,521	£19,789,724	£40,601,245	£9,677
2021	£21,368,954	£19,789,724	£41,158,677	£9,810

Source: CACI analysis (2007)

4.49 The amount of non-vacant comparison floorspace in Maesteg is 4,196 sq m net. On this basis CACI have assessed a current turnover potential density at £9,721 per sq m. Compared with a benchmark trading density of £4,000 per sq m (expert view of CACI) this analysis appears to demonstrate that there is highly significant headroom in the town for additional retail floorspace.

4.50 However, it should be noted that the results are heavily dependent upon tourist-based spend, which currently makes up 41% of total turnover potential. Without taking tourist spend into account the turnover potential density would be £5,363 – a value higher, but much closer to CACI's benchmark trading density. Therefore, even without taking into account the tourist economy there is evidence of headroom for additional floorspace in Maesteg.

Figure 4.11 – Turnover Potential in Porthcawl assuming no change in market share (2007-2017)

Year	Resident-based Comparison Goods Turnover(£'s pa)	Tourist-based Comparison Goods Turnover(£'s pa)	Total Comparison Goods Turnover(£'s pa)	Turnover Potential Density with Current Floorspace (5,474 sq m net)
2007	£18,755,943	£19,489,856	£38,245,799	£6,986
2011	£18,247,079	£21,781,863	£40,028,943	£7,312
2016	£17,347,976	£25,028,873	£42,376,849	£7,741
2021	£17,812,638	£25,028,873	£42,841,511	£7,826

Source: CACI analysis (2007)

4.51 The amount of non-vacant comparison floorspace in Porthcawl is 5,474 sq m net. On this basis CACI have assessed a current turnover potential density at £6,986 per sq m. Compared with a benchmark trading density of £4,000 per sq m (expert view of CACI) this analysis appears to demonstrate that there is headroom in the town for additional retail floorspace.

4.52 However, it is noted that the results are heavily dependent upon tourist-based spend, which currently makes up 51% of total turnover potential. Without taking tourist spend into account the turnover potential density would be £3,426– a value lower than CACI's benchmark trading density. Therefore, the evidence for the need for additional floorspace in Porthcawl is ambiguous.

Figure 4.12 – Turnover Potential in Bridgend assuming no change in market share (2007-2017)

Year	Resident-based Comparison Goods Turnover(£'s pa)	Tourist-based Comparison Goods Turnover(£'s pa)	Total Comparison Goods Turnover(£'s pa)	Turnover Potential Density with Current Floorspace (15,927 sq m net)
2007	£86,758,766	£25,234,793	£111,993,559	£7,032
2011	£84,404,933	£28,202,405	£112,607,338	£7,070
2016	£80,245,979	£32,406,521	£112,652,500	£7,073
2021	£82,395,352	£32,406,521	£114,801,873	£7,208

Source: CACI analysis (2007)

4.53 The amount of non-vacant comparison floorspace in Bridgend is 15,927 sq m net. On this basis CACI have assessed a current turnover potential density at £7,032 per sq m. Compared with a benchmark trading density of £4,000 per sq m (expert view of CACI) this analysis demonstrates that there is highly significant headroom in the town for additional retail floorspace.

4.54 Compared to the other two towns, tourist spend only accounts for 23% of total turnover potential, and therefore the results are not so heavily dependent on this element of the economy. Without taking tourist spend into account the turnover potential density would be £5,447 - a value higher, but closer to CACI's benchmark trading density. Therefore, even without taking into account the tourist economy there is evidence of headroom for additional floorspace in Bridgend.

Impacts of Future Development Scenarios

4.55 The results above demonstrate that both Bridgend and Maesteg have unequivocal headroom for additional floorspace, under the assumptions that current shopping patterns will remain the same over the planning period.

4.56 However, significant development activity is occurring in South Wales, which could change current shopping patterns.

4.57 Figure 4.13 summarises ten major applications that will have influence on retailing patterns in Bridgend.

Figure 4.13 Development Pipeline outside of Bridgend County

Scheme Name	Centre	Type	New Development Space (gross sq ft)	Status	Opening Year
David Morgan	Cardiff	New behind facade	121,000	Under Construction	2007
St David's Centre	Cardiff	Extension	612,213	Planning Permission Granted	2009
Cardigan Town Centre Redevelopment	Cardigan	New Build	50,000	Preferred Development Partner Selected	2009
St Catherine's Walk	Carmarthen	New Build	282,975	Under Construction	2008
Capital Retail Park	New Site	New Build	400,000	Preferred Development Partner Selected	2008
Springfield	New Site	New Build	200,000	Planning Permission Granted	2008
Pontardulais Road Retail Park	New Site	Refurbish ment	88,000	Under Construction	2007
Angharad Walk	Pontypridd	New Build	200,006	Proposed	2010
Former David Evans	Swansea	New Build	60,000	Planning Permission Granted	2008
Castle Quays	Swansea	New Build	387,999	Planning Permission Granted	2008

Source: EGI and CACI's Centre Futures Database

4.58 However, testing the impacts of these schemes using CACI's Spatial Modeller has actually demonstrated, that despite changes in shopping patterns, the overall impact on the performance of each of the town centres in Bridgend County is negligible (at most 1% negative impact).

4.59 Even more pressing than development activity outside of Bridgend County, is the identification in CACI's Retail Vision for Bridgend Town Centre of the qualitative and economic need to improve the retail offer of Bridgend to improve upon the current performance of the centre, and in particular to increase the number of shoppers choosing to spend at this centre, by clawing back custom from other competing centres such as Bridgend Outlet Centre and Cardiff. In particular CACI has demonstrated that the town centre is currently significantly underperforming with respect to meeting the consumer needs of its catchment population.

4.60 Without improvements to its retail offer, Bridgend Town Centre is at risk of failing to serve its role as a regional town centre, and therefore is sequentially preferable for allocation of new retail space, compared with the rural centres of Porthcawl and Maesteg.

4.61 On this basis, this report assesses the headroom for additional floorspace at each of the centres on the basis of CACI's recommendations to change current shopping patterns to increase the vibrancy and vitality of Bridgend Town Centre. The report refers to two recommended future scenarios for the town – a "Do Minimum" and "Do Maximum". Both scenarios relate to significantly changing Bridgend's current retail offer, but at different levels of new development activity.

4.62 Figure 4.14 summarises the impacts the changes in shopping patterns that these development scenarios will induce on the turnover potential for each town centre.

Figure 4.14 –Modelled Impacts of Bridgend Development Scenarios - 2016

Centre	Do Minimum: % Impact on Turnover Potential	Do Minimum: Change in Turnover Potential (£'s pa)	Do Maximum: % Impact on Turnover Potential	Do Maximum: Change in Turnover Potential (£'s pa)
Maesteg	-7.2%	-£2,915,879	-9.5%	-£3,842,385
Porthcawl	-12.2%	-£5,156,223	-16.7%	-£7,060,714
Bridgend	28.0%	£31,489,318	39.3%	£44,290,734

4.63 In the "Do Minimum" scenario, Bridgend improves its current performance by 28%, whilst having relatively acceptable levels of impacts on Maesteg and Porthcawl.

4.64 The "Do Maximum" scenario improves Bridgend's current performance by 39%, whilst having a more concerning impact on Porthcawl. This means that it will be particularly important to assess the impact of the development scenarios in Bridgend on the headroom for retail space in Porthcawl.

4.65 It is worth noting that there are regeneration plans for Porthcawl, including the provision of a new supermarket being brought forward in the regeneration masterplan of Hillsboro Place. This masterplan is likely to benefit trading conditions in Porthcawl, through induced footfall from the large format supermarket, an anchor Porthcawl town centre currently lacks. However, the relationship between supermarket shopping and town centre comparison goods shopping is complex, with as many potential threats as benefits, therefore CACI have not explicitly modelled the impacts of these proposals in terms of determining future floorspace needs.

4.66 Similarly a new ASDA on the edge of Bridgend Town Centre and a new Tesco at Maesteg are noted, but their impacts on comparison goods shopping patterns are not explicitly modelled for this assessment.

Committed New Floorspace in Bridgend

4.67 Currently, the only committed new comparison floorspace provision in Bridgend County is being brought about by:

- A new Tesco at Maesteg RFC, Llynfi Road, Maesteg, opening 2008 (3,400 net sqm of which 15% is likely to be non-food = 510 net sqm of comparison goods floorspace)
- A new ASDA at Cheapside, Bridgend opening 2008 (5,954 net sqm of which 25% is likely to be non-food = 1,489 net sqm of comparison goods floorspace)
- Redevelopment of Brackla Shopping Centre, creating approximately 1,952 net sqm of new retail floorspace (assumed all comparison goods). Likely opening 2008.

4.68 None of these committed developments in isolation have been considered to merit an assessment of changes in shopping patterns as a result of their opening for the purposes of determining future floorspace needs.

4.69 Since the ASDA and Brackla Shopping Centre proposals are located within the town centre the addition of new floorspace will be taken into account when assessing overall headroom for Bridgend Town Centre. Comparison goods floorspace at the new Tesco in Maesteg will not be counted, since this store will be in an edge-of-centre location.

Floorspace Headroom Assessment - Maesteg

4.70 CACI have assessed the floorspace headroom for comparison goods in Maesteg for 2007, 2011, 2016 and 2021, under three differing development scenarios:

- [A] No major change to Bridgend Town Centre
- [B] "Do Minimum" development scenario for Bridgend Town Centre
- [C] "Do Maximum" development scenario for Bridgend Town Centre

4.71 These floorspace headroom estimates were calculated based on using £4,000 per net sq m as a suitable benchmark turnover density for the two towns. Figures 3.15a to 3.15c summarises CACI's floorspace headroom assessments.

4.72 Scenarios B &C only differ from Scenario A for the planning years 2016 and 2021, as it is assumed that both "Do Minimum" and "Do Maximum" scenarios will take full effect post 2011.

4.73 The implications for Maesteg under these scenarios are that under there would be slightly less headroom for development at Maesteg.

Figure 4.15a Maesteg Comparison Goods Headroom– Scenario A

Year	Comparison Goods Turnover Potential (£'s)	Benchmark Turnover Density (£'s per sq m net)	Corresponding floorspace opportunity (sq m net)	Current Floorspace (sq m net)	Headroom Floorspace (sq m net)
2007	£37,910,748	£4,000	9,478	4,196	5,282
2011	£39,112,523	£4,000	9,778	4,196	5,582
2016	£40,601,245	£4,000	10,150	4,196	5,955
2021	£41,158,677	£4,000	10,290	4,196	6,094

Source: CACI Analysis (2007)

Figure 4.15b Maesteg Comparison Goods Headroom– Scenario B

Year	Comparison Goods Turnover Potential (£'s)	Benchmark Turnover Density (£'s per sq m net)	Corresponding floorspace opportunity (sq m net)	Current Floorspace (sq m net)	Headroom Floorspace (sq m net)
2016	£37,685,366	£4,000	9,421	4,196	5,226
2021	£38,202,765	£4,000	9,551	4,196	5,355

Source: CACI Analysis (2007)

Figure 4.15c Maesteg Comparison Goods Headroom– Scenario C

Year	Comparison Goods Turnover Potential (£'s)	Benchmark Turnover Density (£'s per sq m net)	Corresponding floorspace opportunity (sq m net)	Current Floorspace (sq m net)	Headroom Floorspace (sq m net)
2016	£36,758,860	£4,000	9,190	4,196	4,994
2021	£37,263,539	£4,000	9,316	4,196	5,120

Source: CACI Analysis (2007)

4.74 The analysis has identified a current deficiency for comparison goods floorspace in Porthcawl of 5,282 sq m net. This, as noted before is primarily attributable to taking into account the potential achievable from tourism-based spend.

4.75 In the case where Bridgend does not improve upon its retail performance, as recommended by CACI in the Retail Vision for Bridgend Town Centre, this headroom could rise up to 6,094 sq m net by 2021.

4.76 However, the preferred option for Bridgend Town Centre is to do at least the "Do Minimum". In the case of taking the development strategies at Bridgend Town Centre into account, CACI have identified a headroom for comparison goods floorspace of between 5,120 – 5,226 sq m net, depending upon the level of success that Bridgend Town Centre achieves.

4.77 There are currently no proposals for additional comparison retail floorspace at Maesteg. Furthermore, the new Tesco at Maesteg RFC is located outside of the town centre and is likely to cause a reduction of footfall in the town, due to shoppers diverting the convenience goods shopping to the new Tesco.

4.78 Furthermore, there is a clear priority to improve the comparison goods retail offer in Bridgend Town Centre, as a component of its regeneration programme.

4.79 **Therefore, despite the level of headroom identified, there would not currently appear to be a need to allocate sites for additional comparison goods retail use. The headroom is mostly derived from the potential of tourist-spend, which could be alternatively captured and served by Bridgend Town Centre.**

Floorspace Headroom Assessment - Porthcawl

4.80 CACI have assessed the floorspace headroom for comparison goods in Porthcawl for 2007, 2011, 2016 and 2021, under three differing development scenarios:

- [A] No major change to Bridgend Town Centre
- [B] "Do Minimum" development scenario for Bridgend Town Centre
- [C] "Do Maximum" development scenario for Bridgend Town Centre

4.81 These floorspace headroom estimates were calculated based on using £4,000 per net sq m as a suitable benchmark turnover density for the two towns. Figures 3.16a to 3.16c summarises CACI's floorspace headroom assessments.

4.82 Scenarios B &C only differ from Scenario A for the planning years 2016 and 2021, as it is assumed that both "Do Minimum" and "Do Maximum" scenarios will take full effect post 2011.

4.83 The implications for Porthcawl under these scenarios is that under there would be less headroom for development at Porthcawl.

Figure 4.16a Porthcawl Comparison Goods Headroom– Scenario A

Year	Comparison Goods Turnover Potential (£'s)	Benchmark Turnover Density (£'s per sq m net)	Corresponding floorspace opportunity (sq m net)	Current Floorspace (sq m net)	Headroom Floorspace (sq m net)
2007	£38,245,799	£4,000	9,561	5,474	4,087
2011	£40,028,943	£4,000	10,007	5,474	4,533
2016	£42,376,849	£4,000	10,594	5,474	5,120
2021	£42,841,511	£4,000	10,710	5,474	5,236

Source: CACI Analysis (2007)

Figure 4.16b Porthcawl Comparison Goods Headroom– Scenario B

Year	Comparison Goods Turnover Potential (£'s)	Benchmark Turnover Density (£'s per sq m net)	Corresponding floorspace opportunity (sq m net)	Current Floorspace (sq m net)	Headroom Floorspace (sq m net)
2016	£37,220,626	£4,000	9,305	5,474	3,831
2021	£37,628,751	£4,000	9,407	5,474	3,933

Source: CACI Analysis (2007)

Figure 4.16c Porthcawl Comparison Goods Headroom– Scenario C

Year	Comparison Goods Turnover Potential (£'s)	Benchmark Turnover Density (£'s per sq m net)	Corresponding floorspace opportunity (sq m net)	Current Floorspace (sq m net)	Headroom Floorspace (sq m net)
2016	£35,316,136	£4,000	8,829	5,474	3,355
2021	£35,703,377	£4,000	8,926	5,474	3,451

Source: CACI Analysis (2007)

4.84 The analysis has identified a current deficiency for comparison goods floorspace in Porthcawl of 4,087 sq m net. This, as noted before is primarily attributable to taking into account the potential achievable from tourism-based spend.

4.85 In the case where Bridgend does not improve upon its retail performance, as recommended by CACI in the Retail Vision for Bridgend Town Centre, this headroom could rise up to 5,236 sq m net by 2021.

4.86 However, the preferred option for Bridgend Town Centre is to do at least the "Do Minimum". In the case of taking the development strategies at Bridgend Town Centre into account, CACI have identified a headroom for comparison goods floorspace of between 3,451 - 3,933 sq m net, depending upon the level of success that Bridgend Town Centre achieves.

4.87 Currently, the only known proposal that would have an impact on future levels of is that of a new supermarket, that would likely provide circa 500 sq m net of floorspace for the sales of comparison goods.

4.88 However, it is highly likely that additional comparison goods retail space would be desirable to be brought forward as part of the regeneration masterplan of Hillsborough Place – especially if it enabled a coherent shopping link between the proposed supermarket and the town centre, securing the benefits of the increased visits to the supermarket for the economy of the town as a whole.

4.89 **Therefore, there would be headroom for circa 3,000 – 3,500 sq m net of additional comparison goods retail space for Porthcawl, up to the end of the planning period 2021 – but developable at any time due to the identified current deficiency.**

4.90 **It is noted that the Porthcawl Waterfront Planning Guidance document provides for a new commercial core at Hillsboro Place, that will be an integrated extension to the town centre. The guidance makes provision for circa 20,000 sq ft (not specified between net or gross) of additional retail units to provide frontage to Dock Street.**

4.91 **This analysis confirms that there is comparison goods headroom for such development. However, since much of the identified need has been derived due to high estimated levels of potential tourist-spend, it is essential that new comparison goods floorspace is brought forward with additional efforts and/or uses that would attract tourists into the town centre.**

4.92 **Therefore, despite the higher level of headroom, we would not consider it necessary to advise on further allocation of land for comparison retail use, over and beyond that potentially delivered through the new commercial core at Hillsboro place.**

Floorspace Headroom Assessment - Bridgend

4.93 CACI have assessed the floorspace headroom for comparison goods in Bridgend for 2007, 2011, 2016 and 2021, under three differing development scenarios:

- [A] No major change to Bridgend Town Centre
- [B] "Do Minimum" development scenario for Bridgend Town Centre
- [C] "Do Maximum" development scenario for Bridgend Town Centre

4.94 These floorspace headroom estimates were calculated based on using £4,000 per net sq m as a suitable benchmark turnover density for the two towns. Figures 3.17a 3.17c summarises CACI's floorspace headroom assessments.

4.95 Scenarios B &C only differ from Scenario A for the planning years 2016 and 2021, as it is assumed that both "Do Minimum" and "Do Maximum" scenarios will take full effect post 2011.

4.96 The implications for Bridgend under these scenarios is that under there would be significantly more headroom for development at Bridgend as a result of its improved performance.

Figure 4.17a Bridgend Comparison Goods Headroom– Scenario A

Year	Comparison Goods Turnover Potential (£'s)	Benchmark Turnover Density (£'s per sq m net)	Corresponding floorspace opportunity (sq m net)	Current Floorspace (sq m net)	Headroom Floorspace (sq m net)
2007	£111,993,559	£4,000	27,998	15,927	12,071
2011	£112,607,338	£4,000	28,152	19,368	8,784
2016	£112,652,500	£4,000	28,163	19,368	8,795
2021	£114,801,873	£4,000	28,700	19,368	9,333

Source: CACI Analysis (2007)

Figure 4.17b Bridgend Comparison Goods Headroom– Scenario B

Year	Comparison Goods Turnover Potential (£'s)	Benchmark Turnover Density (£'s per sq m net)	Corresponding floorspace opportunity (sq m net)	Current Floorspace (sq m net)	Headroom Floorspace (sq m net)
2016	£144,141,818	£4,000	36,035	19,368	16,668
2021	£146,891,997	£4,000	36,723	19,368	17,355

Source: CACI Analysis (2007)

Figure 4.17c Bridgend Comparison Goods Headroom– Scenario C

Year	Comparison Goods Turnover Potential (£'s)	Benchmark Turnover Density (£'s per sq m net)	Corresponding floorspace opportunity (sq m net)	Current Floorspace (sq m net)	Headroom Floorspace (sq m net)
2016	£156,943,234	£4,000	39,236	19,368	19,868
2021	£159,937,660	£4,000	39,984	19,368	20,616

Source: CACI Analysis (2007)

4.97 The analysis has identified a current deficiency for comparison goods floorspace in Bridgend of 12,071 sq m net. Unlike Maesteg and Porthcawl, this headroom is not so highly dependent upon tourist-based spend.

4.98 This headroom would reduce to 8,754 sq m net by 2011, due to the opening of the Asda store and the redevelopment of the Brackla centre.

4.99 In the case where Bridgend does not improve upon its retail performance, as recommended by CACI in the Retail Vision for Bridgend Town Centre, this headroom would then just rise moderately to 9,333 sqm net by 2021.

4.100 However, in CACI's Retail Vision for Bridgend Town Centre, it is clear that implementing no major change to the current retail offer of Bridgend within its Primary Pitch, and in particular, allowing the market positioning to remain value-orientated will see Bridgend Town Centre decline in its performance. In this context, there would be no reason to allocate further floorspace that did not contribute to a positive retail strategy for the centre.

4.101 Therefore, it is of much more interest to understand the headroom for additional floorspace under the "Do Minimum" and "Do Maximum" development scenarios.

4.102 **Under "Do Minimum" the analysis reveals a headroom for 16,668 sq m net of additional retail floorspace in 2016, rising moderately to 17,335 sq m net in 2021. This level of headroom is sufficient to cover the level of new net floorspace that CACI has identified would be necessary to deliver the "Do Minimum" retail strategy.**

4.103 **Under "Do Maximum" the analysis reveals headroom for 19,868 sq m net of additional retail floorspace in 2016, rising moderately to 20,616 sq m net in 2021. This level of headroom is sufficient to cover the level of new net floorspace that CACI has identified would be necessary to deliver the "Do Maximum" retail strategy.**

4.104 **Since in both cases the level headroom is driven by the ability to change current shopping patterns through a concerted retail strategy to improve the current mix, we would conclude that there would be headroom for this level of development activity anytime between 2007 – 2016 provided the development contributed to that strategy.**

5.0 BULKY GOODS CAPACITY

5.1 For the comparison goods capacity analysis for the three towns in the previous chapter, comparison goods have been assessed excluding 'Bulky Goods', since these are predominantly sold at out-of-town retail parks and garden centres.

5.2 Assessing the value of bulky goods separately to general comparison goods is becoming increasingly significant because as the number of retail parks and out of town units has grown, so has the need to understand consumer behaviour when shoppers are purchasing destination based products such as DIY, furniture and white goods. There is a need to understand the how these retail parks complement trading of other non-bulky goods in the town centres, and whether there is any evidence for the need for further supply of bulky goods uses in the study area.

5.3 Our methodology for the assessment of bulky goods has provided different results to the previous retail capacity study for bulky goods (performed by Colliers in 2002) due to different ways of assessing need - namely this assessment sees less need compared to the previous study because:

- For current deficiencies, we assess need by "ideal" balances of trade for each planning zone rather than on current balance of trade. Colliers based their assessment on current patterns, which sees Bridgend over-trading, and on that basis identifies need for more space in this location, rather than considering that the balance of trade is already tipped too much into this area. Generally this means that even for the 3 planning zones we allocate less expenditure to the area than Colliers did, who by using existing shopping patterns based future need on maintaining a high positive balance of trade into your area.
- For future needs we assess the negative impacts of internet - so as a result see no further need for floorspace as driven by population or expenditure growth.

Current Bulky Goods Floorspace Provision

5.4 For the purposes of understanding current levels of bulky goods provision, CACI have used the figures provided by the Collier Retail Study (2002). Since no significant new developments or closures have occurred in the county since this date, these figures are deemed still relevant.

Figure 5.1 Bulky Goods Units & Floorspace (sq m net)

Retail Category	Units	Floorspace (gross sq m)	Floorspace (net sq m)
Maesteg Town Centre	7	2,060	1,340
Porthcawl Town Centre	10	1,770	1,150
Bridgend Town Centre	15	4,500	2,930
Bridgend Retail Park	6	9,278	8,290
Waterton Retail Park	7	9,707	8,740
Total		**27,315**	**22,450**

Source: Colliers Retail Study 2002 (Appendix 4B)

5.5 Bulky goods floorspace in the out-of-town parks of Bridgend and Waterton Retail Parks make up for 76% of the total level of bulky goods provision in the county.

Committed or potential New Floorspace in Bridgend

5.6 An application for 4,833 sq m gross new bulky goods floorspace was submitted for the Waterton Cross Bulky Goods Site (allocated as part of the Bridgend Retail Park in the adopted Unitary Development Plan) in 2006, however it was subsequently withdrawn. This indicates the potential for this Retail Park to extend its current bulky goods provision, although the withdraw of the application indicates some uncertainty over securing a suitable occupier. This proposal can no longer be viewed as a commitment.

5.7 Another application at the Bridgend Day Centre for 2,787 sq m gross new bulky goods floorspace was approved on 12th July 2007. This development can therefore be currently viewed as a commitment with respect to identifying further additional headroom over the planning period. Using a net to gross ratio of 0.8 means that 2,230 sq m net new bulky goods floorspace will be counted as committed.

Forecasting Bulky Goods Turnover Potential

5.8 Using Census population projections, EFES based expenditure estimates, estimates of 2007 bulky goods expenditure for each planning zone.

5.9 By using the expenditure for each zone as an estimate of market potential, we are assessing what potential there is for each planning zone, as opposed to actual trading performance.

5.10 This differs from assessing the market potential based upon current bulky-goods trading patterns, which would clearly demonstrate currently almost all expenditure being directed to the Retail Parks located just outside of Bridgend Town Centre, as observed in the Colliers Retail Study.

5.11 In doing so, our assessment will identify headroom with respect to "ideal" trading patterns, whereby each planning zone retains a level of bulky-goods expenditure commensurate with the size of its resident population.

5.12 Figure 5.2 summarises the process of estimating the market potential for Bulky Goods provision in each planning zone, according to the logic applied above.

Figure 5.2 –Planning Zone Statistics for Bulky Goods 2007

Planning Zone	Residential Zone Population	Resident Spend per capita	Estimated Bulky Goods Goods Market Potential (£'s per annum)
Maesteg	25,968	£577.9	£15,006,816
Porthcawl	43,109	£591.7	£25,509,684
Bridgend	94,759	£592.4	£56,132,370
Total	**163,836**	**£589.7**	**£96,609,636**

5.13 In terms of estimating growth in residential spend, CACI have only applied assumptions of population growth. This is because the current trends on bulky spend per capita are complex, due to prices deflating in many areas, mainly attributable to cheaper imports.

5.14 CACI have applied the trend-based projections of population growth for the study area as a whole, which has not been disaggregated by study zone, they are:

- 2007-2011: 1.84%
- 2011-2016: 2.26%
- 2016-2021: 2.68%

5.15 However, just as for comparison goods in general, CACI predict that there is a significant impact on the turnover potential for bulky goods retailing due to catalogue and Internet home-delivery sales channels (Special Forms of Trading). Therefore, the following adjustment to market potential have made for each forecast year to arrive at an estimate of turnover potential:

- 2007: 89.4%
- 2011: 85.4%
- 2016: 79.4%
- 2021: 79.4%

5.16 Applying population forecasts and adjustments due to impacts of Special Forms of Trading, Figure 5.3 provides estimates of Bulky Goods Turnover Potential for each zone over the planning period, assuming our "ideal" arrangement of trading patterns.

Figure 5.3–Resident-based Bulky-Goods Turnover Potential (2007 – 2021)

Year	Maesteg Bulky Goods Turnover Potential (£'s)	Porthcawl Bulky Goods Turnover Potential (£'s)	Bridgend Bulky Goods Turnover Potential (£'s)
2007	£9,149,685	£7,620,049	£35,081,935
2011	£8,901,447	£7,413,311	£34,130,134
2017	£8,462,838	£7,048,029	£32,448,412
2021	£8,689,514	£7,236,809	£33,317,536

Source: CACI analysis (2007)

5.17 Overall, turnover potential will fall in all planning zones, due to the increased impacts of Special Forms of Trading being larger than predicted population growth, rising slightly in 2021 as negative impacts stabilise.

5.18 Unlike our assessments for (non-bulky) comparison goods and convenience goods, this assessment will not take into account any potential spend from tourists, since tourists are highly unlikely to be spending significantly on bulky goods while visiting Bridgend.

Floorspace Headroom Assessment

5.19 CACI have assessed the floorspace headroom for comparison goods in Maesteg, Porthcawl and Bridgend planning zones for 2007, 2011, 2016 and 2021.

5.20 These floorspace headroom estimates were calculated based on using £2,500 per net sq m as a suitable benchmark turnover density. Figures 5.4 to 5.6 summarises CACI's floorspace headroom assessments.

Figure 5.4 Maesteg Bulky Goods Headroom

Year	Bulky Goods Turnover Potential (£'s)	Benchmark Turnover Density (£'s per sq m net)	Corresponding floorspace capacity (sq m net)	Current Floorspace (sq m net)	Headroom Floorspace (sq m net)
2007	£13,416,093	£2,500	5,366	1,340	4,026
2011	£13,052,104	£2,500	5,221	1,340	3,881
2016	£12,408,977	£2,500	4,964	1,340	3,624
2021	£12,741,349	£2,500	5,097	1,340	3,757

Source: CACI Analysis (2007)

5.21 Compared with the spend available in this zone, there is currently little bulky goods provision in Maesteg – meaning that headroom for 3,600 - 4,000 sq m net has been identified for this area.

Figure 5.5 Porthcawl Bulky Goods Headroom

Year	Bulky Goods Turnover Potential (£'s)	Benchmark Turnover Density (£'s per sq m net)	Corresponding floorspace capacity (sq m net)	Current Floorspace (sq m net)	Headroom Floorspace (sq m net)
2007	£22,805,658	£2,500	9,122	1,150	7,972
2011	£22,186,923	£2,500	8,875	1,150	7,725
2016	£21,093,688	£2,500	8,437	1,150	7,287
2021	£21,658,678	£2,500	8,663	1,150	7,513

Source: CACI Analysis (2007)

5.22 Compared with the spend available in this zone, there is currently little bulky goods provision in Porthcawl, leading to a high headroom for 7,300 – 8,000 sq m net for this area.

Figure 5.6 Bridgend Bulky Goods Headroom

Year	Bulky Goods Turnover Potential (£'s)	Benchmark Turnover Density (£'s per sq m net)	Corresponding floorspace capacity (sq m net)	Current Floorspace (sq m net)	Headroom Floorspace (sq m net)
2007	£50,182,339	£2,500	20,073	19,960	113
2011	£48,820,853	£2,500	19,528	22,190	-2,662
2016	£46,415,262	£2,500	18,566	22,190	-3,624
2021	£47,658,486	£2,500	19,063	22,190	-3,127

Source: CACI Analysis (2007)

5.23 Compared with the spend available in this zone, there is currently almost exactly the "ideal" amount of bulky goods floorspace provision, with a current headroom of just 113 sq m net. Taking into account the committed floorspace of 2,230 sq m net at the Bridgend Day Centre, there would be negative headroom, i.e. a surplus of floorspace compared to the "ideal" amount.

5.24 Therefore there is no additional need for floorspace over and beyond that already in open and that already committed.

Implications for site allocation

5.25 By adding the overall headroom for all three planning zones there is an overall headroom for 8,100 - 8,900 sq m net in the County Borough. In addition to this quantitative assessment, CACI have also provided a qualitative analysis of Bulky Goods retailing in the area, which has examined the likely demand for new retail space from known national bulky goods retailers. The analysis can be found in annex 5.

5.26 The key findings demonstrate that there is only a limited demand for new retailers in the County Borough, whose floorspace requirements could be met by circa 8,000 sq m net of additional space, which falls squarely within the overall headroom range.

5.27 It is noted that the Waterton Cross Bulky Goods Site has the capacity for nearly 5,000 sq m gross of new bulky goods floorspace (4,000 sq m net), and that this site is within the south of the County Borough, and as such can easily serve the Porthcawl catchment, albeit not as sustainably as bulky goods uses located in Porthcawl itself. CACI have identified this site, as part of their qualitative analysis, as an ideal site for bulky goods retailers, having a more accessible location to serve a wider catchment compared with locations in Porthcawl, and also benefiting from the current agglomeration of bulky goods retailers in that area. General retailer demand for Maesteg, could be also satisfied by such development in the south of the County Borough.

5.28 **Therefore, considering the existing site allocations (including the committed development of the Bridgend Day Centre), we would not consider that our new headroom results are sufficiently compelling to change the status quo with regard current allocations for bulky goods uses.**

5.29 **Therefore, a realistic strategy for the Council to adopt would be to maintain the current site allocation of the Waterton Cross Bulky Goods Site, and in doing so, reduce the identified need for new floorspace in the County Borough from 8,100 -8,900 sq m net to 4,100 - 4,900 sq m net which can also best be located in the southern part of the County Borough.**