

## **Appendix 2**

### Convenience Retail Capacity Assessment

## **A2 QUANTITATIVE CAPACITY AND DEMAND FOR ADDITIONAL CONVENIENCE FLOORSPACE**

A2.1 An assessment of the need for further convenience floorspace in the period to 2016 in Tonbridge Town Centre has been undertaken. The quantitative tables accompanying this analysis can be found in Appendix 2.

### *Methodology*

A2.2 The following steps have been undertaken to provide an assessment of the capacity for further convenience floorspace:

- A catchment area has been defined from which expenditure to Tonbridge's convenience floorspace would be primarily drawn;
- The population and total convenience expenditure available in the catchment area has been assessed;
- The benchmark turnover of the existing convenience facilities has been identified.
- Capacity for additional floorspace in the period to 2016 has been assessed. This is the difference between available expenditure and the turnover of existing floorspace.

### *Catchment Area*

A2.3 The catchment area for convenience retailing within Tonbridge is identified and is shown in Appendix 2. This catchment area has been based on our assessment of Tonbridge's natural catchment area (i.e. it is drawn broadly equidistant between the centre and competing facilities). It is not based on detailed shopper or household surveys, although we have had regard to the results that flow from the recent surveys carried out for KCC. The catchment includes Tonbridge town centre and settlements including Penshurst to the west, Hadlow to the east and Shipbourne to the north. The catchment area has been truncated to the south to exclude Southborough, which the KCC survey identifies despite its proximity to Tonbridge town centre falls within the natural convenience catchment of Tunbridge Wells.

A2.4 Inevitably there is likely to be a degree of expenditure inflow and outflow from the catchment area. For the purposes of this analysis we have made the simplifying assumption that they balance.

### *Population within the Catchment Area*

A2.5 Table 1 in Appendix 2, identifies the population within the catchment area in the period 2004 to 2016. The catchment area primarily comprises residents from Tonbridge and Malling BC, with a small proportion from Tunbridge Wells BC and Sevenoaks BC.

A2.6 The population has been projected forward to 2016 on the basis that each constituent local authority area within the catchment changes at the rate of that local authority overall.

A2.7 Overall the catchment area population is projected to grow by around 4.1% over the 12 year period from 44,694 in 2004 to 46,527 in 2016

### *Available Convenience Expenditure*

- A2.8 Experian's latest national expenditure projections between 2003 and 2013 have been used to forecast expenditure within the study area. Unlike previous expenditure growth rates provided by The Data Consultancy (formerly URPI), which were based on past trends, Experian's projections are based on an econometric model of disaggregated consumer spending. This model takes a number of macro-economic forecasts (chiefly consumer spending, incomes and inflation) and uses them to produce forecasts of disaggregated consumer spending volumes, prices and value. The model incorporates assumptions about income and price elasticities.
- A2.9 Experian's local consumer expenditure estimates for convenience goods within the catchment area for the year 2003 have been obtained. Experian's latest national expenditure projections between at 2003 and 2013 have been used to forecast expenditure within the catchment area.
- A2.10 Experian provides two recommended growth rates one for the period 2003 to 2007 and one from 2003 to 2013. The recommended growth rate for the period 2003 to 2008 is 0.6% per annum. This growth rate has been used in this study to forecast expenditure per capita up to 2007. Taking the 2013 figure from the 2003 to 2013 projections and assuming the growth rate of 0.6% per annum from 2003 to 2008 implies a growth rate of 1.2% between 2008 and 2013 and this has been adopted. Growth in expenditure beyond 2013 is based on 0.9% per annum for convenience goods, in line with Experian's overall growth forecast for 2003 to 2013.
- A2.11 This results in expenditure head in the catchment area of around £1,554 in 2004 increasing to £1,573 in 2006, £1,650 in 2011 and £1,736 in 2016, as shown in Table 2.
- A2.12 Table 3 identifies that the total available convenience expenditure within the catchment area is forecast to increase by £11.3 million over the 12 year period from 2004. It increases from £69.45 million in 2004, to £70.84 million in 2006, £75.58 million in 2011 and £80.77 million in 2016.

### *Turnover of Existing Facilities*

- A2.13 To assess the current retention rate the benchmark turnover of the existing convenience facilities within Tonbridge in 2004 was identified. This is set out in Table 4 and is based on a number of published sources. The table includes facilities within the town centre and some stores identified beyond this. There will however be other local shops not identified, and in view of this a cautious approach should be taken when identifying the scope for further floorspace.
- A2.14 An allowance has been made for floorspace within the existing main foodstores selling comparison goods. The analysis assumes the existing facilities will achieve a company average or benchmark turnover level (i.e. typical levels for this type of floorspace). This reflects the anticipated turnover of these facilities at "average" rather than "actual" levels.
- A2.15 The analysis therefore assumes that the total turnover of the existing convenience floorspace within the catchment area is £66.39 million in 2004.

### *Capacity for additional floorspace*

- A2.16 Table 5 in Appendix 2 identifies the residual convenience expenditure (i.e. the difference between the available convenience expenditure and the turnover of the existing floorspace in the period 2004-2016).
- A2.17 This identifies that there is actually a very small available convenience expenditure surplus in 2004. In 2006 there is a residual capacity of around £4.45 million, this increases to £9.18 million in 2011 and £14.38 million in 2016.
- A2.18 To provide a very broad indication of the level of floorspace which could be supported by the identified surplus capacity we have taken an average benchmark turnover of the top five foodstore retailers (i.e. Tesco, Sainsbury's, Asda, Morrison and Safeway, the latter two prior to their recent merger). This results in a benchmark turnover of around £10,703 per sq m.
- A2.19 The resultant level of floorspace which is capable of being supported is therefore around 415 sq m net in 2006, 857 sq m net in 2011 and 1,344 sq m net in 2016. This is a relatively low level of floorspace. It may be that unidentified convenience floorspace in the catchment area i.e. in local shops, would swallow up some or all of the capacity in 2004 and 2006. In the longer term the capacity would only be sufficient to support only a small supermarket (or moderate extension to an existing store) up to 2011, and only a moderate sized supermarket (or larger extension) up to 2016.

**Table 1: Population Projections**

Catchment Area		2004	2006	2011	2016
Tonbridge Catchment Area	44,186	44,694	45,035	45,804	46,527

Sources: Experian  
Kent County Council

**Table 2: Convenience Goods Expenditure Per Capita (2002 Prices)**

Expenditure Per Capita	2004	2006	2011	2016	Growth 2004-2007	Growth 2004-2011	Growth 2004-2016
Tonbridge Study Area	£1,554	£1,573	£1,650	£1,736	1.2%	6.2%	11.7%

Sources: Experian

**Table 3: Total Available Convenience Goods Expenditure (£M – 2002 Prices)**

Catchment Area	2004	2006	2011	2016	Growth 2004-2006	Growth 2004-2011	Growth 2004-2016
Tonbridge Area	£69.45	£70.84	£75.58	£80.77	2.0%	8.8%	16.3%

Sources: Table 1B and Table 2B

**Table 4: Convenience Floorspace and Benchmark Turnover  
(2002 prices)**

<b>Tonbridge Town Centre</b>	<b>Net Sales Floorspace Sq M</b>	<b>% Convenience Sales Floorspace</b>	<b>Convenience Sales Floorspace Sq M Net</b>	<b>Turnover to Sales Floorspace Density £ per Sq M</b>	<b>Total Convenience Turnover £M</b>
Sainsbury's, Tonbridge	3,068	90%	2,761	£11,435	£31.57
Waitrose, Tonbridge	2,230	90%	2,007	£10,566	£21.21
Somerfield, Tonbridge	610	95%	580	£4,879	£2.83
Lidl, Tonbridge	570	90%	513	£6,841	£3.51
Iceland, Tonbridge	480	95%	456	£4,925	£2.25
Other town centre	871	100%	871	£4,000	£3.48
<b>Total</b>	<b>7,829</b>		<b>7,188</b>	<b>£9,022</b>	<b>£64.85</b>
<b>Other Tonbridge</b>	<b>Net Sales Floorspace Sq M</b>	<b>% Convenience Sales Floorspace</b>	<b>Convenience Sales Floorspace Sq M Net</b>	<b>Turnover to Sales Floorspace Density £ per Sq M</b>	<b>Total Convenience Turnover £M</b>
South East Co-op, Martin Hardie Way	140	95%	133	£4,484	£0.60
Somerfield, York Parade	205	95%	195	£4,879	£0.95
<b>Total</b>	<b>345</b>		<b>328</b>	<b>£4,719</b>	<b>£1.55</b>
<b>GRAND TOTAL</b>	<b>8,174</b>		<b>7,515</b>	<b>£8,834</b>	<b>£66.39</b>

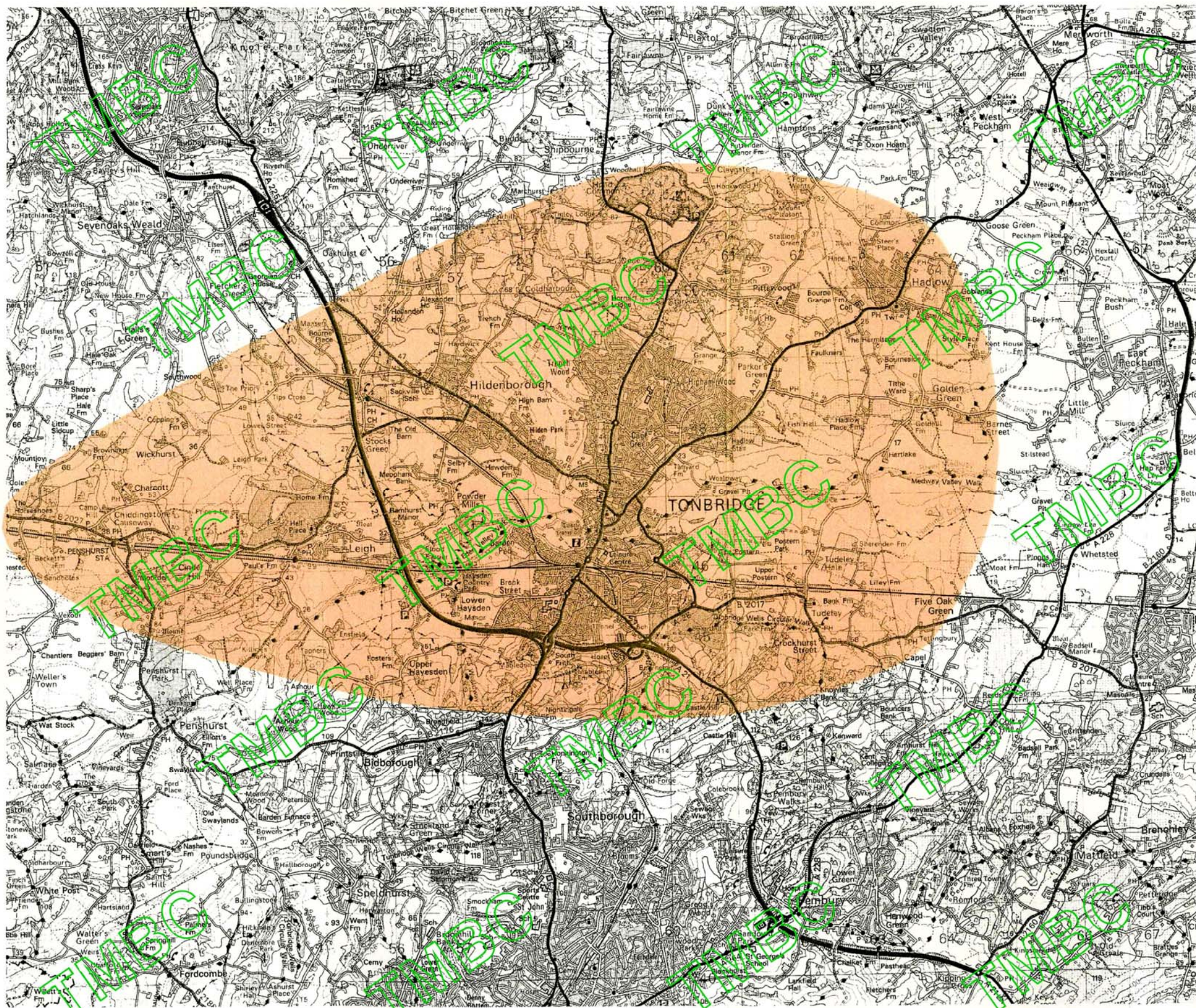
Sources: IGD Food Store Directory  
Experian Goad  
Retail Rankings 2004  
NLP

**Table 5: Capacity for Additional Floorspace**

<b>Catchment Area</b>	<b>2004</b>	<b>2006</b>	<b>2011</b>	<b>2016</b>
Total Available Expenditure	£69.45	£70.84	£75.58	£80.77
Benchmark Turnover	£66.39	£66.39	£66.39	£66.39
<b>Total</b>	<b>£3.06</b>	<b>£4.45</b>	<b>£9.18</b>	<b>£14.38</b>







**KEY**

Convenience Catchment Area



**nlp** Nathaniel Lichfield and Partners

Project Tonbridge Convenience Floorspace Capacity Assessment

Title **Plan 1**  
Convenience Catchment Area

Client Tonbridge & Malling Borough Council

Date September 2004

Scale NTS

Drawn by FP

Drg. No CL6660/02

C6660-002

Based upon Ordnance Survey mapping with the permission of Her Majesty's Stationary Office. © Crown Copyright reserved. Licence number AL50684A

