



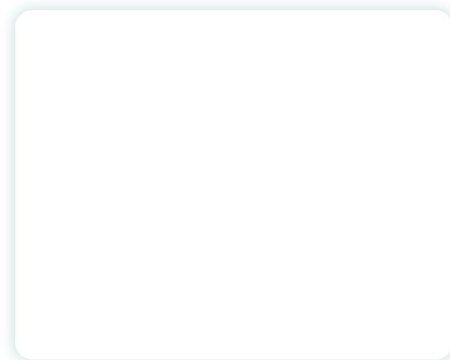
Bridgend County Borough Council

Retail Needs Planning Study: Update June 2010

Prepared for: Bridgend County Borough Council

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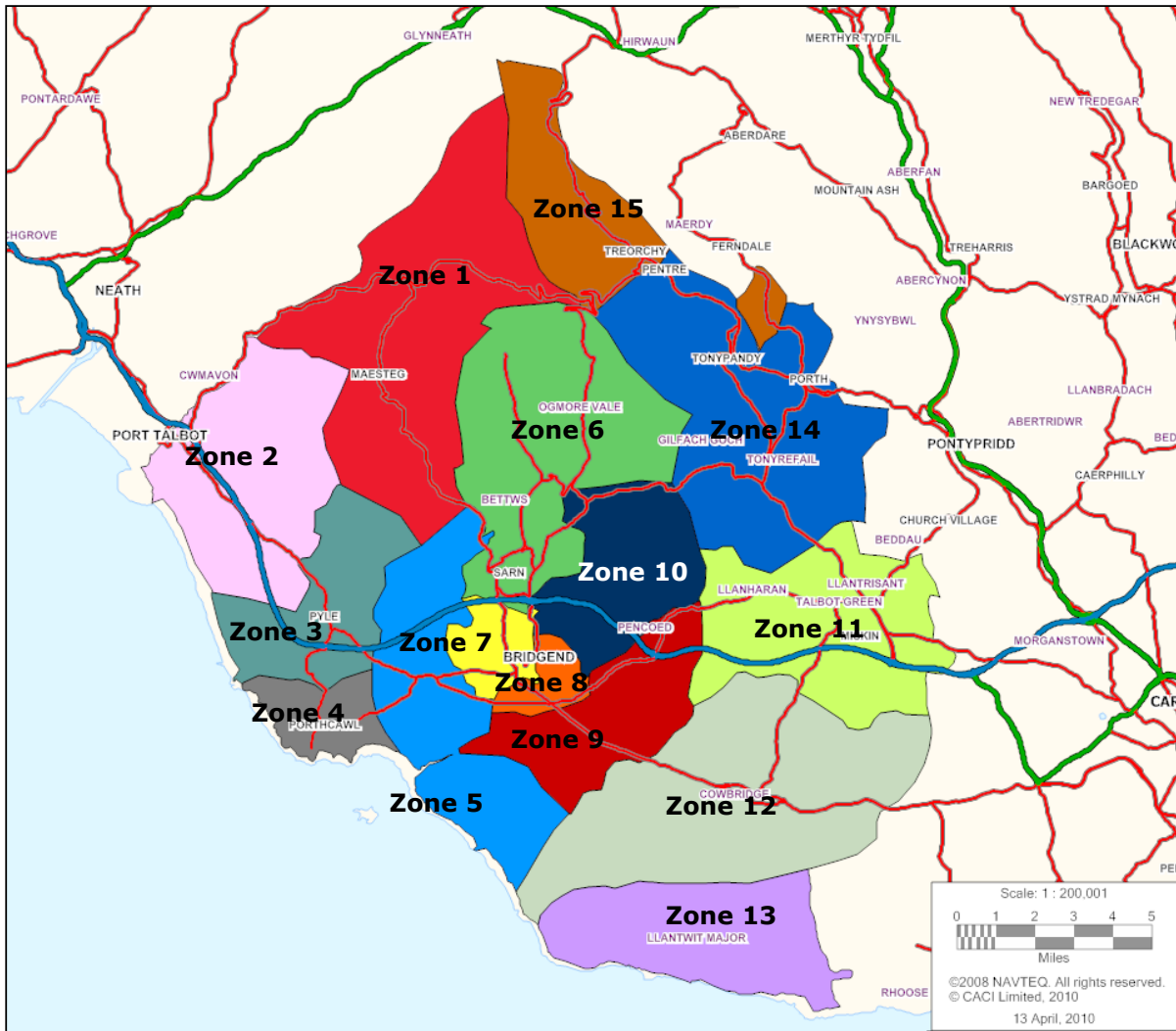
Prepared by: CACI Property Consulting



Key Findings

- The retail catchments of all three towns are impacted by the development of Cardiff city centre. Current catchment figures quoted in the 2007 report were pre-development whilst figures quoted in this report include the St David's development.
- In terms of convenience potential turnover, Maesteg and Porthcawl are both heavily reliant on tourism expenditure. Tourism expenditure makes up a smaller proportion of potential turnover in the Bridgend catchment.
- The high balance of trade at Maesteg (199.7%) indicates a current spending pattern where a greater level of spend is drawn into the area than is leaked from it. It shows that the convenience offer within the catchment is strong. CACI would not recommend adding further convenience to Maesteg, this is supported by headroom analysis.
- Porthcawl has a lower convenience expenditure balance of trade (54.2%). This indicates that a greater level of expenditure is leaked from the catchment than is being drawn into it. Headroom analysis shows that there is currently capacity for a further 1,124sqm of convenience floorspace. The Porthcawl Regeneration Scheme's plan to add a further 2,542sqm of convenience floorspace that will cater for this capacity, and in doing so will increase the balance of trade to 102.5%.
- Bridgend has a strong convenience offer with Asda, Sainsburys and Tesco Extra all trading within the town. A balance of trade of 140.1% indicates a current spending pattern where a greater level of spend is drawn into the area than is leaked from it. There is no headroom for additional capacity and considering the proposed additional space at Porthcawl the addition of any grocery floorspace at Bridgend would not be recommended.
- Bridgend is the dominant centre in the area in terms of Comparison Goods retail. This is reflected in the high catchment market share of 21.5% and high market potential of £104.5m relative to Maesteg (£24.2m) and Porthcawl (£18.9m).
- Bridgend's dominance is also demonstrated in the low catchment market shares of Maesteg and Porthcawl, 5.0% and 3.9% respectively.
- As with convenience turnover potential, tourism expenditure is more critical to the economy in Maesteg and Porthcawl than it is to Bridgend. Bridgend has a relatively strong comparison goods offer, meaning it attracts shoppers from the surrounding area. Maesteg and Porthcawl are small rural centres, serving a local market.
- Scenario analysis suggests that there is scope to increase comparison goods floorspace at both Maesteg and Porthcawl. The plan to add a further 1,858sqm of comparison floorspace to Porthcawl under the Porthcawl Regeneration Scheme more than covers this potential. The planned floorspace addition is still sustainable despite any development to Bridgend.
- Within Bridgend there is scope to add a further 9,521sqm of comparison goods retail space under the "Do Minimum" scenario and 13,500sqm under the "Do Maximum" scenario. Headroom analysis indicates that headroom is sufficient to cover the level of new floorspace necessary to deliver the "Do Minimum" scenario but not the "Do Maximum" scenario. If Bridgend were to undertake the "Do Maximum" scenario, a further 15,000sqm of floorspace would need to be added. This would result in a deficit of 1,500sqm.
- There is currently a lack of bulky goods retailers within Maesteg and Porthcawl. However, the significant offer in Bridgend (the town centre and surrounding retail parks) is enough to support the area.
- Shoppers will travel a greater distance to reach bulky goods retailers, with shoppers in Maesteg and Porthcawl travelling to the retail parks around Bridgend. CACI would not recommend the addition of any bulky goods floorspace in the area.

Definition of Bridgend's Planning Zones



Source: CACI Analysis 2010

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

Source: CACI Analysis 2010

Study Assumptions

- In terms of estimating growth in residential spend, CACI have only applied assumptions of population growth. This is because the current trends on consumer spend per capita are complex, due to prices deflating in many areas, mainly attributable to supermarkets and retailers finding more ways to reduce costs from economies of scale.
- CACI have applied trend-based projections of population growth sourced from Cambridge Econometrics for the study area as a whole, which has not been disaggregated by study zone, they are:
 - 2009-2012: 0.6% per annum
 - 2012-2020: 0.5% per annum
- 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 is saturated.
- To take into account home delivery sales channels for convenience goods it has been assumed for this study area that in the base year of 2009, 5.86% of all retail sales take place over home delivery sales channels for convenience goods.
- It is assumed that 30% of total convenience goods expenditure will be lost to small independent convenience retailers. Therefore all residential based convenience expenditure uses 70% of the total spend. This is to remain consistent with headroom analysis which only calculates headroom for full size stores not small convenience stores.
- Appendix 1 of this report details the local convenience expenditure in the planning zones.
- It is assumed that this figure of 5.86% increases by 1% per year to 2016, after which it is assumed that the market will stabilise around this level of impact.
- It has been assumed that convenience retailers will capture 100% of tourism spend on convenience goods but only 60% on comparison goods. The remaining comparison goods spend will go to tourist specific retailers.
- In order to estimate turnover potential from comparison goods market potential the following adjustments have been made:
 - An adjustment for comparison goods bought at retail locations which fall outside of the Retail Footprint centre
 - An adjustment for comparison goods bought using home delivery channels.
- The effect of these adjustments is to apply the following percentages to the market potentials of each town:
 - 2009: 63.7%
 - 2011: 60.8%
 - 2016: 56.5%
 - 2021: 56.5%
- All population and expenditure figures are for 2009, in line with the latest version of CACI's Retail Footprint model.

3.0 Convenience Goods Capacity

Figure 3.1 – Planning Zone Statistics 2009

Planning Zone	Residential Population	Convenience Resident Spend Per Capita	Total Convenience Goods Residential Spend (£m per annum)	Tourist Convenience Goods Expenditure (£m per annum)	Total Convenience Goods Expenditure (£m per annum)
Maesteg	25,652	1,262	32.4	16.0	48.4
Porthcawl	44,331	1,284	56.9	21.7	78.6
Bridgend	97,293	1,274	123.9	16.7	140.7
Total	167,276	1,275	213.3	54.5	267.7

Source: CACI Analysis 2010

- Despite an increase in population from the original report, total spend has decreased slightly within the three planning zones resulting in spend per capita declining to between £1,262 and £1,284. This goes against the UK trend where convenience spend has actually increased by around 8% over the same time period. Convenience spend has declined by 2% across the whole of Wales with the South West of England also seeing a decline. Places such as London, East Midlands and West Midlands have seen increases.

Figure 3.2 – Impact of Home Delivery on Residential Spend 2009 - 2021

Planning Zone	2009 Residential Spend (exc. Home Delivery) £m / % Home Deliveries Impact	2011 Residential Spend (exc. Home Delivery) £m / % Home Deliveries Impact	2016 Residential Spend (exc. Home Delivery) £m / % Home Deliveries Impact	2021 Residential Spend (exc. Home Delivery) £m / % Home Deliveries Impact
Maesteg	30.5 -5.86%	30.2 -7.86%	29.3 -12.86%	30.0 -12.86%
Porthcawl	53.6 -5.86%	53.1 -7.86%	51.5 -12.86%	52.8 -12.86%
Bridgend	116.7 -5.86%	115.6 -7.86%	112.2 -12.86%	115.0 -12.86%

Source: CACI Analysis 2010

Figure 3.3 – Tourist Spend Growth – 2009 – 2021

Planning Zone	2009 Tourist Spend (£m) / % Growth from Base	2011 Tourist Spend (£m) / % Growth from Base	2016 Tourist Spend (£m) / % Growth from Base	2021 Tourist Spend (£m) / % Growth from Base
Maesteg	16.0	17.0 5.7%	19.5 21.3%	19.5 21.3%
Porthcawl	21.7	22.9 5.7%	26.3 21.3%	26.3 21.3%
Bridgend	16.7	17.7 5.7%	20.3 21.3%	20.3 21.3%

Source: CACI Analysis 2010

Quantitative Needs Assessment for Maesteg

Figure 3.4 – Convenience Stores in Maesteg

Grocery Store	Location	Size (sqm net)
Tesco	Castle Street	3,437
Somerfield	Maesteg Town Centre	1,089
Aldi	Maesteg Town Centre	638
Iceland	Maesteg Town Centre	454

Source: CACI Provision & Bridgend Council Audits 2010

Figure 3.5 – 2009 Residential-based Store Turnover Estimates

Grocery Store	Estimated Turnover (£,000)	Trading Density (£/sqm net)
Tesco	41,248.9	12,000
Somerfield	10,885.0	10,000
Aldi	5,107.2	8,000
Iceland	3,628.8	8,000
Total	60,869.9	10,835

Source: CACI Analysis 2010

Figure 3.6 – Convenience Spend Forecast for Maesteg

Year	Resident Spend (£m p.a.)	Tourist Spend (£m p.a.)	Total Convenience Spend (£m p.a.)	Growth from 2009 Base
2009	30.49	16.04	46.53	0.0%
2011	30.20	16.95	47.15	1.3%
2016	29.31	19.46	48.77	4.8%
2021	30.05	19.46	49.51	6.4%

Source: CACI Analysis, Cambridge Econometrics, July 2009, Census 2001, EFES and STEAM Data

Figure 3.7 – Store Turnover Forecasts @ 199.7% Balance of Trade

Year	Resident Spend (£m p.a.)	Balance of Trade*	Resident Based Store Turnover (£m)	Tourist Based Store Turnover (£m)	Total Store Turnover (£m)
2009	30.49	199.7%	60.87	16.04	76.91
2011	30.20	199.7%	60.29	16.95	77.25
2016	29.31	199.7%	58.52	19.46	77.98
2021	30.05	199.7%	60.00	19.46	79.46

* Balance of Trade = Resident Store Turnover/Resident Spend in Maesteg

Source: CACI Analysis 2010

Figure 3.8 – Floorspace Needs: Current Balance of Trade @199.7%

Year	Convenience Goods Market Potential (£m)	Target Trading Density (£/sqm net)	Floorspace Capacity (sqm net)	Current Floorspace (sqm net)	Headroom for Additional Floorspace (sqm net)
2009	30.49	7,500	4,065	5,618	-1,553
2011	30.20	7,500	4,026	5,618	-1,592
2016	29.31	7,500	3,908	5,618	-1,710
2021	30.05	7,500	4,006	5,618	-1,611

Source: CACI Analysis 2010

- Balance of trade for Maesteg currently stands at 199.7%. This suggests that there is no further capacity for convenience retailers. Headroom analysis would support this.
- Maesteg relies heavily on spend from tourism.

Quantitative Needs Assessment for Porthcawl

Figure 3.11 – Convenience Stores in Porthcawl

Grocery Store	Location	Size (sqm net)
Co-operative Pioneer	Pyle - Kenfig Hill	3,303
Somerfield	Porthcawl	1,378
Co-operative	Pyle Industrial Estate	452
Total		5,133

Source: CACI ProVision & Bridgend Council Audits 2010

Figure 3.12 – 2009 Resident Based Store Turnover Estimates

Grocery Store	Estimated Turnover (£,000)	Trading Density (£/sqm net)
Co-operative Pioneer	13,213.2	4,000
Somerfield	13,776.0	10,000
Co-operative	2,035.9	4,500
Total	29,025.1	5,654

Source: CACI Analysis 2010

Figure 3.13 – Convenience Spend Forecasts for Porthcawl

Year	Resident Spend (£m p.a.)	Tourist Spend (£m p.a.)	Total Convenience Spend (£m p.a.)	Growth from 2009 Base
2009	53.60	21.69	75.29	0.0%
2011	53.09	22.93	76.02	1.0%
2016	51.53	26.32	77.85	3.4%
2021	52.83	26.32	79.15	5.1%

Source: CACI Analysis, Cambridge Econometrics July 2009, Census 2001, EFES and STEAM Data

Figure 3.14 – Store Turnover Forecasts @ 54.2% Balance of Trade

Year	Resident Spend (£m p.a.)	Balance of Trade*	Resident Based Store Turnover (£m)	Tourist Based Store Turnover (£m)	Total Store Turnover (£m)
2009	53.60	54.2%	29.03	21.69	50.72
2011	53.09	54.2%	28.75	22.93	51.68
2016	51.53	54.2%	27.90	26.32	54.22
2021	52.83	54.2%	28.61	26.32	54.93

* Balance of Trade = Resident Store Turnover/Resident Spend in Porthcawl

Source: CACI Analysis 2010

Figure 3.15 – Floorspace Needs: Current Balance of Trade @ 54.2%

Year	Convenience Goods Market Potential (£m)	Target Trading Density (£/sqm net)	Floorspace Capacity (sqm net)	Current Floorspace (sqm net)	Headroom for Additional Floorspace (sqm net)
2009	50.72	7,500	6,763	5,133	1,629
2011	51.68	7,500	6,890	5,133	1,757
2016	54.22	7,500	7,230	5,133	2,097
2021	54.93	7,500	7,324	5,133	2,191

Source: CACI Analysis 2010

- The balance of trade for Porthcawl is just 54.2%, meaning that more money is leaked to areas outside the catchment than is spent in retailers within it.
- There is headroom for additional convenience floorspace, but this headroom is not sufficient for a large supermarket.

Figure 3.16 – Store Turnover Forecasts @ 102.5% Balance of Trade (from 2011)

Year	Resident Spend (£m p.a.)	Balance of Trade*	Resident Based Store Turnover (£m)	Tourist Based Store Turnover (£m)	Total Store Turnover (£m)
2011	53.09	102.5%	54.45	22.93	77.37
2016	51.53	102.5%	52.84	26.32	79.16
2021	52.83	102.5%	54.18	26.32	80.50

* Balance of Trade = Resident Store Turnover/Resident Spend in Porthcawl

Source: CACI Analysis 2010

- Figure 3.16 takes into account the planned 2,542sqm of convenience floorspace planned for Porthcawl under the Porthcawl Regeneration Scheme. It summarises the 2011 estimates and growth in convenience expenditure at Porthcawl stores to 2021, assuming that the current balance of trade for residents changes from 54.2% to 102.5% by 2011.

Figure 3.17 – Floorspace Needs: New Balance of Trade @ 102.5% from 2011

Year	Convenience Goods Market Potential (£m)	Target Trading Density (£/sqm net)	Floorspace Capacity (sqm net)	Current Floorspace (sqm net)	Headroom for Additional Floorspace (sqm net)
2009	53.60	7,500	7,147	5,133	2,013
2011	53.09	7,500	7,079	7,675	-596
2016	51.53	7,500	6,871	7,675	-805
2021	52.83	7,500	7,044	7,675	-631

Source: CACI Analysis 2010

- Figure 3.17 implies that the proposed new convenience offer will be sustainable in terms of meeting identified need for new floorspace for the whole planning period. Following its development the headroom for additional floorspace will be minimal. There will be a small oversupply between 2011 and 2021. These figures are small enough not to allocate further sites for convenience goods provision.

Quantitative Needs Assessment for Bridgend

Figure 3.18 – Convenience Stores in Bridgend

Grocery Store	Location	Size (sqm net)
Asda	Bridgend	5,011
Tesco Extra	Bridgend	3,684
Sainsbury	Bridgend	2,993
Teso	Bridgend	1,661
Aldi	Bridgend	1,002
Co-op	Brackla	905
Lidl	Bridgend	750
Farm Foods	Bridgend	471
Co - Op	Pencoed	438
Lidl	Bridgend	423
Iceland	Bridgend	399
Total		17,738

Source: CACI ProVision & Bridgend Council Audits 2010

Figure 3.19 – 2009 Residential Based Store Turnover Estimates

Grocery Store	Estimated Turnover (£,000)	Trading Density (£/sqm net)
Asda	50,106.0	10,000
Tesco Extra	55,256.2	15,000
Sainsbury	29,934.3	10,000
Teso	16,613.1	10,000
Aldi	2,506.0	2,500
Co-op	3,620.4	4,000
Lidl	1,500.8	2,000
Farm Foods	942.2	2,000
Co-Op	1,314.6	3,000
Lidl	845.4	2,000
Iceland	798.0	2,000
Total	163,437.0	9,214

Source: CACI Analysis 2010

Figure 3.20 – Convenience Spend Forecasts for Bridgend

Year	Resident Spend (£m p.a.)	Tourist Spend (£m p.a.)	Total Convenience Spend (£m p.a.)	Growth from 2009 Base
2009	116.67	16.73	133.40	0.0%
2011	115.57	17.68	133.25	-0.1%
2016	112.17	20.30	132.47	-0.7%
2021	115.00	20.30	135.30	1.4%

Source: CACI Analysis, Cambridge Econometrics July 2009, Census 2001, EFES and STEAM Data

Figure 3.21 – Store Turnover Forecasts @ 140.1% Balance of Trade

Year	Resident Spend (£m p.a.)	Balance of Trade*	Resident Based Store Turnover (£m)	Tourist Based Store Turnover (£m)	Total Store Turnover (£m)
2009	116.67	140.1%	163.44	16.73	180.17
2011	115.57	140.1%	161.89	17.68	179.57
2016	112.17	140.1%	157.13	20.30	177.43
2021	115.00	140.1%	161.10	20.30	181.39

* Balance of Trade = Resident Store Turnover/Resident Spend in Bridgend
Source: CACI Analysis 2010

Figure 3.22 – Floorspace Needs: Current Balance of Trade @140.1%

Year	Convenience Goods Market Potential (£m)	Target Trading Density (£/sqm net)	Floorspace Capacity (sqm net)	Current Floorspace (sqm net)	Headroom for Additional Floorspace (sqm net)
2009	116.67	7,500	15,556	17,738	-2,182
2011	115.57	7,500	15,409	17,738	-2,329
2016	112.17	7,500	14,956	17,738	-2,782
2021	115.00	7,500	15,333	17,738	-2,405

Source: CACI Analysis 2010

- A balance of trade of 140.1% indicates that more money is being spent in the area than leaking out of it.
- There is no further capacity for headroom. The presence of large supermarkets such as Asda, Sainsburys and Tesco Extra within the catchment means that Bridgend is well served.
- The balance of trade for Bridgend has increased considerably from the original report, this is due to a combination of increase in store turnover within the town and a decline in grocery spend.
- Figure 3.23 acknowledges the increased convenience provision at Porthcawl under the Porthcawl Regeneration Scheme. As such balance of trade declines from 140.1% to 132.3%. For consistency the impact on balance of trade in Bridgend is proportionally the same as in the original report. In 2007 balance of trade declined by 5.6%.

Figure 3.23 – Store Turnover Forecasts @ 132.3% Balance of Trade (from 2011)

Year	Resident Spend (£m p.a.)	Balance of Trade*	Resident Based Store Turnover (£m)	Tourist Based Store Turnover (£m)	Total Store Turnover (£m)
2011	115.57	132.3%	152.88	17.68	170.56
2016	112.17	132.3%	148.38	20.30	168.68
2021	115.00	132.3%	152.13	20.30	172.43

* Balance of Trade = Resident Store Turnover/Resident Spend in Bridgend
Source: CACI Analysis 2010

Figure 3.24 – Floorspace Needs: New Balance of Trade @ 132.3% from 2011

Year	Convenience Goods Market Potential (£m)	Target Trading Density (£/sqm net)	Floorspace Capacity (sqm net)	Current Floorspace (sqm net)	Headroom for Additional Floorspace (sqm net)
2009	116.67	7,500	15,556	17,738	-2,182
2011	115.57	7,500	15,409	17,738	-2,329
2016	112.17	7,500	14,956	17,738	-2,782
2021	115.00	7,500	15,333	17,738	-2,405

Source: CACI Analysis 2010

- CACI's headroom analysis methodology has been updated since the previous report was undertaken in 2007. Previously, store turnover potential was used to calculate the headroom, irrelevant of the balance of trade.
- In the revised methodology, where the balance of trade for a planning zone is over 100%, the residential spend is used to calculate headroom. This is in order to constrain ever-increasing headroom, bought about by increased turnover potential resulting from increased floorspace. Below 100% the store turnover potential is used to recognise a stronger convenience offer lies outside the planning zone.
- The previous methodology used the total store turnover figure to calculate headroom. Using this methodology if a balance of trade was significantly higher than 100% it resulted in a large store turnover. Using this store turnover figure to calculate headroom falsely inflated the capacity. The new methodology factors in the current provision in a centre more than the previous methodology.
- Using the residential spend figures, headroom remains the same even though the balance of trade has decreased to 132.3%. This is because the increased offer in Porthcawl is not significant enough to lower the balance of trade below 100%.
- Store turnover has decreased in Bridgend by 5% due to the new store in Porthcawl. However, as residential spend remains constant the headroom remains the same. Taking into account the increased competition in neighbouring planning zones, strong offer in Bridgend and decline in balance of trade, there is no capacity for further provision.

4.0 Comparison Goods Capacity Analysis

Figure 4.1 – Comparison Goods Floorspace (sqm net)

Comparison Goods Category	Net Floorspace (sqm)		
	Maesteg	Porthcawl	Bridgend
Clothing, Accessories & Sport	1,288	2,130	5,094
Household Goods & Gifts	442	836	951
Electrical Goods	262	312	1,265
Music, Video, Games, Toys, Books, Stationery	265	773	1,117
Health & Beauty	720	746	1,837
Charity Shops	192	128	274
Department/Variety Stores	2,560	843	4,570
Total	5,729	5,768	15,108

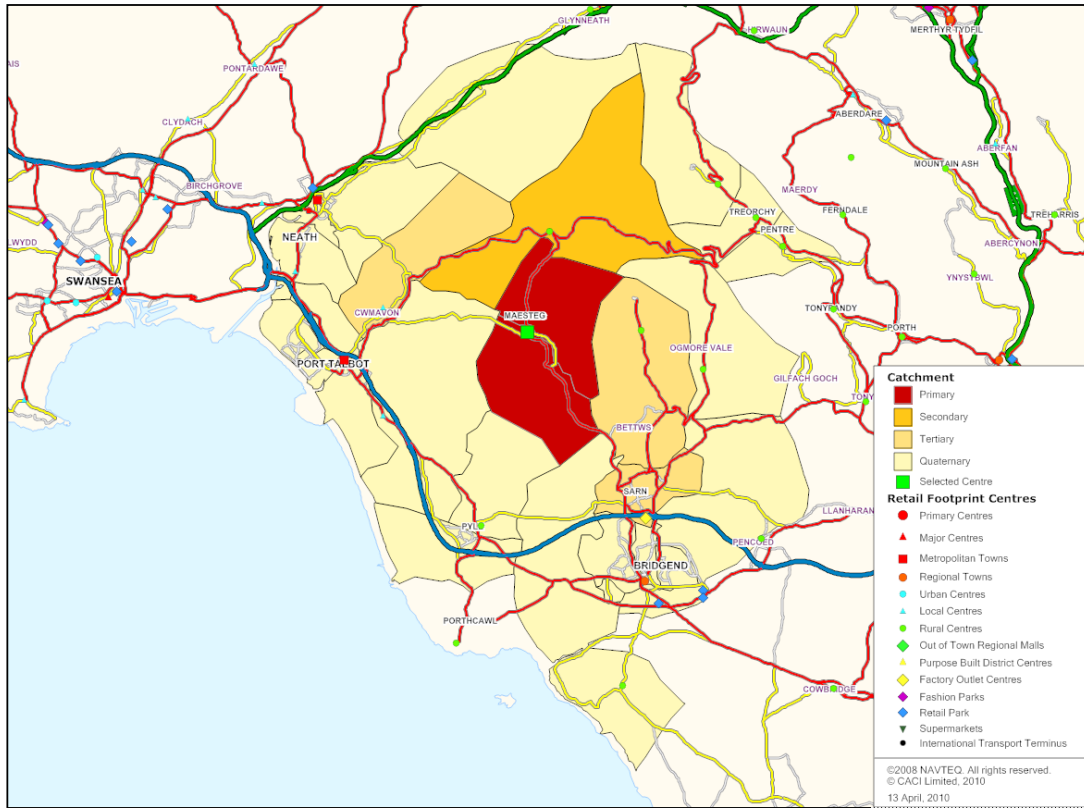
Source: Bridgend Council Audits 2010

Figure 4.2 – Key Attributes of each Centre

Centre	Role	Number of Comparison Goods Units	Proportion of Vacant Units	Retail Footprint Score	Market Positioning
Maesteg Town Centre	Rural Centre	48	9.8%	50	Value
Porthcawl Town Centre	Rural Centre	63	3.5%	49	Value
Bridgend Town Centre	Regional Town Centre	109	13.1%	229	Mass

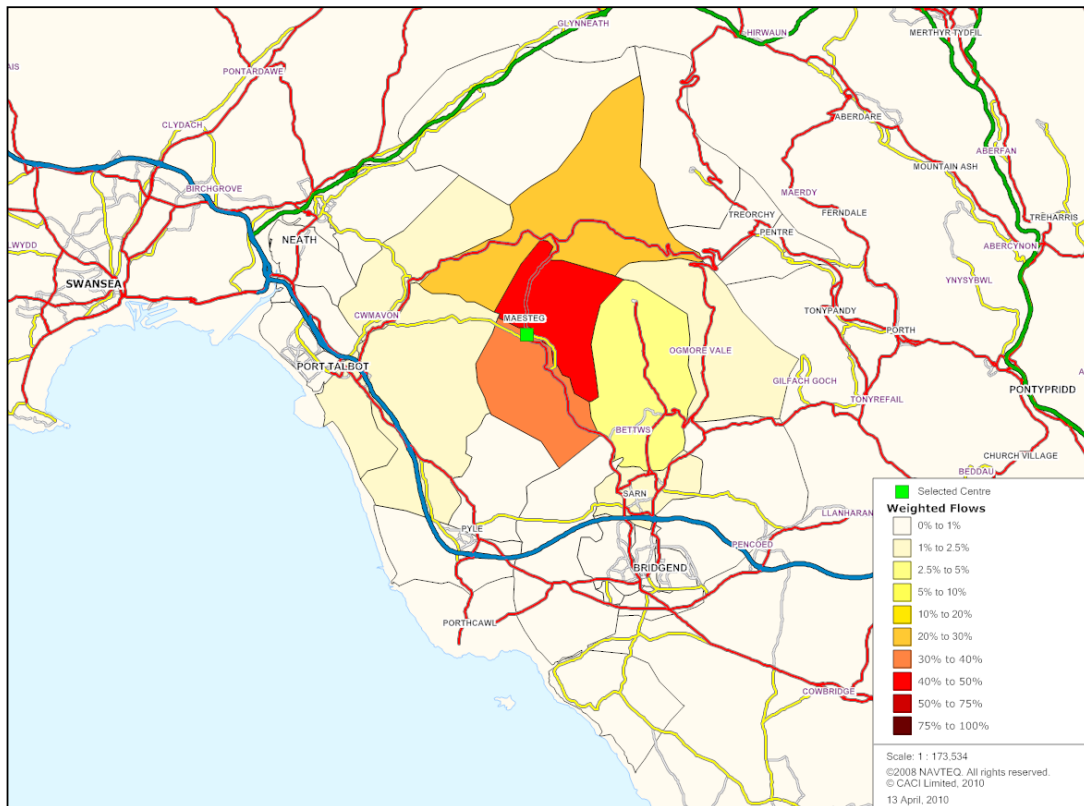
Source: CACI Analysis & Bridgend Council Audits 2010

Figure 4.3a – Catchment Area for Maesteg



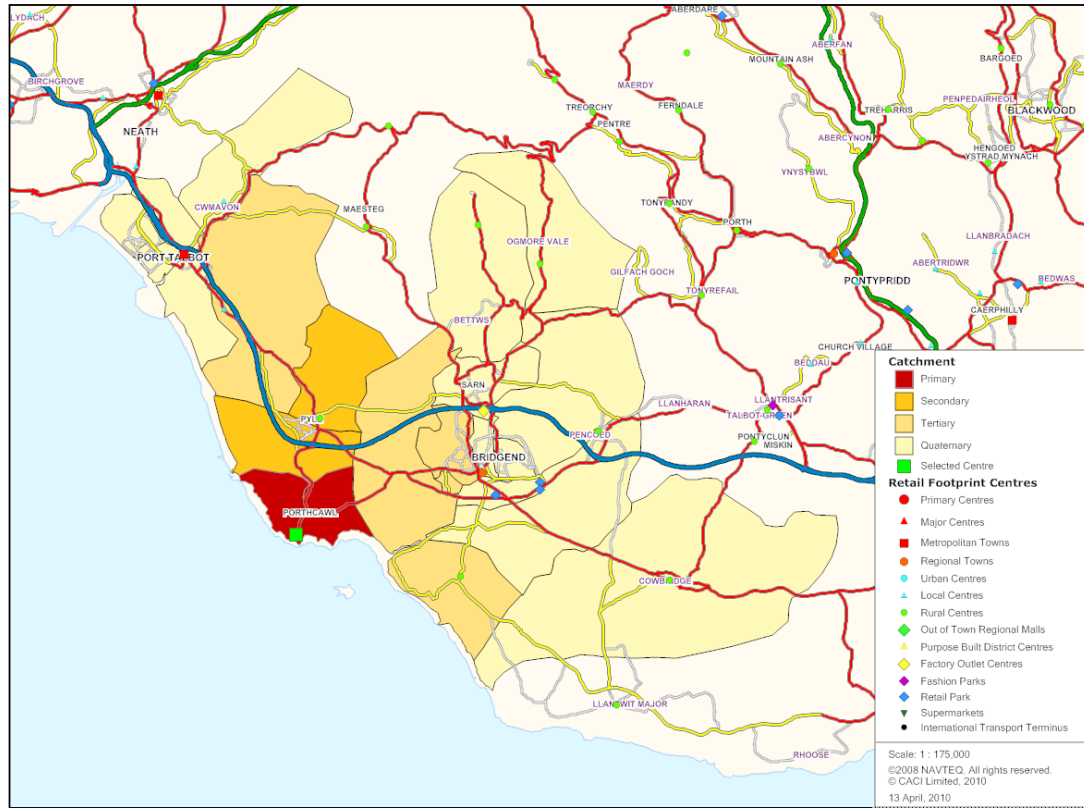
Source: CACI Retail Footprint 2009

Figure 4.3b – Market Shares for Maesteg



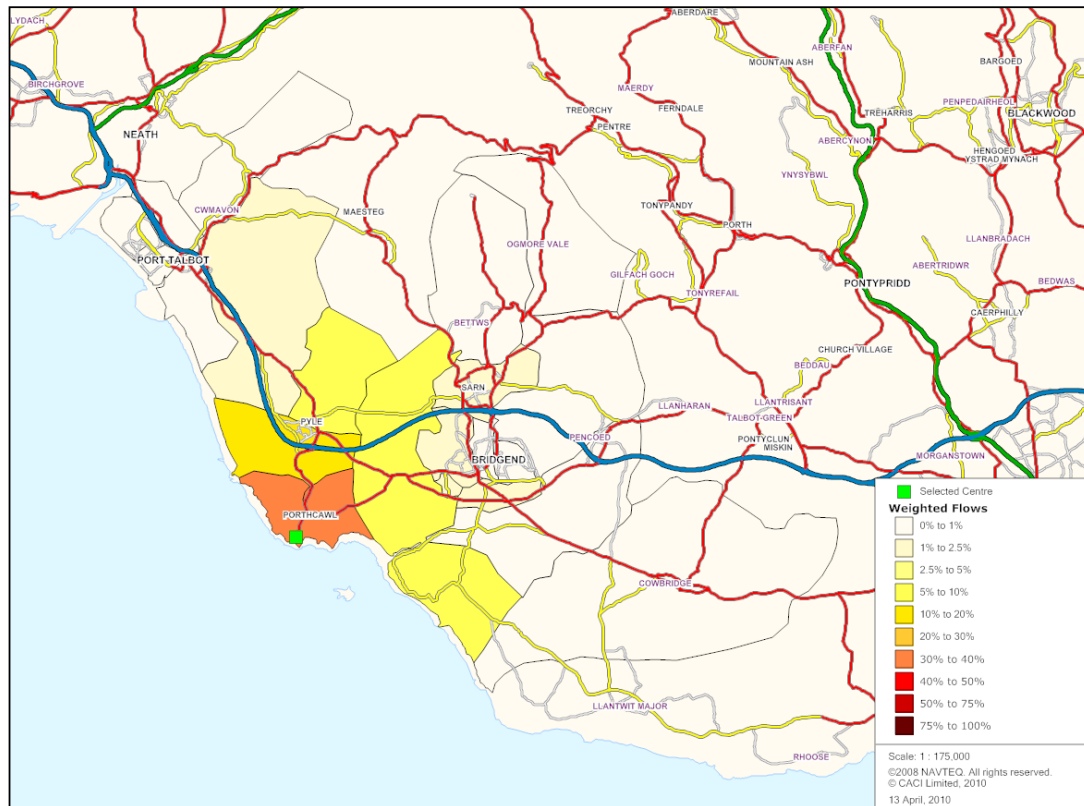
Source: CACI Retail Footprint 2009

Figure 4.4a – Catchment Area for Porthcawl



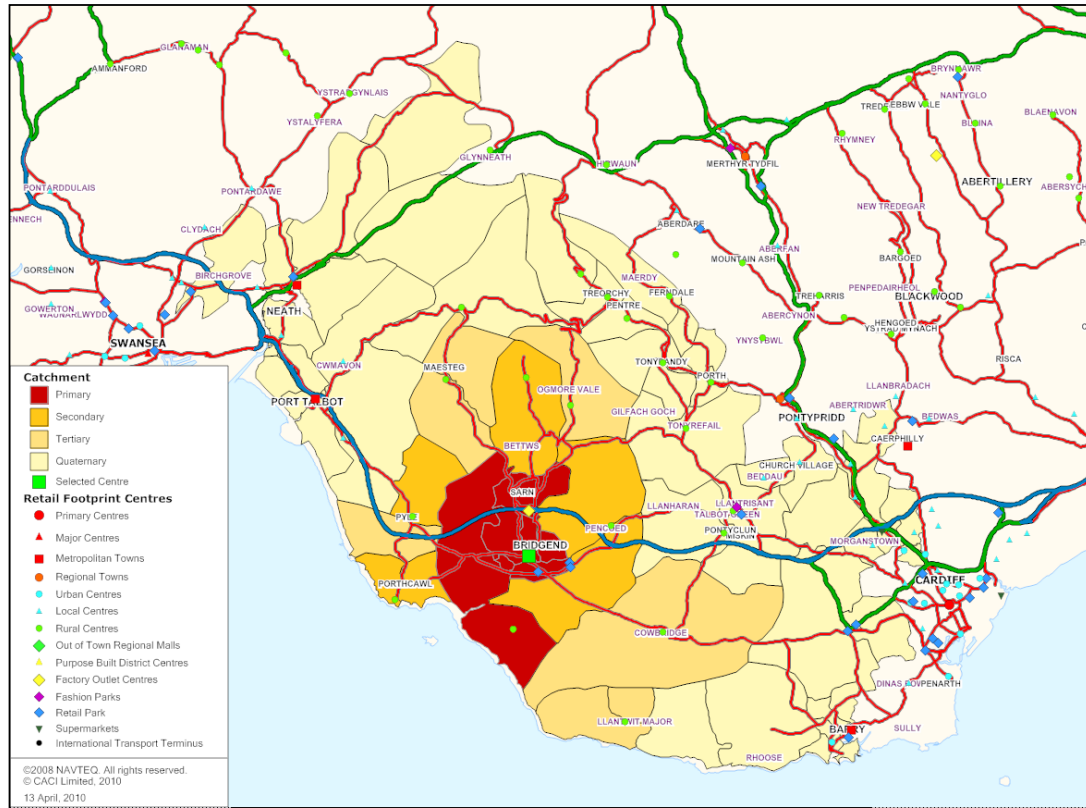
Source: CACI Retail Footprint 2009

Figure 4.4b – Market Shares for Porthcawl



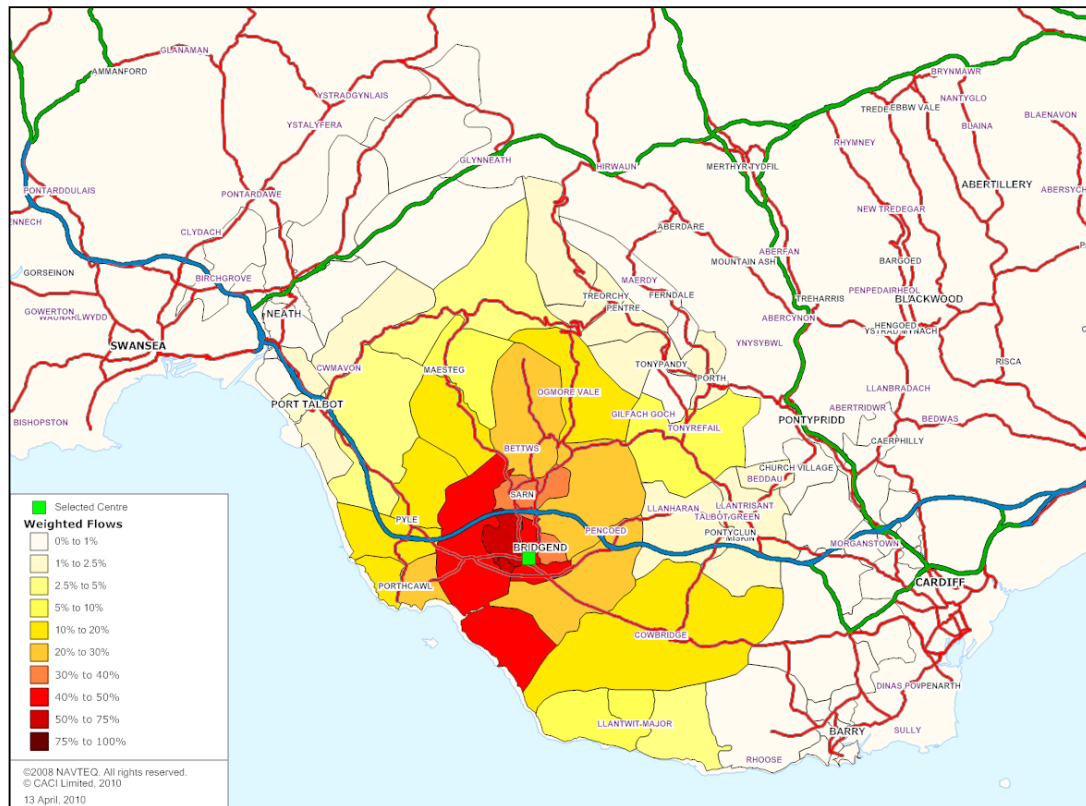
Source: CACI Retail Footprint 2009

Figure 4.5a – Catchment Area for Bridgend



Source: CACI Retail Footprint 2009

Figure 4.5b – Market Shares for Bridgend



Source: CACI Retail Footprint 2009

- The previous report modelled catchments based on Retail Footprint 2007 and this update uses Retail Footprint 2009. Retail catchments are dynamic and due to slight changes in the calibration of the model catchments market potential figures for the three centres will change slightly even if there had been no development in the area.
- The St David's development in Cardiff will have a significant impact on the catchments of all three towns.

Figure 4.5 – Maesteg Catchment Expenditure Statistics Retail Footprint 2009

Catchment	Total Population	Total Households	Total Comparison Goods Expenditure (£m)	Market Share (%)	Comparison Goods Market Potential (£m)	Cumulative Origin of Shoppers (%)
Primary	20,252	8,868	43.3	43.0%	18.6	76.1%
Secondary	5,400	2,369	10.2	20.8%	2.1	85.9%
Tertiary	24,922	10,763	52.2	2.3%	1.2	90.8%
Quaternary	174,336	76,028	380.8	0.6%	2.3	100.0%
Total	224,910	98,028	486.5	5.0%	24.2	

Source: CACI Retail Footprint 2009

- The Maesteg catchment has shrunk since 2007, both in terms of total expenditure and market potential. Overall catchment market shares remain similar at 5.0%. This change to the catchment may be due to increased competition in surrounding centres or changes to the Retail Footprint model.

Figure 4.6 – Porthcawl Catchment Expenditure Statistics Retail Footprint 2009

Catchment	Total Population	Total Households	Total Comparison Goods Expenditure (£m)	Market Share (%)	Comparison Goods Market Potential (£m)	Cumulative Origin of Shoppers (%)
Primary	16,154	7,077	38.2	33.1%	12.6	65.4%
Secondary	14,203	6,142	29.5	9.8%	2.9	82.4%
Tertiary	31,272	13,674	75.9	2.7%	2.0	92.5%
Quaternary	112,056	48,542	249.3	0.5%	1.3	100.0%
Total	173,685	75,435	486.5	3.9%	18.9	

Source: CACI Retail Footprint 2009

- The Porthcawl catchment has shrunk since 2007, both in terms of total expenditure and market potential. Overall catchment market shares have also declined to 3.9%. This change to the catchment may be due to increased competition in surrounding centres or changes to the Retail Footprint model.

Figure 4.7 – Bridgend Catchment Expenditure Statistics Retail Footprint 2009

Catchment	Total Population	Total Households	Total Comparison Goods Expenditure (£m)	Market Share (%)	Comparison Goods Market Potential (£m)	Cumulative Origin of Shoppers (%)
Primary	59,217	25,512	137.8	43.4%	59.8	56.2%
Secondary	46,100	19,717	104.7	20.5%	21.5	77.0%
Tertiary	52,282	22,611	117.9	11.9%	14.0	90.7%
Quaternary	367,094	158,937	813.3	1.1%	9.2	100.0%
Total	524,693	226,777	486.5	21.5%	104.5	

Source: CACI Retail Footprint 2009

- The Bridgend catchment has shrunk since 2007, both in terms of total expenditure and market potential. However total catchment market shares have increased significantly to 21.5%. This change in market share is likely to be caused by a change to the Retail Footprint model.
- The St David's development in Cardiff will have a significant impact on the catchment. Figure 4.7 from the 2007 report was based on the 2007 retail landscape, therefore did not include the St David's development. When projecting growth from 2009 to 2021 there will be less of an impact than in the previous report because St David's is now open.

Figure 4.8 – Planning Zone Statistics 2009

Planning Zone	2009 Resident Population	Resident Spend per Capita (£)	Comparison Goods Residential Spend (£m p.a.)	Comparison Goods Tourism Spend (£m p.a.)	Total Comparison Goods Spend (£m)
Maesteg	25,652	2,087.8	53.6	27.1	80.7
Porthcawl	44,331	2,242.3	99.4	34.3	133.7
Bridgend	97,293	2,327.6	226.5	44.4	270.9
Total	167,276	2,268.2	379.4	105.9	485.3

Source: CACI Analysis 2010

Figure 4.9 – Resident Comparison Goods Market Potential

Year	Residential Comparison Goods Market Potential (£m p.a.)		
	Maesteg	Portcawl	Bridgend
2009	24.2	18.9	104.5
2011	24.5	19.1	105.7
2016	25.1	19.6	108.5
2021	25.8	20.1	111.2

Source: CACI Analysis 2010, Cambridge Econometrics, 'Economic Prospects for the Nations and Regions of the UK, July 2009'

Figure 4.10 – Turnover Potential in Maesteg Assuming no Change in Market Share

Year	Residential Comparison Goods Turnover Potential (£m p.a.)	Tourist Comparison Goods Turnover Potential (£m p.a.)	Total Comparison Goods Turnover Potential (£m p.a.)	Turnover Potential Density With Current Floorspace (£/sqm p.a.)
2009	15.4	16.3	31.7	4,792
2011	14.9	17.2	32.1	4,852
2016	14.2	19.8	34.0	5,133
2021	14.6	19.8	34.3	5,187

Source: CACI Analysis 2010

Figure 4.11 - Turnover Potential in Porthcawl Assuming no Change in Market Share

Year	Residential Comparison Goods Turnover Potential (£m p.a.)	Tourist Comparison Goods Turnover Potential (£m p.a.)	Total Comparison Goods Turnover Potential (£m p.a.)	Turnover Potential Density With Current Floorspace (£/sqm p.a.)
2009	12.0	20.6	32.6	5,169
2011	11.6	21.8	33.4	5,290
2016	11.1	25.0	36.1	5,715
2021	11.4	25.0	36.4	5,759

Source: CACI Analysis 2010

Figure 4.12 - Turnover Potential in Bridgend Assuming no Change in Market Share

Year	Residential Comparison Goods Turnover Potential (£m p.a.)	Tourist Comparison Goods Turnover Potential (£m p.a.)	Total Comparison Goods Turnover Potential (£m p.a.)	Turnover Potential Density With Current Floorspace (£/sqm p.a.)
2009	66.5	26.7	93.2	5,121
2011	64.3	28.2	92.5	5,080
2016	61.3	32.4	93.7	5,146
2021	62.8	32.4	95.2	5,231

Source: CACI Analysis 2010

- Tourism expenditure is more critical to the Maesteg and Porthcawl economies in terms of total spend. Tourism spend in these areas is higher than residential spend, compared to Bridgend where residential spend is significantly higher.

Figure 4.13 – Development Pipeline Outside of Bridgend County

Scheme Name	Centre	Retail Type	Development Type	Proposed Retail Size (sq ft)	Proposed Opening Date
St Catherine's Walk	Carmarthen	Shopping Centre	New Build	275,000	2010
Bargoed Town Centre	Bargoed	Shopping Centre	New Build	106,000	2011
Parc Tawe Retail Park	Swansea	Retail Park	Extension	213,127	2013
Town Centre Redevelopment	Neath	Shopping Centre	New Build	220,000	2013
Swansea City Centre	Swansea	Shopping Centre	Redevelopment	419,796	2018

Source: CACI Centre Futures 2009

- CACI have used their Centre Futures database to highlight all developments outside of Bridgend county.
- CACI have run a 2016 scenario to test the impacts of these developments on the three towns. All the towns are impacted by a minimal amount. Residential based market potential drops by 4.4% in Maesteg, 2.9% in Porthcawl and 3.2% in Bridgend.
- CACI have assessed the retail environment for each town under three different development scenarios:
 - A. No redevelopment to Bridgend Town Centre
 - B. "Do Minimum" development to Bridgend. Increasing floorspace by up to 6,500sqm net and significantly improving the offer.
 - C. "Do Maximum" development to Bridgend. Increasing floorspace by up to 15,000sqm net and significantly improving the offer.

Figure 4.14 – Modelled Impacts of Bridgend Development Scenarios – 2016

Centre	Do Minimum		Do Maximum	
	% Impact on Turnover Potential	Change in Turnover Potential (£m p.a.)	% Impact on Turnover Potential	Change in Turnover Potential (£m p.a.)
Maesteg	-7.8%	-2.47	-10.2%	-3.24
Porthcawl	-8.8%	-2.87	-14.0%	-4.57
Bridgend	18.4%	17.15	35.4%	32.99

Source: CACI Analysis 2010

Figure 4.15a – Maesteg Comparison Goods Headroom – Scenario A

Year	Total Comparison Goods Turnover Potential (£m)	Benchmark Turnover Density (£/sqm)	Floorspace Opportunity (sqm net)	Current Floorspace (sqm net)	Headroom Floorspace (sqm net)
2009	31.71	4,000	7,927	6,617	1,310
2011	32.11	4,000	8,027	6,617	1,410
2016	33.97	4,000	8,491	6,617	1,874
2021	34.32	4,000	8,581	6,617	1,964

Source: CACI Analysis 2010

Figure 4.15b – Maesteg Comparison Goods Headroom – Scenario B

Year	Total Comparison Goods Turnover Potential (£m)	Benchmark Turnover Density (£/sqm)	Floorspace Opportunity (sqm net)	Current Floorspace (sqm net)	Headroom Floorspace (sqm net)
2016	31.32	4,000	7,831	6,617	1,214
2021	31.65	4,000	7,913	6,617	1,296

Source: CACI Analysis 2010

Figure 4.15c – Maesteg Comparison Goods Headroom – Scenario C

Year	Total Comparison Goods Turnover Potential (£m)	Benchmark Turnover Density (£/sqm)	Floorspace Opportunity (sqm net)	Current Floorspace (sqm net)	Headroom Floorspace (sqm net)
2016	30.50	4,000	7,625	6,617	1,008
2021	30.82	4,000	7,705	6,617	1,088

Source: CACI Analysis 2010

- Under all three development scenarios at Bridgend, headroom analysis suggests that there is scope for further comparison goods floorspace within Maesteg. However, the priority should be to improve the retail offer of Bridgend. Adding comparison goods retailers to Maesteg in addition to Bridgend would risk cannibalisation between the two towns.

Figure 4.16a – Porthcawl Comparison Goods Headroom – Scenario A

Year	Total Comparison Goods Turnover Potential (£m)	Benchmark Turnover Density (£/sqm)	Floorspace Opportunity (sqm net)	Current Floorspace (sqm net)	Headroom Floorspace (sqm net)
2009	32.64	4,000	8,159	6,314	1,846
2011	33.40	4,000	8,349	8,172	178
2016	36.08	4,000	9,020	8,172	849
2021	36.36	4,000	9,090	8,172	919

Source: CACI Analysis 2010

Figure 4.16b – Porthcawl Comparison Goods Headroom – Scenario B

Year	Total Comparison Goods Turnover Potential (£m)	Benchmark Turnover Density (£/sqm)	Floorspace Opportunity (sqm net)	Current Floorspace (sqm net)	Headroom Floorspace (sqm net)
2016	32.91	4,000	8,227	8,172	55
2021	33.16	4,000	8,291	8,172	119

Source: CACI Analysis 2010

Figure 4.16c – Porthcawl Comparison Goods Headroom – Scenario C

Year	Total Comparison Goods Turnover Potential (£m)	Benchmark Turnover Density (£/sqm)	Floorspace Opportunity (sqm net)	Current Floorspace (sqm net)	Headroom Floorspace (sqm net)
2016	31.02	4,000	7,756	8,172	-416
2021	31.26	4,000	7,816	8,172	-355

Source: CACI Analysis 2010

- Figures 4.16a 0 4.16c acknowledge the addition of 1,858sqm of comparison goods floorspace between 2011 and 2021 under the Porthcawl Regeneration Scheme.
- With the addition of 1,858sqm of comparison goods floorspace there is little or no headroom for additional floorspace under either of the Bridgend development scenarios. This additional floorspace will give Porthcawl a balanced offer compared to its market size and competitors.

Figure 4.17a – Bridgend Comparison Goods Headroom – Scenario A

Year	Total Comparison Goods Turnover Potential (£m)	Benchmark Turnover Density (£/sqm)	Floorspace Opportunity (sqm net)	Current Floorspace (sqm net)	Headroom Floorspace (sqm net)
2009	93.21	4,000	23,302	18,199	5,103
2011	92.46	4,000	23,114	18,199	4,915
2016	93.65	4,000	23,413	18,199	5,214
2021	95.20	4,000	23,800	18,199	5,601

Source: CACI Analysis 2010

Figure 4.17b – Bridgend Comparison Goods Headroom – Scenario B

Year	Total Comparison Goods Turnover Potential (£m)	Benchmark Turnover Density (£/sqm)	Floorspace Opportunity (sqm net)	Current Floorspace (sqm net)	Headroom Floorspace (sqm net)
2016	110.88	4,000	27,720	18,199	9,521
2021	112.71	4,000	28,178	18,199	9,979

Source: CACI Analysis 2010

Figure 4.17c – Bridgend Comparison Goods Headroom – Scenario C

Year	Total Comparison Goods Turnover Potential (£m)	Benchmark Turnover Density (£/sqm)	Floorspace Opportunity (sqm net)	Current Floorspace (sqm net)	Headroom Floorspace (sqm net)
2016	126.80	4,000	31,699	18,199	13,500
2021	128.89	4,000	32,223	18,199	14,024

Source: CACI Analysis 2010

- Under the “Do Minimum” scenario analysis reveals headroom for 9,521sqm in 2016 rising to 9,979sqm in 2021. This level of headroom is sufficient to cover the level of new floorspace that CACI has identified would be necessary to deliver the “Do Minimum” retail strategy.
- Under the “Do Maximum” scenario headroom capacity stands at 13,500sqm in 2016 and 14,024sqm in 2021. This is slightly below the necessary floorspace of 15,000sqm to achieve this scenario.

5.0 Bulky Goods Capacity

Figure 5.1 – Bulky Goods Units & Floorspace

Retail Centre	Units	Floorspace (gross sqm)	Floorspace (net sqm)
Maesteg	6	638	447
Porthcawl	8	1,050	735
Bridgend	5	3,948	2,764
Bridgend Retail Park	12	17,229	12,060
Waterton Retail Park	7	12,725	8,908

Source: CACI Analysis & Bridgend Council Audit Data 2010

- The bulky goods offer at Bridgend Retail Park and Waterton Retail Park make up a significant proportion of bulky goods floorspace in the area.

Figure 5.2 – Planning Zone Statistics for Bulky Goods 2009

Planning Zone	Residential Population	Resident Spend per Capita (£)	Bulky Goods Market Potential (£m)
Maesteg	25,652	704	18.05
Porthcawl	44,331	753	33.37
Bridgend	97,293	784	76.30
Total	167,276	764	127.72

Source: CACI Analysis 2010

Figure 5.3 – Resident Based Bulky Goods Turnover Potential

Year	Bulky Goods Turnover Potential (£m p.a.)		
	Maesteg	Porthcawl	Bridgend
2009	15.78	29.16	66.69
2011	15.60	28.84	65.94
2016	14.33	26.48	60.54
2021	14.69	27.15	62.07

Source: CACI Analysis 2010, Cambridge Econometrics July 2009

Figure 5.4 – Maesteg Bulky Goods Headroom

Year	Bulky Goods Turnover Potential (£m)	Benchmark Turnover Density (£/sqm)	Floorspace Capacity (sqm net)	Current Floorspace (sqm net)	Headroom Floorspace (sqm net)
2009	15.78	2,500	6,311	447	5,865
2011	15.60	2,500	6,241	447	5,795
2016	14.33	2,500	5,730	447	5,283
2021	14.69	2,500	5,875	447	5,428

Source: CACI Analysis 2010

- The current lack of bulky goods provision in the Maesteg area means that headroom is high. Headroom has increased since the original report due to closures in the town, most notably Family Value (732sqm) and an electrical retailer (110sqm).

Figure 5.5 – Porthcawl Bulky Goods Headroom

Year	Bulky Goods Turnover Potential (£m)	Benchmark Turnover Density (£/sqm)	Floorspace Capacity (sqm net)	Current Floorspace (sqm net)	Headroom Floorspace (sqm net)
2009	29.16	2,500	11,665	1,050	10,615
2011	28.84	2,500	11,536	1,050	10,486
2016	26.48	2,500	10,591	1,050	9,541
2021	27.15	2,500	10,858	1,050	9,808

Source: CACI Analysis 2010

- The current lack of bulky goods provision in the Porthcawl area means that headroom is high.

Figure 5.6 – Bridgend Bulky Goods Headroom

Year	Bulky Goods Turnover Potential (£m)	Benchmark Turnover Density (£/sqm)	Floorspace Capacity (sqm net)	Current Floorspace (sqm net)	Headroom Floorspace (sqm net)
2009	66.69	2,500	26,674	23,732	2,943
2011	65.94	2,500	26,378	23,732	2,646
2016	60.54	2,500	24,218	23,732	486
2021	62.07	2,500	24,829	23,732	1,098

Source: CACI Analysis 2010

- There is very little headroom for any additional bulky goods space in Bridgend.
- The bulky goods market works in a different way to the comparison goods market. Bulky goods shopping is more destination based, with people willing to travel longer distances to a retail park.
- The vast majority of bulky goods retailers are located on Retail Parks. Within CACI's gravity model, Retail Footprint, retail centres are grouped into different classes. Within the Retail Parks class the average catchment extends to an 80 minute drivetime, showing that shoppers will travel up to 80 minutes to reach a Retail Park. This is higher than the majority of other classes. For example, on average shoppers will travel 50 minutes to visit a Regional Town, 60 minutes to reach an Urban Centre and 35 minutes to reach a Local Centre.
- Therefore the significant bulky goods offer in Bridgend is enough to support the surrounding towns of Maesteg and Porthcawl, even though they themselves appear underprovided for.
- CACI do not recommend the addition of further bulky goods floorspace to Maesteg or Porthcawl.

Appendix I

- The Convenience Goods Capacity section of this report shows total expenditure convenience expenditure in supermarkets within the three planning zones. It is assumed that this supermarket expenditure is 70% of the total convenience expenditure with the remaining 30% going to local convenience operators. These local convenience operators are smaller than 400sqm and independently owned.
- The table below shows the residential based local convenience expenditure across the three planning zones.

Planning Zone	Residential Population	Local Convenience Resident Spend Per Capita	Total Local Convenience Goods Residential Spend (£m per annum)
Maesteg	25,652	541	13.9
Porthcawl	44,331	550	24.4
Bridgend	97,293	546	53.1
Total	167,276	546	91.4

CACI has a long history of providing spatial analysis to support site assessment in the UK, dating back to the early 1980s. It has been an integral part of the more general market analysis and geodemographic work that CACI has produced for its clients, and has helped make CACI the market leader in the UK for information solutions. Recent projects have included work with **John Lewis, Monsoon, Sainsbury's, Primark, GAME, Westfield, Grosvenor, Hammerson, Thornfield, Lend Lease and British Land.**

CACI's exceptional strength in the field of spatial analysis stems from the fact that:

- CACI was the first to build a national retail centre catchment model using gravity modelling techniques. It is used by over 40 major retailers and provides a good base for bespoke modelling projects, saving both costs and time
- CACI's core business is market analysis in the UK. With a team of over 100 people working in this area, CACI have an unrivalled understanding of the nature and evolution of consumer behaviour and markets in the country
- CACI have access to the widest range of quality data. Good quality data is at the foundation of every modelling exercise. CACI are data integrators, not data collectors and are therefore free to build databases from the highest quality sources available in the UK, taken from a wide range of suppliers
- The quantitative modelling of Market Sizes, their behaviour and evolution has been a particular area of expertise since the early 1980s
- The techniques used have been tested across a wide range of application areas and have evolved over many years

Our areas of expertise include the following:

- Gravity modelling and spatial interaction modelling
- Catchment area definitions
- New outlet sales predictions in location "X"
- Competitive location impacts
- Site assessment
- Micro market modelling
- Outlet performance against measured potential
- Location and territory optimisation modelling
- Entire network restructuring
- Customer behaviour analysis
- Direct mail response analysis
- Advertising effectiveness
- Targeting of direct marketing materials
- Distance and Drivetime decay analysis
- Customer retention models
- Financial services share of wallet models

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