Fife Council

Fife Retail Capacity Study 2019

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1 Introduction

1.1 Scope

1.1.1 This document is a partial update of the Fife Retail Capacity 2018, which was prepared by Roderick MacLean Associates with Ryden LLP as sub consultants last year. The Fife Retail Capacity Study 2019 contains updates to the forecasts of convenience and comparison retail expenditure capacity for 2019-29.

1.1.2 Reference to the detail on the NEMS household interview survey on shopping patterns can be found in the 2016 Study, but limited re-iteration is included in this update to assist readers. The 2019 Study does not include updates to the retail market appraisal for Fife, as in the 2018 version, in accordance with the terms of the consultancy commission.

1.2 List of updates

1.2.1 The Fife Retail Capacity Study 2019 contains the following updates:

- Retail capacity forecasts for 2019-24, 2024-29 and combined for 2019-29 for convenience and comparison expenditure
- All values in constant 2018 prices (previously 2017 prices)
- Projected population for the updated periods, based on the National Records Scotland (NRS) 2018 mid-year estimates and the 2016 based projections
- Experian retail expenditure forecasts to match the updated periods, incorporating Pitney Bowes forecasts of SFT (mainly internet spending) for the comparison expenditure.
- Updated retail floorspace in Fife for 2019, provided by Experian Goad, plus changes to the list of major stores/ developments not covered by Experian
- Updated average company turnover ratios based on the 2019 Retail Rankings
- Updated list of major retail planning consents and commitments

1.2.2 It is not considered that there is any need to adjust the physical shopping patterns from the NEMS surveys in 2016 for the 2019 Capacity Study. However, the proportions of online retail spending are now higher.

1.3 Retail catchment areas and population projections

1.3.1 The three retail catchment areas in Fife, as defined in the 2016 Study, are illustrated on Map 1.1.

1.3.2 The current and projected populations for Fife and the three retail catchment areas is shown in Table 1.1. In the 2019 Study, the catchment area populations are now based on the NRS 2018 mid-year populations for the electoral wards and data zones comprising each area. The projections to 2029 are based on the 2016 based NRS population projections for Fife. The projections for each of the three catchment areas are controlled to the total for Fife- see Appendix 1.

1.3.3 There is a projected increase in the Council area population of 5,816 from 2019-29 (+1.6%).

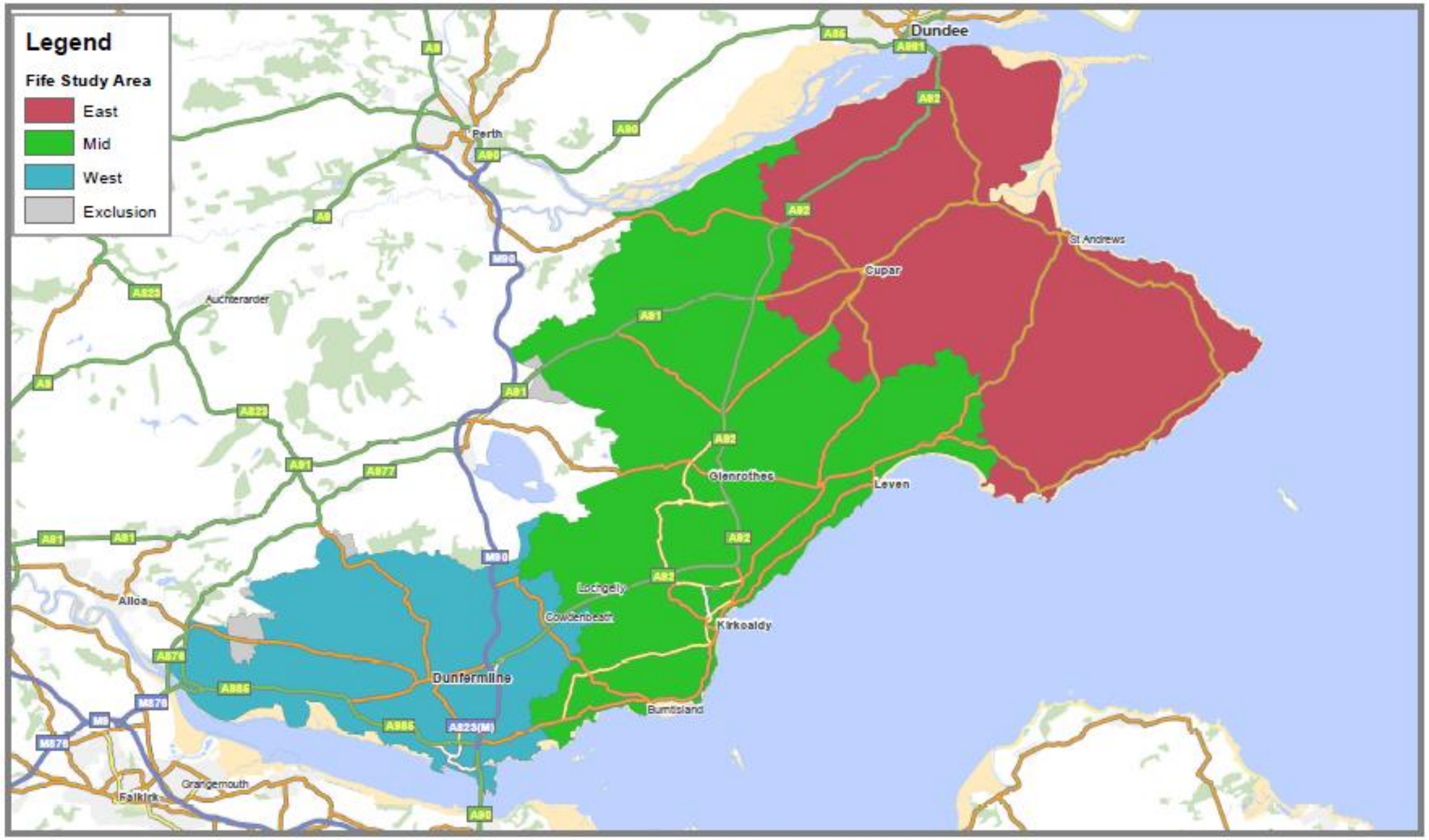
Table 1.1
Fife retail catchment area population projections for the Fife Retail Capacity Study 2019

Retail catchment area	Census 2011	Mid-year 2018	2019	2024	2029
West Fife	123,608	127,913	128,312	129,464	130,312
Mid Fife	181,860	182,597	183,166	184,811	186,022
East Fife	59,730	61,400	61,591	62,145	62,552
Total Fife	**365,198**	**371,910**	**373,069**	**376,420**	**378,885**

Note
The 2011 data is taken directly from the 2011 Census, Scotland, based on postcode sector population data for each catchment.
The 2018 Mid-year data is from National Records Scotland (NRS) online based on electoral wards and data zones comprising each catchment.
Data for 2019, 2024 & 2029 derives from the NRS 2016-based population projections for the Fife Council area, apportioned to the three catchment areas from the 2018 Mid-year data.

Map 1.1 Fife Retail Catchment Areas 2019

(as defined in the Fife Retail Capacity Study 2016**)**



Source: Experian. Note- Exclusion refers to parts of postcode sectors where the population is so small that it is supressed in official sources

2 Convenience expenditure and turnover

2.1 Introduction

2.1.1 This section of the report assesses the convenience expenditure and turnover relationships for each the three retail catchment areas and for Fife as a whole, taking account of the convenience shopping patterns identified by the 2016 NEMS household shopping interview survey.

2.1.2 The total turnover in each catchment area derives from the residents' expenditure potential, plus inflows, less outflows. The distribution of the turnover among the various centres and supermarkets is then controlled to the total deduced turnover for each catchment area from the shopping patterns.

2.2 Convenience goods-definition

2.2.1 Convenience goods include:

- *Food and non- alcoholic drinks*
- *Alcoholic drinks*
- *Tobacco*
- *Non-durable household goods (90%); and*
- *Newspapers and magazines.*

2.2.2 This definition is provided in the *Experian Retail Planner Briefing Note 16, dated December 2018*, based on Central Government survey classifications (still the latest version of the Briefing Note series).

2.3 Convenience expenditure potential

2.3.1 Table 2.1 shows the forecast convenience expenditure per capita data for each of the three retail catchment areas in Fife, based on data commissioned from Experian, with updated Experian forecasts in their Briefing Note 16. The forecast growth rate from 2019-29 is minimal at 0.13% per annum, before deducting special forms of trading.

2.3.2 Special forms of trading (SFT), include internet shopping, mail order and other forms of retailing which are not wholly dependent on retail floorspace. In fact, internet shopping comprises almost all SFT. For retail planning purposes, it is removed from the expenditure per capita data, so that the expenditure relates to conventional store floorspace, as shown in Table 2.1.

2.3.3 The proportion of SFT, or non-store sales, is forecast to increase up to 2029. It should be noted that the proportions of SFT shown in this table are mostly non-store sales and the proportions are low. Not included are internet related SFT sales with home delivery or click and collect for example, because the goods mainly come off existing supermarket shelves and that proportion is much larger but excluded here. The national proportions are applied in Table 2.1, based on data from Experian.

2.3.4 Forecasts of the total convenience expenditure potential of the residents of each catchment area are shown in Table 2.2.

2.4 Convenience shopping patterns-market shares

2.4.1 In the 2016 NEMS household shopping interview survey, the respondents were asked where *they last visited for their main food shopping (Q1)*, and *the time before that (Q2)*. They were also asked where *they last visited for their top-up shopping (Q3)*. The findings were combined to provide estimates of all convenience shopping patterns relating to each of the catchment areas, as shown in Table 2.3.

2.4.2 Market shares refer to the proportions of expenditure from residents of a defined area which are spent in that area and in other areas. Table 2.3 shows the convenience market shares for each catchment area, based on the shopping patterns identified from the household survey.

2.4.3 In West Fife, 92% of convenience shopping is done locally, with small proportions undertaken in Mid Fife and in centres outside Fife. In Mid Fife, 87% of convenience shopping is done locally and 8% in West Fife, with small proportions elsewhere. In East Fife, 73% of convenience shopping is done locally and 17% outside Fife and 10% in Mid Fife.

Table 2.1 **Fife convenience expenditure per capita per annum (in 2018 prices)**				
Catchment areas	2016 £	2019 £	2024 £	2029 £
West Fife	2,494	2,562	2,580	2,594
Mid Fife	2,447	2,513	2,530	2,545
East Fife	2,797	2,873	2,893	2,909
**excluding special forms of trading*				
West Fife		*2,459*	*2,453*	*2,454*
Mid Fife		*2,412*	*2,406*	*2,407*
East Fife		*2,758*	*2,751*	*2,752*

Note

Original Experian figures for 2016 are in 2016 prices. These have been adjusted to 2018 prices by a factor of 1.05865

from *Experian Retail Planner Briefing Note 16, Appendix 4b- dated December 2018*

The growth rates derive from the above Experian document, Appendix 4a.

	2016-19	2019-24	2024-29
Growth rates	1.0272	1.0069	1.0056

*An allowance for special forms of trading (SFT) is deducted so that the exenditure per capita relates to sales from conventional retail floorspace. The % deductions derive from *Experian Retail Planner Briefing Note 16, Appendix 3, Figure 5 - December 2018*

	2016-19	2019-24	2024-29
Deductions for SFT	-4.0%	-4.9%	-5.4%

Table 2.2 **Fife residents' convenience expenditure potential (in 2018 prices)** ***Excluding SFT (special forms of trading)***					
Catchment areas	2019 £ million	*growth* *2019-24* *£ million*	2024 £ million	growth *2024-29* *£ million*	2029 £ million
West Fife	315.6	*2.0*	317.6	*2.2*	319.8
Mid Fife	441.9	*2.9*	444.7	*3.1*	447.8
East Fife	169.9	*1.1*	171.0	*1.2*	172.1
Total Fife	927.3	*6.0*	933.3	*6.4*	939.7

Note

From Tables 1.1 and 2.1. Figures are rounded.

Table 2.3 **Fife Council area residents- all convenience shopping patterns (Q1-Q3 combined) 2016 survey**				
	Origin			
Catchment areas	West Fife	Mid Fife	East Fife	Total Fife
Destination				
West Fife	92%	8%	0%	35%
Mid Fife	4%	87%	10%	46%
East Fife	0%	3%	73%	13%
Outside Fife	5%	2%	17%	6%
Total	100%	100%	100%	100%

Source: NEMS household shopping interview survey 2016 for Fife Council

The above data relates to the weighted survey data and filtered to remove don't knows, varies, internet and mail order

Main food shopping (Q1&Q2) and top-up shopping (Q3) is weighted 80%:20% for the combination

2.4.4 For Fife, 94% of convenience expenditure is retained in the Council area, leaving only 6% leakage. Detail on the most-visited stores for convenience shopping in Fife is provided in section 6 of the Fife Retail Capacity Study 2016, and re-iterated in section 6 of the Retail Capacity Study 2018.

2.5 Convenience expenditure and turnover by catchment area

2.5.1 The relationship between total expenditure and turnover in each retail catchment area is defined at the beginning of this section.

2.5.2 Appendix 2 shows the estimates of expenditure inflows to each catchment area in detail, based on the household survey in Table 2.3 and visitor spending.

2.5.3 **Visitor spending-** in 2017, the Council commissioned a study entitled *The Economic Impact of Tourism in Fife & Districts* by Destination Research Consultants. The estimates of convenience and comparison shopping expenditure by visitors to Fife in the 2018 Capacity Study were based on this research. No further update is available, so the same *proportions* of visitor spending are applied in the 2019 Capacity Study. The details for convenience expenditure are presented in Appendix 2.

2.5.4 **Expenditure and turnover forecasts -** Tables 2.4 to 2.7 show the survey-based convenience expenditure and turnover relationships for each catchment area and for Fife in 2019, 2024 and 2029. The expenditure and turnover levels are slightly higher compared to those in the 2018 Capacity Study, mainly because of changes in price indices.

Table 2.4
West Fife convenience expenditure and turnover (in 2018 prices)

	%	2019 £million	2024 £million	2029 £million
Main catchment residents' expenditure potential		315.6	317.6	319.8
Add: inflows from rest of Fife	11%	35.1	35.3	35.5
inflows from outside Fife	4%	12.7	12.8	12.9
Less: outflows	-8%	-26.6	-26.8	-26.9
Retained expenditure (turnover)		336.7	338.9	341.2

Note
Inflows and outflows from Appendix 2

Table 2.5
Mid Fife convenience expenditure and turnover (in 2018 prices)

	%	2019 £million	2024 £million	2029 £million
Main catchment residents' expenditure potential		441.9	444.7	447.8
Add: inflows from rest of Fife	6%	28.1	28.3	28.5
inflows from outside Fife	3%	12.8	12.9	12.9
Less: outflows	-13%	-57.3	-57.6	-58.0
Retained expenditure (turnover)		425.5	428.2	431.2

Note
Inflows and outflows from Appendix 2

Table 2.6
East Fife convenience expenditure and turnover (in 2018 prices)

	%	2019 £million	2024 £million	2029 £million
Main catchment residents' expenditure potential		169.9	171.0	172.1
Add: inflows from rest of Fife	7%	12.2	12.2	12.3
inflows from outside Fife	16%	26.9	27.1	27.3
Less: outflows	-27%	-46.1	-46.4	-46.7
Retained expenditure (turnover)		162.9	163.9	165.1

Note
Inflows and outflows from Appendix 2

Table 2.7
Fife convenience expenditure and turnover (in 2018 prices)

	%	2019 £million	2024 £million	2029 £million
Council area residents' expenditure potential		927.3	933.3	939.7
Add:				
inflows from outside Fife	6%	52.4	52.7	53.1
Less: outflows	-6%	-51.4	-51.7	-52.1
Retained expenditure (turnover)		925.1	931.1	937.5

Note
Inflows and outflows from Appendix 2

2.6 Convenience floorspace and turnover 2019

2.6.1 The current distribution of convenience floorspace in the three retail catchment areas is shown in Tables 2.8 to 2.10, based on the latest data provided by Goad (2019) and other sources, including Council data for most of the out of centre main supermarkets. There is little change in the floorspace since the 2018 Retail Capacity Study.

2.6.2 Average company turnover/ floorspace ratios based on the Retail Rankings 2019 are applied to the main supermarkets and discount foodstores, with adjustments to include VAT and remove petrol/ non-retail sales, expressed in 2018 prices. These ratios also embrace recent research published by Mintel on the split of convenience and comparison floorspace among the various operators and the associated division of turnover by type.

2.6.3 Estimated average ratios are applied to all other shops. Those in the smaller towns are apportionments from the turnover ratios in the largest town centres in each catchment area. Tables 2.8 to 2.10 show the total average turnover in each catchment area at average levels, based on this method.

2.6.4 Comparison with the survey-based totals (actual turnover) is included for each area. This reveals close to average-trading levels in West Fife in 2019, slight over-trading in Mid Fife and more significant trading at above average levels in East Fife.

2.6.5 On a technical point, there is there is no widely agreed benchmark for determining any over/ under-trading. Some consultants ignore the subject and rely on the survey-based ratios only, although there are issues related to accuracy at the individual store level and consistency in the treatment of turnover of new development proposals.

Table 2.8
West Fife: convenience floorspace and turnover, 2019 (in 2018 prices)

	Floorspace sq m		Av. turnover	Turnover
	gross	net	ratio £/sq m	£million
Dunfermline Town Centre				
*Marks & Spencer Foodhall	510	332	10,254	3.4
*Rest of Town Centre	3,010	1,957	5,800	11.3
Sub total	3,520	2,288		14.7
*Tesco, Winterthur Lane (total 8,000 sq m gross-est 70% conv)	5,600	3,360	11,427	38.4
*ASDA Halbeath (total 9,540 goad + 1,162 mez) sq m gross- est 55% conv	5,886	3,532	14,589	51.5
ASDA St Leonards-total 4,749 sqm (75% conv)	3,562	2,137	14,589	31.2
Tesco Duloch-total 6,147 sq m (82% conv)+ ext 2,747 (22%conv)	5,645	3,387	11,427	38.7
Aldi Duloch (06/01592- floorplan 1,606 sqm gross, 1,125 net -est 80% conv)	1,285	900	13,625	12.3
Dobbies Garden Centre- Farm food hall (estimate)	400	360	8,500	3.1
Tesco Express, Aberdour Rd	326	245	16,633	4.1
Aldi Halbeath Rd (13/03345-1,657 gross,1,158 net -includes extension- est 80% conv	1,340	926	13,625	12.6
Iceland, Halbeath Rd	800	560	7,955	4.5
*Farmfoods, Carnegie Retail Park	750	525	6,030	3.2
*Home Bargains, Carnegie RP (1,010 sq gross- 25% conv)	253	202	8,234	1.7
Other Dunfermline shops	3,009	1,956	3,770	7.4
Co-op, Linburn Rd, Dunfermline	319	191	9,118	1.7
Rosyth	1,322	859	3,770	3.2
Tesco, Rosyth	1,609	965	11,427	11.0
Sainsbury's Local, Camdean, Rosyth	350	263	16,131	4.2
*Inverkeithing	1,100	715	3,770	2.7
Crossgates	566	368	3,770	1.4
*Kincardine	330	215	3,770	0.8
*Tesco Metro, Dalgety Bay	1,840	1,288	11,427	14.7
Aldi, Donibristle, Dalgety Bay - new (1,650 sq m gross, 1,125 net - est 80% conv)	1,320	900	13,625	12.3
*Rest of Dalgety Bay	160	104	3,770	0.4
ASDA Dalgety Bay (3,437 sq m gross 80% conv)	2,750	1,650	14,589	24.1
Oakley, Saline, Torryburn, H Valleyfield, Crossford, Comrie, Cairneyhill, Charleston, Inverkeithing Mini Market 120sqm, plus few others	1,838	1,195	3,770	4.5
Sub total	42,358	26,801		289.6
Cowdenbeath Town Centre				
*Morrisons	2,110	1,055	12,392	13.1
*Rest of Town Centre	2,770	1,801	4,060	7.3
Sub total	4,880	2,856		20.4
Aldi, Cowdenbeath (14/00803-1,587 sq m gross, 1,140 sq m net, 844 net conv)	1,174	844	13,625	11.5
*Kelty	390	254	3,770	1.0
Total West Fife turnover at average levels				337.1
Under- trading below average levels	*0%*			*-0.4*
Total West Fife	**52,322**	**33,042**		**336.7**

Note
* Goad gross floorspace data 2019, provided by the Council. A few minor updates to the net/gross floorspace ratios included since 2018 Study.
Other gross floorspace provided by Fife Council, based on their 2007 floorspace survey (mainly small settlements), planning applications and the 2017 Retail Capacity Study. Note that the 2007 survey data has been reduced by a notional 30% for 2019, to allow for the general decline in shop numbers over the period. Average supermarket turnover ratios based on the Retail Ranking 2019 and other Mintel research on supermaket operator floorspace, adjusted to remove petrol sales, plus an allowance for VAT added- in 2018 prices.
Cowdenbeath TC turnover/ floorspace ratio (excluding Morrisons) assumed at 70% of Dunfermline TC turnover ratio.
Other small towns at 65% of Dunfermline TC turnover ratio.

Table 2.9
Mid Fife: convenience floorspace and turnover, 2019 (in 2018 prices)

	Floorspace sq m		Av. turnover	Turnover
	gross	net	ratio £/sq m	£million
Kirkcaldy Town Centre				
Lidl (1,286 sq m gross & 966 sq m net of which 847 sq net is conv)- see Table 2.11	1,093	847	10,987	9.3
*Rest of Town Centre	3,410	2,217	5,800	12.9
Sub total	4,503	3,064		22.2
Morrisons, Invertiel 6,369 sq m gross, 3,519 sq m net-2,815 sq m conv (80%)	5,095	2,815	12,392	34.9
ASDA, Kirkcaldy 11,889 sq m gross (Council)- 6,410 sq m net at 60:40 conv/ comp sales	7,133	3,846	14,589	56.1
*Sainsbury's, Fife Central Retail Park (5,610 sq m gross- 85% conv)	4,769	2,861	12,020	34.4
*M&S Simply Food, Fife Central RP	1,020	714	10,254	7.3
Greggs, Fife Central Retail Park	200	130	4,100	0.5
Aldi, McKenzie St, Kirkcaldy (1,493 sq m gross total)- 80% conv	1,194	836	13,625	11.4
Aldi, Ferrard Rd, Kirkcaldy (Total 1606 sq m gross/ 1,125 net- est 80% conv)	1,285	900	13,625	12.3
Other Kirkcaldy shops	4,319	2,807	3,770	10.6
Dysart	309	201	3,770	0.8
Coaltown of Wemyss	37	24	3,770	0.1
Ballingry	738	480	3,770	1.8
*Lochgelly	1,570	1,021	3,770	3.8
Lochore	467	303	3,770	1.1
Cardenden	1,772	1,152	3,770	4.3
*Burntisland	1,480	962	3,770	3.6
Kinghorn & Aberdour	664	431	3,770	1.6
Sub total	32,051	19,483		184.7
Glenrothes Town Centre				
*Kingdom Centre	3,110	2,022	5,800	11.7
M&S Simply Food, Unit 1, North Street 15/03140/PPP & 16/02458/ARC	1,172	820	10,254	8.4
Food Warehouse, Unit 5, North Street (plan application as above)	960	672	7,955	5.3
Sub total	5,242	3,514		25.5
*Morrisons, Flemington Rd, Glenrothes (4,850 sq m gross-80% conv)	3,880	1,940	12,392	24.0
Lidl, Leslie Rd, Glenrothes (1,000 sq m gross-90%conv)	900	675	10,987	7.4
*Aldi, Flemington Rd, Glenrothes (1,300 sq m gross- est 80% conv)	1,040	728	13,625	9.9
*B&M, Flemington Rd, Glenrothes (1,500 sq m gross- 25% conv)	375	300	3,949	1.2
ASDA, Fullerton Rd, Glenrothes (Total 7,897 sq m gross- 4,343 sq m gross conv)	4,343	2,606	14,589	38.0
*Cadham Centre, Glenrothes	790	514	3,770	1.9
Iceland, Glenwood, Glenrothes	630	441	7,955	3.5
*Other Glenwood shops, Glenrothes	340	221	3,770	0.8
Tesco Express, Sth Park Rd, Glenrothes	410	308	16,633	5.1
Other Glenrothes shops (notional estimate)	1,750	1,138	3,770	4.3
Leslie	585	380	3,770	1.4
Markinch	535	348	3,770	1.3
Kinglassie & Thornton	655	425	3,770	1.6
Falkland & Freuchie	410	267	3,770	1.0
Ladybank & Kettlebridge	355	231	3,770	0.9
Sub total	16,997	10,520		102.5
Leven Town Centre				
*Sub total-Town Centre shops (excluding Riverside Retail Park)	2,180	1,417	4,060	5.8
*Sainsbury's, Riverside RP	2,700	1,620	12,020	19.5
*B&M, Riverside RP (1,530 sq m gross- 25% conv)	383	306	3,949	1.2
*Home Bargains, Riverside Rd (2060 sq m gross- 25% conv)	515	412	8,234	3.4
*Lidl, Mitchell St, Leven (1,060 sq m gross-90% conv)	954	716	10,987	7.9
Aldi, Turpie Rd, Leven-1,480sqm gross, 990 sq m net- 80% conv	1,184	792	13,625	10.8
Sub total	5,736	3,846		42.7
East Wemyss	277	180	3,770	0.7
Methil/ Methilhill	2,328	1,513	3,770	5.7
Buckhaven	1,215	790	3,770	3.0
Kennoway & Windygates & Upper Largo	776	504	3,770	1.9
Lundin Links & Lower Largo	329	214	3,770	0.8
Newburgh & Strathmiglo & Auchtermuchty	662	430	3,770	1.6
Sub total	5,586	3,631		13.7
Total Mid Fife turnover at average levels				397.0
Over- trading above average levels	*7%*			*28.5*
Total Mid Fife	**72,295**	**45,473**		**425.5**

Note
* Goad gross floorspace data 2019, provided by the Council. A few minor updates to the net/gross floorspace ratios included since 2018 Study.
Other gross floorspace provided by Fife Council, based on their 2007 floorspace survey (mainly small settlements), planning applications and the 2017 Retail Capacity Study. Note that the 2007 survey data has been reduced by a notional 30% for 2019, to allow for the general decline in shop numbers over the period. Average supermarket turnover ratios based on the Retail Ranking 2019 and other Mintel research on supermaket operator floorspace, adjusted to remove petrol sales, plus an allowance for VAT added- in 2018 prices.
Glenrothes TC turnover/ floorspace ratio assumed same as Kirkcaldy TC turnover ratio. Leven TC turnover ratio assumed at 70% of Kirkcaldy TC turnover ratio.
Other small towns at 65% of Kirkcaldy TC turnover ratio.

Table 2.10
East Fife: convenience floorspace and turnover, 2019 (in 2018 prices)

	Floorspace sq m		Av. turnover	Turnover
	gross	net	ratio £/sq m	£million
St Andrews Town Centre				
*Tesco Metro	1,350	945	11,427	10.8
*Sainsbury's Local	600	450	16,131	7.3
*Rest of Town Centre	2,000	1,300	4,920	6.4
Sub total	3,950	2,695		24.5
Morrisons, St Andrews	3,740	1,870	12,392	23.2
Aldi, Tom Stewart Lane, St Andrews (1,331 sq m gross-80% conv)	1,065	746	13,625	10.2
M&S Simply Food, Largo Rd	1,395	977	10,254	10.0
Other St Andrews shops	424	276	3,936	1.1
Balmullo, Guardbridge,Kingsbarns, Leuchars, S'kinness	987	642	3,936	2.5
Sub total	7,611	4,509		47.0
Cupar Town Centre				
*Co-op	1,200	780	9,118	7.1
*Lidl (total 2,000 sq m gross) 80% conv	1,600	1,040	10,987	11.4
*Rest of Town Centre	2,170	1,411	4,428	6.2
Sub total	4,970	3,231		24.8
Tesco, Cupar (total 2,033 sq m gross/ 1,338 net-c70% conv- agent data)	1,423	937	11,427	10.7
Aldi, South Rd, Cupar (total 1,587 sq m gross- 80% conv)	1,270	889	13,625	12.1
Ceres & Dairsie	396	258	3,936	1.0
*Anstruther	510	332	3,936	1.3
Cellardyke & Crail & St Monans & Pittenweem	883	574	3,936	2.3
Elie & Colinsburgh	284	184	3,936	0.7
Tayport/Wormit & Newport	1,066	693	3,936	2.7
Sub total	5,832	3,866		30.8
Total East Fife turnover at average levels				127.0
Over-trading above average levels	*28%*			*35.9*
Total East Fife	**22,363**	**14,301**		**162.9**

Note
* Goad gross floorspace data 2019, provided by the Council. A few minor updates to the net/gross floorspace ratios included since 2018 Study.
Other gross floorspace provided by Fife Council, based on their 2007 floorspace survey (mainly small settlements), planning applications and the 2017 Retail Capacity Study. Note that the 2007 survey data has been reduced by a notional 30% for 2019, to allow for the general decline in shop numbers over the period. Average supermarket turnover ratios based on the Retail Ranking 2019 and other Mintel research on supermaket operator floorspace, adjusted to remove petrol sales, plus an allowance for VAT added- in 2018 prices.
Cupar TC turnover/ floorspace ratio assumed at 90% of St Andrews TC turnover ratio. Other small towns assumed at 80% of St Andrews TC turnover ratio.

2.7 Online food shopping

2.7.1 Among those who bought their groceries on the internet in Fife, the 2016 household survey indicated that, for main food shopping (Q1&Q2), 40% used Tesco, 18% used ASDA, and 11% used Sainsbury's. Levels of forecast online spending on convenience goods are slightly higher than the forecasts in the 2018 Capacity Study.

2.8 Convenience planning consents & opportunities

2.8.1 Table 2.11 shows the current convenience retail planning consents and opportunities in Fife, which include a number of proposed discount foodstores and two proposed M&S Simply Food stores plus neighbourhood stores and others. These commitments require to be deducted from the forecasts of spare capacity.

2.8.2 In West Fife, development of a Lidl store and B&M in Cowdenbeath is nearing completion. Aldi has now opened a store in Dalgety Bay, which was previously shown as a consent in the 2018 Capacity Study. There is no progress on development of the other consents in West Fife.

2.8.3 In Mid Fife, M&S Simply Food and the Food Warehouse now occupy units within the consent at the CISWO site in Glenrothes, leaving a small amount of other space remaining. The Tullis Russel site in Glenrothes is now proposed for employment uses. Other sites with retail consent in Mid Fife have not progressed towards development.

2.8.4 In East Fife, there are planning consents for two alternative retail development schemes at South Road, Cupar, but there is no progress on developing either proposal.

Table 2.11
Proposed convenience floorspace in Fife: consents and applications 2019 (in 2018 prices)

	Floorspace sq m		Turnover	Turnover
	gross	net	ratio £/sq m	£million
Planning consents included in the 2019 Capacity Study				
Yard Public House site, Admiralty Rd, Rosyth 17/01554/FULL not built Proposed Lidl supermarket- (total 2,367sq m gross. Conv 2,012 sq m and 355 sq m comp.	2,012	1,220	10,987	13.4
North End Park, Cowdenbeath 15/04183/FULL & 15/04183/NMV2-Sept 2018 u/c				
Unit 1 Discount foodstore (Lidl) 1,794 sq m gross, 1,066 sq m net- est 85% conv.	1,525	906	10,987	10.0
Unit 2 budget mixed goods retailer (B&M) 1,858 sq gross,1,674 sq m net- 25% conv	465	419	3,949	1.7
Halbeath Retail Park- extension 16/01927/FULL- subject to S75 agreement -not built Units 9 & 11- 4,532 sq m gross convenience floorspace - for:				
M&S Simply Food	2,044	1,431	10,254	14.7
Lidl- (2,488 sqm gross total-80% conv)	1,990	1,294	10,987	14.2
Other proposed units are for bulky goods (5,435 sq m gross)				
Inglis St, Dunfermline 17/01812/FULL- demolition of tile warehouse and devt.-not built of 3 retail units. Total 1,289 sq m gross. Assume 432 sq m for conv. Other 2 units for comparison (432 sq m and 425 sq m)	432	302	8,500	2.6
Freescale site (Shepherd Offshore), Dunfermline -16/03359/ARC -not built Class 1 retail (supermarket) -2,500 sq m gross within masterplan for the site- latest version of previous proposals. Estimate 85% conv.	2,125	1,275	8,500	10.8
Former Stagecoach Depot, Kirkcadly-16/02147/FULL & 16/02147/NMV1 -not built Lidl relocation from Esplanade- 2,174 sq m gross, 1,327 sq m net *Proposed convenience floorspace (85%): 1,848 sq m gross, 1,128 sq m net* Existing store: 1,286 sq m gross, 996 sq m net *Existing convenience floorspace: 1,093 sq m gross, 847sq m net*				
Net difference	755	281	10,987	3.1
Kingslaw Village/ Burnside Neighbourhood Centres 10/01774/EIA-not built Kirkcaldy-Two supermarkets- 1,500 sq m gross and 370 sq m gross- not built	1,870	1,122	8,500	9.5
Queensgate, Glenrothes (Tullis Russell) 15/02702/PPP Retail no longer proposed and consent has lapsed. Application for employment uses.				
CISWO site, North St, Glenrothes 15/03140/PPP & 16/02458/ARC 5 units:Class 1 retail and other commercial use options Units 1,4 & 5 now occupied Units 2&3- total 836 sq m could be retail or other Use Classes. Cannot record until known.	1,021	715		
*South Road, Cupar 15/04188/FULL- Development revised as shown below Floorspace from PPC Supporting Statement Update March 2017- Table 1 Total 4,320 sq m gross, 3,387 sq m net (includes 125 sq m net non-retail) Net comp floorspace- 2,202 sq m (applicants' figure) Net conv floorspace- 1,059 sq m (applicants' figure)	1,351	1,059		
South Road, Cupar 18/00978/FULL (Latest development scheme)- not built Floorspace from PPC Supporting Statement Update July 2018- Table 1 A Total 7 units: 3,670 sq m gross, 3,353 sq m net Convenience (1,427 sq m net), comparison (1,655 sq m net), Class 3/ t'away (272 sq m net)	1,562	1,427	8,500	12.1
Current applications: not included in the 2019 Capacity Study				
Craigtoun- St Andrews West SDA Proposed expansion of St Andrews. It includes provision for 2,000 sq m gross of retailing. No type specified yet. Potential for a 1,200 sq m supermarket with possibly 800 sq m comparison floorspace				

Note
Gross floorspace from the Council. Estimated turnover of the consents are based on company averages from the 2019 Retail Rankings for Lidl and a nominal turnover ratio applied to the other consents with no specified operator. Very minor retail consents have not been included.
*Estimated turnover of the earlier South Road consent is not shown to avoid double counting in the capacity study.
Estimated turnover of the Craigtoun development proposal is not shown here because the details are yet to be finalised.

3 Convenience expenditure capacity

3.1 Introduction

3.1.1 This section provides estimates of the spare convenience retail expenditure capacity that could service new retail floorspace in each of the three retail catchment areas. The forecasts of spare capacity are for the periods 2019-24, 2024-29 and for the total ten-year period 2019-29, after allowing for the existing planning commitments.

3.2 Definition

3.2.1 The planning context for defining spare capacity is the level of new retail development that can be accommodated without threatening the vitality and viability of established town centres. Spare retail capacity can exist in the following forms:

- Any current over-trading
- Growth in retained expenditure (turnover)
- Potential to claw back expenditure leakage
- Potential to attract new trade into the area
- 'Acceptable' levels of impact

3.2.2 A range of spare capacity can be prepared from these components, showing a low and high estimate, after deducting planning commitments. For convenience retail capacity, the *low estimate* includes any over-trading and the forecast growth in expenditure in the catchment areas over the target periods. The *high estimate* also includes the potential to claw back leakage and attract new trade into the catchment areas. Provision of a range of spare capacity normally reduces the need for sensitivity tests.

3.2.3 'Acceptable' levels of retail impact refer to the situation where new developments would not threaten the vitality and viability of established centres. By convention, this aspect is not usually embraced into capacity studies, because it is normally addressed by retail impact assessments in support of specific retail planning applications. The Council would then assess whether the retail impacts are 'acceptable' in terms of their effects on the vitality and viability of town centres

3.2.4 The forecasts of spare convenience expenditure capacity in this report also include associated equivalent net floorspace estimates for broad guidance, based on the average turnover/floorspace ratio of the four main supermarket operators, plus Aldi and Lidl, as shown in the footnotes to the tables. The equivalent floorspace associated with the expenditure capacity would be greater for other operators with lower turnover ratios.

3.2.5 More weight should be given to the expenditure capacity figures, because retailer performance and formats varies widely.

3.3 Spare convenience expenditure capacity

3.3.1 **Low estimates-** Tables 3.1 to 3.3 show the forecast spare convenience expenditure for each of the three retail catchment areas.

3.3.2 Assuming all the current consents shown in Table 2.11 are developed, there is significant predicted negative capacity in West Fife over the next ten years. Modest levels of spare capacity in Mid Fife are predicted, compared to the negative levels in the 2018 Capacity Study, mainly caused by the greater planning commitments at that time. There is a significant predicted surplus expenditure capacity in East Fife for its size, which is partly associated with level of visitor spending.

3.3.3 **High estimates-** For estimates at the high end of the range to apply, there would have to be potential to accommodate a supermarket which would can reduce leakage and attract some new trade. In today's retail market, this is more likely to include a discount foodstore, sometimes in combination with another type of store, but there would probably be little attraction of new trade.

3.3.4 For the three catchment areas, a notional allowance for potentially capturing up to 50% of the convenience expenditure outflows from each catchment to centres outside Fife has been included as the basis for the high estimate, over and above the low estimate.

3.3.5 The resulting predicted levels of recaptured leakage are small in West and Mid Fife, and modest in East Fife. The choice of this approach avoids overlap where reduced leakage in one catchment may mean increased trade loss in another. It is also consistent with the probability that the formats of the current retail consents would probably not capture significant levels of leakage from beyond the retail catchment area in Fife in which they are located.

3.4 Interpretation

3.4.1 The significant forecast negative retail expenditure capacity in West Fife up to 2029 suggests little scope for additional developments beyond the existing consents, other than support for minor convenience store development. The consents at Cowdenbeath, Halbeath and Rosyth are associated with named store operators. This is not the case for the other two retail consents in Dunfermline in Table 2.11, where there is no public information on prospective operators.

3.4.2 In Mid Fife, the moderate level of forecast spare expenditure capacity reinforces support for the proposed two neighbourhood centres in Kirkcaldy in Table 2.11, plus support for a low level of additional convenience floorspace elsewhere.

3.4.3 The forecast spare capacity in East Fife would support some new store development and extensions to existing stores, beyond the existing consents in Table 2.11. Since the only major consents are in Cupar, the opportunities for additional store development may be elsewhere in East Fife.

3.4.4 Visitor spending contributes substantially to the forecast surplus in East Fife, and this will be seasonal. It adds increased uncertainty to the market demand for development of additional convenience floorspace in the future.

3.4.5 Finally, the assessment of future new retail development applications will be subject to the policy provisions of the sequential test and network of centres, where impacts of new developments must not threaten the vitality and viability of town centres and other centres in the network.

Table 3.1
West Fife: forecast spare convenience expenditure capacity (in 2018 prices)

			2019-24 £million	2024-29 £million	2019-29 £million
(a) Current under-trading (Table 2.8)			-0.4		-0.4
(b) Growth in retained expenditure (turnover)- Table 2.4			2.2	2.3	4.5
(c) Less planning commitments: (selected consents- Table 2.11)			-67.3		-67.3
Low estimate	(a+b+c)		**-65.5**	**2.3**	**-63.2**
(d) Add: potential to reduce outflow	*2024*	*2029*			
Outflow £million- Table 2.4	-26.8	-26.9			
Outflows to centres outside Fife-Tables 2.3 & 2.4	-14.6	-14.7			
Potential to clawback up to 50% of leakage to centres outside Fife			7.3	0.05	7.3
(e) Add:potential to increase inflow- Table 6.4					
Assume negligible					
High estimate	(a+b+c+d+e)		**-58.2**	**2.4**	**-55.9**
Equivalent convenience floorspace			£ per sq m	£ per sq m	
* Turnover/ floorspace ratio			12,588	12,674	
			sq m net	sq m net	sq m net
Low			*-5,200*	*200*	-5,000
High			*-4,600*	*200*	-4,400

Note
Gross equivalent floorspace estimates have not been shown, as net /gross formats vary widely. *Figures are rounded.*
* The turnover ratio derives from the 2019 Retail Rankings for the average of Sainsbury's, Tesco, Morrisons, ASDA, Aldi and Lidl, at £12,507 per sq m. The ratio is adjusted to relate to 2024 and 2029, based on % turnover growth in Fife -Table 2.7

Table 3.2
Mid Fife: forecast spare convenience expenditure capacity (in 2018 prices)

			2019-24 £million	2024-29 £million	2019-29 £million
(a) Current over-trading (Table 2.9)			28.5		28.5
(b) Growth in retained expenditure (turnover)- Table 2.5			2.7	2.9	5.7
(c) Less planning commitments: (selected consents- Table 2.11)			-12.6		-12.6
Low estimate	(a+b+c)		**18.6**	**2.9**	**21.5**
(d) Add: potential to reduce outflow	*2024*	*2029*			
Outflow £million- Table 2.5	-57.6	-58.0			
Outflows to centres outside Fife-Tables 2.3 & 2.5	-11.0	-11.1			
Potential to clawback up to 50% of leakage to centres outside Fife			5.5	0.04	5.6
(e) Add:potential to increase inflow- Table 2.5					
Assume negligible					
High estimate	(a+b+c+d+e)		**24.1**	**3.0**	**27.1**
Equivalent convenience floorspace			£ per sq m	£ per sq m	
* Turnover/ floorspace ratio			12,588	12,674	
			sq m net	sq m net	sq m net
Low			*1,500*	*200*	1,700
High			*1,900*	*200*	2,100

Note
Gross equivalent floorspace estimates have not been shown, as net /gross formats vary widely. *Figures are rounded.*
* The turnover ratio derives from the 2019 Retail Rankings for the average of Sainsbury's, Tesco, Morrisons, ASDA, Aldi and Lidl, at £12,507 per sq m. The ratio is adjusted to relate to 2024 and 2029, based on % turnover growth in Fife -Table 2.7

Table 3.3
East Fife: forecast spare convenience expenditure capacity (in 2018 prices)

			2019-24 £million	2024-29 £million	2019-29 £million
(a) Current over-trading (Table 2.10)			35.9		35.9
(b) Growth in retained expenditure (turnover)- Table 2.6			1.1	1.1	2.2
(c) Less planning commitments: Table 2.11			-12.1		-12.1
Low estimate	(a+b+c)		**24.8**	**1.1**	**25.9**
(d) Add: potential to reduce outflow	*2024*	*2029*			
Outflow £million- Table 2.6	-46.4	-46.7			
Outflows to centres outside Fife-Tables 2.3 & 2.6	-29.4	-29.6			
Potential to clawback up to 50% of leakage to centres outside Fife			14.7	0.10	14.8
(e) Add:potential to increase inflow- Table 2.6					
Assume negligible					
High estimate	(a+b+c+d+e)		**39.5**	**1.2**	**40.7**
Equivalent convenience floorspace			£ per sq m	£ per sq m	
* Turnover/ floorspace ratio			12,588	12,674	
			sq m net	sq m net	sq m net
Low			*2,000*	*100*	2,100
High			*3,100*	*100*	3,200

Note
Gross equivalent floorspace estimates have not been shown, as net /gross formats vary widely. *Figures are rounded.*
* The turnover ratio derives from the 2019 Retail Rankings for the average of Sainsbury's, Tesco, Morrisons, ASDA, Aldi and Lidl, at £12,507 per sq m. The ratio is adjusted to relate to 2024 and 2029, based on % turnover growth in Fife -Table 2.7

4 Comparison expenditure and turnover

4.1 Introduction

4.1.1 This section of the report assesses the comparison expenditure and turnover relationships for each the three retail catchment areas and for Fife, taking account of the comparison shopping patterns identified by 2016 NEMS household shopping interview survey.

4.1.2 The distribution of the turnover among the various towns and retail parks is controlled to the total deduced turnover for each catchment area from the shopping patterns.

4.2 Comparison goods-definition

4.2.1 Comparison goods include:

- *Books*
- *Clothing and footwear*
- *Furniture, floorcoverings & household textiles*
- *Audi visual equipment and other durable goods (domestic appliances and phones)*
- *Hardware and DIY supplies*
- *Chemists' goods*
- *Jewellery, watches and clocks*
- *Bicycles*
- *Recreational and other miscellaneous goods*
- *Remaining 10% of non- durable household goods*

4.2.2 This definition is provided in the *Experian Retail Planner Briefing Note 16, dated December 2018*, based on Central Government survey classifications (still the latest version of the Briefing Note series).

4.2.3 *'Bulky goods'* is a collective sub-category of comparison goods. These include at least furniture/ floorcoverings and household textiles, large domestic appliances and DIY/hardware. Definitions by retail research agencies vary. There is no precise way of comprehensively identifying all bulky goods retail floorspace in any study area. While bulky goods are normally found in retail parks, they are also important to many town centres.

4.2.4 For these reasons, separate forecasts of expenditure capacity for bulky goods were discontinued in the Fife Retail Capacity 2016 and onwards. The main benefit of the category is to assist development management to identify restrictions on the range of goods to be sold on retail parks.

4.3 Comparison expenditure potential and the internet

4.3.1 Table 4.1 shows the forecast comparison expenditure per capita data for each of the three retail catchment areas in Fife, based on data commissioned from Experian with updates for this study. The forecast growth rate from 2019-29 is 3.2% per annum before deducting special forms of trading. This is substantially higher than the forecast growth rate for convenience expenditure.

4.3.2 As explained in section 2, special forms of trading (SFT), which is almost entirely internet shopping, but includes a very small proportion of mail order, are removed from the expenditure per capita data, so that it relates to conventional shop floorspace. The proportion of SFT, or mainly non-store sales, is projected to increase up to 2029.

4.3.3 For comparison expenditure, it should be noted that the proportion of SFT based on the household survey findings on internet shopping by Fife residents (28.9%) is much higher than the national average (17.9% in 2019) estimated by Experian, as shown in Table 4.1. Similar differences emerge in recent household shopping surveys in other local authority areas. Explanation of how the survey findings on the proportions of SFT are compiled is provided in the Fife Retail Capacity Study 2016 (Appendix 6).

4.3.4 Pitney Bowes also provide estimates and forecasts of the proportions of the proportion of SFT, which appear much closer to the survey- based findings for Fife. In fact, a reduction to the survey proportion of 28.9% needs to be made to allow for the overlap between non-store-based sales and store related internet sales. Application of the Pitney Bowes estimates (26.8% in 2019) effectively addresses this issue.

Table 4.1
Fife comparison expenditure per capita per annum (in 2018 prices)

Catchment areas	2016 £	2019 £	2024 £	2029 £
West Fife	3,462	3,845	4,496	5,260
Mid Fife	3,067	3,406	3,983	4,660
East Fife	4,100	4,554	5,325	6,230
**excluding special forms of trading*				
West Fife		*2,815*	*3,030*	*3,361*
Mid Fife		*2,493*	*2,684*	*2,978*
East Fife		*3,334*	*3,589*	*3,981*

Note

Original Experian figures for 2016 are in 2016 prices. These have been adjusted to 2018 prices by a factor of 1.03424

from *Experian Retail Planner Briefing Note 16, Appendix 4b- dated December 2018*

The growth rates derive from the above Experian document, Appendix 4a.

	2016-19	2019-24	2024-29
Growth rates	1.1108	1.1693	1.1700

*An allowance for special forms of trading (SFT) is deducted so that the exenditure per capita relates to sales from conventional retail floorspace.

Experian publish their own estimates of the % deduction for SFT for the UK in their *Retail Planner Briefing Note 16, Figure 5 - December 2018*.

Experian deductions for SFT	-17.9%	-20.4%	-21.4%

The above estimated proportions are low compared to the Fife survey findings. For this study, the survey-based proportion was **28.9%** in 2016.

Pitney Bowes has also published estimates of the proportions of SFT in their Retail Expenditure Guide 2019/20 published September 2019:

Pitney Bowes deductions for SFT- applied in this report:	**-26.8%**	**-32.6%**	**-36.1%**

Note that there is some overlap between non-store sales and store-related internet sales, so the proportions will be a bit lower than indicated from the household survey. In fact the proportion is unknown. Experian guess at a 25% reduction, whereas Pitney Bowes simply acknowledge the issue.

For the purposes of this study, it is considered that the survey-based proportions of SFT provide a readier interpretation of the relationsship of expenditure to future comparison retail floorspace requirements for planning purposes in Fife. Application of the Pitney Bowes forecasts provides a reduction from the survey proportion (28.9%) to allow for the overlap between non-store based sales and store-related internet sales.

Table 4.2
Fife residents' comparison expenditure potential (in 2018 prices)
Excluding SFT (special forms of trading)

Catchment areas	2019 £ million	*growth 2019-24 £ million*	2024 £ million	*growth 2024-29 £ million*	2029 £ million
West Fife	361.2	*31.2*	392.3	*45.7*	438.0
Mid Fife	456.7	*39.4*	496.1	*57.8*	553.9
East Fife	205.3	*17.7*	223.0	*26.0*	249.0
Total Fife	1,023.2	*88.3*	1,111.5	*129.5*	1,241.0

Note

From Tables 1.1 and 4.1. Figures are rounded.

4.3.5 Therefore, we have applied the Pitney Bowes' forecasts of the proportions of SFT in Table 4.1, as explained in the footnote to that table.

4.3.6 If the Experian estimates of SFT were applied, the resulting turnover levels in the catchment areas would be unrealistic, with very high turnover/floorspace ratios. Also, there would be excessively high levels of spare comparison expenditure capacity in relation to retail development market conditions.

4.3.7 The survey-based proportions of SFT are not surprising, as internet retail spending is now very high compared to the past. When the respondents to the household survey were asked how often they used the internet for non-food shopping, 48% said 'very/ quite frequently' and a further 27% said 'occasionally'.

4.3.8 Forecasts of the total comparison expenditure potential of the residents of each retail catchment area are shown in Table 4.2.

The growth rate to 2029 is the result of combining projected population growth with the forecast growth in expenditure per capita.

4.4 Comparison shopping patterns- market shares

4.4.1 Information on comparison shopping patterns by residents of the three catchment areas was collected by the household survey. The method is the same as for convenience shopping.

4.4.2 For each of the five categories of comparison goods in the NEMS interview survey questionnaire *(Q7-clothes, shoes, fashion/ Q8- furniture, floorcoverings and soft furnishings/ Q9-large domestic appliances/ Q10- DIY & hardware/ Q11- personal goods)* the respondents were asked to identify where *they visited most often* to buy these goods. Respondents could identify up to two destinations (or internet) for each category

4.4.3 The results were weighted and combined to reveal the shopping patterns for all comparison goods based on the household survey, as shown in Table 4.3.

4.4.4 Note that the proportions in Table 4.3 exclude SFT (internet/ mail order), to show physical destinations only and to achieve compatibility with the expenditure per capita data, which excludes SFT. Thus, Table 4.3 highlights the shopping patterns between the three catchment areas and with centres outside Fife.

4.4.5 From the household survey, Table 4.3 indicates that the main destinations for comparison shopping in West and Mid Fife are the towns and retail parks within these catchment areas. In East Fife, most comparison shopping by residents is done outside Fife (mainly in Dundee) and in Mid Fife.

4.4.6 More detail on the most frequently visited stores and centres is provided by the graphs in Figure 8.1, reproduced from the Fife Retail Capacity Study 2016, for ease of reference.

Table 4.3
Fife Council area residents- all comparison shopping patterns (Q7-Q11 combined) 2016
(from household survey alone)

	Origin			
Catchment areas	West Fife	Mid Fife	East Fife	Fife Total
Destination				
West Fife	67%	10%	1%	28%
Mid Fife	7%	65%	10%	33%
East Fife	0%	1%	30%	7%
Outside study area	26%	24%	58%	32%
Total	100%	100%	100%	100%

Note
The above data relates to the weighted survey data and filtered to remove don't knows, varies, internet and mail order

4.5 Comparison expenditure and turnover by catchment area

4.5.1 Like the analysis in section 2, the relationship between total expenditure and turnover in each catchment area is defined simply as: residents' expenditure potential plus inflows, less outflows equals total turnover.

4.5.2 Appendix 3 shows the estimates of expenditure inflows to each catchment area in detail, based on the household survey (Table 4.3) and visitor spending.

4.5.3 Tables 4.4 to 4.7 show the survey-based comparison expenditure and turnover relationships for each catchment area and for Fife in 2019, 2024 and 2029. Expenditure outflows from East Fife (mostly to Dundee) are proportionally much higher than West and Mid Fife, because there are no major shopping centres in East Fife.

4.6 Comparison floorspace and turnover 2019

4.6.1 The current distribution of comparison floorspace in the three retail catchment areas is shown in Tables 4.8 to 4.10, based on the latest data provided by Goad (2019) and other sources, including data from the Council.

4.6.2 The total turnover in each catchment area is controlled to the survey based totals shown earlier in this section. While the turnover of the retail warehouses and supermarkets are assumed at average company levels, the turnover relating to the town centres and villages is collectively derived from the survey totals for each of the three catchments. As for convenience turnover, the turnover ratios for the smaller towns are based on apportionment from the turnover ratio of the largest town centres in each catchment. These are estimated 'actual' levels, not average or benchmark levels.

4.6.3 The tables reveal that Dunfermline is trading relatively strongly. Deduced turnover levels are lower in Mid Fife, which partly reflects the high level of retail floorspace there. The level of turnover is high in St Andrews, because of the significant attraction of visitor spending identified by research.

4.6.4 Since the 2018 Retail Capacity Study there has been little change in the comparison retail floorspace in West Fife, with slight reductions in Mid and East Fife.

4.7 Comparison planning consents & opportunities

4.7.1 Table 4.11 shows the current comparison retail planning consents and current retail planning applications in Fife. The main changes since 2018 is that retail warehouse development is no longer proposed at Queensgate, Glenrothes, and there is now consent for a second, alternative retail development scheme at South Road, Cupar. With two consents on the same site, only the most recent one is included as a deduction from the forecast spare capacity in the next section.

4.7.2 In the longer term, additional retailing at Craigtoun, is proposed in the St Andrews West SDA. It is not included in the 2019 Retail Capacity Study as there is no detail at present and it relates to a longer term horizon.

4.8 Edinburgh St James Centre

4.8.1 Development of the new Edinburgh St James Centre is reaching an advanced stage. The project will create nearly 55,000 sq m of retail floorspace with an emphasis on fashion and lifestyle. It will also incorporate a multiscreen cinema, restaurants, a luxury hotel and residential uses. The promoters anticipate that the development will increase the trade draw from Edinburgh's catchment by around 20%.

4.8.2 *The Edinburgh City Plan 2030 Commercial Needs Study (Retail & Leisure)- April 2019*, forecasts that there is potential to increase comparison expenditure inflows to Edinburgh by over £200 million over the next ten years. This would be generated by Edinburgh St James and other developments in the City.

4.8.3 Assuming the scheme is successful, it will almost certainly attract more trade from Fife after 2020, following its scheduled completion. At this construction stage, it is too early to predict a level of increased trade draw from Fife, but an estimate may be appropriate in the next (2020) Retail Capacity Study, when the Centre will be operational.

Table 4.4
West Fife comparison expenditure and turnover (in 2018 prices)

	%	2019 £million	2024 £million	2029 £million
Main catchment residents' expenditure potential		361.2	392.3	438.0
Add: inflows from rest of Fife	13%	47.8	51.9	58.0
inflows from outside Fife	6%	23.2	25.2	28.2
Less: outflows	-33%	-120.6	-131.0	-146.2
Retained expenditure (turnover)		311.6	338.5	377.9

Note
Inflows and outflows from Appendix 3

Table 4.5
Mid Fife comparison expenditure and turnover (in 2018 prices)

	%	2019 £million	2024 £million	2029 £million
Main catchment residents' expenditure potential		456.7	496.1	553.9
Add: inflows from rest of Fife	11%	48.3	52.5	58.6
inflows from outside Fife	5%	23.3	25.3	28.2
Less: outflows	-35%	-162.1	-176.1	-196.6
Retained expenditure (turnover)		366.2	397.8	444.1

Note
Inflows and outflows from Appendix 3

Table 4.6
East Fife comparison expenditure and turnover (in 2018 prices)

	%	2019 £million	2024 £million	2029 £million
Main catchment residents' expenditure potential		205.3	223.0	249.0
Add: inflows from rest of Fife	3%	6.6	7.2	8.0
inflows from outside Fife	25%	50.7	55.0	61.5
Less: outflows	-70%	-142.8	-155.1	-173.2
Retained expenditure (turnover)		119.8	130.1	145.3

Note
Inflows and outflows from Appendix 3

Table 4.7
Fife comparison expenditure and turnover (in 2018 prices)

	%	2019 £million	2024 £million	2029 £million
Main catchment residents' expenditure potential		1,023.2	1,111.5	1,241.0
Add:				
inflows from outside Fife	9%	97.1	105.5	117.8
Less: outflows	-32%	-322.8	-350.6	-391.5
Retained expenditure (turnover)		797.6	866.4	967.3

Note
Inflows and outflows from Appendix 3

Table 4.8
West Fife: comparison floorspace and turnover, 2019 (in 2018 prices)

	Floorspace sq m gross	Floorspace sq m net	Av. turnover ratio £/sq m	Turnover £million
Dunfermline Town Centre				
*Town Centre shops	33,560	21,814	8,177	178.4
*Tesco, Winterthur Lane (total 8,000 sq m gross-est 30% comp)	2,400	1,440	5,892	8.5
*ASDA Halbeath (total 9,540 + 1,162 mez) sq m gross- est 45% comp	4,816	2,890	5,722	16.5
ASDA St Leonards-total 4,749 sqm (25% comp)	1,187	712	5,722	4.1
Tesco Duloch-total 6,147 sq m (18% comp)+ ext 2,747 (78% comp)	3,249	1,949	5,892	11.5
Aldi Duloch (1606 sqm gross, 1,125 sqm net -est 20% comp)	321	225	7,236	1.6
Dobbies Garden Centre (6,450 sm total- est 60% comp)	3,870	3,096	1,174	3.6
Other Leisure Park (Ed.Wollen Mill Maidenhead Aquatics)	940	752	798	0.6
Aldi Halbeath Rd (13/03345-1,657 gross,1,158 net -includes extension- est 20% comp	331	232	7,236	1.7
Other Dunfermline shops	2,776	1,805	3,271	5.9
*Inverkeithing	1,100	715	3,271	2.3
*Kincardine	240	156	3,271	0.5
*Rest of Dalgety Bay	630	410	3,271	1.3
Aldi, Donibristle, Dalgety Bay - new (1,650 sq m gross, 1,125 net - est 20% comp)	330	225	7,236	1.6
ASDA Dalgety Bay (3,437 sq m gross 20% comp)	687	412	5,722	2.4
Culross/ Rosyth/Cairneyhill/Oakley/ Limekilns/Newmills	963	626	3,271	2.0
*Kelty	610	397	3,271	1.3
Sub total (excl Dunfermline TC)	24,452	16,041		65.5
Cowdenbeath Town Centre				
*Town Centre shops	3,420	2,223	3,680	8.2
Aldi, Cowdenbeath (14/00803-1,587 sq m gross, 1,140 sq m net, 296 net comp)	317	296	7,236	2.1
Retail Parks (see Appendix 6)				
Carnegie Retail Park, Dunfermline	7,998	6,398		16.8
Halbeath Retail Park, Dunfermline (excl ASDA)	11,700	9,102		35.7
Sub total	19,698	15,500		52.5
Other Retail Warehouses				
Bed Shed, Baldridgeburn, Dunfermline	1,110	888	2,263	2.0
Thomsons World of Furniture, Dunfermline	2,500	2,000	1,200	2.4
Connections Furnishings, Comfort Store, Inverkeithing	450	360	1,200	0.4
Sub total	4,060	3,248		4.8
Total West Fife	**85,507**	**59,122**		**311.6**

Note
* Goad gross floorspace data 2019, provided by the Council
Other gross floorspace provided by Fife Council, based on their 2007 floorspace survey (mainly small settlements), planning applications and the 2017 Retail Capacity Study. Note that the 2007 survey data has been reduced by a notional 30% for 2018, to allow for the general decline in shop numbers over the period.
A list of the occupiers in the retail parks in Fife is provided in Appendix 5, including turnover.
Turnover/floorspace ratio of Cowdenbeath TC assumed at 45% of Dunfermline TC turnover ratio, and small towns assumed at 40% of the Dunfermline TC ratio.

Table 4.9
Mid Fife: comparison floorspace and turnover, 2019 (in 2018 prices)

	Floorspace sq m		Av. turnover	Turnover
	gross	net	ratio £/sq m	£million
Kirkcaldy Town Centre				
Lidl (1,286 sq m gross & 966 sq m net of which 119 sq net is comp- see Table 2.11	193	119	7,015	0.8
*Rest of Town Centre	30,280	19,682	5,316	104.6
Sub total	30,473	19,801		105.5
Morrisons, Invertiel				
6,369 sq m gross, 3,519 sq m net-704 sq m comp (20%)	1,274	704	6,256	4.4
ASDA, Kirkcaldy	4,756	2,564	5,722	14.7
11,889 sq m gross (Council)- 6,410 sq m net at 60:40 conv/ comp sales				
*Sainsbury's, Fife Central Retail Park (5,610 sq m gross- 15% comp)	842	505	4,678	2.4
Aldi, McKenzie St, Kirkcaldy (1,493 sq m gross total)- 20% comp	299	224	7,236	1.6
Aldi, Ferrard Rd, Kirkcaldy				
(Total 1606 sq m gross/ 1,125 net- est 20% comp)	321	225	7,236	1.6
Other Kirkcaldy shops (excl Fife Central RP)	5,517	3,586	2,658	9.5
*Lochgelly	2,930	1,905	2,658	5.1
*Burntisland	640	416	2,658	1.1
Sub total	16,577	10,128		40.4
Glenrothes Town Centre				
*Kingdom Centre shops	16,210	10,537	5,316	56.0
*Morrisons, Flemington Rd, Glenrothes (4,850 sq m gross-20% comp)	970	485	6,256	3.0
Lidl, Leslie Rd, Glenrothes (1,000 sq m gross-10% comp)	100	75	7,015	0.5
*Aldi, Flemington Rd, Glenrothes (1,300 sq m gross- est 15% comp)	195	137	7,236	1.0
ASDA,Fullerton Rd, Glenrothes				
(Total 7,897 sq m gross- 3,554 sq m gross comp)	3,554	2,132	5,722	12.2
*Cadham Centre, Glenrothes	60	39	2,658	0.1
*Glenwood shops, Glenrothes	450	293	2,658	0.8
Other Glenrothes shops (notional estimate)	1,000	650	2,658	1.7
Falkland / Freuchie/ Ladybank/ Kingskettle/ L Links/Newburgh	1,643	1,068	2,658	2.8
Sub total	7,972	4,878		22.2
Leven Town Centre				
*Town Centre shops (excluding Riverside Retail Park)	6,290	4,089	3,721	15.2
*Lidl, Mitchell St, Leven (1,060 sq m gross-10% comp)	106	80	7,015	0.6
Aldi, Turpie Rd, Leven-1,480sqm gross, 990 sq m net- 20% comp	296	198	7,236	1.4
Methil (excl Riverside Furnishings)/Buckhaven	1,469	955	2,658	2.5
Leslie/ Markinch	2,412	1,568	2,658	4.2
Aberdour/Dysart/Cardenden/Kinghorn/Kinglassie/Thornton	1,931	1,255	2,658	3.3
Sub total	6,215	4,056		12.0
Retail Parks (see Appendix 6)				
Fife Central Retail Park, Kirkcaldy	19,970	15,278		68.6
Saltire Retail Park, Glenrothes	12,380	9,904		18.6
Riverside R P, Leven incl Home Bargains (less 25% of B&M and HB)	6,223	4,494		22.3
Sub total	38,573	29,676		109.5
Other Retail Warehouses				
*B&M, Flemington Rd, Glenrothes (1,500 sq m gross- 75% comp)	1,125	900	3,949	3.6
Stocks Discount Warehouse, Kirkcaldy (carpets)	2,291	1,833	1,000	1.8
Sub total	3,416	2,733		5.4
Total Mid Fife	**125,725**	**85,896**		**366.2**

Note
* Goad gross floorspace data 2019, provided by the Council
Other gross floorspace provided by Fife Council, based on their 2007 floorspace survey (mainly small settlements), planning applications and the 2017 Retail Capacity Study. Note that the 2007 survey data has been reduced by a notional 30% for 2018, to allow for the general decline in shop numbers over the period.
A list of the occupiers in the retail parks in Fife is provided in Appendix 5, including turnover.
Turnover/floorspace ratio of Glenrothes TC assumed as for Kirkcaldy TC, and Leven TC ration assumed at 70% of this. Other towns at 50% of Kirkcaldy TC ratio.

Table 4.10
East Fife: comparison floorspace and turnover, 2019 (in 2018 prices)

	Floorspace sq m		Av. turnover	Turnover
	gross	net	ratio £/sq m	£million
St Andrews Town Centre				
*Town Centre shops	13,390	8,704	7,914	68.9
Aldi, Tom Stewart Lane, St Andrews (1,331 sq m gross-20% comp)	266	186	7,236	1.3
Other St Andrews shops	1,786	1,161	3,165	3.7
Sub total	2,052	1,347		5.0
Cupar Town Centre				
*Lidl (total 2,000 sq m gross) 20% comp	400	260	7,015	1.8
*Rest of Town Centre	9,060	5,889	4,748	28.0
Sub total	9,460	6,149		29.8
Tesco, Cupar (total 2,033 sq m gross/ 1,338 net-c30% comp- agent data)	610	401	5,892	2.4
Aldi, South Rd, Cupar (total 1,587 sq m gross- 20% comp)	317	222	7,236	1.6
*Anstruther	2,170	1,411	3,165	4.5
Crail / Pittenweem	1,573	1,022	3,165	3.2
Tayport/ Newport	721	469	3,165	1.5
Other East Fife	1,433	931	3,165	2.9
Sub total	6,824	4,457		16.1
Total East Fife	**31,726**	**20,656**		**119.8**

Note
* Goad gross floorspace data 2019, provided by the Council
Other gross floorspace provided by Fife Council, based on their 2007 floorspace survey (mainly small settlements), planning applications and the 2017 Retail Capacity Study. Note that the 2007 survey data has been reduced by a notional 30% for 2018, to allow for the general decline in shop numbers over the period.

Table 4.11
Proposed comparison floorspace in Fife: consents and applications 2019 (in 2018 prices)

	Floorspace sq m		Turnover	Turnover
	gross	net	ratio £/sq m	£million
Planning consents included in the 2019 Capacity Study				
Yard Public House site, Admiralty Rd, Rosyth 17/01554/FULL not built Proposed Lidl supermarket- (total 2,367sq m gross. Conv 2,012 sq m and 355 sq m comp.	355	213	7,015	1.5
North End Park, Cowdenbeath 15/04183/FULL & 15/04183/NMV2-Sept 2018 u/c				
Unit 1 Discount foodstore (Lidl) 1,794 sq m gross, 1,066 sq m net- est 15% comp	269	160	7,015	1.1
Unit 2 budget mixed goods retailer (B&M) 1,858 sq gross,1,674 sq m net- est 75% comp	1,394	1,256	3,949	5.0
Halbeath Retail Park- extension 16/01927/FULL- subject to S75 agreement -not built Units 9 & 11- 4,532 sq m gross convenience floorspace - for: M&S Simply Food (2,044 sq m gross) Lidl- (2,488 sqm gross total-20% comp)	498	323	7,015	2.3
Other proposed units are for bulky goods (5,435 sq m gross)	5,435	4,348	2,800	12.2
Inglis St, Dunfermline 17/01812/FULL- demolition of tile warehouse and devt.- not built of 3 retail units. Total 1,289 sq m gross. Assume 432 sq m for conv. Other 2 units for comparison (432 sq m and 425 sq m)	857	643	3,100	2.0
Freescale site (Shepherd Offshore), Dunfermline -16/03359/ARC- not built Class 1 retail (supermarket) -2,500 sq m gross within masterplan for the site- latest version of previous proposals. Estimate 15% comp.	375	225	4,000	0.9
Queensgate, Glenrothes (Tullis Russell) 15/02702/PPP Retail no longer proposed and consent has lapsed. Application for employment uses.				
CISWO site, North St, Glenrothes 15/03140/PPP & 16/02458/ARC 5 units:Class 1 retail and other commercial use options Units 1,4 & 5 now occupied Units 2&3- total 836 sq m could be retail or other Use Classes. Cannot record until known.	1,021	715		
*South Road, Cupar 15/04188/FULL- Development revised as shown below Floorspace from PPC Supporting Statement Update March 2017- Table 1 Total 4,320 sq m gross, 3,387 sq m net (includes 125 sq m net non-retail) Net comp floorspace- 2,202 sq m (applicants' figure) Net conv floorspace- 1,059 sq m (applicants' figure)	2,809	2,022		
South Road, Cupar 18/00978/FULL (Alternative to current consent)- not built Floorspace from PPC Supporting Statement Update July 2018- Table 1 A Total 7 units: 3,670 sq m gross, 3,353 sq m net Convenience (1,427 sq m net), comparison (1,655 sq m net), Class 3/ t'away (272 sq m net)	1,811	1,655	4,000	6.6
Current applications: not included in the 2019 Capacity Study				
Craigtoun- St Andrews West SDA Proposed expansion of St Andrews. It includes provision for 2,000 sq m gross of retailing. No type specified yet. Potential for a 1,200 sq m supermarket with possibly 800 sq m comparison floorspace				

Note
Gross floorspace from the Council. Estimated turnover of the consents are based on company averages from the 2019 Retail Rankings for Lidl and a nominal turnover ratio applied to the other consents with no specified operator. Very minor retail consents have not been included.
*Estimated turnover of the earlier South Road consent is not shown to avoid double counting in the capacity study.
Estimated turnover of the Craigtoun development proposal is not shown here because the details are yet to be finalised.

5 Comparison expenditure capacity

5.1 Introduction

5.1.1 As explained at the beginning of section 3, the planning context for defining spare capacity is the level of new retail development that can be accommodated without threatening the vitality and viability of established town centres. Spare retail capacity can exist in the following forms, as previously explained:

- Over-trading (not usually relevant for comparison retail capacity- see text below)
- Growth in retained expenditure (turnover)
- Potential to claw back expenditure leakage
- Potential to attract new trade into the area
- 'Acceptable' levels of impact- see section 3

5.1.2 A forecast range of estimated spare capacity is provided for comparison expenditure in this section, with a high and a low estimate for each of the three catchment areas.

5.2 Spare comparison expenditure capacity

5.2.1 Over-trading above average levels is generally less of an issue in comparison retailing, because the sector is not dominated by a few major players, such as in the convenience sector.

5.2.2 Forecast growth in retained expenditure (turnover) in the retail catchment areas is substantial to 2029 (Tables 4.4-4.7), and it offers the principal source of spare capacity to support additional comparison retail floorspace. However, it is also probable that a significant amount of the forecast expenditure growth will materialise as internet based retail spending.

5.2.3 With increased concentration of multiple retailer demand and investment in the largest cities and malls in Scotland, the prospects of clawing back significant comparison expenditure leakage from Fife appear limited.

5.2.4 So, the approach adopted to calculate spare convenience capacity in section 3 is better modified to bring the comparison expenditure capacity forecasts for Fife closer to the direction of the retail development market.

5.2.5 For the *high estimate*, the forecast expenditure growth alone is assumed, as there is little relevance in adding potential to claw back leakage when the prospects of achieving it to any significant level appear limited.

5.2.6 For the *low estimate*, a higher rate of growth in the proportion of SFT (mainly internet spending) has been assumed. There is great uncertainty over the future rate of growth in internet retail spending, so it is reasonable to include a variant in this key factor to provide a range of forecasts. All the evidence is that the proportion of internet retail spending is increasing, and there is no reason to suppose why that direction will change over the next few years.

5.2.7 It should be noted that, simply having a low estimate, whether by increased internet spending or by increased expenditure leakage from Fife, is entirely appropriate, given our comments on the Edinburgh St James Centre and especially the trends in online retail spending.

5.2.8 More weight should be given to the expenditure capacity figures than the equivalent retail floorspace, because retailer performance and formats vary widely. In this report, town centre turnover/ floorspace ratios have been applied to estimate the equivalent floorspace. Where lower turnover/ floorspace ratios are applied, there would be more equivalent floorspace.

5.2.9 Forecasts beyond 2024 should be viewed with caution, because of the greater uncertainties.

5.2.10 **High estimates-** Tables 5.1 to 5.3 show the forecast spare comparison expenditure for each of the three retail catchment areas up to 2024 and 2029, after deducting turnover relating to existing planning consents. The broadly-estimated net floorspace equivalents relate to those in the main town centres in each retail catchment area.

Table 5.1 **West Fife: forecast spare comparison expenditure capacity (in 2018 prices)**				
		2019-24 £million	2024-29 £million	2019-29 £million
High estimate				
(a) Growth in retained expenditure (turnover)- Table 4.4		26.9	39.4	66.3
(b) Less planning consents: - Table 4.11		-24.9		-24.9
High estimate	(a+b)	**2.0**	**39.4**	**41.4**
Low estimate				
(a) Growth in retained expenditure (turnover)- Appendix 4		19.9	35.2	55.1
(b) Less planning consents: - Table 4.11		-24.9		-24.9
Low estimate	(a+b)	**-5.1**	**35.2**	**30.2**
Equivalent comparison floorspace		£ per sq m	£ per sq m	
Turnover/ floorspace ratio- high		8,882	9,917	
Turnover/ floorspace ratio- low		8,698	9,622	
		sq m net	sq m net	sq m net
High		*200*	*4,000*	4,200
Low		*-600*	*3,700*	3,100

Note
Gross equivalent floorspace estimates have not been shown, as net /gross formats vary widely. *Figures are rounded.*
* The turnover ratio derives from the current turnover ratio in Dunfermline TC £ 8,177
The ratio is increased to relate to 2024 and 2029, based on % turnover growth in Fife -Table 4.7 (high) and Appendix 7 (low)

Table 5.2 **Mid Fife: forecast spare comparison expenditure capacity (in 2018 prices)**				
		2019-24 £million	2024-29 £million	2019-29 £million
High estimate				
(a) Growth in retained expenditure (turnover)- Table 4.5		31.6	46.3	77.9
(b) Less planning consents: - Table 4.11		0		0
High estimate	(a+b)	**31.6**	**46.3**	**77.9**
Low estimate				
(a) Growth in retained expenditure (turnover)- Appendix 4		23.3	41.4	64.7
(b) Less planning consents: - Table 4.11		0		0
Low estimate	(a+b)	**23.3**	**41.4**	**64.7**
Equivalent comparison floorspace		£ per sq m	£ per sq m	
Turnover/ floorspace ratio- high		5,775	6,448	
Turnover/ floorspace ratio- low		5,655	6,256	
		sq m net	sq m net	sq m net
High		*5,500*	*7,200*	12,700
Low		*4,100*	*6,600*	10,700

Note
Gross equivalent floorspace estimates have not been shown, as net /gross formats vary widely. *Figures are rounded.*
* The turnover ratio derives from the current turnover ratio in Kirkcaldy TC £ 5,316
The ratio is increased to relate to 2024 and 2029, based on % turnover growth in Fife -Table 4.7 (high) and Appendix 4 (low)

Table 5.3 **East Fife: forecast spare comparison expenditure capacity (in 2018 prices)**				
		2019-24 £million	2024-29 £million	2019-29 £million
High estimate				
(a) Growth in retained expenditure (turnover)- Table 4.6		10.3	15.2	25.5
(b) Less planning consents: - Table 4.11		-6.6		-6.6
High estimate	(a+b)	**3.7**	**15.2**	**18.9**
Low estimate				
(a) Growth in retained expenditure (turnover)- Appendix 4		7.6	13.5	21.2
(b) Less planning consents: - Table 4.11		-6.6		-6.6
Low estimate	(a+b)	**1.0**	**13.5**	**14.6**
Equivalent comparison floorspace		£ per sq m	£ per sq m	
Turnover/ floorspace ratio- high		8,597	9,598	
Turnover/ floorspace ratio- low		8,418	9,313	
		sq m net	sq m net	sq m net
High		*400*	*1,600*	2,000
Low		*100*	*1,500*	1,600

Note
Gross equivalent floorspace estimates have not been shown, as net /gross formats vary widely. *Figures are rounded.*
* The turnover ratio derives from the current turnover ratio in St Andrews TC £ 7,914
The ratio is increased to relate to 2024 and 2029, based on % turnover growth in Fife -Table 4.7 (high) and Appendix 7 (low)

5.2.11 In West Fife, the forecast spare capacity at the high end of the range is about £41 million up to 2029, with equivalent retail floorspace of 4,200 sq m net. It is only slightly lower than the ten year forecast in the 2018 Capacity Study.

5.2.12 In Mid Fife, the forecast spare capacity is up to nearly £78 million by 2029, with an equivalent retail floorspace of 12,700 (the applied turnover/ floorspace ratio is lower than that for West Fife). It is more than the ten year forecast in the 2018 Capacity Study, mainly because the level of comparison planning consents is minimal now (these are deducted from capacity).

5.2.13 In East Fife, the forecast spare capacity at the high end is up to nearly £19 million by 2029, with equivalent retail floorspace of 2,000 sq m net. It is broadly similar to the ten year forecast capacity in the 2018 Capacity Study.

5.2.14 **Low estimates-** the forecast spare comparison capacity at the low end of the range is based on Tables A, B and C in Appendix 4.

5.2.15 In Table A, the level of SFT (mainly internet expenditure) has been raised to 34% in 2024, instead of 32.6% in the high estimate. By 2029, it is raised to 38%.

5.2.16 Under the low estimates, the forecast spare capacity in West Fife would be around £30 million by 2027. In Mid Fife, it would be nearly £65 million and in East Fife it would be nearly £15 million by 2027.

5.3 Interpretation

5.3.1 As stated earlier in this report, forecast retail capacity is a broad-brush exercise. New retail developments will also be partly serviced by trade diversion from existing stores and centres, which is a factor not included in retail capacity studies generally.

5.3.2 In West Fife, the forecast spare comparison expenditure is very limited up to 2024, but after that, would comfortably support moderate levels of new development.

5.3.3 In Mid Fife, the forecast spare capacity could support significant additional new development up to 2029, which is a material change compared to forecasts in the 2018 Capacity Study

5.3.4 In East Fife, the forecast spare comparison expenditure capacity is very limited up to 2024 but would support additional low/moderate levels of development up to 2029.

6 Conclusions

6.1 Forecast convenience retail capacity

6.1.1 The significant forecast negative retail expenditure capacity in West Fife up to 2029 suggests little scope for additional developments beyond the existing consents, other than support for minor convenience store development.

6.1.2 In Mid Fife, the moderate level of forecast spare expenditure capacity reinforces support for the proposed two neighbourhood centres in Kirkcaldy, plus support for a low level of additional convenience floorspace elsewhere.

6.1.3 The forecast spare capacity in East Fife would support some new store development and extensions to existing stores, beyond the existing consents at South Road, Cupar. The opportunities for additional store development may be elsewhere in East Fife.

6.2 Forecast comparison retail capacity

6.2.1 In West Fife, the forecast spare comparison expenditure is very limited up to 2024, but after that, would comfortably support moderate levels of new development.

6.2.2 In Mid Fife, the forecast spare capacity could support significant additional new development up to 2029, which is a material change compared to forecasts in the 2018 Capacity Study

6.2.3 In East Fife, the forecast spare comparison expenditure capacity is very limited up to 2024 but would support additional low/moderate levels of development up to 2029.

6.2.4 Rising levels of internet retail spending, combined with major comparison retail developments in Edinburgh, for example, will make it more difficult to retain expenditure in Fife in the future.

Appendix 1

Fife retail catchment areas- population forecasts

Fife retail catchment area population projections for the Fife Retail Capacity Study 2019					
Retail catchment area	Census 2011	Mid-year 2018	2019	2024	2029
West Fife	123,608	127,913	128,312	129,464	130,312
Mid Fife	181,860	182,597	183,166	184,811	186,022
East Fife	59,730	61,400	61,591	62,145	62,552
Total Fife	**365,198**	**371,910**	**373,069**	**376,420**	**378,885**

Note

The 2011 data is taken directly from the 2011 Census, Scotland, based on postcode sector population data for each catchment.

The 2018 Mid-year data is from National Records Scotland (NRS) online based on electoral wards and data zones comprising each catchment.

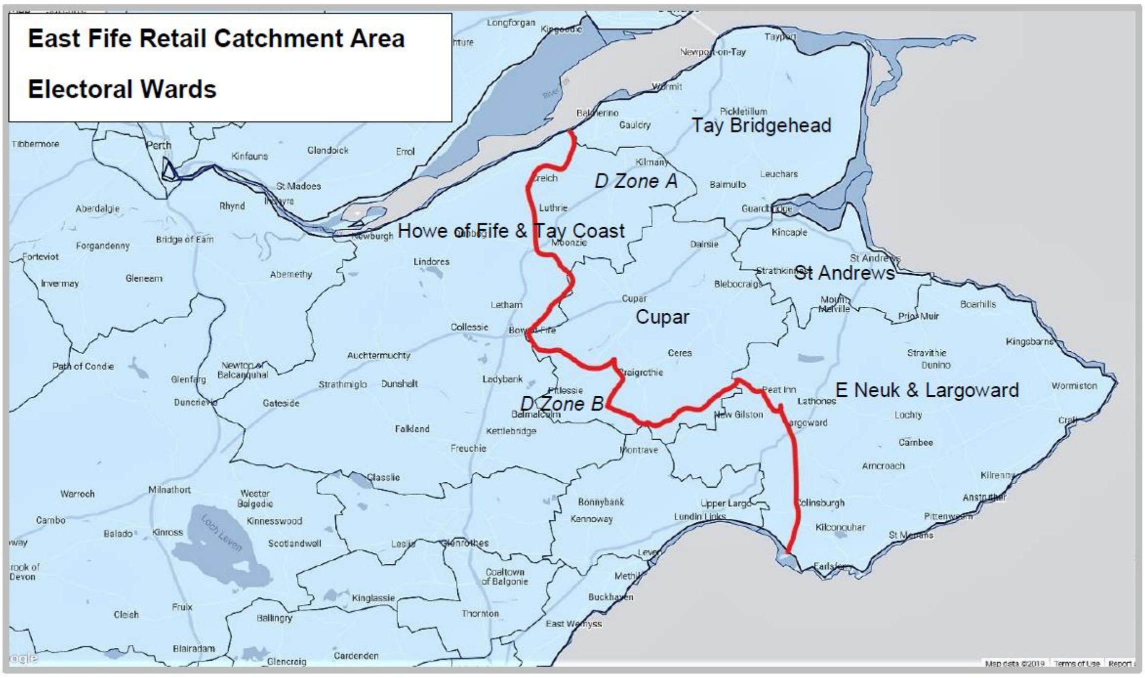
Data for 2019, 2024 & 2029 derives from the NRS 2016-based population projections for the Fife Council area, apportioned to the three catchment areas from the 2018 Mid-year data.

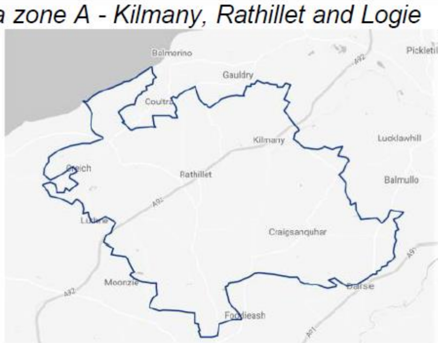
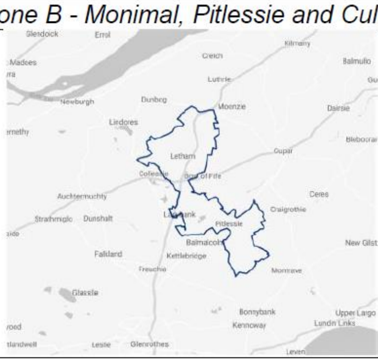
NRS Mid-year population estimates 2018

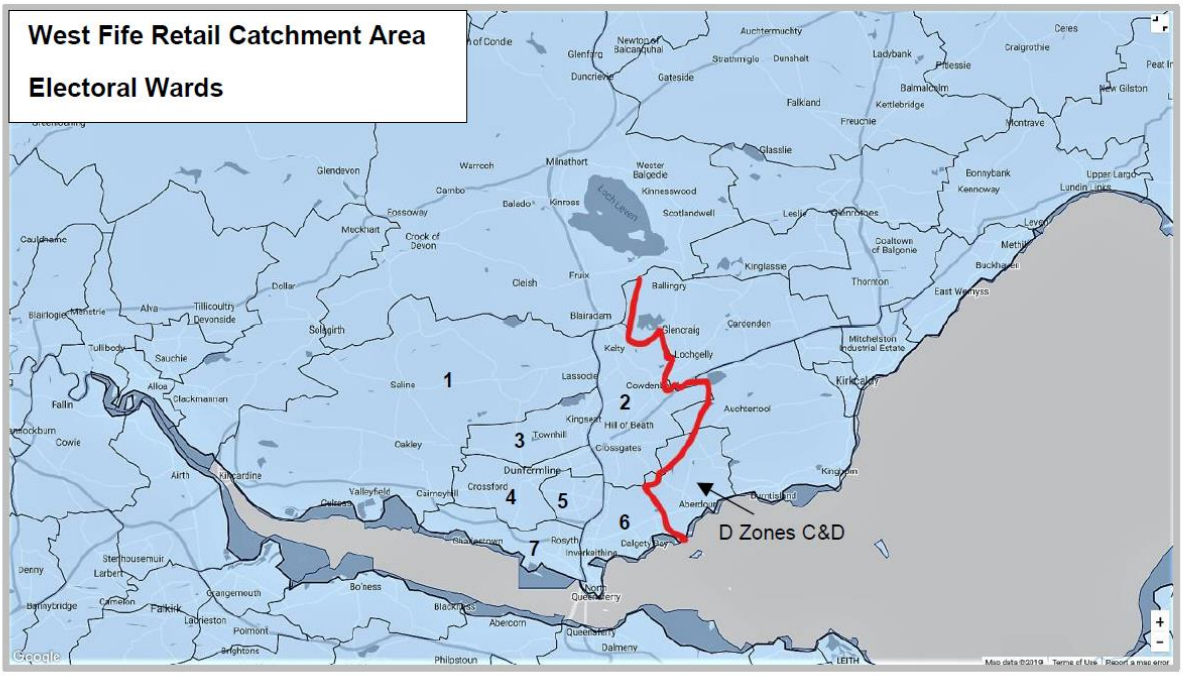
	Population
East Fife	
Tay Bridgehead ward	15,776
Howe of Fife and Tay Coast ward- part	
Data zone- Kilmany, Rathillet and Logie	572
St Andrews ward	19,389
Cupar ward	14,347
less: Data zone Monimal,Pitlessie and Cults	-951
East Neuk and Largoward	12,267
Total	**61,400**

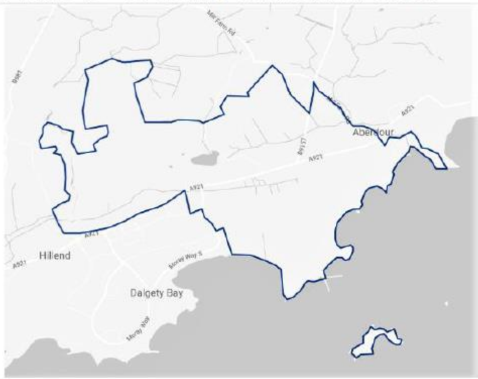
West Fife	
1 West Fife Coastal Villages ward	15,520
2 Cowdenbeath ward	22,003
3 Dunfermline North ward	17,208
4 Dunfermline Central ward	18,450
5 Dunfermline South ward	23,465
6 Inverkeithing and Dalgety Bay ward	17,508
less: Data zone St Colme & Aberdour West	-1,177
less: Data zone Aberdour	-936
7 Rosyth ward	15,872
Total	**127,913**
Mid Fife (by deduction from Fife total)	**182,597**
Fife	**371,910**

The groups of electoral wards and data zones represent areas of 'best fit' with the original catchment boundaries based on postcode sectors. Population data for postcode sectors is 2011 based, therefore less up to date compared to the mid-year 2018 data.



Data zone A - Kilmany, Rathillet and Logie	*Data zone B - Monimal, Pitlessie and Cults*
	



Data zone C - Aberdour	Data zone D - St Colme & Aberdour West
	

Appendix 2

Convenience expenditure inflows and outflows, including visitor spending

Table A
Convenience expenditure inflows

	West Fife	**Mid Fife**	**East Fife**		
Residents' expenditure potential by catchment area 2019	£ million 315.6	£ million 441.9	£ million 169.9		
	Origin- inflows from:			Total inflow	
Destination	West Fife	Mid Fife	East Fife	From rest of Fife £ million	*Visitor spend £ million
West Fife		8%	0%	35.1	12.7
Mid Fife	4%		10%	28.1	12.8
East Fife	0%	3%		12.2	26.9
Total				75.31	52.4

Note
*Based on catchment residents' expenditure in 2019 multiplied by % visitor spend shown at bottom of Table C

Table B
Convenience expenditure outflows 2018

	Origin			
	West Fife	**Mid Fife**	**East Fife**	**Total Fife**
Retained expenditure by catchment	92%	87%	73%	94%
Total outflows	8%	13%	27%	6%
Outflows to centres outside Fife	5%	2%	17%	

Table C
Visitor spending on shopping- Economic Impact of Tourism, Fife & Districts 2017
(by Destination Research Consultants- report held by Fife Council)

	£million	%	
*Total direct visitor spending in Fife	415.2		page 9
Total visitor spend on shopping in Fife	138.1	33%	page 9

Study area 'Districts' in the above report

	Dunfermline District £million	Kirkcaldy District £million	St Andrews District £million	NE Fife District £million	*Fife Total £million
Total direct visitor spending *pages 16-19	94.5	96.4	137.3	85.6	413.8
Deduced spending on shopping (33%	31.2	31.8	45.3	28.2	136.6

**Fife totals do not match precisely in the report. NE Fife includes Cupar and the rest of East Fife, excluding St Andrews*

Assumed for the 3 Catchment Areas in the Fife Retail Capacity Study in 2017

	West Fife £million	**Mid Fife** £million	**East Fife** £million
All shopping spend	31.2	31.8	73.6
Convenience 35%- estimate	10.9	11.1	25.7
Residents' convenience expenditure potential in *2017 Capacity Study*	271.5	385.0	162.3
Visitor spend as % of residents exp.	**4%**	**3%**	**16%**
Comparison 65%- estimate	20.3	20.7	47.8
Residents' comparison expenditure potential in *2017 Capacity Study*	315.3	406.1	193.7
Visitor spend as % of residents exp.	**6%**	**5%**	**25%**

Appendix 3

Comparison expenditure inflows and outflows, including visitor spending

Table D **Comparison expenditure inflows**					
Residents' expenditure potential by catchment area 2019	**West Fife** £ million 361.2	**Mid Fife** £ million 456.7	**East Fife** £ million 205.3		
	Origin- inflows from:			Total inflow	
Destination	West Fife	Mid Fife	East Fife	From rest of Fife £ million	*Visitor spend £ million
West Fife		10%	1%	47.8	23.2
Mid Fife	7%		10%	48.3	23.3
East Fife	0%	1%		6.6	50.7
Total				102.68	97.1

Note

*Based on catchment residents' expenditure in 2019 multiplied by % visitor spend shown at bottom of Table C

Table E **Comparison expenditure outflows**				
	Origin			
	West Fife	**Mid Fife**	**East Fife**	**Total Fife**
Retained expenditure by catchment	67%	65%	30%	58%
Total outflows	33%	35%	70%	42%
Outflows to centres outside Fife	26%	24%	58%	32%

As in Appendix 2- repeated

Table C

Visitor spending on shopping- Economic Impact of Tourism, Fife & Districts 2017

(by Destination Research Consultants- report held by Fife Council)

	£million	%	
*Total direct visitor spending in Fife	415.2		page 9
Total visitor spend on shopping in Fife	138.1	33%	page 9

Study area 'Districts' in the above report

	Dunfermline District £million	Kirkcaldy District £million	St Andrews District £million	NE Fife District £million	*Fife Total £million
Total direct visitor spending *pages 16-19	94.5	96.4	137.3	85.6	413.8
Deduced spending on shopping (33%	31.2	31.8	45.3	28.2	136.6

**Fife totals do not match precisely in the report. NE Fife includes Cupar and the rest of East Fife, excluding St Andrews*

Assumed for the 3 Catchment Areas in the Fife Retail Capacity Study in 2017

	West Fife £million	**Mid Fife** £million	**East Fife** £million
All shopping spend	31.2	31.8	73.6
Convenience 35%- estimate	10.9	11.1	25.7
Residents' convenience expenditure potential in *2017 Capacity Study*	271.5	385.0	162.3
Visitor spend as % of residents exp.	**4%**	**3%**	**16%**
Comparison 65%- estimate	20.3	20.7	47.8
Residents' comparison expenditure potential in *2017 Capacity Study*	315.3	406.1	193.7
Visitor spend as % of residents exp.	**6%**	**5%**	**25%**

Appendix 4

Low comparison expenditure forecast

Table A Fife comparison expenditure per capita per annum (in 2018 prices)				
Catchment areas	2016 £	2019 £	2024 £	2029 £
West Fife	3,462	3,845	4,496	5,260
Mid Fife	3,067	3,406	3,983	4,660
East Fife	4,100	4,554	5,325	6,230
**excluding special forms of trading*				
West Fife		*2,815*	*2,967*	*3,261*
Mid Fife		*2,493*	*2,629*	*2,889*
East Fife		*3,334*	*3,514*	*3,863*

Note

Original Experian figures for 2016 are in 2016 prices. These have been adjusted to 2018 prices by a factor of 1.03424

from *Experian Retail Planner Briefing Note 16, Appendix 4b- dated December 2018*

The growth rates derive from the above Experian document, Appendix 4a.

	2016-19	2019-24	2024-29
Growth rates	1.1108	1.1693	1.1700

*An allowance for special forms of trading (SFT) is deducted so that the exenditure per capita relates to sales from conventional retail floorspace.

Rest- as in Table 4.1, except for assuming higher forecast proportions of SFT (R MacLean)- see below

	-26.8%	**-34.0%**	**-38.0%**

Table B Fife residents' comparison expenditure potential (in 2018 prices) *Excluding SFT (special forms of trading)*					
Catchment areas	2019 £ million	*growth 2019-24 £ million*	2024 £ million	growth *2024-29 £ million*	2029 £ million
West Fife	361.2	*23.0*	384.2	*40.8*	425.0
Mid Fife	456.7	*29.1*	485.8	*51.6*	537.5
East Fife	205.3	*13.1*	218.4	*23.2*	241.6
Total Fife	1,023.2	*65.2*	1,088.4	*115.7*	1,204.1

Note

From Tables 1.1 and 4.1. Figures are rounded.

Table C1
West Fife comparison expenditure and turnover (in 2018 prices)

	%	2019 £million	2024 £million	2029 £million
Main catchment residents' expenditure potential		361.2	384.2	425.0
Add: inflows from rest of Fife	13%	47.8	50.8	56.3
inflows from outside Fife	6%	23.2	24.7	27.3
Less: outflows	-33%	-120.6	-128.3	-141.9
Retained expenditure (turnover)		311.6	331.5	366.7

Note
Inflows and outflows from Appendix 3

Table C2
Mid Fife comparison expenditure and turnover (in 2018 prices)

	%	2019 £million	2024 £million	2029 £million
Main catchment residents' expenditure potential		456.7	485.8	537.5
Add: inflows from rest of Fife	11%	48.3	51.4	56.8
inflows from outside Fife	5%	23.3	24.7	27.4
Less: outflows	-35%	-162.1	-172.4	-190.7
Retained expenditure (turnover)		366.2	389.5	430.9

Note
Inflows and outflows from Appendix 3

Table C3
East Fife comparison expenditure and turnover (in 2018 prices)

	%	2019 £million	2024 £million	2029 £million
Main catchment residents' expenditure potential		205.3	218.4	241.6
Add: inflows from rest of Fife	3%	6.6	7.0	7.7
inflows from outside Fife	25%	50.7	53.9	59.6
Less: outflows	-70%	-142.8	-151.9	-168.0
Retained expenditure (turnover)		119.8	127.4	141.0

Note
Inflows and outflows from Appendix 3

Table C4
Fife comparison expenditure and turnover (in 2018 prices)

	%	2019 £million	2024 £million	2029 £million
Main catchment residents' expenditure potential		1,023.2	1,088.4	1,204.1
Add:				
inflows from outside Fife	9%	97.1	103.3	114.3
Less: outflows	-32%	-322.8	-343.3	-379.8
Retained expenditure (turnover)		797.6	848.4	938.6

Note
Inflows and outflows from Appendix 3

Appendix 5

Retail Parks in Fife- list of retailers

West Fife- Retail Parks: floorspace and turnover, 2019 (in 2018 prices)

	Floorspace sq m		Turnover	Turnover
	gross	net	ratio £/sq m	£million
***Carnegie Retail Park**				
B & Q	3,480	2,784	1,913	5.3
Home Bargains (1,010 sq gross- 75% comp)	758	606	8,234	5.0
Pagazzi Lighting	730	584	2,100	1.2
Farmfoods (convenience)				
Dreams	1,030	824	2,328	1.9
Matalan	2,000	1,600	2,106	3.4
Pure Gym (780 sq m gross)				
Total	7,998	6,398		16.8
***Halbeath Retail Park**				
Argos	470	118	20,282	2.4
Bensons for Beds (Steinhoff)	480	384	2,263	1.8
Carphone Warehouse	580	464	13,079	6.1
Pets at Home	2,890	2,312	2,936	6.8
Currys & PC World	580	464	13,079	6.1
Carpetright	970	776	1,297	1.0
Harveys Furnishings	480	384	2,263	0.9
B&M	1,800	1,440	3,949	5.7
Homebase	3,450	2,760	1,415	5.0
Halfords (non-retail)- 460sq m gross				
Total	11,700	9,102		35.7
Other retail warehouses				
Bed Shed, Baldrigeburn	1,110	888	2,263	2.0
Thomsons World of Furniture	2,500	2,000	1,300	2.6
Connections Furnishings, Comfort Store, Inverkeithing	450	360	1,300	0.5
Total	4,060	3,248		5.1
Total West Fife	**23,758**	**18,748**		**57.6**

Sources:

* Goad 2019, where indicated. Othewise, Council data

Company average turnover ratios applied, based on Retail Rankings 2019, adjusted to include VAT

Mid Fife- Retail Parks: floorspace and turnover, 2019 (in 2018 prices)

	Floorspace sq m		Turnover	Turnover
	gross	net	ratio £/sq m	£million
***Saltire Retail Park, Glenrothes**				
Bensons	900	720	2,263	1.6
Matalan	3,160	2,528	2,106	5.3
Poundstretcher	2,420	1,936	2,088	4.0
Homebase	3,420	2,736	1,415	3.9
Carpetright	880	704	1,297	0.9
The Pet Hut	580	464	2,936	1.4
American Golf	1,020	816	1,741	1.4
Total	12,380	9,904		18.6
***Fife Central Retail Park, Kirkcaldy**				
Carphone Warehouse	430	344	13,079	4.5
Currys & PC World	1,040	832	13,079	10.9
Bensons	780	624	2,263	1.4
Next	1,570	1,256	3,556	4.5
Next Home	360	288	3,556	1.0
Boots	1,160	928	3,541	3.3
Pets at Home	940	752	2,936	2.2
Harveys & Reid	750	600	2,263	1.4
B&Q	4,930	3,944	1,913	7.5
EE	150	120	5,021	0.6
Argos	1,270	318	20,282	6.4
Tapi Carpets & Floors	1,300	1,040	832	0.9
Oak Furniture Land	770	616	7,209	4.4
Sofology	1,160	928	3,014	6.4
Sofastore	220	176	3,014	0.5
Wren Kitchens	1,360	1,088	7,476	8.1
DW Sports	830	664	2,265	1.5
B&M	950	760	3,949	3.0
Halfords (non-retail)- 1,030 sq m gross				
Total	19,970	15,278		68.6
***Riverside Retail Park, Leven**				
B&M, Riverside RP (1,530 sq m gross- 75% comp)	1,148	918	3,949	3.6
Argos	880	220	20,282	4.5
Home Bargains, Riv. Rd (2060 sq m gross- 75% comp)	1,545	1,236	8,234	10.2
B&Q	2,650	2,120	1,913	4.1
Total	6,223	4,494		22.3
Other retail warehouses				
*B&M, Flemington Rd, Glenrothes (1,500 sq m gross- 75% comp)	1,125	900	3,949	3.6
Stocks Discount, Kirkcaldy- carpets	2,291	1,833	1,000	1.8
Total	3,416	2,733		5.4
Total in Kirkcaldy Catchment	**41,989**	**32,408**		**114.9**

Sources:

* Goad 2019, where indicated. Othewise, Council data

Company average turnover ratios applied, based on Retail Rankings 2019, adjusted to include VAT