# Dundee City Region

# Retail Study

**Prepared by**

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# Dundee City Council

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## Appendices

## 1.0 INTRODUCTION

1.1 Colliers CRE was appointed by Dundee City Council to undertake a study of retailing within the Dundee City Region in December 2005. The objective of the study was to undertake a fundamental review of the key retail policies presently operating within the Dundee City Region and examine them against the background of trends in food and non-food retailing, particularly in regard to the ongoing review of NPPG 8.

1.2 The terms of the brief can be categorised into seven separate component parts:

i) Review existing key policies against relevant national trends, commercial pressures and the potential implications of the review of NPPG 8 (SPP 8).

ii) Formulate a quantitative statistical assessment of retail floorspace requirements over the periods 2005-2011 and 2012-2017.

iii) Indicate how any floorspace requirements which may be identified can be accommodated in a manner which does not harm the vitality and viability of the City, Town and District Centres. In doing so it will also be necessary to have regard to existing retail development commitments.

iv) Undertake a qualitative assessment of the city region's main shopping centres (including district centres) and major out of centre shopping facilities (including the retail parks). The exercise will cover the following settlements:

Alyth, Arbroath, Blairgowrie, Brechin, Carnoustie, Coupar Angus, Cupar, Dundee, Forfar, Glenrothes, Kirriemuir, Monifieth, Montrose, St Andrews.

In the case of Dundee's city and district centres, it will also be necessary to undertake an assessment of the contribution of small speciality shops towards their vitality and viability.

v) In light of the above assessment, consider the future of these shopping centres and indicate measures which could assist their attraction and competitiveness.

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vi) Carry out a review of the goods range restrictions applying to the retail parks and other out of centre shopping locations within the city region and indicate whether there is a need for any adjustments to the current approach to these controls.

vii) Assess the Gas Holder site in Dock Street, Dundee and advise upon its possible contribution towards meeting future retail requirements.

1.3 In order to fulfil this brief, Colliers CRE have undertaken a household telephone survey to determine retail patterns, spending and capacity; shopper surveys in Dundee City Centre to crosscheck the findings of the household survey and to solicit qualitative responses on the city centre; surveyed existing retailers in the city centre centres for their views. We have also inspected each centre producing an analysis of the existing traders and an assessment of the qualitative benefits and disbenefits of each. The responses of the individuals and organisations who have been involved in the various surveys is gratefully acknowledged as their contribution has been vital to forming a solid basis on which to base our findings.

## 2.0 Policy Framework

2.1 This section of the report considers the relevant planning policy framework in respect of national, regional and local plans in particular having regard to SPP 8.

**National Planning Policy**

**Scottish Planning Policy 8 'Town Centres and Retailing' (SPP 8)**

2.2 SPP 8 was introduced as planning policy by the Scottish Executive in August 2006. It replaces NPPG 8 as the executive's statement of planning policy relating to retailing and town centres.

2.3 SPP 8 outlines the Scottish Executive's key policy objectives for town centres:

- Promote distinct, competitive places and encourage regeneration, in order to create town centres that are attractive to investors and suited to the generation of new employment opportunities.
- Create a climate that enables all sectors of the community to have access to a wide choice of shopping, leisure and other services and for gaps and deficiencies in provision to be remedied.
- Improve the physical quality and sustainability of our town centre environments.
- Support development in existing accessible locations or in location where accessibility can be improved.

2.4 Paragraph 6 outlines six key policy principles which planning authorities should implement through development plans and other strategies:

***(a) Identifying a network of centres,***

2.5 This involves identifying a network of centres, where the role of each centre is to support and be supported by the roles of other centres. This can include a hierarchy of town and shopping centres identified within development plans, with consideration given to the quantitative and qualitative requirements of the centres. Investment to maintain and improve the identified centres is to be encouraged. Changes to the function of centres should occur through development plans, as opposed to through individual planning applications. Such changes could involve the alteration of the status of existing centres or creation of new centres where justified by increased population, improved accessibility or for wider regeneration purposes. Centres that are underperforming *'should not automatically receive protection if a more appropriate and sustainable exists or could exist.'* (Para 11).

*(b)* ***Focusing development in existing town centres***

2.6 This involves applying the sequential approach to site selection, which was also outlined in NPPG 8. The sequential approach in SPP 8 requires that locational preferences for new retail development should be as follows;

i. Town Centre sites
ii. Edge of town centre sites;
iii. Other commercial centres identified within the development plan
iv. Out-of-centre sites in locations that are, or can be made, easily accessible by a choice of modes of transport

2.7 Paragraph 16 states that the application of the sequential approach requires flexibility and realism from planning authorities, developers, owners and occupiers. Paragraph 19 recognises 'commercial centres' as being centres which have a more specific focus on retailing and leisure; such as an out-of-centre retail park, as having the potential to accommodate further floorspace provided that all other more sequentially preferable options have been explored. Commercial centres are considered as more sequentially preferable than other out-of-centre sites.

***(c) Improving town centres,***

2.8 To improve town centres, SPP 8 encourages town centre management techniques and town centre strategies. This should involve regular 'health checks' of town centres. The strategy should also involve a number of interested stakeholders including local communities, representatives from both the public and private sectors; and voluntary organisations. Further guidance on producing town centre strategies is to be published in a future Planning Advice Note. The strategies should *'indicate the capacity for change through redevelopment, renewal, alternative uses and diversification based upon an analysis of the centre's role and function; consider the constraints to their* *implementation, for example diversity in site ownership, unit size and funding; and recognise the rapidly changing nature of retail formats. They should identify clear actions, tools and delivery mechanisms to overcome these constraints, for example improved management, Business Improvement Districts or the use of compulsory purchase powers. The strategy should then promote new opportunities for development actively using masterplanning and design exercises taking account of historic and conservation considerations where necessary. Early consideration of the potential to reduce impacts on the environment is also encouraged, for example using sustainable urban drainage systems and communal systems of combined heat and power. Finally it should include a monitoring exercise to link back to the health check and to examine the extent to which it has resulted in the actual delivery and implementation of an improved town centre environment.* (Para 26).

***(d) Promoting an attractive and safe environment,***

2.9 New development and redevelopment should reflect Executive policy and guidance on design, to ensure that town centres provide a *'high quality, inclusive and safe environment'* (Para 27). Mixed use, higher density developments are encouraged within town centres, and potentially, where appropriate at out-of-centre locations.

***(e) Enhancing accessibility***

2.10 Retail and leisure developments should be highly accessible, and reflect the policies of SPP 17, PAN 75, PAN 66 and 'Transport Assessment and Implementation: A guide', by the Scottish Executive. Accessibility is key to the success of function town centres, as well being important in terms of social justice and health improvement agendas. Paragraph 33 recognises that retail, leisure and other developments have a role to play in the process of regeneration.

***(f) Monitoring and review***

2.11 Paragraph 34 states that the monitoring of policy and town centres is essential to their success. Regular health checks should be carried out to measure vitality and viability of town centres. Box 3 of paragraph 35 gives examples of indicators which may be used to measure the health of centre;

- Pedestrian Flow

- Prime rental values
- Space in use for different functions
- Retailer representation and intentions
- Commercial yield
- Vacancy rates
- Physical structure including opportunities, constraints and accessibility
- Periodic surveys of consumers
- Crime

2.12 Paragraph 36 refers to development plans. Development plans should be consistent with the guidelines as set out in SPP 8. There is therefore a requirement for local authorities to identify a network of town centres, commercial centres and out-of-centre shopping areas. Development plan policies should set out policies to support and enhance town centres. Through co-ordination with stakeholders, planning authorities should also identify sites to accommodate future retail requirements, having regard to policies relating to transport and design. These may be sites outwith existing centres if there are no sequentially preferable locations.

2.13 Paragraph 38 outlines the considerations to be had when local authorities assess proposed developments. In particular the policies of the development plan and SPP 8 are to be rigorously applied in the assessment. In particular regard should be had to design and accessibility. Where a proposal is not consistent with the development plan the following should be addressed:

- The sequential approach should be undertaken
- That there will be no unacceptable impact upon the vitality and viability on the identified network of centres
- That the proposal meets identified qualitative and quantitative need.
- That the proposal does not conflict with the significant objectives of the development plan or any community planning strategy
- That a retail or leisure impact assessment is undertaken for out of town centre developments in excess of 2,500 sq m gross floorspace which do not comply with the development plan.

2.14 The SPP does not necessarily represent a significant departure from the previous policy guidelines in NPPG 8 Town Centres and retailing, nevertheless it re-emphasises the importance of town centres as the primary focus for retail development. The identification of a network of centres within development plans is a new requirement for local authorities and should be developed as part of any emerging development plan.

**Dundee and Angus Structure Plan 2001-2016**

2.15 The Dundee and Angus Structure Plan was approved by Scottish Ministers on 21st October 2002. At that time the appropriate guidance on retail matters was contained within National Planning Policy Guideline 8 'Town Centres and Retailing' (revised 1998). In terms of policies relating to town centres and retail, the Structure Plan embodies the principles of NPPG 8, as it requires that the sequential approach to site selection be adopted and that new retail developments be accessible by a choice of transport modes.

2.16 The Structure Plan recognises that Arbroath, Montrose and Forfar are '*major town centres within the area, serving significant catchments.*' Monifieth, Carnoustie, Kirriemuir and Brechin are identified as offering '*more locally oriented shopping opportunities*'. Dundee's district Centre's, Lochee, Hilltown, Perth Road, Albert Street and Broughty Ferry are identified as providing for the needs of '*communities within the city*' rather than drawing trade from outwith an immediate catchment area.

2.17 Dundee City Centre is recognised as the primary shopping centre for the region and is identified as the district centre. The plan also recognises that the city centre's catchment area is wider than the structure plan area; and draws trade from areas including Perthshire and North-East Fife.

2.18 Overall the Structure Plans' aims for town centres and retailing are:

- *To promote town and district centres in their roles as important shopping, leisure and service destinations meeting more localised requirements of the city, town and landward communities;*

- *To strengthen Dundee's role as a major regional centre by promoting measures to enhance the attraction of the City Centre for shoppers and visitors;*

- *To promote city, town and district centres as the locations of first choice for new retail development; and*

- *To promote measures for the selective support of local shopping provision in villages and rural areas.*

2.19 Policy 1 supports new retail developments and complementary leisure, recreational and commercial uses within the Angus towns and their centre. The text also recognises that the historic cores of some towns restrict some physical development.

2.20 Policy 2 specifically supports Dundee's district centres as '*a focus for new retail development and to promote traffic and environmental measures.*' The decline of Hilltown and Albert Street is recognised within the text, and it is stated that the decline of these areas has led to the '*formulation of special measures to address these problems.*'

2.21 Policy 3 supports Dundee City Centre as one of Scotland's key centres for retailing. This is to be done by:

- *'Supporting further retail development in the central area, including the extension of the prime shopping area, where this can be suitably integrated within the existing area;*

- *Directing to the central area complementary leisure, and commercial uses capable of contributing to its vitality and viability; and*

- *Developing a broad land use framework for the longer term redevelopment of the Central Waterfront Area, which provides for its reintegration with the central area and the wider city.'*

2.22 Policy 4 relates to out of centre developments. The structure plan recognises that the historic nature of some of Angus' town centres has meant that most new retail development has occurred at edge-of-centre locations. A number of out-of-centre retail developments are recognised in Dundee, in particular Kingsway East and West, and approval of the East Marketgait site is also recognised. The plan supports the sequential approach to out-of-centre retail developments which are greater than 1000 sq m. This approach is also supported in Policy 5, which relates to leisure and commercial uses.

2.23 The Structure Plan largely reflects and embodies the principles of NPPG 8. Policies 1, 2 & 3 accord with paragraph 88 of NPPG 8 as they support retailing within the existing centres of Angus and the sequential approach to site selection. Policy 4 provides the criteria for which out-of-centre retail proposals should be assessed against and is consistent with the guidelines outlined in NPPG 8. Future planning policy will be required to reflect the guidance identified in SPP 8 as outlined in paragraphs 2.2 – 2.14 above.

**Dundee Local Plan Review August 2005**

2.24 The Dundee Local Plan has a specific section for retail called 'Shopping in Dundee'. The strategy of the local plan with regard to retailing is to:

- *Consolidate and enhance Dundee's regional role by progressing an integrated package of retailing and related measures with particular emphasis on the City Centre and District Centres.*

- *Consolidate the existing retail parks at Kingsway East and West in their predominant roles as a focus for household good retailing and also support the committed proposals for the expansion and redevelopment of Kingsway West retail park and for the new edge of centre retail park at Dock Street;*

- *Meet projected comparison goods retail floorspace requirements through development opportunities in accessible locations adjacent to existing shopping destinations within the City.*

- *Improve the quality and distribution of major food shopping by supporting major new foodstore provision in the north and west of the City;*

- *Enhance the accessibility of out-of-centre retailing by measures to assist visits by travel modes other than the car and seeking to relocate poorly located retail warehouse units; and*

- *Ensure convenient access to local shopping by providing appropriate support for existing shops and encouraging new provision in areas of need.*

2.25 The Local Plan review supports the City Centre as a retail destination through encouraging Class 1 retail uses within the City Centre Retail Core in Policy 34. This policy also allows the change of use to Class 3 uses, however discourages Class 2 uses, with the exception of appropriate banks and building societies. Policy 36 allows for non retail Class 1, 2 & 3 Uses within the wider, speciality shopping and non core shopping areas. This policy also recognises the need for uses outwith Class 1 such as banks, building societies, hairdressers, drycleaners and independent speciality retailers within the City centre. The accompanying paragraph, 43.1 recognises the role that a mixture of independent retailers and speciality shops play in less mainstream areas. This is an important point to emphasise, as independent retailers and speciality shops should be encouraged to stay in the city centre, as they assist in providing services which are not often provided by national multiples. The independent retailers help to provide complementary role to the multiples and should be retained where possible. This is difficult to achieve through planning policy, as their retention often relies upon market forces.

2.26 The Overgate Centre, the Wellgate Centre and the Forum Centre are recognised as priority locations for new comparison good floorspace within the City Centre in Policy 37. Food and grocery shopping is encouraged within the retail, non-core and speciality shopping areas. Outwith these areas food retailing will be permitted provided there are no sites in the core, non-core or speciality shopping areas, and the proposal is of a scale aim at local shopping needs.

2.27 The Local Plan Review also recognises the roles that Dundee's District Shopping Centre play in the provision of everyday shopping, personal services and leisure needs for local communities. The plan also recognises that the district centres of Albert Street and Hilltown have declined in recent years. Policy 38 encourages new retail and other shopping developments within the District centres which would contribute to vitality and viability.

2.28 In each of the District centres, the local plan supports Class 1 retail uses or restaurant and café uses within the core retail areas. In Lochee and Broughty Ferry, no more than one in five units in a frontage should be occupied by alternative uses. In the other district centres, no more than two in five units should be occupied by alternative uses. Outwith the core area, alternative uses are considered acceptable, as outlined in Policy 40.

2.29 Policy 41 relates specifically to the Stack Leisure Park which is located on the edge of Lochee District Centre. This policy allows for the development of non-food bulky goods warehousing within the leisure park. Through enhanced pedestrian linkages it is anticipated that the development would potentially benefit the District Centre and also act as a catalyst for the redevelopment of the wider leisure park. Policy 41A supports the redevelopment of the Dock Street bus depot for retail warehousing, however this is subject to the commencement of the redevelopment of the Stack Leisure Park.

2.30 Policy 42 refers to local shopping and shopping parades throughout the city and Policy 43 refers to a presumption in favour of new local shops in area where there is poor local provision. Policy 44 refers to the provision of petrol filling station shops over 100 sq m in size and that new proposals will be considered having regard to impact upon local shopping provision and road safety.

2.31 Policy 45 refers to the location of new retail developments. This policy reflects the sequential approach to site selection, in that the preferred locations for retail development are the city and district centres, followed by edge of centre locations. The policy also recognises that any proposal should be accessible by modes of transport other than the car and is consistent with other local plan policies. Policy 46 states that the sequential approach should also be applied to new commercial developments, such as banks, insurers, property agents or other offices.

2.32 Policy 47 refers to the goods range restrictions on the Kingsway East, Kingsway West and Dock Street Retail Parks. Proposals to sell goods which are restricted by this policy will only be supported where they do not impact upon the local plan strategy in support of the city and district centres, will not impact upon their vitality and viability and will meet a deficiency in qualitative or quantitative terms.

2.33 A new out-of-centre foodstore is supported at the former Linlathen High School in policy 49. This is restricted to sales floorspace of 4000 sq m. Policy 49 also states that the Council will investigate whether the existing foodstore at South Road may be extended. Both proposals are subject to demonstration that vitality and viability of retail centres will not be undermined; that the proposals comply with Policy 48 which requires improved accessibility by methods other than the car, and that the developers commit to resolves on and off site traffic and access issues. A new supermarket is also supported on Dura Street, on the edge of Albert Street district centre as outlined by Policy 50.

2.34 The Local Plan Review is consistent with paragraph 89 of NPPG 8, and the structure plan, though NPPG 8 has now been superseded by SPP 8. A hierarchy of retail centres is identified and supported by policies which require the sequential approach to be undertaken with regard to new retail development. A number of development opportunities are identified within the local plan review, which also comply with the sequential approach. Where out of centre foodstores are proposed, they are justified with regard to improvements to the food shopping provision which cannot be resolved by sites in, or on the edge of, City or District Centres.

**Policy summary and commentary**

2.35 The development plans affecting Dundee and Angus largely reflect the planning guidance from the Scottish Executive in NPPG 8. However, the recent publication of SPP 8 raises new matters which will require to be addressed in any emerging development plan. In particular there is a need to address the requirement for town centre strategies, the recognition of 'commercial centres' within the sequential approach and the function and role of each centre within an identified network of centres. The approved structure plan and the adopted local plan place an emphasis upon development within town centres and the sequential approach with particular emphasis upon Dundee City Centre itself. In recent times investment in retail within Dundee City Centre has increased and the market now views Dundee positively. There is no doubt that the planning policies in place have encouraged such investment and the 'town centre first' approach has clearly benefited Dundee as a retail centre.

2.36 That is not to say that Dundee has not had investment in out-of-centre areas. The development of Kingsway West has been a success within the retail market; however this has not prejudiced investment in the City Centre. Whilst the city centre and the out-of-town retail parks have been successful, certain district centres have suffered and no longer remain vibrant shopping areas. It is however considered that the decline of the district centres has been occurring for a considerable number of years, and not necessarily a direct result of particular planning policies. It is considered that market forces have played a role in the decline of these centres and the problem facing future planning policy is to reverse the trend of this decline.

2.37 The decline of these centres is recognised in the Structure and Local Plans with policies which allow change of use of units outwith the core retail areas to be considered for alternative uses. The policy framework therefore exists within which to bring units back into use outwith the core retail area; however the continuing level of vacancies which exist means that the commercial market has not responded to this relaxation of planning policy. An overall co-ordinated approach involving the local retailers, developers and the local authority is required to regenerate these areas, and future planning policies will play an important role in providing the policy base for regeneration. The provision of town centre strategies, as outlined in SPP 8, for each of the struggling district centres would provide an opportunity for various stakeholders to be involved in the revitalisation of the areas of which have declined in recent times.

**Commercial trends**

2.38 We have provided a summary document on recent retail trends in **Appendix 1**. This document provides a context for the wider retail market in the UK and highlights the general slowdown in the retail expenditure in recent time, which has had an effect on demand for retail floorspace. In terms of commercial trends, the 'town centre first' approach to planning policy has been reasonably effective in that retail developments have been more planning led and developers have recognised that they have to work within the stricter planning regime. Whilst developers and investors will continue to seek extensions to existing out-of-centre locations, there is a growing acceptance that new retail developments will have to meet the sequential approach and comply with national, structure and local plan policy.

2.39 An emerging trend across the UK is 'retail trade parks' which operate under planning consent allowing Use Class 4 (Business) and 6 'storage and distribution' with elements of Class 1 (often restricted to 25% of the overall floorspace of the units). Typical occupiers of these parks are tile, carpet retailers and plumbing suppliers. These are commonly promoted in industrial and peripheral business areas and by virtue of their retail sales element can generate significant traffic flows and draw trade away from the existing retail hierarchy, yet are not being assessed against many retail policies. Future planning policies may have to have regard to this trend, as it may have implications for the existing retail centres of Dundee and Angus.

2.40 The decline of the independent trader is also a common issue amongst cities and towns, particularly in strong retail centres like Dundee. Whilst it is difficult in planning terms to prevent this occurring in Dundee, future development plans should contain wording which recognises the importance of their role in complementing the multiples. Independent retailers provide speciality goods and services which are often not provided by the multiple retailers.

## 3.0 Quantitative Retail Need: Assessment and Results

### Objectives

3.1 This section describes our approach to estimating the quantitative need (or capacity) for additional retail floorspace within Dundee City and its constituent centres, and presents the results of the assessment. All monetary figures are given in **constant 2004 prices.** We have detailed our methodology for undertaking this capacity analysis in **Appendix 2.**

3.2 The assessment provides the following information:

- Estimates of total available retail expenditure within the shopping catchment areas of the centres at the base year of 2006 and the forecast years of 2011 and 2017;
- Estimates of the retail turnover likely to be 'retained' by the centres at each of the forecast years;
- Estimates of "headroom" expenditure and therefore retail floorspace need within the centres at the forecast years; and
- Quantitative retail floorspace need disaggregated into convenience goods and comparison goods retail floorspace, with the latter category further divided into non-bulky goods and bulky goods shopping.

3.3 Our understanding is that the results of the need assessment will be used by the Council to inform the future retail policies and strategies for the City. The results should also assist the Council in responding to any emerging retail proposals.

### Approach

3.4 Our broad approach to estimating retail need comprises of seven main steps, which in aggregate cover the three main stages of analysis:

(i) Forecasting consumer demand;
(ii) Forecasting retail supply and;
(iii) The conversion of (any) surplus expenditure into a retail floorspace requirement.

3.5 We have sought to provide an analysis that is transparent and which, at the same time, seeks to be robust. The assessment is also presented in a way that enables it to be updated in the future as more up-to-date statistics become available and the emerging pattern of shopping activity becomes more established.

3.6 We carry out separate quantitative retail need assessments for comparison goods – further disaggregated into non-bulky and bulky comparison goods – and convenience goods. Each is supported by a number of tables (spreadsheets) which are reproduced in the appendices. In addition, the assessment refers to a number of key assumptions and technical adjustments which are outlined in **Appendix 2**, and are reproduced as **Appendices 3** to **13.**

3.7 In this study, although we estimate quantitative need for each of the town and district / local centres within Dundee City, we recommend that the Council places most emphasis on the quantitative need for additional retail floorspace of different goods categories within the City as a whole.

3.8 We begin with an assessment of the retail floorspace need for comparison goods.

**Analysis: Comparison Goods**

***Step 1: Calculate Total Available Expenditure in the Survey Area***

3.9 The extent of the Dundee City catchment area for comparison goods shopping has been defined on the basis of the results of the household telephone survey, which provides current information on shopper behaviour and retail consumer expenditure flows. The household survey area is shown in **Figure 3.1** overleaf. Within this area the quantum of comparison goods retail expenditure generated is derived by multiplying population by average annual expenditure per head. This calculation is carried out for each of the 17 zones which comprise the survey area.

3.10 Population estimates by zone and for the survey area as a whole are set out in **Appendix 12, Table 1**. In addition to estimates for 2006 (the base year), population forecasts for 2011 and 2017 are also included. These population estimates have been sourced from EBS.

3.11 **Appendix 12, Tables 2A** and **2B** give the average annual expenditure per person on non-bulky and bulky comparison goods respectively for residents living in each of the 17 zones comprising our survey area. These figures have been obtained from EBS. We have projected the per person expenditure estimates forward to the forecast years of 2011 and 2017 by adopting EBS's 2004-based expenditure growth forecasts for the most appropriate time-scales.

3.12 At **Appendix 12, Tables 3A** and **3B** for non-bulky and bulky comparison goods respectively, we make deductions to the per person expenditure estimates to account for retail expenditure which does not take place in shops, such as that on mail order shopping, door to door salesmen, market and road-side stalls and E-tailing. This form of expenditure is generally known as "special forms of trading".

3.13 In presenting expenditure forecasts through to 2017, we are aware that there are currently a number of electronic shopping formats which, should they become widely established, could increase significantly the proportion of retail expenditure that is not spent in conventional shops. We have reviewed latest research on the likely impact of these new forms of shopping and concluded that EBS's lower case projection of the future growth in SFT trading is the most robust assumption to use.

3.14 Our estimates of total available consumer retail expenditure on non-bulky and bulky comparison goods at the base year (2006) are set out in **Appendix 12, Tables 4A** and **4B** respectively. Forecasts are also given for the forecast years of 2011 and 2017. The increases in available expenditure are due to:

- The forecast growth in catchment population;
- Real increases in consumer comparison goods expenditure per head.

***Step 2: Application of "Market Shares" to Determine Amount of Retained Expenditure***

3.15 As a consequence of increases in the volume of consumer expenditure per head running in tandem with population growth, we estimate that the "pool" of available expenditure on non-bulky comparison goods within the Dundee City survey area will increase by some £299 million between the base year (2006) and the latest forecast year of 2017. For bulky comparison goods, we forecast that the "pool" of available expenditure within the Dundee City survey area will increase by £134 million by 2017.

3.16 However, not all of this growth in consumer expenditure will be spent within the Dundee City survey area and is available to support new retail floorspace in the City. This is because competitor centres to those within Dundee City also lay claim to the same growing "pool" of expenditure. This requires us to quantify the "market shares" of the retail provision already established in Dundee City.

3.17 Existing "market shares" for non-bulky and bulky comparison goods shopping have been determined largely on the basis of the results of the household telephone survey carried out by ourselves for Dundee City Council as part of this study. The survey provides essential information on the geographical extent of catchment areas and trade penetration around existing centres by quantifying the pattern and volume of retail expenditure flows from each of our defined zones (where people live and money is generated) to a range of centres and out of centre stores (where people spend their money).

3.18 In addition, and of **critical** importance, our assessment also takes into account the distribution and volume of locally available consumer expenditure (or spending power) so as to ensure that **our retail turnover estimates are balanced against available retail consumer expenditure**.

3.19 The base year (2006) pattern of "market shares" are set out at **Appendix 12, Tables 5A** and **5B** for non-bulky and bulky comparison goods shopping respectively. These market shares are based largely on the results of the household survey, although in some instances we have made adjustments in order to reflect the actual retail offer available and the distribution of retail provision either side of the city and district centre boundaries. The "market shares" are then applied to the 2006 "pools" of available non-bulky and bulky comparison goods expenditure (**Appendix 12, Tables 6A** and **6B** respectively). These tables give the monetary amounts of non-bulky and bulky comparison goods expenditure flowing to each retail centre by zone. The addition of these expenditure totals for each of the 17 zones gives our estimate of the total amount of non-bulky and bulky comparison goods spending flowing to a centre from the survey area.

***Step 3: Determine Whether Existing Retail Economy is Trading at Equilibrium***

3.20 At this stage of the assessment we consider whether the existing comparison goods retail economy of Dundee City (and its centres) is broadly trading at equilibrium or not. This may be considered to be important because if the amount of consumer retail expenditure

Fig. 3.1 Definition of Survey Zones


Sidlaw West
Sidlaw East & Ashludie
Brackens
Balgowan
Claverhouse
Longhaugh
Whitfield
Balgillo
Zone 2
Ardler
Strathmartine
Zone 6
Fairmuir
Pitkerro
Douglas
Zone 8
Lochee West
Baxter Park
Camperdown
Zone 1
Lochee East
Zone 7
Bowbridge
Stobswell
West Ferry
Barnhill
Craigiebank
Zone 3
Zone 5
Balgay
Law
Hilltown
Broughty Ferry
East Port
Ninewells
Logie
DUNDEE
Riverside
Zone 4
Tay Bridges
Tayport & Motray

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flowing to Dundee City is high in relation to the stock of available retail floorspace and this appears to be causing problems to retailers and / or shoppers, then the City's retail offer may be described as over-trading, conversely, if the expenditure flows are low relative to available retail floorspace, then this can result in under-trading of the retail offer.

3.21 If over-trading is occurring in a centre then it is commonly assumed that the turnover in excess of the equilibrium position is potentially available to support new shopping provision. If this occurs, then this element of expenditure should be added to the headroom expenditure which we later estimate from the future growth in the retail economy. Conversely, if an area (or centre) is under-trading at present, then it is also logical to deduct the amount of turnover shortfall relative to the equilibrium position from the defined headroom expenditures associated with the future growth in the retail economy.

3.22 The problem with this kind of analysis is determining whether a centre is trading in equilibrium or not. There are two principal difficulties. First, retailers need to achieve a certain trading level to be viable. However, this trading level varies substantially for individual retailers and across the country, reflecting differences in type of business, profit margins, site, size, financial structure and other factors. Without detailed surveys on <u>all</u> individual traders in a centre it is virtually impossible to determine what the average equilibrium trading level is. The second major difficulty is that even if it can be proven that a centre is trading above its retail equilibrium, this does not automatically mean that problems associated with over-trading occur; these may include retailer operating difficulties, in-store congestion, over-busy streets leading to pedestrian safety and security problems, and congested car parks.

3.23 In estimating whether the Dundee City retail economy (and its centres) is at retail equilibrium at the base year of 2006 in relation to non-bulky and bulky comparison goods shopping, we have been handicapped by the unavailability of sales data on individual shops in each centre. Nevertheless, we have attempted to be as robust as possible, since material conditions of over or under-trading in the base year do suggest there is an existing under or over-supply of retail floorspace already. In theory, in order to provide an accurate "benchmark" average sales density for a centre, one would require knowledge of the appropriate sales per square metre of each shop comprising the centre. Since this information is not available, we must derive broad estimates based on a range of criteria including:-

- Published company average sales per sq m for individual retailers;
- The breadth and depth of retailers in a centre;
- The number of multiple traders present;
- The size of a centre (retail floorspace) and its position in the retail hierarchy;
- Rental levels and
- Comparable sales density estimates adopted for centres elsewhere in the UK.

3.24 Our benchmark (or retail equilibrium) turnover estimates for the existing retailing provision within the Dundee City retail economy are set out in **Appendix 12,Tables 6A** and **6B** respectively for non-bulky and bulky comparison goods. The derivation of the benchmark sales for densities for each retail category of goods are set out in **Appendix 6.**

3.25 For non-bulky comparison goods shopping (see **Appendix 12, Table 6A**), the survey suggests that all of the District Centres and Local Centres are under-trading, as is out of centre retailing in the city. However, we estimate that Dundee City Centre is significantly over-trading at the present time and therefore the estimated "surplus" expenditures are added to the forecast headroom expenditures later on in the assessment. For centres that are under-trading the estimated expenditures deficits are deducted from the forecast headroom expenditures.

3.26 For bulky comparison goods (see **Appendix 12, Table 6B**), we estimate that both the city centre and the out of centre retail warehouses are over trading significantly. The expenditure surpluses are added to the headroom expenditures forecast later on in the assessment. There is virtually no bulky comparison goods floorspace provision in the District and Local Centres.

3.27 **Appendix 12, Tables 6A** and **6B** give the estimated base year (2006) annual non-bulky and bulky comparison goods turnovers of the centres within Dundee City. For non-bulky comparison goods these range from just £1.6 million at Hilltown District Centre to £428 million at Dundee City Centre, whilst for bulky comparison goods the range is far smaller; from zero at Perth Road, Lochee, Hilltown and Albert Street District Centres to £53 million in the city centre. However, out of centre retail warehouses collectively generate an estimated annual bulky comparison goods turnover of £151 million. For non-bulky and bulky comparison goods, we make an allowance for in-flow expenditure from outside the survey area to Dundee City Centre. This estimated in-flow expenditure relates to monies spent by tourists, commuters and day-trip visitors living beyond the survey area.

***Step 4: Calculate Growth in Retained Expenditure through to the Forecast Years***

3.28 Having determined the base year (2006) "market shares" and levels of retained non-bulky and bulky comparison goods expenditure within the centres located in Dundee City, we use the principle of market shares to calculate how much more spending or trade the centres could expect to attract in the future as a result of the forecast growth in available catchment area expenditure.

3.29 Our main "benchmark" quantitative need (retail capacity) forecasts for comparison goods are based on the principle that the retail economies of the centres within Dundee City will maintain their existing status relative to each other and to competitor centres. This approach is frequently adapted by consultants when the main objective is to provide an area-wide assessment of need for additional retail floorspace over a long time-frame. At **Appendix 12, Tables 7A and 7B,** we therefore re-state the same market shares as derived from the base year (2006) household telephone survey.

3.30 For each of the forecast years we apply as part of our main assessment the **same** market shares to the increased "pools" of available expenditure in each zone. The calculations for the forecast years 2011 and 2017 are set out in **Appendix 12, Tables 8A** and **11A** (for non-bulky comparison goods) and **Appendix 12, 8B** and **11B** (bulky comparison goods). Due to the increase in demand (as a result of population growth and rising consumer expenditure) the assessment produces at 2011 higher retail turnover potentials for centres than in the base year (2006). Similarly, the turnover potentials are even higher for the forecast year of 2017.

***Step 5: Determine Level of Potential Headroom Expenditure in the Forecast Years***

3.31 It would be wrong to assume that all of the increases in turnover potential for centres within Dundee City will be available by the forecast year(s) to support additional comparison goods shopping. This is because some of the forecast growth in expenditure must be allocated to existing retailers because the evidence confirms that they increase their sales productivities in real terms over time.

3.32 In **Appendix 12, Tables 9A** and **9B** the turnover allocations for existing retailers are deducted from the 2011 turnover potentials of centres for non-bulky and bulky comparison goods respectively. This calculation produces estimates of residual turnover potential. The base year (2006) turnovers are then subtracted from these 2011 residual turnovers to determine the quantums of potential headroom expenditure in 2011 for each centre. Similar analyses are carried out for non-bulky and bulky comparison goods for the forecast year of 2017 in **Appendix 12, Tables 12A** and **12B** respectively.

***Step 6: Determine Level of Residual Headroom Expenditure in the Forecast Years***

3.33 To convert potential headroom expenditure into residual headroom expenditure at each of the forecast years we must make further (if applicable) deductions to account for that quantum of retail expenditure which is likely to be soaked up by retail floorspace commitments within Dundee City (commitments are retail developments already in the pipeline, which are either under construction or have planning consent).

3.34 From information supplied to us by Dundee City Council we have compiled a schedule of retail floorspace commitments. These are set out in **Appendix 7.**

3.35 **Appendix 12, Tables 10A** and **10B** set out our calculations to estimate the residual headroom expenditures for centres in Dundee City at the forecast year of 2011 for non-bulky and bulky comparison goods floorspace respectively. The same assessment is carried out for the forecast year of 2017 in **Appendix 12, Tables 13A** and **Tables 13B** respectively.

3.36 The residual headroom expenditures set out above assume that each centre is in retail equilibrium at the base year (2006). We have already commented upon the fact that this assumption may be viewed as unlikely. However, as already discussed at paragraphs 3.20 to 3.26, it is, in practice, difficult to define and calculate the equilibrium position for any centre.

3.37 Nevertheless, despite the difficulties of determining the extent of any over or under trading at the centres within Dundee City, we consider that including such estimates makes our quantitative need assessment more reliable and robust than ignoring them. We use the over and / or under-trading estimates determined at **Appendix 12, Tables 6A** and **6B**, to "**adjust**" our residual headroom expenditures. In practice, if a centre is estimated to be over-trading at the present time, this will increase the quantum of residual headroom expenditure at the forecast year(s). Alternatively, if a centre is estimated to be under-trading now, the reverse will occur and the residual headroom expenditure totals at the forecast year(s) are decreased. **Appendix 12, Tables 10A** and **10B** set out our calculations for making these adjustments to the 2011 residual headroom expenditures for non-bulky and bulky comparison goods respectively. **Appendix 12, Tables 13A** and **13B** reproduce the calculations for the forecast year of 2017.

3.38 The **adjusted** residual headroom expenditure totals for Dundee City as a whole at each of the forecast years (2011 and 2017) are summarised in **Table 3.1** below.

**Table 3.1: Residual Headroom Expenditures Within Dundee City at 2011 and 2017 (figures are non-cumulative)**

**Non-bulky Comparison Goods**

| 2011 (£m) | 2017 (£m) |
|---|---|
| -42 | -43 |

**Bulky Comparison Goods**

| 2011 (£m) | 2017 (£m) |
|---|---|
| 74 | 87 |

3.39 In our view these residual headroom expenditure totals are important because they provide an estimate of the amount of potential turnover which will be available within Dundee City at each of the forecast years given our assumptions of constant market shares. In **Appendix 12, Tables 13a and 13b**, we convert these residual headroom expenditures into retail floorspace requirements or estimates of surplus floorspace, as appropriate. However, the output of this last stage is dependent on the application of average sales densities and these, in practice, are likely to vary enormously depending on the type of development that is proposed. For example, city and town centre stores comprising non-bulky comparison goods shopping typically trade at much higher average sales densities than retail warehouse style developments selling mainly bulky comparison goods. We would therefore recommend that the Council attaches appropriate weight to the residual headroom expenditure totals, since these are not open to the same levels of interpretation as are the retail floorspace need estimates set out in **Appendix 12, Table 13b**. To estimate the levels of forecast residual expenditure for comparison goods as a whole, simply add together the figures for non-bulky and bulky comparison goods at each of the forecast years.

**Analysis: Convenience Goods**

3.40 Our retail need assessment for convenience goods floorspace follows the same approach as that for comparison goods (i.e. that summarised in **Figure 4.1** following page 37). The detailed calculations underpinning the analysis are reproduced in full in **Appendix 13, (Tables 1 to 13 inclusive)**.

***Step 1: Calculate Total Available Expenditure in the Catchment Area***

3.41 At **Appendix 13, Tables 1** to **4** inclusive, the total available convenience goods expenditure by zone is determined for the base year (2004) and the forecast years of 2011 and 2017. The analysis incorporates EBS's estimates of average annual spending per head on convenience goods within each zone, together with their latest expenditure growth forecasts. We again exclude expenditure by "special forms of trading", although the EBS allowance is much lower than for comparison goods shopping.

***Step 2: Application of "Market Shares" to Determine Amount of Retained Expenditure***

3.42 Using the results of the household telephone survey we derive the base year (2006) market shares of centres within Dundee City within each of the 17 zones[1]. This assessment is set out at **Appendix 13, Table 5**. Applying the market shares to the total "pools" of available expenditure within each zone in the base year (2006) (**Appendix 13, Table 6**), gives the monetary flows of consumer spending from zones to the main centres. We do not make any allowance for in-flow expenditure into Dundee City from people living outside our survey area since it has been defined very widely and we believe all such trips for convenience goods (food) shopping will have been accounted for. The addition of the flows from each zone gives the total estimated convenience goods turnover of centres within Dundee City.

[1] This involves grouping together the expenditure flows to individual named stores in order to establish the overall market share of a centre.

3.43 **Appendix 13, Tables 6** confirms that centres within Dundee City have estimated convenience goods turnovers ranging from just £2.1 million at Perth Road District Centre to £24.8 million at the Lochee District Centre, whilst major out of centre superstores collectively generate annual sales of some £244million.

***Step 3: Determine Whether Existing Retail Economy is Trading at Equilibrium***

3.44 For convenience goods shopping, we now replicate the analysis carried out earlier in relation to comparison goods, and calculate the extent of any over or under-trading within the centres at the base year (2006). In estimating the equilibrium convenience goods retail turnover for each centre in the base year we have assumed a range of "company average" sales densities for individual major food stores and other convenience goods shopping. Our calculations are set out in full in **Appendix 6. Appendix 13, Table 6** sets out our estimates of the extent of over / under-trading at the base year (2006) for each of the centres within Dundee City. We refer to these estimates again at Stage 6 below.

***Step 4: Calculate Growth in Retained Expenditure through to the Forecast Years***

3.45 As for comparison goods, our approach is to adopt constant market shares when estimating the quantitative need for additional convenience goods floorspace. **Appendix 13 Table 7** therefore replicates the market shares derived from the household telephone survey, with the exception of those relating to a number of the District/Local Centres which, due to their small size, had been under-represented by the survey. We apply the same market shares to the higher "pools" of available expenditure within the zones at the forecast years of 2011 and 2017 to derive the turnover potentials of the centres at each year. These calculations are set out in **Appendix 13, Table 8** (for 2011) and **Tables 11** for 2017 respectively.

***Step 5: Determine Level of Potential Headroom Expenditure in the Forecast Years***

3.46 At **Appendix 13, Tables 9 and 12** we determine the levels of potential headroom expenditure within Dundee City at the forecast years of 2011 and 2017 respectively. As for comparison goods, it is necessary to set aside a little of the expenditure growth for existing retailers to account for their real gains in sales productivity over time.

***Step 6: Determine Level of Residual Headroom Expenditure in the Forecast Years***

3.47 To convert the potential headroom expenditure figures into residual headroom expenditure estimates, we now take into account the projected turnover of existing convenience goods retail commitments within Dundee City. These commitments and their estimated turnover at the forecast years of 2011 and 2017 are set out in **Appendix 7**.

3.48 **Appendix 13**, **Tables 10** and **13** set out our calculations to determine residual headroom expenditures for individual centres within Dundee City at the forecast years 2011 and 2017 respectively.

3.49 As with comparison goods, we adjust the convenience goods residual headroom expenditures to take into account any over or under-trading that exists in each centre at the base year (2006).

3.50 The adjusted residual headroom expenditure totals for Dundee City as a whole at each of the forecast years are set out in **Table 3.2**.

**Table 3.2: Residual Headroom Expenditures within Dundee City 2011 and 2017 – Convenience Goods**

| 2011 (£m) | 2017 (£m) |
|---|---|
| -119 | -135 |

***Step 7: Estimate Capacity for Additional Retail Floorspace in the Forecast Years***

3.51 We have converted these adjusted residual headroom expenditures into retail floorspace requirements or an estimated floorspace surplus as appropriate (Step 7) in **Appendix 13, Table 13** but, as with comparison goods, these floorspace estimates are entirely dependent on the average sales density applied to the floorspace. For this reason, we recommend that the Council places appropriate levels of emphasis on the forecast quantums of residual expenditure available at the forecast years in relation to convenience goods.

**Summary**

3.52 The main purpose of this section has been to assess in quantitative terms the likely retail expenditure capacity within Dundee City through to 2017. It must be stressed, however, that any quantitative analysis over such a long time-period (11 years from the adopted base year of 2006) is likely to be subject to a margin of error, particularly in the later stages, since it is based on a number of assumptions which are difficult to forecast accurately. In addition, there are three further key assumptions which have a material bearing on the forecast levels of residual headroom expenditure, which are as follows:

- **Special forms of trading** – we have based our SFT projections on EBS's latest lower case forecasts. However, if SFT were to increase at a higher rate than this, then our projected levels of retail expenditure capacity would be **less** than those forecast in this report for convenience goods and non-bulky and bulky comparison goods.

- **Over / Under Trading at the base year** – our quantitative assessment indicates that a number of centres within Dundee City are currently over / under-trading in certain of the good categories and we have taken this into account. Clearly, if we have over-estimated the amount of over-trading, for example, the retail expenditure capacity estimates will be lower than those set out above; conversely, if we have under-estimated the capacity estimates will be greater.

- **Constant Market Shares** – our quantitative assessment (so far) assumes that each centre within Dundee City and the City as a whole retains its existing (base year) market share of available expenditure through to 2017 (but see paragraph 3.53 below).

3.53 At the present time, and on the basis of the information and evidence available to us, we are of the opinion that our key assumptions form a robust basis on which to prepare long-term estimates of retail expenditure capacity. Our "benchmark" forecasts in this section assume that the strategy of the Council is to maintain the present retail attractiveness of Dundee City's centres going forward. This "constant market share" approach is normally realistic given that adjoining Councils will be planning to improve their own centres and it is important not to "double count" consumer retail spend.

## 4.0 Qualitative Assessment of Dundee City Centre

4.1 With an urban area population of approximately 155,000 and an estimated 20 km catchment of 235,000 persons, Dundee represents one of the leading destinations in the Scottish retail hierarchy, drawing from Perth, Blairgowrie and the towns of north Fife and Angus. The city has taken major strides forward in its retail offer over the last few years with Lend Lease redeveloping the Overgate Shopping Centre, now providing 39,000 sq m of quality retail floor space accommodating major retailers including Debenhams, Primark, Next, Sportsworld ete. There are current proposals to extend the scheme by a further 18,600 sq m.

4.2 Dundee City Council's retail database outlines that in March 2005, there was 179,702 sq m of floorspace in Dundee's central retail area. Of this, 94,305 sq m is comparison floorspace and 7,780 sq m is convenience floorspace. 45,574 sq m is non retail and 32,043 sq m is vacant.

4.3 Table 1 below highlights the composition of Dundee City Centre by the number of units.

Table 4.1

| *Category* | *No. of units* | *Percentage of Total (%)* | *National Average (%)* | *Variants (%)* |
|---|---|---|---|---|
| **Convenience** | 28 | 3.93 | 7.34 | - 3.41 |
| **Comparison** | 216 | 30.29 | 32.70 | - 2.41 |
| **Service** | 277 | 38.84 | 38.45 | + 0.39 |
| **Vacant** | 95 | 13.32 | 8.27 | + 5.05 |
| **Other** | 97 | 13.6 | 13.24 | + 0.36 |
| **Total** | 713 | 100 | 100 | - |

Source: Experian Goad Town Report, April 2006

4.4 The composition of Dundee City Centre largely reflects the national average, with a limited variation from the average UK city centre. The highest variant is vacant properties, where Dundee has 5% greater vacancies than the national average.

**Retailer Representation**

4.5 Dundee has an above average proportion of managed floorspace with around 39% of the total retail floorspace accounted for by the cities two managed shopping centres, the Overgate Centre and the Wellgate Centre. An application for planning permission to extend the Overgate Centre by 18,700 sq m was approved by Dundee City Council in February 2006. Following referral, this application has been cleared by the Scottish Ministers and planning permission has been granted. The Overgate Centre, which was opened 1965 and redeveloped in 2000, provides 39,500 sq m (425,000 sq ft) of floorspace. The Overgate is anchored by Debenhams and Primark. Other mainstream multiple retailers[2] within the centre include Boots, Argos, and Bookworld. The centre has a wide range of fashion retailers including Gap, H&M, French Connection, Mango, Morgan, Next and USC. There are also a number of independent kiosks which are located throughout the mall.

4.6 The other main shopping centre within Dundee City Centre is the Wellgate Centre. The Wellgate Shopping Centre although it has suffered somewhat over the years, appears to be creating its own pitch aimed at slightly more secondary/value retailers with recent lettings to TJ Hughes, New Look and Poundland. The Wellgate Centre was opened in 1978 and provides 22,300 sq m (240,000 sq ft) of retail floorspace. The centre was refurbished in 1993 and current occupiers include Argos, BHS, Woolworths, Jeanscene, Officers Club, Roseby's and Virgin.

4.7 Outwith the two main shopping centres, the retail provision is largely located along High Street and Murraygate, which, along with the shopping centres, form the majority of the retail core frontage. A major recent development in this area is the refurbishment of the Arnotts department store and with tenants including Zara, Ottakars and Original Shoe; the development has reaffirmed the strength of this prime central location. Other major retailers in this area include Marks and Spencer, HMV, Specsavers, Phones 4 U, the Disney Store and Schuh.

[2] A multiple retailer is defined as being part of a network of nine or more units

4.8 Further prime frontage is located along Whitehall Street and the southern section Reform Street. Reform Street has a number of Class 2 uses including a number of banks and building societies and has limited Class 1 retailers. Whitehall Street has attracted limited multiple retailers, despite it being within the core frontage of Dundee City Centre.

4.9 The presence of multiple outlets can enhance the appeal of a centre. FOCUS identifies 20 key multiple retailers as a benchmark to judge centres against. From our analysis 16 of these retailers (see table below) are located in Dundee City Centre. Dundee City Centre is clearly attractive to a number of top retailers though it has, so far, failed to attract some of the major department stores.

**Table 4.2 – Key Multiple retailers and their representation in Dundee**

| Rank | Multiple Retailer | Presence in Dundee City Centre |
|---|---|---|
| 1 | Boots | Y |
| 2 | Marks & Spencer | Y |
| 3 | Argos | Y |
| 4 | Woolworths | Y |
| 5 | Debenhams | Y |
| 6 | John Lewis | N |
| 7 | WH Smith | Y |
| 8 | BHS | Y |
| 9 | Next | Y |
| 10 | Dixons | Y |
| 11 | Superdrug | Y |
| 12 | Lloyds Pharmacy | N |
| 13 | Wilkinson | N |
| 14 | CO OP Department Stores | N |
| 15 | Primark | Y |
| 16 | New Look | Y |
| 17 | HMV | Y |
| 18 | Dorothy Perkins | Y |
| 19 | Roseby's | Y |
| 20 | Waterstones | Y |

Source: FOCUS Town Report 2006.

4.10 Independent and speciality shops are located throughout the city centre, however are more prevalent in the Southern part of the city centre within Union Street, Whitehall Street, Crichton Street, Castle Street and Commercial Street. The independent and speciality shops play an important role within the City Centre and complement the presence of multiple retailers, although increasing pressure will be placed upon these independent retailers by the provision of further multiple retailers. Identified speciality shops include Kenneth Walker Jewellers, Gows, Allan Robertson Butchers on Union Street, Fisher and Donaldson Chocolaterie on Whitehall Street and the Kilt Company, McCleish Brothers and Keilers China Shop on Castle Street. The independent retailers play an important role in providing an attractive and interesting tenant mix across the retail sector, providing a range of goods not found in the multiple retailers. It should however be stated, that as a major city centre, it is considered that the main attraction for the shopper is the mix of national multiple retailers, and the independents play a complementary role. We consider that whilst independent retailing should be encouraged, to provide the mix of retailing offer, it should be recognised that specific planning policies seeking to retain or encourage independent retailing in the City Centre would be difficult to justify in a local plan inquiry. Nevertheless wording outlining the complementary and important role the independents play should be included in future development plan documents.

4.11 There are a number of retailers with existing requirements for representation in Dundee. These include convenience stores Aldi and Farmfoods. In terms of fashion retailers, Fat Face, George, Levi Strauss, and Elvi Ltd all have current requirements. Other comparison operators such as Laura Ashley, American Golf Discount, Argos, Bang & Olufsen, Maplin Electronics, Music Zone, Quiksilver and Pets at Home have expressed requirements for new or additional representation in Dundee. There is still however no identified demand from any of the major department stores not currently located in Dundee such as John Lewis, Harvey Nichols or Dunnes.

4.12 It should also be recognised that there is a lack of representation of premium brand retailers in Dundee. It is understood that Dundee City Council has a desire to attract more quality retailers in order to strengthen its trade draw and extending Dundee's retail catchment. Examples of such premium retailers with presence in other parts of Scotland are LK Bennet, Hobbs, Molton Brown, Lime Blue and Jo Malone.

**Rental levels**

4.13 The level of rent which retailers are prepared to pay for retail space within a centre is an indication of the perceived strength of that centre (although other factors such as the availability of floorspace will have an impact on rental value). Whilst rental values can also provide a measure of the primacy of streets and locations in a town centre, Colliers CRE has drawn on our own investment research which focuses on Prime Zone A rental levels.

4.13 Table 4.3 below illustrates Prime Zone A retail rents in Dundee in comparison to other major retail centres in Scotland. Zone A rental levels have remained reasonably stable over the last few years at £1184 per sq m (£110 per sq ft), in line with other centres in Scotland such as East Kilbride, Stirling and Inverness, all of which benefit from significant catchment populations. Only the City Centres of Aberdeen at £1776 per sq m (£165 per sq ft), Edinburgh at £2314 per sq m (£215 per sq ft) and Glasgow at £2422 per sq m (£225 per sq ft) and the top regional shopping malls centred on The Gyle Centre at £1938 per sq m (£180 per sq ft) and Braehead Shopping Centre at £2583 per sq m (£240 per sq ft) continue to significantly outpace the rest of the country.

**Table 4.3 - Comparison of Prime Retail Rents (£ per sq m)**

| Centre | 1987 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|---|---|---|---|---|---|---|---|---|---|
| Aberdeen | 807 | 1292 | 1615 | 1615 | 1668 | 1722 | 1722 | 1776 | 1776 |
| Braehead | - | - | - | 1776 | 1857 | 1884 | 2207 | 2476 | 2583 |
| **Dundee** | **700** | **1023** | **1130** | **1184** | **1184** | **1184** | **1130** | **1184** | **1184** |
| Dunfermline | 388 | 624 | 624 | 646 | 700 | 753 | 753 | 753 | 861 |
| Edinburgh | 1184 | 2422 | 2422 | 2422 | 2422 | 2260 | 2260 | 2260 | 2314 |
| Glasgow | 1184 | 2153 | 2422 | 2530 | 2530 | 2530 | 2368 | 2368 | 2422 |
| Glenrothes | 280 | 484 | 484 | 506 | 517 | 538 | 592 | 592 | 646 |
| Gyle Centre | - | 1884 | 1884 | 1884 | 1884 | 1938 | 1991 | 2045 | 1938 |
| Inverness | 431 | 1044 | 1184 | 1184 | 1184 | 1184 | 1184 | 1184 | 1184 |
| Kirkcaldy | 355 | 570 | 592 | 614 | 614 | 646 | 646 | 646 | 700 |
| Livingston | 301 | 646 | 646 | 646 | 818 | 861 | 861 | 915 | 969 |
| Perth | 463 | 646 | 646 | 700 | 753 | 753 | 753 | 753 | 753 |
| St Andrews | - | - | - | - | - | - | 538 | 592 | 592 |
| Stirling | 484 | 915 | 915 | 947 | 947 | 1076 | 1130 | 1130 | 1184 |

Source: Colliers CRE (April 2006)

4.15 In comparison to other centres within the region, St Andrews, Perth and Glenrothes, Dundee City is clearly the strongest centre based upon rental levels, reflecting its status as the regional centre. Overall rental growth in Dundee City Centre from 1998 to 2005 indicates that demand for retail space in the city centre has been relatively constant, despite a dip in 2003.

**Proportion of Vacant Property**

4.16 The proportion of vacant street level property is one the relevant indicators which can be used when assessing the vitality and viability of a town centre. However, it should be used with caution as vacancies can arise even in the strongest town centres, particularly where properties are under alteration.

4.17 Table 1 indicates that according to the Experian Goad Survey (April 2006) there were 95 vacant properties in Dundee City Centre, equating to a vacancy rate of 13.32%. This is higher than the national average of 8.27%. In terms of retail units, 11.36% of floorspace in Dundee City Centre is vacant, compared to a national average of 7.87%. These figures reflect that fact that a number of units within the Wellgate Centre and in some of the secondary frontages are vacant. There are few vacancies within the prime retail frontage along Murraygate and High Street and it is not considered that the level of vacancies throughout the city centre should be a cause for concern.

4.18 One landmark property which is currently being marketed is the former Clydesdale Bank building 94 & 96 High Street. The property is currently being marketed with Class I or II planning consent and the agents marketing the property have stated that the property may also be suitable for restaurant or café bar use. The building is located at the heart of the city centre and represents an excellent opportunity for any prospective retailer, though the design of the building and its listed status offers limited potential to create any significant window displays for retail tenants.

4.19 Another major retail opportunity exists at the Forum Centre. With a sensitive redevelopment it is considered that this represents a major opportunity to develop retail floorspace within the City Centre. Whilst there would be limited opportunity to create retail frontage, a boutique style shopping arcade could be created, which could generate interest from a number of national retailers.

**Commercial Yields**

4.20 Commercial yields on non-domestic property provide an indication of the confidence of investors in the long-term profitability of a town centre. However, the Government and the Royal Institute of Chartered Surveyors have warned that care must be taken when using such indicators and that the limitations of the analysis should be understood.

4.21 Yield on a property investment represents the return (i.e. rent) on capital to an investor. As property investments do not usually produce a fixed income (i.e. rents are reviewed in accordance with market conditions and a property's lease terms), the lower the prospect for future rental growth, the higher the initial yield which an investor would be prepared to accept. Conversely, a lower yield reflects the higher expectation of future rental growth prospects. Yields are therefore an indicator of expectations in respect of the general economic prospects for a town centre.

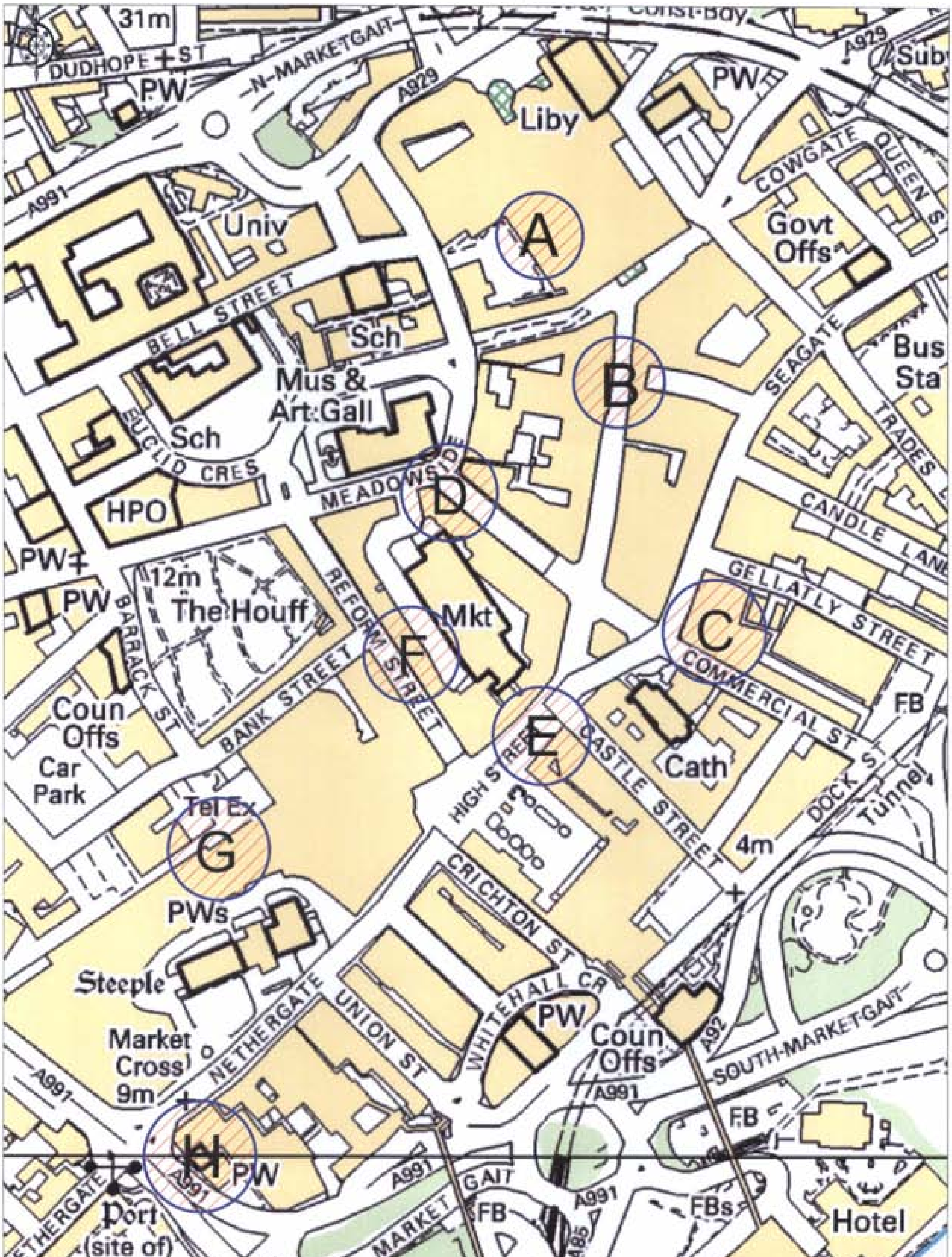
4.22 The most significant recent retail investment transaction within the city centre is the sale of the former Arnotts store which was subject to significant redevelopment. The property, let to Zara, Ottakars and Republic was sold in August 2005 for a price of £23 Million to Draco Property. This price reflected an initial yield of approximately 5.3%.

**Pedestrian Flows**

4.23 The numbers and movements of people in different parts of the town is a useful indicator of the relative strength of different areas; it is therefore important in providing guidance on how parts of the town centre would be affected by different actions and improvements. We have reviewed pedestrian movements in Dundee City Centre through a footfall survey undertaken by Beacon Research. The survey was carried out in March 2006.

4.24 The full pedestrian count results are included in **Appendix 14**. The counts were taken on 3 separate days at 8 different locations. The map overleaf shows the locations from which pedestrian counts were taken.

4.25 The counts have been organised into rankings based upon flows at different times of the day. The ranking shows overall that the busiest location recorded was outside WH Smith's within the Overgate Centre. This is reflective of the Overgate strength as a retail destination. This location was busiest on Saturday although it was not the busiest






*Pedestrian Count locations*

location during the week. During weekdays, the busiest location was outside Marks and Spencer on Murraygate on the Monday and the Royal Bank of Scotland on the High Street on the Thursday.

4.26 The lowest levels of pedestrian activity were found at Waterstones on Commercial Street which was the lowest ranked location at all times during the week and at the weekend. This is reflective of this section of Commercial Street's position as a secondary retail area.

4.27 The overall counts largely reflect the strength of the retail locations on offer in the City Centre with the Overgate being most predominant followed by the High Street and Murraygate. The Wellgate Centre consistently ranked as the fourth highest pedestrian location and is reflective of its position behind the Overgate as a retail destination.

**Accessibility**

4.28 Dundee City Centre benefits from good links to the main road and motorway network. It is situated on the A90 and A92 with road links to Edinburgh, Aberdeen and Perth.

4.29 The rail network provides good linkages to neighbouring areas, with Aberdeen (1hr 10min), Edinburgh (1 hr 25min) and Glasgow (1hr 30 min) all easily accessible. The railway station is situated on South Marketgait and has pedestrian links with the main shopping area.

4.30 Dundee bus station is located in the city centre on Seagate and provides good access to the surrounding area. Bus services also run on a national and regional basis with services to Scotland's major cities. The town also has a number of car parks (Table below), with approximately 4966 parking spaces within the centre plus 1165 spaces within NCP car parks (Source: NCP). To provide a comparison, Glasgow City Centre has a total of 6828 car parking space within car parks (Source: Glasgow City Council & NCP) and Edinburgh has 4447 spaces (Source: Edinburgh City Council & NCP). Given its relative population, Dundee has a good proportion of city centre car parking (see Table 4.4 below).

**Table 4.4 Council Car Parks in Dundee City Centre**

| Location | Number of Spaces | Stay |
|---|---|---|
| Hunter Street | 92 | Long |
| West Port | 21 | Long |
| Dudhope Castle | 140 | Long |
| West Bell Street | 930 | Long |
| Hilltown West | 27 | Variable |
| Wellgate | 600 | Variable |
| Queen Street | 23 | Variable |
| East Port | 118 | Variable |
| East Whale Lane | 413 | Long |
| Gellantly Street (secure) | 460 | Variable |
| Commercial Street | 131 | Variable |
| Shore Terrace | 30 | Variable |
| Earl Grey Place | 95 | Variable |
| Discovery/Olympia | 200 | Long |
| Railway Station | 31 | Short |
| Nethergate | 55 | Variable |
| Seabraes | 111 | Long |
| Science Centre East | 25 | Variable |
| Science Centre West | 32 | Variable |
| South Tay Street | 45 | Variable |
| West Marketgait | 285 | Variable |
| Lindsay Street | 170 | Variable |
| Overgate | 713 | Variable |
| Crichton Street | 60 | Saturday Only |
| Abercraig | 39 | Long |
| Central Waterfront | 120 | Long |
| **Total** | **4966** | - |

Source: Dundee City Council (2006)

**Customer, Residents' and Retailers Views and Behaviour**

4.31 We have drawn on the Shoppers Survey and Retailers Survey, which was commissioned to underpin this Retail Study, to assess customer and retailer's views and behaviour. The survey included a number of attitudinal questions which highlight views on Dundee City Centre. The questions covered the range and quality of retailing, other services, accessibility, safety, and the environment.

**Shoppers survey**

4.32 Shoppers that use Dundee City Centre for their main clothing, fashion, footwear and food items prefer it as a shopping destination for a number of reasons. For example, the survey revealed that 79% of people who shop in Dundee City Centre found it conveniently close to home, whilst 89% believed the centre has about the right level of choice for shopping. With regard to the shopping environment, just over 95% of people said that they considered the layout of the city centre to be fine as it is.

4.33 The survey also showed that 47.5% of shoppers arrived by car and 35.5% arrived by bus. The three most important stores within the centre were Debenhams (35.2% identified it as one of their top 3 most important stores), Next (27.1%), Bon Marche/Primark (31.7%). Marks and Spencer was the next most important at 25.6%. 68.3% of those interviewed said they were happy with the existing provision and the store that most people wished to see in Dundee was IKEA (3.5% stated that they wished for an IKEA store).

4.34 In contrast, people's main issues that they felt needed improving were choice of shops (14.1%), more or better places to eat and drink (6.0%), less traffic congestion (6.5%) and better and bigger weekly market (4.5%). Only 2.0% stated that better or more car parking spaces are required and 0.5% stated that they wished for better public transport. 3.0% wished that shops stayed open later in the evenings.

4.35 Overall it was considered that the shoppers were largely content with the state of the city centre. It was not considered that there were any major issues that require immediate attention within the city centre, as shoppers were largely satisfied with the retail provision, the environment and access to the city centre.

**Retailer survey**

4.36 A survey of retailers was carried out by interviewing store managers. 121 retailers responded to our survey, and of those 10.7% were convenience operators, 69.4% were comparison operators and 19.8% were service operators. Of these, the proposed future plans of 95% were to remain in their current premises and 1.7% stated they were looking to relocate elsewhere in the city centre. 62.3% of those surveyed had experienced a drop in sales since 2004, with 43.6% stating that this was because more people were shopping online, 35.9% blamed increased competition from within the city centre, 25.6% blamed competition from out-of-town shopping and 20.5% blamed major roadworks.

4.37 64.1% of those surveyed believed that the City Centre's market position in shopping terms was fine as it is. 35% believed that it was too downmarket. 55% believed that the City Centre had the right mix of shops, whilst 35.8% believed there to be too many multiples and not enough independent traders. In terms of the layout of the city centre, 52.9% believed that it was fine as it is and 31.1% believed that it was too spread out and there was too large a distance between shops.

4.38 In relation to car parking, 31.6% stated that they considered the availability of car parking to be quite good. 22.8% stated that it was neither good nor poor and 24.6% stated that it was quite poor. Traffic congestion also appeared as an issue for retailers as 34.5% considered traffic congestion to be quite poor in the city centre and 28.3% considered it to be very poor, in comparison 8.0% who thought it was quite good and 29.2% who thought it was neither good nor poor.

4.39 Retailers generally considered that the public transport service which serves the city centre as good. 54% stated that it was quite good and 8.0% stated it was very good whilst 29.2% stated that it was neither good nor poor. On the issue of security and safety for shoppers 35.7% stated that the centre was neither good nor poor and 46.4% stated that it was quite good.

4.40 43.8% stated that the environment/appearance of the city centre is quite good, 31.3% stated that it was neither good nor poor and 14.4% stated that it was quite poor.

4.41 The retailers identified Debenhams (65.2% stated that it was in their top three most important stores) as the most important store for the city centre. Marks and Spencer was second most important (52.2%) and Bon Marche/Primark (20.7%) was third.

4.42 The retailers were asked '*in comparison to five years ago, how do you think the trading performance of this centre has changed?*' 29.1% stated that that the city centre has got a little stronger and 32.5% stated that the centre has got a lot stronger. 8.5% stated that the centre had got a little worse and 13.7% stated that it had got a lot worse.

4.43 In terms of the future of the city centre, the retailers were asked '*what are the most important issues in the future of the city centre?*' 38.6% stated that seeking to increase the range of local/speciality retailers was important, 30.7% stated that increasing the range of multiple retailers was important, 25.4% stated that improving appearance of town centres was important, 28.1% thought that reducing crime and vandalism was important and 21.9% thought that reducing traffic and congestion was important, whilst 22.8% considered improving parking to be an important issue.

4.44 Overall the retailer's survey did not identify any major issues that would require any urgent attention. On the whole the retailers seemed to be content with the situation of the city centre, particularly with regard to public transport and car parking. A number of retailers stated that the range of local and speciality retailers was important in the future of the centre and interestingly those who stated this were reasonably distributed amongst national multiple retailers, regional multiple retailers and independent retailers.

**Crime**

4.45 As part of our survey work we have held discussions with relevant members of Tayside Police. In the city centre, the main areas of concern for the police are shoplifting and vandalism. The DUNCAN scheme has proved particularly effective in preventing shoplifting, although initially the problem may have displaced to other shopping areas of the city. However this scheme has now been implemented city wide and significant improvements have been made. There is also a scheme in place to assist in vandalism issues, particularly with regard to graffiti. The Police are currently compiling a photographic database of 'tagging' in order to assist in identifying individuals.

4.46 Given the city centre's number of late night entertainment venues, there are some issues of anti-social behaviour that occur after dark, particularly when large numbers of people come onto the streets after closing time at late night venues. Tayside police did not consider that this was a major problem and that it is reasonably manageable. There is a ban upon drinking alcohol in the city centre and occasionally police have to take action when this is not adhered to. The city centre has 24 hour CCTV and is generally considered a safe place in the evening.

**Environmental quality**

4.47 Generally the shopping environment within Dundee City Centre is considered of a high standard and reflective of its position as a regional centre. With a large amount of floorspace located within the two major shopping centres, much of Dundee City Centre's shopping trades within modern shopping environments. There are also some areas of pedestrianisation, including Murraygate and High Street which provide an excellent shopping environment for the consumer, though prevent immediate vehicular access to many shops. Significant improvements have been made to the City Centre environment and many of these improvements were recognised in an award to Dundee City Council at the Scottish Awards for Quality in Planning 2000. The retailers study highlighted that improvement of the town centre's streets and open spaces was an important issue in the future of the town centre, although it was not the most important issue. On the other hand, when the shoppers were asked *'which of these other facilities in this town centre do you think need improving'* only 1.5% stated better cleanliness/make the centre tidier and 1.5% stated that the centre needs to be made more attractive.

**Conclusions**

- Dundee City Centre is healthy and prosperous. There appears to be significant investment within the city centre and it continues to flourish as one of Scotland's major retail destinations.

- Further investment in the Overgate Centre will ensure that the City retains its position as the fourth top retail destination in Scotland.

- Although vacancy rates are slightly above the national average it is not considered that this is any real cause for concern, particularly given the current economic climate.

- The city centre does not have any major crime issues and is well served by public transport and has ample private car parking, particularly in comparison to other cities in Scotland.

- Where the city centre does lack is in the department store sector, where it is missing the major department store operators, such as John Lewis or House of Fraser. Debenhams however is located in the Overgate Centre and is considered an important store by shoppers and retailers alike.

- As well as having a number of multiple retailers in the centre, there are also a number of independent retailers that also contribute to its vitality and viability, providing goods and services that the multiple do not. We consider that it may be difficult to have specific planning policies which would seek to retain such retailers, though development plans should reference their importance to the retail offer and also the unique goods and services that they can provide.

- An opportunity exists to increase floorspace within the city centre by the redevelopment of the Forum Centre. It is considered that an attractive retail space could be created and this would further enhance the appeal of the city centre. It is acknowledged that the Dundee Local Plan Review recognises this potential.

- We would recommend that future planning policy should seek to protect the city centre as the major retail destination in the region, in line with the guidance outlined in SPP 8, which could include a town centre strategy.

## 5.0 Qualitative Health Checks of Dundee City's shopping centres

5.1 In this section of the study, we undertake a qualitative assessment of a number of other shopping centres within the Dundee City region. We have paid particular attention to the district centres and retail parks located within the City of Dundee itself. Experian Goad have not surveyed any of the district centres considered within this section of the study and as such the qualitative assessment draws largely on data provided from Colliers CRE's on-site surveys carried out on various dates in 2006. For each of the centres within Dundee, the following are considered:

a) Retail composition and presence of multiple retailers;
b) Vacancies;
c) Rental levels and Yields;
d) Environmental Quality;
e) Night-time economy;
f) Market perception;
g) Safety and management;
h) Accessibility/Traffic/Car parking.

5.2 With regard to the centres within the wider Dundee region, we have provided a retail commentary based upon our on-site surveys and retail agents experience of each of the centres in **Chapter 6.**

**Lochee District Centre**

5.3 Lochee District Centre is located around 2.5 km to the north west of Dundee City Centre. Vehicular access to the centre comes from the north and the south, from the A923 which also bypasses the centre to the west. The existing retail provision is located along the High Street, within the Highgate Centre and Weavers Village and also into the Stack Leisure Park, where a Tesco's supermarket is located. The retail provision is largely characterised by national multiple retailers with a number of independent lower end retailers also present. The two main shopping centres lie partly vacant and offer significant opportunities for redevelopment or refurbishment.

**a) <u>Retail Composition and presence of multiple retailers</u>**

5.4 Colliers CRE undertook a detailed on-site survey and audit of Lochee District Centre in February/March 2006. The results, illustrating retailer representation is set-out in the table below. It is considered that Lochee serves a predominantly local catchment area and that also the area is operating below its potential, particularly with regard to the number of vacant properties located within the two main shopping centres.

**Table 5.1 – Lochee Retail Composition by number of units**

| Retail Category | No. of Units | Percentage of total (%) |
|---|---|---|
| **Convenience** | 11 | 12.3 |
| **Comparison** | 24 | 26.9 |
| **Service** | 37 | 41.5 |
| **Vacant** | 17 | 19.1 |
| **Total** | **89** | **100** |

5.5 Lochee has 11 convenience outlets. These consist of two supermarkets, Farmfoods and Tesco, four bakers including Greggs, two newsagents including RS McColl, a Haddows off-licence, a fishmonger and a butcher. This is a reasonable mixture of stores, which is not uncommon in a centre of this size.

5.6 In terms of comparison goods, Lochee has 24 units, making up 26.9% of the total units. In terms of national multiples, the main retailers are Boots, Semi Chem, Savers, Woolworths, Ethel Austin and Moss Pharmacy. There is scope for an increased level of comparison units within the area, although the current retail offer is unlikely to attract many more national multiple retailers, more interest could be generated with the discount multiples.

5.7 The service category is the dominant category within Lochee, with a few banks, namely Abbey, RBS and Lloyds TSB. There are also number of cafés, hairdressers, tanning salons, bookmakers, and drycleaners.

**b) Vacancies**

5.8 In terms of vacancies, Table 1 highlights that 17 units are currently vacant. This represents 19% of the total units. Notably, the majority of the core frontage remains occupied, though behind the core frontage on the western side of High Street, a number of vacancies exist within the Highgate Centre and Weavers Village. In particular, the

Highgate Centre has a large proportion of vacant space and it also serves as an entrance to Lochee Centre from the public car parks to the west. This is not an attractive element to the centre and presents an unpleasant initial entrance to the centre for consumers. Whilst not part of the defined district centre, the Stack Leisure park also suffers from a high level of vacant property.

5.9 This is particularly relevant to the district centre of Lochee, as a viable and vibrant leisure park could potentially have a positive effect upon Lochee as a retail centre with the potential for combined leisure and shopping trips. It is also recognised that Dundee City Council have approved an application for 4,645 sq m of bulky goods retailing within the Stack Leisure Park. Nevertheless, the level of vacant properties within the centre and the adjacent leisure park is not enticing to retailers and consumers alike and consideration needs to be given as to how to address this situation.

5.10 Lochee suffers because it lacks an anchor store within the heart of the centre. There is not a major store within the core retail area which is likely to draw pedestrians into the heart of the centre, which would increase footfall to the core and secondary locations in the centre. The main draw to the area is the Tesco store located within the Stack Leisure Park; however this is located on the periphery of the district centre. With parking immediately available outside Tesco's there is little to draw consumers into the heart of Lochee. Potential exists for the redevelopment of the two main enclosed shopping centres. It is considered that new more modern floorspace and a more attractive retail environment within the Highgate Centre and Weavers Village would attract retailers and consumers alike. This would potentially have a knock-on effect onto the wider Lochee area and attract consumers from the supermarkets on the periphery of the district centre, namely Lidl and Tesco.

c) **Rents & Yields**

5.11 The Highgate Centre has recently been purchased by Kenmore properties, who, it is understood are looking to refurbish the large unit to the rear of the centre to provide modern retail accommodation. Currently, Zone A rents within the Highgate centre are between £215 and £248 per sq m (£20-23 per sq ft). It is understood that the new retail space will be offered to the market for a large single or multiple users at between £86 to £108 per sq m overall (£8-10 per sq ft). It is understood that all It is understood that the centre was bought for a price reflecting a net initial yield of around 6%.

5.12 The landlords of the Poundstretcher in Lochee are currently marketing the investment for sale. The current passing rent is £40 per sq m (£3.75 per sq ft). The landlord is anticipating a rental uplift to £80 per sq m (£7.50 per sq ft) following an impending rent review.

**d) Environmental Quality**

5.13 Overall, the shopping environment within Lochee is reasonable, though there are elements such as landscaping and the design of some of the retail outlets which could be improved. Much of the built environment now appears dated and of limited architectural quality. The provision of some street furniture and landscaping may soften the retail environment and improve the streetscape. It is considered that there has been little investment in Lochee's streetscape for a number of years. Particular attention should be given to entrances to the centre from car parks and the pedestrian linkage from the Stack Leisure Park should be improved.

5.14 The centre has a good number of established national retailers including Tesco, Woolworths, Savers, Greggs, Boots, Ethel Austin, and Farmfoods. A more recent development is the new Lidl store which is located to the west of the Lochee Bypass and outside of the district centre boundary. Improved access between Lidl and Lochee District Centre could encourage more linked trips between convenience and comparison shopping in and around Lochee.

**e) Night time economy**

5.15 Our on-site survey concluded that Lochee offers a limited night time economy. There are a few public houses throughout the centre, and it is considered that greater opportunities existed when the Stack Leisure Park was fully occupied for night-time activity. There are few restaurants and there is a predominance of hot food takeaways. It is not considered that Lochee is likely to attract many consumers from outside of a local catchment area, for night time activities, given the lack of offer of restaurants and pubs.

**f) Market Perception**

5.16 Our on site survey shows that Lochee is dominated by the service category. Whilst there are good convenience stores on offer; Tesco, Farmfoods and Lidl, Lochee offers little in terms of comparison shopping with the exception of discount retailers and a number of chemists/pharmacies.

5.17 At this current stage, there appears to be little to attract multiple retailers into the area, particularly given the level of vacant property and the lack of an anchor store at the heart of the district centre. Colliers CRE commercial agents believe that the socio-economic make-up of the immediate catchment population, coupled with the ongoing success of Dundee City Centre, will mean that few national multiples will be attracted to Lochee in the near future. It is likely that some of the national discount retailers may be attracted to the area; however this is likely to require some significant investment to improve the physical environment, particularly in the Highgate Centre and at pedestrian access points from the surrounding car parks.

**g) Safety and management**

5.18 There is no current provision in place for the management of Lochee or any of the District Centres.

5.19 With regard to safety we have held discussions with Tayside Police. Over a number of years the major issues of crime have related to drug use, associated with a couple of chemists which dispense methadone, and shoplifting within Lochee. Major issues of antisocial behaviour were associated with methadone users congregating in and around the Highgate Centre. Over the past 18 months a considerable improvement has been made on both these matters as the Police, the local authority and the owners of the Highgate Centre have adopted a zero tolerance policy to these matters.

5.20 The implementation of the DUNCAN scheme in Lochee has reduced the number of incidents of shoplifting as serial shoplifters have been handed anti-social behaviour orders which prevent them from entering shop premises. The local police consider that this has dramatically improved these matters.

5.21 With the exception of a couple of locations Lochee High Street is covered by 24hr CCTV, and largely there is very little after dark crime, with the exception of some infrequent antisocial behaviour after closing hours of some of the local pubs. On the whole the local police considered that the area was relatively safe after dark.

h) **Accessibility/Traffic/Car parking**

5.22 Lochee is reasonably accessible by both private and public transport. The centre is served by the numbers 2, 3, 7, 8, 17, 28, 29, 51, 57, 59 buses though none of these services run more frequently than every 10 minutes.

5.23 There is currently free public car parking for 179 cars around Lochee District Centre. These are located at Sinclair Street (162 spaces) and St Mary's Lane (17 spaces). In particular the access from Sinclair Street to the High Street is considered poor and not enticing to shoppers. It is considered that many improvements could be made to these accesses to encourage greater numbers of people into the district centre. This would also enable greater access between the Lidl store and the centre, to encourage linked trips and improve footfall in the centre.

5.24 Additionally a large amount of private car parking exists at the Stack Leisure Park which also serves the Tesco Store. This may be used by individuals who shop at the Tesco and also shop within Lochee district centre in the same shopping trip.

**Commentary and conclusions**

5.25 A household survey was carried out as part of the study. Given the generally localised nature of the retailing that occurs in the district centres, we have analysed the survey results with regard to the zones which are geographically served by each centre. The results of the survey showed that whilst Dundee City Centre was the preferred location for non-food shopping, within western Dundee (zones 1-4) as detailed in **Figure 3.1 Appendix 3**, Lochee was the predominant alternative for non-food shopping with 26% of respondents within these zones identifying it as their second most important centre for non-food shopping. With regard to food shopping, the Tesco store was identified by 24% of those interviewed as their preferred choice for food and grocery shopping. This was in comparison to 27% who shopped at Tesco Extra at Kingsway West Retail Park.

5.26 There are a number of opportunities upon which Lochee District centre could capitalise. It is considered that a major refurbishment or redevelopment of a site in the district centre could be the catalyst for the regeneration of the area. Such opportunities exist at the Weaver Village and Highgate Centre and the potential also exists to extend the Highgate Centre into the car parks to the west. It is noted that the Highgate centre, has recently been sold. Improvements should also be made to the entrances to Lochee from Sinclair Street car park, to encourage visitors to the area.

5.27 Given that planning consent has been granted for new bulky goods retail floorspace at the Stack Leisure Park, emphasis must be placed on integrating the new development into the existing centre by providing improved pedestrian linkages along Methven Street. Given the level of car parking available at the Stack it is important that the opportunity is not lost to integrate this new development, otherwise the district centre may not benefit from the predicted increase in consumer traffic to the new floorspace.

5.28 Consideration should be given to this having regard to the wider regeneration program for Lochee, and in particular the level of vacancies which already exist. Notably another development opportunity exists in the Highgate centre and these are two development opportunities which exist which have the potential to aid regeneration.

5.29 It is understood that a masterplanning exercise is ongoing for Lochee. It is considered that this exercise could feed in to a future 'town centre strategy' as outlined in SPP 8, to aid in the wider regeneration of the area.

Perth Road District Centre

5.30 Perth Road is located immediately to the west of Dundee City Centre. The district centre boundary is around 0.8km from the city centre boundary. It is also located close to the University of Dundee and appears to have a large student population in the immediate surrounding area. The district centre runs in an east west direction along Perth Road, from Miller Wynd, to the junction of Hawkhill and Perth Road.

a) **Retail composition and presence of multiple retailers**

5.31 Colliers CRE undertook a detailed on-site survey and audit of Perth Road District Centre in February/March 2006. The results, illustrating retailer representation is set-out in the table below. Perth Road appears to serve a local catchment area, and has a generally pleasant shopping environment with buildings of good architectural quality.

Table 5.2 – Perth Road retail composition

| *Retail Category* | *No. of Units* | *Percentage of total (%)* |
|---|---|---|
| **Convenience** | 11 | 16.7 |
| **Comparison** | 21 | 31.8 |
| **Service** | 30 | 45.5 |
| **Vacant** | 4 | 6 |
| **Total** | **64** | **100** |

5.32 In terms of convenience stores, there are 11 located within Perth Road district centre. Of these there are a reasonable number of multiple retailers including; Premier food and wine, Spar and Victoria Wine. Good News mini-market also occupies the former Kwiksave store and is one of several Good News stores throughout Scotland. There are also a number of independent local retailers such as a newsagent, a delicatessen, a baker, butchers and a grocer.

5.33 There are 21 units which provide comparison shopping within Perth Road District Centre. In terms of national multiples, there are few, although Blockbuster Video and Moss Pharmacy are represented. The other retailers are independent retailers which play a key role in the vitality and viability of the centre. These include two card and gift shops, a bicycle shop, a florist, an independent pharmacy, two fancy dress shops, two antique shops, two arts shops, a homeware shop and a musical instrument shop. With such a high percentage of comparison goods shops owned independently it is considered that these shops play a major role in maintaining the vitality and viability of the centre.

5.34 The predominant category within Perth Road district centre is service uses, though this is less pronounced than in other centres. There are a couple of banks, including the Royal Bank of Scotland and Lloyds TSB, a number of restaurants and bars which will positively contribute to the evening economy of Perth Road. There are also a number of hairdressers, cafés, an optician and a print and photocopying shop.

**b) Vacancies**

5.35 There were only four vacant units identified at the time of survey. For a centre of its size it is not considered that this is any cause for concern and it is apparent that the centre is reasonably healthy.

**c) Rental levels and Yields;**

5.36 The rental levels on Perth Road vary considerably depending upon location within the pitch. The prime end, towards the City Centre, currently achieves rents of £323 – £377 per sq m (£30-35 per sq ft) in zone A. As the pitch progresses to the west, rents drop slightly to £129 – £215 per sq m (£12-20 per sq ft).

5.37 Recent transactional evidence is scarce for Perth Road and is subject to the quality of covenant on offer. It is foreseen that yields in the region of 6-6.75% are achievable.

**d) Environmental Quality;**

5.38 Overall the shopping environment at Perth Road is reasonably good, whilst there is no pedestrianisation along Perth Road, there appears to be little conflict between pedestrians and vehicular traffic. It would appear that most of the units are serviced from the front, and evidence was seen of vans parked up onto pavements, causing problems for pedestrians. The overall architectural quality of the area was high with some pleasant retail facades. There is scope for some additional landscaping/planting in places which may further soften the streetscape.

**e) Night-time economy;**

5.39 There are a number of restaurants and pubs within the area, which indicates that the area has a healthy night-time economy, and appears to be particularly popular with the local student population. The proximity of the centre to a high density population aids this and it is considered that the area is a reasonably attractive place to visit in the evening time.

**f) Market perception;**

5.40 In terms of market perception, the area has a few multiple retailers, which is fairly indicative of a centre of this size. It is considered however that Perth Road will continue to be an area underpinned by independent retailers, and that every effort should be made to retain them. Given the proximity of the town centre, it is unlikely that the area will attract many additional multiple retailers, and that the centre should be monitored to ensure it maintains it vitality and viability.

**g) Safety and management;**

5.41 Discussions were held with Tayside Police with regard to crime issues around Perth Road. It was concluded that in general, there are relatively few issues of crime in the area. There are occasional issues of antisocial behaviour including sporadic vandalism and some drug abuse in some of the closes, however on the whole the area is relatively crime free.

**h) Accessibility/Traffic/Car Parking**

5.42 The centre is reasonably accessible by both public and private transport. The centre is served by the numbers 2, 9x, 10x, 11, 13, 16, 42, 75A, 76 and 96 buses.

5.43 There are a few car parks in the immediate surrounding area which total 250 free car parking spaces. These are located at Seafield Road (15 spaces), Roseangle (91 spaces), Pennycook Lane (55 spaces), Union Place 1 & 2 (58 spaces) Ryehill Lane (13 spaces) and Mill Wynd (18 Spaces). These are evenly distributed around Perth Road and this is considered a considerable number of spaces for a centre of its size. However; in a few cases access for individuals with mobility issues from some of these car parks is substandard, most due to the hilly terrain between the car parks and the district centre.

**Commentary and conclusions**

5.44 In terms of the household survey carried out, Perth Road is only a few of the surveyed population's primary choice for non-food or food shopping. The household survey showed that very few people use Perth Road as their main or second centre for food and non-food shopping destination (less than 1% of those surveyed in zones 1-4) in all cases). This indicates that the majority of retailing in Perth Road is sporadic in nature with few people regularly visiting for major shopping trips. It is likely that often people occasionally shop in Perth Road for unique products for sale in some of the speciality shops. This therefore highlights the importance of the independent retailers to Perth Road, of which many offer speciality goods such as arts and crafts, bicycles, and antiques. Despite little or no interest as a centre for food and non-food shopping, the centre has a low vacancy rate.

5.45 There are limited development opportunities to create new retail floorspace upon which Perth Road could capitalise. It is generally considered that the centre remains reasonably healthy and that the centre provides some daily shopping for individuals within the local area, and also may attract some trade from outside the local area to some of the more speciality shops. It is considered that the speciality shops play a considerable role in maintaining the vitality and viability of the Perth Road District Centre. Future planning policy should seek to encourage the retention of the independent retailers and protect the area in its role providing a primarily local and speciality shopping provision.

**Hilltown District Centre**

5.46 At its most southerly point Hilltown District Shopping Centre is located around 400m to the north of Dundee City Centre. The shopping centre runs north-south from Lidl on Strathmartine Road to the corner of Hilltown and Alexander Street in the south. The Hilltown area itself has neighbourhoods which rank low in the Scottish Index of Multiple Deprivation 2004 (source: Scottish Executive), with certain areas amongst the top 300 most deprived neighbourhoods in Scotland. Thus the immediate catchment area is generally considered to be at the lower end of the socio-economic scale. The general retail environment is considered poor, and overall the retail offer is limited.

a) **Retail composition and presence of multiple retailers**

5.47 Colliers CRE conducted on street surveys during February/March 2006. The results, illustrating retailer representation is set-out in the table below.

| *Retail Category* | *No. of Units* | *Percentage of total (%)* |
|---|---|---|
| **Convenience** | 20 | 17.2 |
| **Comparison** | 16 | 13.8 |
| **Service** | 46 | 39.7 |
| **Vacant** | 34 | 29.3 |
| **Total** | **116** | **100** |

5.48 In terms of convenience stores, there were 20 identified in Hilltown. Of these, a limited number are national multiples which includes Lidl, Premier and Spar. The remaining units consist of independent retailers which includes; general convenience stores, fishmongers, bakeries, newsagents, and a butcher.

5.49 In terms of comparison shopping, the offer in Hilltown is very limited. There are no multiple comparison retailers, with the exception of Alliance Pharmacy, located in the area with independent retailing dominant. The independent retailers consist of; a florists, and electrical goods store, a second hand shop, two carpet and flooring stores, a clothing shop, a pet shop, a leather goods store, a motorbike shop, a home furnishing store, a charity shop, a hardware/second-hand shop, a chemists and a fireplace shop. The comparison retail provision is considered very poor, and is highly unlikely to attract consumers from outside of the local catchment area.

5.50 The service sector is the most predominant category in Hilltown utilising 46 units. Of these, there are a few national multiples; Lloyds TSB and two Ladbrokes betting shops. Additionally there are other independent service operators, such as a few pubs, sandwich shops, chiropractors, funeral directors, a number of hairdressers, dry cleaners, numerous hot food takeaways, a body piercing shop, a property services shop, and a couple of cafes.

**b) Vacancies**

5.51 One area of major concern for Hilltown District Centre is the level of vacant properties. There are 34 vacant properties within the district centre, which accounts for 29.3% of the units. In many cases the vacant properties are in a poor state of repair and would require considerable refurbishment prior to occupancy. Large numbers of vacancies can hinder retailers from locating into the area, and also do not create a pleasant environment for the consumer. There are number of factors which may cause vacancies at any one time and it is difficult to determine one individual reason. More than likely a multitude of factors will be causing the vacancies including the proximity of the city centre, lack of demand from retailer and consumers alike, the poor shopping environment, the size/layout of units, and the lack of an anchor store within the centre to draw trade, causing low footfalls.

**c) Rental levels and yields**

5.52 Existing rental evidence in the Hilltown area suggests Zone A rates of £129 - £194 per sq m (£12-18 per sq ft) are achievable, dependent upon the layout of the unit. Again transactional evidence is scarce, however further evidence would suggest yields of 7.5-8.75%.

**d) Environmental Quality**

5.53 Generally, the shopping environment is considered poor throughout Hilltown. In the majority of areas, the retail offer is limited to one side of the street and thus the retail layout is often disjointed. There are a number of vacant and unoccupied properties which have poor quality facades which may not appeal to potential tenants or consumers. There is limited street furniture or landscaping within the area, and provision of this may assist in softening the streetscape. Generally the areas to the south of Hilltown are worse than those to the north, and it is considered that Hilltown generally deteriorates as it heads towards the city centre.

e) **Night-time economy**

5.54 There are a few pubs in Hilltown, but limited other types of night-time economy. It is considered that Hilltown will not generate much night-time activity beyond those who live in the immediate locality. There are a couple of cafés and restaurants however it is not considered that these uses will generate much footfall in the evening.

f) **Market Perception**

5.55 Currently, Hilltown offers little appeal to national retailers particularly due to the proximity of Dundee City Centre, and in particular the Wellgate Centre which is proving to be a popular location for many of the national discount retailers. It is likely that significant improvements would have to be made to Hilltown in order for it to be attractive to retailers, and even then it may only to attract some discount retailers. Many of the units are small and unattractive to retailers who are currently seeking more modern and spacious layouts.

g) **Safety and management**

5.56 We have discussed the issue of crime and safety in Hilltown with Tayside Police. They consider that Hilltown suffers from a bad reputation that is not reflective of current crime issues. The police consider that there are no major issues of shoplifting, anti-social behaviour or drug abuse within the area, although sporadic instances do occur. Overall they consider that the Hilltown area will benefit from future regeneration proposals and the imminent removal of some highrise residential blocks at Alexander Street and Derby Street. The DUNCAN scheme is available to retailers in the area, though currently, only one retailer has joined.

h) **Accessibility/Traffic/Car Parking**

5.57 There are currently six bus services serving Hilltown. Two of these, 1B and 22, have frequencies of less than 10 minutes. The other services, 3, 4B, 36 and 71 only run every

30 mins. It is considered that bus accessibility could therefore be improved around Hilltown.

5.58 Given the existing historic nature of the centre, many outlets are constrained and as such, most of them appear to be serviced from the front of the shop. During the course of the fieldwork a number of vans appeared to be parked up onto pavements whilst servicing units and there appeared to be a number of conflicts between pedestrians and vehicles. At certain points this made pedestrian access difficult. In many other locations the gradient of the street was such that it may be difficult for those with mobility issues to negotiate. This is particularly at the lower end of the centre, where the pavements are particularly steep.

5.59 In terms of car parking, the provision at Hilltown is considered poor. There is only 122 free car parking spaces and these are located to the south east of the district centre, at James Street (58 spaces), Ann St 1 & 2 (48 spaces) and Nelson Street (16 spaces). There is also a pay and display car park at Hilltown West which provides 27 spaces. Noticeably all the car parks are located some distance from the core frontage of Hilltown and do not offer retailers and shoppers alike with easy opportunities for access. Coupled with the public transport provision it is considered that Hilltown is poorly accessible from outwith the immediate catchment area.

## Commentary and Conclusions

5.60 From our household survey it was clear that very few people use Hilltown as their main centre or secondary centre for food or non-food shopping. The results showed that less than 1% of individuals surveyed within zones 2, 3, 4 & 5 utilise Hilltown as their primary or secondary shopping destination for food or non food.

5.61 It is considered that currently, Hilltown is significantly underperforming and as such is an unhealthy retail centre. There are however limited opportunities to improve the centre in terms of its retail provision at this time. The primary development-led opportunity would be to locate a retailer or retailers to Hilltown Park, where Fitness First is situated. It is considered that this would present an opportunity for a discount food retailer; in turn this would assist in generating footfall within the heart of the district centre, and along with some streetscape improvements may be a catalyst for regeneration of the area. It is understood that this site was formerly occupied by a discount retailer, and therefore there may be few development control issues that exist which would prevent such a development.

5.62 Future planning policy should seek to encourage the occupancy of units, and continue to encourage a diversity of uses within Hilltown. Consideration should be given to the boundaries of the district centre. It is considered that the potential exists for a reduced size of district centre, with the boundaries of the centre stretching less to the south. Alternative uses, including perhaps residential properties at ground level could be considered in some of the peripheral retail areas. Consideration could also be given as to how to increase the size of retail units within the centre to provide larger and more attractive retail space.

5.63 We would recommend that a future 'town centre strategy' is developed for Hilltown, in line with guidance in SPP 8 and the forthcoming planning advice note.

## Albert Street District Centre

5.64 The most southerly point of Albert Street District Centre is located around 650m north east of the Dundee City Centre boundary. The shopping district runs north south though is often sporadic in nature due to some ground floor residential properties. This affects the overall shopping environment, as retail frontages are interrupted with residential properties. There are some attractive retail frontages within the centre, however in general the overall shopping environment is of a low standard.

### a) Retail composition and presence of multiple retailers

5.65 Colliers CRE conducted on street surveys during February/March 2006. The results, illustrating retailer representation is set-out in the table below.

| *Retail Category* | *No. of Units* | *Percentage of total (%)* |
|---|---|---|
| **Convenience** | 17 | 15.7 |
| **Comparison** | 20 | 18.6 |
| **Service** | 50 | 46.3 |
| **Vacant** | 21 | 19.4 |
| **Total** | **108** | **100** |

5.66 There were 17 identified convenience stores in Albert Street. In terms of multiple retailers, only Somerfield was identified. The rest of the convenience stores consist of local independent traders such as newsagents, grocers, bakers, off licence, mini fruit market, general store and other typical local convenience outlets.

5.67 There were 20 comparison goods outlets identified. Again the number of multiple retailers was limited though Blockbuster Video and an Alliance Pharmacy were identified. Other comparison outlets comprised independent retailers including a bicycle shop, Morrison's Pharmacy, a pet store, a wool shop, a florist and a kitchen, bathroom and interiors shop.

5.68 The predominant sector within Albert Street is the service sector. It was noted that 12 of the 40 service units were occupied by hairdressers, beauty salons or barbers. National multiples within the centre include RBS, Ladbrokes, the Post Office and Lloyds TSB. Other service uses include cafés, restaurants, a solicitor's office, an estate agent's, a medical centre, a residential letting agency, and a tattoo parlour.

b) **Vacancies**

5.69 There are also a considerable number of vacant properties, many of which appear to be in a poor state of repair. This is particularly evident at the northern end of the centre on a section of Dura Street and a row of units along Mains Loan, which are also within the core retail area. There are vacant properties throughout Albert Street and this indicates that there is limited demand for retail units in Albert Street. In comparison, it is considered that the retail offer and general environment of Albert Street is considered of a higher standard than Hilltown. Our survey indicated that vacant properties account for 19.4% of the units within the district centre boundary. Some of these vacancies are within core frontage, and some appear to be unsuitable for occupation in their current state. This is a major area of concern for Albert Street.

c) **Rental Levels and yields**

5.70 Existing evidence suggests that rate of £129 - £161 per sq m (£12-15 per sq ft) in zone A are achievable in Albert Street. Though evidence is scarce, it is estimated that yields of 7.5-8.75% are possible in the area. It should be noted that many retailers in Albert Street are owner occupiers and as such there is limited transaction information available.

d) **Environmental Quality**

5.71 There are elements of the shopping environment which are considered of a low environmental quality, including the dilapidated state of some vacant properties. Some of these exist within the core frontage of the district centre. This needs to be addressed by identifying the reason behind the vacancies and dilapidation, as many do not appear to be actively marketed. On the other hand there are elements of pleasant shopping frontages which are attractive and appear well maintained. In particular, the units on the north eastern corner of Balmore Street and Albert Street are an example of this. There is very little evidence of any street furniture or landscaping, which would assist in softening the streetscape and enhance the retail environment.

e) **Night-time economy**

5.72 There is evidence of some night time economy on Albert Street, including several restaurants and bars. The area would appear to be more attractive as a night time location than Hilltown, though it is not considered that it is a draw for many outwith the immediate catchment area.

f) **Market perception**

5.73 Overall the general market perception is that Albert Street is not highly attractive to many of the multiple retailers, beyond those who currently exist. The majority of retailers are seeking space within Dundee City Centre and within one of Dundee's three retail parks, which provide modern, larger accommodation than can be provided in Albert Street. Albert Street also suffers due to the sporadic nature of the core retail frontage, which is often disrupted by residential properties at ground floor level. The reason for this appear to be historic in nature, however the lack of several units located together means that the area is less attractive for shoppers and retailers alike.

g) **Safety and management**

5.74 We discussed matters of crime in the area with Tayside Police. It was apparent that there were no major issues of crime in the area. Shoplifting was limited, particularly in regard to levels that occur in the city centre. It was considered that there was not the quality of shops in the area to attract major shoplifting. The DUNCAN scheme is not yet operating in Albert Street, according to the police there appears to be limited interest from shopkeepers. There do not appear to be any major issues of vandalism or visible drug abuse in the area, though sporadic issues have occurred.

h) **Accessibility/Traffic/Car Parking**

5.75 Albert Street is currently served by five bus services. Of these, numbers 15, 32 and 33 have a frequency of less than ten minutes. The number 20 has a frequency of 10-30 minutes and the number 37 is greater than 30 minutes.

5.76 There are three car parks which serve the Albert Street District Centre and the provision of is considered average for a centre of this size. In particular Dura Street (135 spaces) is located close to much of the core frontage of Albert Street. The other car parks, Ferguson Street (36 spaces) and Kemback St (45 spaces) are located to the south and east of the District Centre.

5.77 Pedestrian access in Albert Street is reasonable, although in parts the gradient of the street may cause difficulties for those with mobility issues.

**Commentary and conclusions**

5.78 In terms of the household survey we have assumed that zones 2, 5, 6 & 7 may be a reasonable area from which Albert Street may draw. Again the survey results show that Albert Street plays a limited role in providing local retail needs. Less than 1% of the surveyed population in zones 2, 5, 6 & 7 use Albert Street as their primary or secondary destination for food or non-food shopping. It is noted that a new Lidl supermarket has been granted planning consent in a location on the edge of the district centre. This will draw trade into the catchment, and as it is located on the edge of the district centre, there is the possibility for linked shopping trips to Lidl and the other shops in Albert Street.

5.79 Given the historic nature of the built up area in Albert Street, there are limited opportunities to develop further floorspace. Should the development of a new discount foodstore come to fruition in its edge-of-centre location, increased footfall may be generated from this provided that the pedestrian linkages are of a high standard. Albert Street's core frontage also lacks continuity throughout the street, as in many cases shop units are interrupted by residential properties at ground level. Consideration could be given to allowing the change of use of some of these ground floors residential properties to retail to create a more continuity in the retail frontage.

5.80 We would recommend that the development of a 'town centre strategy' for Albert Street may assist the regeneration of the area. This should be developed in accordance with SPP 8 and the forthcoming Planning Advice Note.

**Broughty Ferry**

5.81 Broughty Ferry District Centre is located around 5 ½ kms to the east of Dundee City Centre. It is the most outlying of all of Dundee District Centre's and benefits as a result, particularly with a reasonably affluent local catchment area. The centre also appears to play a role for visitors, not only providing shopping needs for a local catchment area, but also to tourists visiting local tourist destinations. The district centre is the only district centre of Dundee which is accessible by rail. In general the retail environment is pleasant and there are instances of landscaping and street furniture which enhance the streetscape.

**a) Retail composition and presence of multiple retailers**

5.82 Colliers CRE conducted an on site survey of Broughty Ferry. The results are recorded in the table below.

| *Retail Category* | *No. of Units* | *Percentage of total (%)* |
|---|---|---|
| **Convenience** | 16 | 12.12 |
| **Comparison** | 59 | 44.7 |
| **Service** | 53 | 40.15 |
| **Vacant** | 4 | 3.03 |
| **Total** | **132** | **100** |

5.83 In terms of a convenience provision, only 16 units offering convenience shopping were identified in Broughty Ferry. Of these Somerfield, Spar, Greggs and Victoria Wine were identified as multiple retailers. There were also a number of independent convenience stores, which appeared to be trading well, including two grocers, two fishmongers, a bakery, a deli and a butcher. Many of these appeared to be in good retail locations, selling upmarket produce within pleasant and well maintained units.

5.84 Comparison goods shopping is the most prominent sector of Broughty Ferry. Identified multiple retailers include Happit, Semi-chem, Superdrug, Global Video, Woolworths and Boots. There are a number of independent comparison goods retailers who appear to be trading successfully in Broughty Ferry including Gillies Home Furnishings, several card and gift shops, Sarah's of Cupar and other fashion/boutique outlets, and a number of arts and craft shops. It is apparent that many of the independent retailers play an important role in maintaining the vitality and viability of Broughty Ferry, and Dundee City Council should seek ensure that this is the case. One issue of slight concern for Broughty Ferry is the number of Charity Shops which are located in the district, particularly within the core frontage of the centre. Seven charity shops were identified and four of these were located within the prime retail frontage of Broughty Ferry. It is not considered that charity shops significantly add to the vitality and viability of the district centre, particularly as they generally do not generate footfall which is fitting of a core retail area. Whilst Charity Shops have a role to play in secondary retail frontages, it is considered that an over-supply of them is not attractive to prospective shoppers, and they are not attractive for other retailers in the area and they do not bring shoppers with high disposable incomes to the area. A high number of charity shops are indicative of an area in decline as outlined in PAN 59, though, as outlined above, it is not considered that this is the case in Broughty Ferry. They do however often offer good covenant to landlords with the larger organisation offering security of tenure for lessors.

5.85 In contrast to the other district centres within Dundee, the service sector is not the predominant sector within Broughty Ferry. There were a number of multiples in the area; including; Lloyds TSB, William Hill, Yorkshire Building Society, Thompsons Travel, Clydesdale Bank, RBS, Bank of Scotland, Photopoint, Timpsons and Thomas Cook. Other than those there a number of independent service uses such as a dental implant clinic, hairdressers and beauty salons, cafés, restaurants, bars, opticians and takeaways which appear to be trading reasonably well.

**b) Vacancies**

5.86 At the time of the survey, only 4 units were identified as being vacant. This is considered normal for a centre of this size and is indicative of a strong retail centre.

**c) Rental levels and yields**

5.87 As a direct result of low vacancy rates, rents of between £269-403 per sq m Zone A (£25-37.50 per sq ft zone A) have been achieved in Broughty Ferry. Due to this low vacancy rate and the affluent nature of the catchment, yields have been compressed in comparison to other local centres to around 5.6-6%.

**d) Environmental Quality**

5.88 The overall shopping environment is considered to be of a high standard. There is evidence of on-street landscaping and ongoing maintenance to footpaths. Part of the district centre only allows one-way traffic and as such, pavements are wide and the core frontages accessible. There were no premises which looked dilapidated or in disrepair and it is considered that all the vacant units had potential for occupation.

e) **Night-time economy**

5.89 There was evidence of some night-time activity within Broughty Ferry with several restaurants and bars. It is considered that evening activity would occur with both visitors to the area and with those from a local catchment area.

f) **Market Perception**

5.90 Given Broughty Ferry's distance from Dundee City Centre and its attractiveness as a tourist destination, it is considered Broughty Ferry is attractive to national multiple retailers and service uses. However given the lack of vacant properties, there is limited scope for further occupancy at this stage, without the development of further floorspace, for which opportunities are limited.

g) **Safety and management**

5.91 There is no ongoing active town centre management for Broughty Ferry.

5.92 In terms of safety, we have discussed the area with Tayside Police. Broughty Ferry does not have any major crime problems. One of the main issues that have affected the district centre was shoplifting created by the displacement of shoplifters from Dundee City Centre when the DUNCAN scheme was introduced. This scheme has now been introduced successfully into Broughty Ferry with positive results. Other issues of crime in the centre are fairly minimal, with some minor issues relating to youths hanging around during the summer months.

5.93 The town centre is covered by CCTV cameras and is generally a safe environment after dark. Overall there are limited issues of crime associated with Broughty Ferry.

h) **Accessibility/Traffic/Car Parking**

5.94 Broughty Ferry is currently well served by public transport. There are several bus services which serve the area. Of these only the number 88 has a frequency of less than 10 minutes. Other services to and from the area are numbers 8, 9, 11, 40, 73, 75, 75A and 76. The area is also served by a railway station, which is located immediately adjacent to the district centre. The train station is located on the Dundee to Aberdeen line.

5.95 Broughty Ferry has no free car parking within car parks. All car parking in car parks around Broughty Ferry is pay and display and there are 142 spaces in three car parks. These consist of Queen Street (81 spaces), Fort Street (13 spaces) and Brook Street (48 Spaces).

5.96 In terms of pedestrian accessibility, the centre is relatively flat although there are some access issues into the centre of Broughty Ferry from Queen Street. In particular access from Fort Street involves a steep humped back bridge which has narrow pavements. To access Brook Street from Queen Street via Gray Street involves the railway level crossing and an underpass which has a steep set of stairs. The main issues of access are caused by the railway line and the conflict between pedestrians and the train line. The same issue occurs at the St Vincent Street access, which passes under the railway bridge, the height of which prevents some vehicular access by taller vehicles. It is also recognised that the area under the bridge has regular issues of flooding. Many of these access problems from Queen Street may cause issues for those with impaired mobility

5.97 There are existing works underway within the centre which are part of the ongoing pavement and environmental improvements, and overall access within central Broughty Ferry is considered of a high standard. Noticeably, a section of Brook Street has introduced a one way traffic system which has allowed for improvements to be made to the pavements through the narrowing of the road, which has improved pedestrian access.

**Commentary and conclusions**

5.98 With regard to the household survey, we have considered that zones 7 and 8 would be reasonable area from which Broughty Ferry would draw regular trade. Broughty Ferry was identified by 7.8% of those surveyed in zones 7 and 8 as their first preference for non-food shopping and by 18.5%% as their second most important centre for non-food shopping. Somerfield in Broughty Ferry was 7.8% of those surveyed main store for food shopping and also 7.2% of those surveyed second centre of food shopping. Along with the number of independent convenience stores which appear to be trading successfully in Broughty Ferry, these results show that Broughty Ferry plays an important role in top up shopping for the local catchment area. It is considered that the range of shops available within Broughty Ferry make it an attractive place for local consumers.

5.99 Overall Broughty Ferry appears to be performing well as a district centre. It is an attractive location for shoppers and retailers alike. Broughty Ferry benefits because it is located some distance from Dundee City Centre and appears to have its own catchment area, without tremendous competition from the City Centre. The catchment population is also added to by people visiting the tourist attractions in the local area. This is an element that none of the other district centres have. There are also environmental improvement works ongoing at Broughty Ferry which will further enhance the area for retailers and consumers alike.

5.100 One specific issue would relate to the number of charity shops which are located within the core frontages of the retail area. Other than these there are few issues that should cause concern for Broughty Ferry and if investment continues into the built environment, there is no reason that the district centre cannot continue to be healthy and vibrant.

## Conclusions on Dundee's District Centres

5.101 Overall, Dundee district centre's offer contrasting images of vitality and viability. On one hand and at the positive end of the scale, Broughty Ferry and Perth Road appear to be healthy and vibrant, whereas Lochee, Albert Street and Hilltown have issues of vacancies and dilapidation. Overall the main conclusions of the qualitative study of Dundee's district centres are:

- With the exception of the city centre and the out-of-centre retail parks, the district centres are the main location for retailing within Dundee.

- High levels of vacancy exist within Lochee, Albert Street and Hilltown. In particular Hilltown appears to have the most problems, and there are limited opportunities for improvement.

- These areas also have poor shopping environments caused by a lack of investment in the built environment. In Lochee there are opportunities for development-led regeneration which should be encouraged by the Council. Particular examples of this are new retail floorspace within the Stack Leisure Park and the redevelopment of the Highgate and Weaver Village Shopping Centres.

- Careful thought should be given to the future of these centres, in particular Lochee, Hilltown and Albert Street. A carefully thought out planning policy regime should be adopted to encourage the regeneration and revitalisation of these areas. In some cases this may be development led and in particular in Hilltown and Lochee, such opportunities exist. In Albert Street, the linkages between the new Lidl store should be enhanced to ensure that footfall generated by the store has a knock on effect onto Albert Street.

- Environmental improvements could be undertaken within all of the district centres, though it is apparent that in Broughty Ferry these are currently ongoing. Issues that could be improved include landscaping in and around the district centres, and the provision of street furniture in a number of locations.

- Areas such as Perth Road and Broughty Ferry should continue to be protected as retail centres, and regularly monitored to ensure that they continue to be healthy.

- Consideration could be given to the appointment of a district centre manager to oversee improvement and to provide the link between the local community, the traders and the Council in all of the district centres, with particular emphasis on the centres of Lochee, Hilltown and Albert Street. Town centre strategies, developed in accordance with SPP 8 and the forthcoming PAN may assist in the regeneration of some of the district centres.

**Dundee's Retail Parks**

5.102 Dundee has three retail parks, Kingsway West, Kingsway East and the Gallagher Retail Park, East Dock Street. The two retail parks along the Kingsway to the north of the city centre would be considered 'out-of-centre' and the Gallagher Retail Park, located to the south east of the city centre is considered 'edge-of-centre' in terms of the definitions with SPP 8.

5.103 Colliers CRE carried out a series of onsite surveys during March and April 2006. We have prepared a detailed qualitative analysis of each of the centre's taking into account the factors with which the district centres were assessed.

**Kingsway West Retail Park**

5.104 Kingsway West is number 33 in the FPD Savills Top 100 retail parks in the UK. Within Scotland, only Fort Kinnaird in Edinburgh (number 3), Forge Retail Park, Glasgow (number 16) and Glasgow Fort, Glasgow (number 18) rank higher. This list is calculated based upon the gross internal floorspace of each park. Kingsway West is identified as having 27,000 sq m of retail floorspace.

5.105 The significant growth in Dundee's retail warehousing market has been principally centred on the refurbishment and extension at Kingsway West. In this location rents are now heading to £242 per sq m (£22.50 per sq ft) for a standard 929 sq m unit (10,000 sq ft), which is certainly in line, if not ahead of similar bulky consented parks elsewhere in Scotland.

5.106 Through planning conditions and Section 75 agreements there are certain good restrictions which apply to Kingsway East Retail. A separate chapter deals with these restrictions in more detail, however in general the retail park is restricted to 'bulky goods' and food sales only.

5.107 Current occupiers at the park are:

- Tesco
- Homebase
- SCS
- Reid Furniture

- Currys
- MFI
- Carpetright
- Bensons for beds
- Land of Leather
- Off to bed
- DP Furniture Express
- Staples Office Superstore
- PC World
- Pagazzi
- Harveys
- General George
- Halfords
- Toys r Us
- Burger King
- Pizza Hut.

5.108 This represents a split of convenience and comparison shopping, with the majority of floorspace taken up with comparison shopping. The convenience shopping consists of the 9,290 sq m (100,000 sq ft) Tesco Extra store. There are currently three vacant units within the park. The number of vacant units is not considered to be a significant cause for concern, and it is considered that over time, these units will be occupied.

5.109 The retail park has excellent vehicular access from Kingsway which is the main ring road around Dundee. It is considered that the car is the most popular transport mode by shoppers at Kingsway West, and there are a considerable number of car parking spaces (1500). The retail park is also accessible by bus with services 1, 14 & 71 serving the park.

5.110 In terms of pedestrian flows, the retail park is reasonably pedestrian friendly, although clearly their will be instances of conflict between pedestrians and vehicles as vehicles navigate the car park, and passengers access the shops.

5.111 The centre is modern and reflects a style of architecture usually associated with modern retail parks. It is considered that the overall environment of the park is pleasant without being architecturally outstanding. There are element of landscaping and a water feature which helps to soften the streetscape. The landscaping is still young and it is considered that it will be a number of years before the trees and shrubs mature. It is important that these areas be kept maintained as there is the potential for these to be neglected which would detract from the overall environment of the park.

**Kingsway East Retail Park**

5.112 Kingsway East Retail Park is underpinned by a significant ASDA store. The retail park appears to have been developed sporadically over time and as such suffers from a disjointed layout. Nevertheless, with the letting of the former Currys unit to Harry Corry there are currently no vacancies in the park. The presence of Asda maintains the retail parks position as the second tier bulky goods location in Dundee and this is reflected in rents substantially lower at around £151 per sq m (£14.00 per sq ft).

5.113 Through Section 75 agreements there are certain good restrictions which apply to Kingsway East Retail. A separate chapter deals with these restrictions in more detail, however in general the retail park is restricted to 'bulky goods' and food sales only.

5.114 The current occupants at the retail park are:

- ASDA
- Pets at Home
- Bensons for Beds
- Rosebys
- Comet
- McDonalds
- Harry Corry
- B&Q
- Wickes

5.115 These operators show a mixture of convenience and comparison shopping. The convenience floorspace consists of ASDA, although as with many modern supermarkets there are levels of comparison shopping within the store.

5.116 There is currently one vacant property within the retail park caused by the demise of the retailer Powerhouse. It is considered that demand for retail space in this location is healthy.

5.117 The retail park has good vehicular access from Kingsway and is also accessible by the number 14, 37, 20, 33, 32 and 27 buses, though none of these run more frequently than every 10 minutes. In terms of pedestrian access it is considered that the retail park is relatively poor. It would appear that the retail park has developed incrementally over a number of years and as such the park suffers. A number of the units are separated from each other by differing land levels, and also with roadways in between causing conflicts between pedestrians and vehicles. There are therefore limited opportunities for linked shopping trips between stores, for example it is unlikely that a shopper would walk between ASDA and the former Powerhouse unit, and would more than likely drive between them due to the existing pedestrian access issues. There are currently around 1,130 car parking spaces within the retail park.

5.118 The overall environment at the retail park is reasonable, though many of the buildings are of little architectural merit. The glass entrance to Asda is an interesting architectural feature. There are elements of landscaping throughout the park, although these do not appear to be particularly well maintained.

**Gallagher Retail Park, East Dock Street**

5.119 Gallagher Retail Park is located to the southeast of Dundee City Centre. Although there are some pedestrian obstacles between the City Centre and the retail park it is considered that the retail park is an 'edge of centre' location as defined in SPP 8. The Gallagher Retail Park is subject to a restriction in the goods that may be sold from it, which are different to those at Kingsway East and West retail parks. Conditions attached to the planning consent for the park do not allow the sale of the following goods; DIY/Home Improvements, Carpets, Garden Goods, Motoring Products and accessories, jewellery, silverware, watches and clocks, furniture and electrical goods. Essentially this allows the sale of goods which are more commonly associated with town centres, essentially precludes the sale of bulky goods from the retail park.

5.120 This has satisfied retailers who require large floorplates which are not readily available elsewhere in the City Centre. This has meant that rents at the retail park are pushing towards £269 per sq m (£25.00 per sq ft).

5.121 Current occupiers at the park are:

- Matalan

- Brantano
- TK Maxx
- JJB Sports
- Next
- Mothercare
- Borders

5.122 The park has good vehicular access from East Dock Street and has pedestrian links with the city centre although there are a number of obstacles and roads to cross in between. Pedestrian access within the park is good. The roadways and walkways within the park are relatively flat with few obstructions for pedestrians. There are 579 car parking spaces located within the park. The park is also accessible by the number 7, 40, 71, 75, and 76 buses, although none of these run more frequently than every ten minutes.

5.123 The overall environment of the retail park is considered of a high standard for a modern retail park. The park includes a currently unoccupied A-listed building that has been sensitively developed to provide modern retail space. There are some elements of landscaping and some architectural features that create a modern pleasant shopping environment. It is considered that the retention of the listed building has been integral to creating the quality of environment that exists.

5.124 An opportunity currently exists to extend the retail park onto the First Bus site to the east. It is understood that plans have been discussed for this and this is reflected in an allocation within the Dundee Local Plan for bulky goods retail warehousing. It is considered that this would be an excellent opportunity to further develop the cities retail provision, although care must be taken to ensure that the development does not undermine the city centre.

**Conclusions on Dundee's retail parks**

5.125 Dundee's retail parks are currently performing well and remain well occupied. Kingsway West is one of the largest retail parks in the UK, and whilst there are some vacant units within the park, this is not considered any major cause for concern. There is only one vacancy at Kingsway East Retail Park, and whilst the park is rather disjointed in its layout, it remains reasonably popular with both retailers and consumers.

5.126 We would recommend that future development plans continue to recognise Dundee's retail park's as 'commercial centres' in line with SPP 8 and that their position with the sequential approach is recognised. The goods range restrictions which exist at Gallagher Retail Park attracts a different type of retailers than those at Kingsway East and West. The park has been designed sympathetically and a pleasant retail environment exists. It is considered that all the units will be occupied in the near future and thus the centre appears to be healthy.

## 6.0 Qualitative analysis of outlying retail centres

### Alyth

6.1 The town is situated on the Alyth Burn 5 miles (8km) east of Blairgowrie. It lies at the foot of the Braes of Angus in the valley of Strathmore close to Perthshire's eastern boundary with Angus. Created as a burgh with a marketing function in 1488, Alyth developed in association with cattle droving and the wool, jute and linen trades. Alyth has a population of approximately 2,300 and is served by average retail provision dominated by small independent retailers. There were no multiple retailers in evidence at the time of this report.

6.2 The emerging Eastern Local Plan by Perth and Kinross Council identifies Alyth as a centre with smaller retail provision than Blairgowrie. It is considered that Alyth plays predominantly local role in shopping provision, with residents of the area travelling to Blairgowrie for their main convenience goods shopping.

### Arbroath

6.3 Arbroath is a popular tourist destination and the character of the town reflects this, with a significant population increase during the summer months. Arbroath is identified as a 'major town centre' in the Dundee and Angus Structure Plan approximately 15 miles from both Dundee and Montrose/Brechin. It has a population of approximately 22,500. The main shopping centre is the Abbeygate Centre, which is anchored by a Co-op store. Arbroath High Street itself appears to be very healthy and there are a number of multiple retailers in occupation indicating a strong local retail catchment. Other prominent shopping streets are Lindsay Street and Gravesend, which, along with High Street are identified by FOCUS as the top 3 ranking streets in the town. Current Zone A rentals for retail units are around £269 per sq m (£25 per sq ft) which is indicative of a town of its size (source FOCUS) and 40% of FOCUS' top twenty retailers are present in the town; including Boots, Argos, Woolworths, Superdrug and Lloyds Pharmacy.

6.4 There is a small retail park to the South which consists of Focus DIY and smaller unit shops. We are advised that Macdonald Estates are in the process of obtaining planning permission for a new Asda store which will be located alongside the existing Focus store.

6.5 There is also a large Morrison's superstore to the north of the town and we are informed that the land to the north of Morrison's has been acquired by Tesco, presumably for a new store adjacent to Morrison's.

## Blairgowrie

6.6 Blairgowrie became a Burgh in 1634 and by the end of the 18th century the area was a prominent centre for the growing of flax. The linen industry was also strong, with the first industrial mill erected in 1798. In 1855 the railway arrived as a branch line from Coupar Angus. The current population stands at approximately 7,900. The area is well-known for becoming the focus of Perthshire's soft fruit growing and this forms a main part of the local industry, along with tourism as it acts as tourist centre for Glenshee ski "resort" and has quite a large number of tourist/souvenir shops.

6.7 The town centre benefits from a newly-opened 4,180 sq m (45,000 sq ft) Tesco supermarket in an edge-of-centre location. In addition, there are a large number of independent retailers, with multiple retailers including: Bank of Scotland, Clydesdale Bank, Edinburgh Woolen Mill, Lloyds TSB, Semi-Chem, Spar, Royal Bank of Scotland, Nationwide Building Society, Boots, Tesco and Woolworths. The High Street of Blairgowrie continues to be the most prominent street for retailing in the town.

6.8 Blairgowrie is identified in the emerging Eastern Local Plan by Perth and Kinross Council as the major retail centre for the plan area. The plan area includes the towns of Alyth and Coupar Angus.

## Brechin

6.9 The small town of Brechin has a population of around 7,000 and lies on the A90 between Dundee and Aberdeen, around 15 miles from Forfar. Historically, textiles, brewing and distilling were the main industries in the town; although the majority of commercial activity is presently in agriculture. Tourism is also an important industry in the town, although this mainly takes the form of day visitors and this is reflected in the small number of trading hotels.

6.10 The population is provided with an average amount of retail provision; multiple retailers present in the town include: Alldays, Alliance & Leicester, Woolworths, Bank of Scotland, Blockbuster, Clydesdale Bank, Moss Chemists, Semi-Chem, Somerfield and Spar. There are also a small number of independent retailers. Brechin is recognised as a smaller town centre in the Dundee and Angus Structure Plan and offering more locally oriented shopping opportunities. Most of the retailing is located in the core retail area of High Street, St David Street and Swan Street.

**Carnoustie**

6.11 The town's main historic industries were textiles and barley malting, of which barley malting is still part of the modern industry in the area. Throughout the last century the town has been known as a seaside resort and still largely depends on golf-related tourism in this respect. It's location on the main railway line between Aberdeen and Dundee makes it readily accessible for this purpose.

6.12 Carnoustie currently has a population of approximately 10,200. In general, the town is poorly served in terms of retail facilities and performs the role of a small local centre, and is recognised as a smaller town centre in the Dundee and Angus Structure Plan and offering more locally oriented shopping opportunities. Convenience shopping is limited to the Co-op and local butchers/bakers.

6.13 There are some limited retail facilities to the west of the town, mainly consisting of pubs, restaurants and a small number of smaller shops. Carnoustie High Street has some multiple retailers present, including Burrells Pharmacy, Royal Bank of Scotland, Spar, Victoria Wine and Lloyds TSB.

6.14 To the east of the town, there are also some limited retail facilities, which are anchored by a Co-op foodstore, together with a Bank of Scotland. There are also a number of small independent retailers.

6.15 Parking is limited to spaces on the high street, free car parking under an old petrol filling station and is generally on-street with the exception of the temporary short-stay car park. There are a small number of vacancies but this should not give cause for concern and is normal for a centre of this size.

**Coupar Angus**

6.16 Coupar Angus is a small market town situated at the centre of an area of rich agricultural land most noted for the growing of soft fruit and seed potatoes. The town is located on the River Isla, which was formerly the boundary between Perthshire and Angus.

6.17 Modern industries include printing and the manufacture of food products, agricultural chemicals and farm machinery.

6.18 Coupar Angus has a population of around 2,200 and as such retail provision is rather limited. There are very few multiple retailers, with the few examples including Scotmid and "Morning Noon and Night" Convenience Store; there are some independent bakeries and other independent convenience and comparison goods retailing. Coupar Angus' location is such that most of the residents will travel to larger centres such as Blairgowrie, Dundee and Perth for major convenience and comparison shopping. The emerging Eastern Local Plan by Perth and Kinross Council identifies Coupar Angus as a centre with smaller retail provision.

**Cupar**

6.19 Cupar is a well-established former agricultural and administrative centre situated at the east end of the Howe of Fife with a population of approximately 8,600. In the last century industry in the town has included financial services and the wool trade; the present focus of Cupar's commercial activity is in newspapers, printing, grain milling, food processing, chemicals, furniture-making and construction industries

6.20 Cupar is a retail centre of some strength, underpinned by a Lidl supermarket located within a high quality building. The town is identified in the Fife Structure Plan 2002 and in the updated Structure Plan, which has been submitted to Scottish Ministers for approval, as a 'district town centre'. The main shopping areas are located along Crossgate and Bonnygate.

6.21 Low vacancy rates are in evidence and multiple retailers present include: Woolworths, WH Smith, Royal Bank of Scotland, Lloyds Pharmacy, Semi-Chem, Bank of Scotland, Boots, Ladbrokes, Nationwide Building Society, Alldays. There are also a number of smaller reasonably successful independent retailers which contribute to the retail facilities provided. An out-of-town Tesco supermarket is located along the A91 on the outskirts of Cupar, which adds to the overall retail provision in the town.

6.22 In terms of supermarkets, in addition to the Tesco in the outskirts, a new Lidl has recently opened, with a new Aldi due to open on the site of the former Martex Cash & Carry. The former Lidl premises are to be taken over by Argos.

**Forfar**

6.23 The administrative centre of Angus, Forfar has a population of approximately 13,000 and has a major textiles and manufacturing plant operating in the town. The fertile land surrounding Forfar means that for many years agriculture has had a major impact on local industry and employment.

6.24 The town is identified in the Dundee and Angus structure plan as a 'major town centre'. The main retail area is located on Castle Street and on east High Street. In addition to the current level of retail provision, Deanway Developments and Forrest Developments have proposed larger scale retail park type developments in the area.

6.25 Multiple retailers operating in Forfar include: Nationwide Building Society, Tesco, Boots, Woolworths, Victoria Wine, Abbey National, Bank of Scotland, Mace, Semi-Chem, Lloyds TSB, RS McColl, Mackays, Somerfield, Happit, Clydesdale Bank, Farmfoods, Kwik Save and Royal Bank Of Scotland. There are also a number of independent retailers who appear to be trading reasonably successfully.

**Glenrothes**

6.26 The modern planned town of Glenrothes is the most northern of the new towns built in the 1940s. Glenrothes was planned to provide homes, employment and facilities for 70,000 people (although the town's population is now approximately 47,000), and built largely on low rise garden town principles. Early settlement and development was largely associated with the collieries in the area, with many families moving in from the declining coal mining areas in west central Scotland.

6.27 Glenrothes is also the home of Fife Council's head office and has been widely associated with the "Silicon Glen" electronics and manufacturing industry in Scotland.

6.28 The town centre is relatively modern, having been established in 1960 – 1970, and is dominated by the Kingdom Shopping Centre, which provides a mall-style covered retail environment. Glenrothes is identified in the Fife Structure Plan 2002 and in the updated

Structure Plan which has been submitted to Scottish Ministers for approval as a 'district town centre'. Within the shopping centre there are a number of multiple retailers and few independent retailers. There are some vacancies although on the whole occupancy levels are relatively high. There is currently a Tesco supermarket proposed for a site adjacent to the shopping centre, although the future of the proposal is unclear at this stage. We are also advised that Co-op are seeking to relocate from their current location in the shopping centre.

6.29 The centre of Glenrothes is easily accessible by car and there is a variety of car parking available to those visiting the retail centre. However, the town centre is surrounded by roads on either side, which is likely to make it difficult for pedestrian access.

6.30 In terms of out-of-town retail, Glenrothes is served by a Morrison's, which is located on the road in from St Andrews and Cupar, and also Saltire Retail Park to the southern side of Glenrothes and is dominated by multiple retailers such as Focus DIY, Brantano Footwear, Matalan, Homebase, MFI, Carpetright and The Bed Shed. The owners, Gallagher's, are proposing to redevelop Saltire Retail Park to improve access and layout.

6.31 Proposals have also been put forward by Macdonald Estates to build a 18,600 sq m (200,000 sq ft) retail park on the Tullis Russell site at North Street Retail Park.

## Kirriemuir

6.32 Birthplace of J.M. Barrie, Kirriemuir is a historic small town with a population of around 6,000. The settlement dates from the 13th century and was once a centre of hand-loom weaving and later of jute processing, but today remains at the centre of rich agricultural land. Also known as the "Gateway to the Glens", Kirriemuir has an established tourist industry and is popular as a base for many hillwalkers exploring the area.

6.33 The retailing provision is limited and serves a local market, and the Dundee and Angus Structure Plan identifies it as a smaller town centre. The prominent area for retailing is Bank Street, Roods and High Street, which constitutes the core retail area, as indicated in the adopted Angus Local Plan 2000. Existing multiple retailers in the town are Co-op, VG Superstores and Moss Pharmacy.

## Monifieth

6.34 Monifieth itself dates back to the 9th century and was until the 19th century a small rural settlement. At that time the town began to grow and prosper with the jute industry boom. The fishing and whaling industries also contributed to the town's success. At present, the population of the town is approximately 8,000. The Dundee and Angus Structure Plan identifies the town as a smaller town centre.

6.35 It is a traditional seaside resort which performs the role of a small local centre with Tesco and Farmfoods being the main convenience retailers. The remainder of the retail provision consists of 30 or so small independent retailers. There are a small number of vacancies, including a vacant BP petrol filling station on the high street. Most car parking is provided at the Tesco car park; an edge-of-centre development allowing car parking to be shared between the store and the high street.

6.36 There is also a small 1960's style shopping centre adjacent to Farmfoods, which consists of a mix of local food and non-food retailers and takeaways. It is in very poor condition and may not constitute the highest and best use of the site.

## Montrose

6.37 Montrose is a busy coastal town lying approximately 15 miles from Arbroath along the A92. The town is largely built on a spit of land protruding into the sea, which would have proved a strategic location in times of war. The current population is around 11,840.

6.38 Historically, the main industries in Montrose were whaling, flax spinning, export and import of goods and fishing, although these have now made way for the oil and gas industry, which operates out of the port. The town is still an important trade centre, with the port being used in the import and export of pulp paper, fertilisers, timber and potatoes.

6.39 Montrose is considered one of the larger retail centres in Angus, with multiple retailers including Nationwide Building Society, Dorothy Perkins, Halifax, Lloyds TSB, Woolworths, Bank of Scotland, Blockbuster, Burton, Clinton Cards, Clydesdale Bank, Co-op, Cost cutter Supermarkets, Dunfermline Building Society, Happit, Jewson, Ladbrokes, Mackays, Scotmid and Spar. The Dundee and Angus Structure Plan identifies the town as a 'major town centre'. The retail market is generally quite strong, and a significant number of independent retailers present.

**St Andrews**

6.40 Named after the patron saint, Scotland's famous "Home of Golf" is located on the north eastern coast of the East Neck of Fife and currently has a population of 15,200. The town is most famous for its Royal & Ancient Golf Course and for St Andrews University, the third oldest in Britain.

6.41 For more than a hundred years St. Andrews has been famed as a holiday resort, not only on account of its golf, but also for its history, scenery and its pleasant climate.

6.42 St Andrews town centre is clearly a healthy town centre; there is a good proportion of independent traders, as well as multiple retailers, which seem to be popular with shoppers. The town is identified in the Fife Structure Plan 2002 and in the updated Structure Plan, which has been submitted to Scottish Ministers for approval, as a 'district town centre'. There are very few vacancies in the street, although a couple can be found along Bell Street. Retail occupiers predominately located along South Street and Market Street, with presence of multiples such as Argos, Johnston's Dry Cleaners, Alldays, Mackays, Tresspass and a variety of tourist and souvenir shops. There are also elements of night-time economy, particularly as St Andrews is a student town.

6.43 There are obviously limited development opportunities; given the historic nature of the town centre, it is constrained by many listed buildings and conservation areas.

6.44 Other retailers include WH Smith, Bank of Scotland, Clydesdale Bank, InterSport, White Stuff, Lloyds TSB and Costa Coffee. In addition to the current level of retail provision, it is understood that several developers are in the early stages of proposals for retail warehouse schemes in the St Andrews area.

Conclusions on the outerlying towns

6.45 We can conclude from our qualitative analysis of the outerlying towns that two tiers of retail centres exist. It is considered that that the towns of Arbroath, Blairgowrie, Cupar, Forfar, Glenrothes, Montrose and St Andrew's have a greater provision of retailing than the other smaller towns. It is considered that the towns of Alyth, Brechin, Carnoustie, Coupar Angus, Kirriemuir and Monifieth play a predominantly local role in shopping provision. The larger towns are considered to have a wider catchment area from which they draw trade.

6.46 It is considered that these towns should be recognised as retail centres in the forthcoming Dundee City Region Plan. SPP 8 requires a network of retail centres to be identified in development plans. It is considered that the local roles of the smaller town and the more regional roles that the larger town play should be recognised in the network of centres.

6.47 Future planning policy should seek to protect these towns by ensuring that the sequential approach is taken to new retail development in accordance with SPP 8 and that any major retail schemes (over 2,500 sq m) which are contrary to development plan policy are fully supported by a retail impact assessment to ensure that these centres retain their vitality and viability. This would comply with the guidelines in SPP 8.

## 7.0 Goods Range Restrictions

7.1 In common with many local planning authorities, Dundee City Council has restricted the range of goods which may be sold from the retail parks which exist in the town. These have been secured through planning conditions attached to planning permissions and agreements regulating the use of land under Section 75 of the Town and Country Planning (Scotland) Act 1997. The good restrictions vary from park to park and we would comment on those as follows.

<u>Kingsway West</u>

7.2 Kingsway West is a retail park with a mix of comparison and convenience shopping. The convenience shopping element consists of a large Tesco superstore. The other retail elements of the park are all comparison goods by nature. Most supermarkets now have elements of comparison goods shopping within them, and whilst they are not usually of a scale which would dramatically impact upon established retail centres, they are in the instance of Tesco at Kingsway West, restricted to no more than 30% of the net sales area of the store. The range of goods which may be sold within this area is unrestricted however none of the following goods can occupy more than 50% of the comparison floorspace:

- Books
- Clothing and footwear
- Furniture, floor coverings and household textiles
- Radio, electrical and other durable goods
- Hardware and DIY supplies
- Chemist goods
- Jewellery, silverware, watches and clocks
- Recreational and other miscellaneous goods

7.3 This is considered reasonable for a supermarket of the size of Tesco's in this location and it is not considered that the goods range would have an unacceptable impact upon any of the other district centres.

7.4 The other units within Kingsway West are restricted to comparison goods sales only. The size of individual units is also restricted so that the formats do not compete directly with those to be found in the traditional district and city centres, with most units being restricted to a minimum of 929 sq m or 1,000 sq m. Essentially the goods range restrictions are such that the range of goods for sale are 'bulky goods' and not types of good which would draw trade from outwith the other traditional retail centres. Specifically prohibited on the park are:

- Clothing and footwear
- Jewellery and silverware
- Watches and clocks
- Toys and sports goods (though a relaxation allows the sale of toys in Unit 13 up to a certain level)
- Various electrical goods

**Kingsway East**

7.5 Kingsway East is similar to Kingsway West in that it provides elements of both comparison and convenience shopping. Similar restrictions on the goods range restrictions apply at Kingsway East as apply at Kingsway West, in that a limited amount of floorspace within the convenience store (ASDA) is allowed for non-food sales, being 30% of the net sales area. The same goods range restrictions apply to what can be sold from this area, as apply at Kingsway West.

7.6 There are also unit size restrictions which apply to the non-food units at Kingsway East. The minimum unit size is 600 sq m, though as the park has been developed incrementally different restrictions apply to different units across the park. There are some units which are restricted to 1000 sq m, some which are restricted to 600 sq m and a maximum floorspace restriction of 1,400 sq m on units utilised for the sale of electrical goods.

7.7 It is generally considered that the goods range restrictions imposed upon the retail parks have been successful in preventing the occupation of units by more traditional 'high street' occupiers. It is recognised that a conscious effort has been made by Dundee City Council to ensure that the retail parks have a minimal impact upon established retail centres.

7.8 It is recognised that whilst most high street goods are covered by the restrictions, concern has been raised by Council officers, that in particular there are no restriction on the sales of books or pet supplies in the retail parks. It is also noted that one of the units at Kingsway East is now occupied by Pets at Home. There is a growing trend for pet stores such as Pets at Home and Acorn Pets to seek retail park destinations as they are often unable to find their required floorplate size 465 sq m – 697 sq m (5,000 sq ft – 7,500 sq ft) in town centres. The nature of the goods on sale within such stores is not considered to be a cause for concern. It is our opinion that the sale of pet supplies in the retail parks will not impact unduly upon traditional centre's particularly as these operators are mostly looking for out-of-town locations and the bulky nature of the goods for sale often necessitates the use of the car. It is considered that a pet goods use sits comfortably within the bulky nature of the Kingsway East and West Retail parks.

7.9 With regards to books, it is noticeable that some book operators are seeking to occupy some out of town locations. Borders have recently occupied a unit at the Gallagher Retail Park which is an edge of centre location. It is considered that generally bookstores should be encouraged towards the city centre and the district centres. The establishment of bookstores in out of centre locations will draw footfall out of the traditional shopping locations and as such be of detriment to vitality and viability of these areas.

7.10 It is generally considered that the goods range restrictions for the retail parks on Kingsway are appropriate. Any future revisions or new goods range restrictions should seek to take into account the changing format and locations of traditional City Centre type retailers. It should also take account of the potential impact on existing centres.

**Gallagher Retail Park (Dock Street)**

7.11 The Gallagher Retail Park is located adjacent to Dundee City Centre, in an edge-of-centre location. As such, a different approach to goods range restrictions has been taken than those of the Kingsway Retail parks, in that specifically traditional bulky goods sales are prohibited on the park. Whilst the units sizes have been restricted to a minimum of 700 sq m, the following goods are restricted for sale by planning conditions attached to the consent:

- DIY/Home Improvements
- Carpets
- Garden Goods
- Motoring Products and accessories
- Jewellery, Silverware, watches and clocks

- Furniture
- Electricals

7.12 These restrictions have played a positive role in creating a successful retail park. The park now attracts operators seeking large floorplates, not often found in town centres, which by virtue of the goods sold in them and the edge-of-centre location, can encourage linked trips with Dundee City Centre. Without this retail park, and its more 'high street' planning consent, occupiers such as Mothercare, who have occupied one of the units, may not have relocated back into Dundee.

7.13 It is considered that the balanced approach, with bulky goods operators in out-of-centre locations to the north and more high street type operators at the Gallagher Retail Park on the edge of centre has been successful, both in planning terms and for the market, in providing adequate units sizes and locations for retailers which have resulted in few vacancies. We would not therefore recommend any changes to the existing goods restrictions in the retail parks.

**Other Major Retail Units**

7.14 There are also other retail stores such as Tesco's on South Road and Riverside Drive and Sainsbury's on Baldovie Road, which have goods restrictions on them. In these cases, a maximum percentage floorspace for comparison goods is evident. In our midsummer retail report 2006 Colliers CRE concluded that nationwide, the growth of non-food comparison shopping within supermarkets can have an impact upon existing retail centres, particularly where no restrictions are in place. There are many examples in the UK where there are no restrictions on levels of non-food shopping in supermarkets, and therefore it is considered positive that Dundee City Council has such restrictions in place. We would certainly not recommend any relaxation of such controls; however do not consider that there are any mechanisms that could be put in place to restrict such sales further. It is considered that the floorspace restrictions are reasonable and at a level that does not cause a significant impact upon existing retail centres.

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## 8.0 Potential retail sites and the Gas Holder Site

8.1 Our quantitative analysis identified a surplus of headroom expenditure for bulky goods retailing in Dundee. We have stated that caution must be used when treating the long term forecast to 2017, however it is apparent that our analysis shows that there is £74m residual headroom expenditure for bulky goods retailing for the year 2011. Based upon a future sales density of £3,074 per sq m, this equates to a floorspace requirement of 23,913 sq m. This analysis took account of the projected expenditure of the planned sites at the Stack Leisure Park, Lochee and the Travel Dundee Bus Depot, Dock Street. These sites are not discussed here as they already have allocations under the local plan, or have planning permission for bulky goods retailing and are therefore considered to be committed developments.

8.2 There are a few retail development opportunities which have been identified during the course of the study and commented upon within the qualitative analysis. There are also some sites which have previously been promoted for retail development through planning applications and the local plan process. We have summarised the potential of these sites to accommodate the surplus floorspace below, having regard to SPP 8 and the development plan policies. It is considered particularly relevant to have regard to the sequential approach to site selection as outlined in SPP 8:

*Sequential approach*

*The sequential approach requires that locations are considered in the following order:*

- *i.* *Town Centre sites*
- *ii.* *Edge of centre sites*
- *iii.* *Other commercial centres identified within the development plan*
- *iv.* *Out-of-centre sites in locations that are, or can be made, easily accessible by a choice of means of transport.*

8.3 Our qualitative analysis and fieldwork in Dundee identified that there were limited town centre and edge of centre opportunities for large scale bulky goods retail development. Our qualitative analysis of Hilltown identified the Hilltown Park site to the east of the district centre for potential retail redevelopment; however it is not considered that this would be of a suitable size to accommodate a major retail development of the size required to meet the floorspace shortfall. This does not prevent the site from accommodating smaller scale retail development.

The former BT site, Longtown Road

8.4 The site is a brownfield site to the north of the existing Kingsway East Retail Park. This site has previously been promoted for retail development, as an extension to the existing retail park. There are existing commercial and industrial buildings on the site, beyond which lies a leisure park including a cinema and a fitness centre. Our qualitative analysis of Kingsway East Retail Park highlighted the sporadic nature within which the park has grown. In terms of the sequential approach, this site could be considered appropriate as there are no suitable town centre or edge-of-centre locations in Dundee, thus the next suitable location are the 'commercial centres', of which Kingsway East is one. Development of the site could be an extension to the existing retail park, albeit in separate ownership.

8.5 Development of the site would need to show integration with the existing retail park to ensure that linked trips are promoted. However there may be difficulties in achieving this due to the existing layout of the retail park. It is also recognised that the existing retail park suffers from access and traffic issues which could potentially be exacerbated by additional traffic. It is also understood that the Scott Fyfe roundabout on Kingsway has peak hour capacity problems, which would be compunded by any potential increase in traffic.

Dunsinane Industrial Estate

8.6 As part of a wider regeneration plan for the Dunsinane Industrial Estate, a convenience retail proposal was promoted during the development of the Dundee Local Plan review on the site of the former Valentines factory. The Dundee Local Plan Review recognises the need for the regeneration of the wider area, and indeed recognises that some flexibility is required in the range of uses which should be allowed on the estate. However, retail use has been specifically prohibited on the site. It is assumed that the site proposed for convenience shopping would be able to accommodate bulky goods floorspace.

8.7 In terms of the sequential test, the site by virtue of its detachment from Kingsway West Retail Park can only be considered an out-of-centre location. Therefore any developments on or extending any of the existing 'commercial centres', as defined in SPP 8, would be considered sequentially preferable. It is considered that an extension to Kingsway East Retail Park would therefore be sequentially preferable to this site.

Site to west of Camperdown Leisure Park

8.8 Camperdown Leisure Park is located to the north-west of Dundee, with vehicular access off Kingsway. The site is recognised in the Dundee Local Plan Review as a 'major leisure use'. The current occupiers at the park are the Dundee Ice Arena, Cineworld Cinema, Premier Travel Inn, KFC, McDonalds, Weavers Mill and Ashoka Shak. The existing site is poor in terms of environmental quality. There is land immediately to the west of the site which is currently undeveloped. This land is currently within the boundary of the 'leisure use' as identified in the local plan. It is appropriate to consider whether this site may also have potential for retail development.

8.9 It is understood that the site had previously been promoted for retail development, though this had been in the form of a food retail scheme with other non-food and leisure uses. Nevertheless it is considered that the option of accommodating a non-food retail park at the site should be examined. The site is currently allocated for leisure use; however it is not currently a commercial centre. Its local plan allocation allows for the westward extension of the existing commercial centre onto this site. Nevertheless the development of the site would involve the loss of greenfield land and would be located near to the existing Kingsway West retail park and also the Stack Leisure Park, which may further undermine the ability of the Stack to attract bulky goods retailers. This would be contrary to the proposals to support Lochee District Centre. A retail proposal in this location would not provide an improvement in the distribution and accessibility of bulky goods floorspace in this part of Dundee.

Kings Cross Road

8.10 This is a site which was promoted for a foodstore development by Macdonald Estates at the most recent Local Plan Inquiry. The site involves land to the south of the B&Q store and some commercial units which include some retail elements, which lie to the south of the Kingsway West Junction on the Kingsway. The proposals previously included the football ground to the south. The site is currently undeveloped and is essentially a greenfield site. It is also considered that the site may have access constraints, as can only be accessed through the car park of B&Q.

8.11 The loss of the football ground would be a concern with regards to policies on open space and recreation. A smaller scheme could be promoted without the loss of the football ground; however this would create a small site with limited frontage and is unlikely to be attractive commercially. In terms of the sequential approach, the site is detached from the existing Kingsway West retail park as designated in the local plan and as such would be considered an out-of-centre location. A 'commercial centre' would therefore be sequentially preferable to this site. The site is also located in proximity to Lochee and the Stack Leisure Park and the development of further bulky goods retail in this location may undermine the future ability to let vacant units at the Stack, contrary to the wider regeneration aims for Lochee.

South Road/Coupar Angus Road

8.12 This site lies as part of the economic development area to the west of Lochee District Centre, beyond the Lochee Bypass. It was previously promoted as a site for food retail by Glennifer Estates Limited. The eastern extent of the economic development area has been recently developed with a Lidl supermarket. Beyond the Lidl supermarket is a number of small, commercial units with a number of different occupiers.

8.13 The site is considered to be separate from Lochee District Centre and is located beyond the Lochee Bypass. A retail proposal in this location could be not be considered edge of centre in sequential terms. As it is not part of, or an extension to an existing 'commercial centre' it would be considered out-of-centre in terms of the sequential approach. There is a general concern over the loss of employment land in this location, particularly as this would involve the relocation of a number of established businesses. Concern is also raised about the impact upon the letability of the Stack Leisure Park, which would undermine regeneration proposals for Lochee District Centre.

The Gasholder Site

8.14 Dundee City Council have specifically requested some planning and market commentary upon the potential of the Gas Holder site to provide further retail floorspace and therefore we have specifically examined this site in more detail than others above. It is recognised that the site owners, Secondsite, promoted the site for retail development through the last local plan review. Their intention was to seek to obtain a planning outcome which would allow unrestricted comparison Class 1 retailing on the site, or failing that, to obtain planning consent for a convenience supermarket.

The site

8.15 The site is located on the A92 to the east of Dundee City Centre. The city centre boundary, as defined by the Dundee Local Plan Review, is located around 650m away to the west. In between the site and the city centre boundary are the existing Gallagher Retail Park and the Travel Dundee Bus Depot. The Dundee Local Plan Review identifies the Travel Bus depot for an extension to the Gallagher Retail Park, albeit with restrictions similar to those found at Kingsway East and West in that only 'bulky goods' will be allowed to be sold. The local plan also states that clear commencement of the redevelopment of the Stack Leisure Park for bulky goods retailing must be seen before planning consent is granted for the Gallagher Retail park extension.

8.16 The adjacent site to the travel bus depot is the gas holder site. It is largely an incongruous structure and is considered to be detrimental to the visual amenity of the local area. There would be considerable environmental and visual improvements should the site be redeveloped. It is understood that there may be some contamination issues with regard to the site, recent works have been undertaken on site by the landowner and it is believed these may have revealed the extent of the contamination. The landowners made representations to the local plan review seeking that the site be allocated for retailing. It is understood that they sought higher value uses, such as retail, which would balance out the high cost of remediation. It is also understood that no detailed development appraisal justifying the requirement for higher value uses has been submitted to the Council. That is not to say that the site is not contaminated; however, justification is required to sustain the argument.

Policy analysis

8.17 It is considered, by virtue of the distance from the city centre boundary, that the site cannot be considered 'edge-of-centre' with regard to the sequential test. The edge-of-centre test relies upon the ability for the site to have linked trips to the centre, particularly pedestrian links, as outlined in SPP 8. It is not considered that this would occur if retail was to be granted by virtue of the distance and the physical obstacles between the site and the town centre.

8.18 Nevertheless, the sequential approach requires all town centre and edge of centre sites to be considered prior to out-of-centre locations being developed for retail purposes. By virtue of the its location immediately adjacent to Lochee district centre, the Stack Leisure Park is sequentially preferable, a view that the Dundee Council has shared. Rightly, the development of that site is preferable to firstly the Gas Holder site and also the Dock

Street extension in planning terms. This however, may not necessarily be the markets and the retailers' preference, as Dock Street is clearly a more prominent location and is located closer to Dundee City Centre and the successful Gallagher Retail Park. From a commercial perspective it is considered that the Stack Leisure Park may be difficult to let taking account of current market conditions, as previously outlined.

8.19 The long term retail capacity forecasts have identified a shortfall in retail floorspace for bulky goods warehousing, and a surplus of convenience goods and non-bulky goods floorspace to the year 2017. This is based upon a long term projected decline in Dundee's population and committed retail developments. Despite this, it is considered that further bulky goods floorspace will be required in Dundee, for retail equilibrium to exist. In particular, for further convenience floorspace to be provided, over and above the committed developments existing stores may have to close, or at a minimum there will be some significant impact upon the trade of existing supermarkets.

8.20 If this shortfall in bulky goods floorspace is to be provided for, the city council need to consider where to locate this. Clearly, the Stack Leisure Park and the bus depot are sequentially preferable to the Gas Holder Site. With the allocation of the travel bus depot for retail purposes, it is considered that for the purposes of SPP 8 the Gas Holder Site could be an extension to a 'commercial centre'. The site is therefore sequentially preferable to any out-of-centre locations. We have discussed a number of potential opportunities which exist within Dundee for retail development. Of these only the sites at Longtown Road and at Camperdown Leisure Park would have similar locational characteristics in terms of the sequential test. The sites at Dunsinane, Kings Cross Road and South Road/Coupar Angus Road are not considered sequentially preferable to the Gas Holder Site.

8.21 In land use planning terms it is considered that preference should be given to the development of brownfield sites over greenfield sites. In this case it is considered that the Gas Holder site should therefore be preferred to the site at Camperdown Leisure Park. It is also considered that the regeneration and remediation of the Gas Holder site and its contribution to the wider regeneration proposals for Dundee Waterfront make the redevelopment of the site an attractive prospect. There are also qualitative and locational aspects which make the Gas Holder site attractive, particularly its prominent location with potential for linked trips to the city centre. Such linked trips could be encouraged by the provision of a dedicated bus service from the site linking with the proposed retail on the bus depot site, the Gallagher Retail Park and the city centre. The potential to link trips with the city centre is considered important in relation to SPP 8's and the sequential approach's emphasis of supporting town centres first.

8.22 It is also considered that a development at the Gas Holder site would be more easily integrated with the proposed retail development on the bus depot site, than any potential retailing on the site at Longtown Road would be with Kingsway East Retail Park. It is also considered that the greater potential for linked trips with Dundee City Centre makes the Gas Holder site a more preferable option than a further extension of Kingsway East.

8.23 In general land use terms, it is considered that the Gas Holder site is the most preferable site for further bulky goods retailing in Dundee, having regard to SPP 8 and general planning policies, beyond the existing commitments of the Stack Leisure Park and the bus depot. It is considered that in the longer term the Gas Holder site should be the preferred site for bulky goods retailing, once the developments of the Stack Leisure Park and the Gallagher Retail Park extension have taken place. The potential also exists for the Gas Holder site to accommodate a single large scale retailer such as IKEA or Costco, of which there are few suitable sites for in Dundee. A designated bus service, secured by a Section 75 agreement, or diversion of an existing bus service could provide public transport links between the site and the city centre, improving the potential for linked trips to occur.

8.24 The Dundee Local Plan Review recognises the role that the gas holder site could play in accommodating the relocation of the bus depot. This could be achieved by an overall integrated development of both the Gas holder and the bus depot sites to provide new retail floorspace and a new bus depot.

8.25 It is also considered that the development of the Gas Holder site would generally comply with development plan policy. In particular town centre and retailing planning policy 4 of the Dundee and Angus Structure Plan, and policies 26, 26A and 45 of the Dundee Local Plan Review are relevant. Under the Dundee Local Plan review, the site is allocated for economic development. Policy 26A states that a number of matters would have to be addressed prior the reallocation of the site for alternative uses. Such matters include establishing the extent and nature of contamination present and the provision economic and market analysis to justify a departure from its current economic use. We have not had sight of any evidence in relation to these matters. We have simply provided an analysis on the basis of general retail planning policy, having regard to the future retail floorspace capacity and requirements for Dundee.

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8.26 We consider that in general land use planning terms, the site could be suitable for retail development and as such, Dundee Council should consider the re-allocation of the site for bulky good retail purposes in any development plan review.

Retail Impact

8.27 Our quantitative analysis outlined that there was capacity for bulky goods floorspace of around 23,913 sq m based upon an estimated floorspace/turnover ratio of £3,074 per sq m in 2011. In reality the individual occupiers will determine the actual turnover of the site; however, without knowledge of future retailers we have estimated this figure.

8.28 We have calculated that the site area is around 5.25 hectares. Our retail agents estimate that an achievable target would be 2,750 sq m per hectare on the site. This is considered a reasonable estimate based upon other retail park developments around Scotland. We therefore estimate that around 14,500 sq m of bulky goods floorspace could be developed on the site. Again, this is a professional estimate.

8.29 With regard to retail impact, this will largely rely upon individual occupants of the site, however, in general terms, it is considered that the development of the Gas Holder site will have limited impact upon other competing centres. The quantitative analysis has shown that a residual capacity of around 24,000 sq m would be available in 2011. The development of the gas holder site could utilise around 14,500 sq m of this capacity.

8.30 In quantitative terms, this means that there is sufficient capacity to justify development of this scale without prejudicing the vitality and viability of any of the existing centres. Our statistical analysis identified that the majority of bulky goods retailing occurs in the city centre and at the out of centre retail parks. Any potential impact would occur on these locations, though given the surplus expenditure and growth available this is considered to be minimal. In capacity terms the development of this site can be seen to complement the existing provision rather than compete directly with it.

8.31 It is considered that this amount of floorspace can be accommodated without causing significant impact upon any of the existing network of centres.

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Market Commentary

8.32 There is currently limited demand for bulky goods floorspace in Dundee; however this is reflective of the wider bulky goods market across the country. The current out of town retail market remains fairly slow throughout Scotland and indeed the UK in general. This is particularly the case within the bulky goods sector which has seen a major slow down in consumer spending on DIY, Home Furnishings and electricals over the last year or so, with no noticeable sign of imminent impending improvement. However, in the longer term, towards 2011 and beyond to 2017 there may well be a return of demand for the bulky goods sector.

Conclusion

8.33 In general retail planning policy terms, we consider that the Gas Holder site is the most suitable site currently not allocated for retail development in Dundee. We consider that by virtue of the existing spending capacity on bulky goods, that the development of the site for these purposes will have a limited impact upon the network of centres.