



Kirklees Council

Kirklees Retail Capacity Study Update

Final Report

August 2016

The retail capacity study has been republished due to revised floorspace figures in Table 5 of Appendix 3 (September 2017)

Quay West at MediaCityUK, Trafford Wharf Road, Trafford Park, Manchester, M17 1HH
Tel: +44 (0)161 872 3223 Fax: +44 (0)161 872 3193
Email: Website: www.wyg.com

WYG Group Limited. Registered in England & Wales Number: 06595608
Registered Office: Arndale Court, Otley Road, Headingley, Leeds, LS6 2UJ



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1.0 Introduction

Instruction

- 1.01 WYG Planning has been instructed by the Kirklees Council to undertake an update of the principal findings of the Kirklees Retail Study of February 2014 in respect of the future need for additional retail floorspace in Kirklees. The Update will act as a part of the evidence base to support the emerging Kirklees Local Plan. The Update report provides an overview of our methodological approach, prior to setting out our findings in respect of the quantitative need for further shopping facilities. The Update should be read alongside our original report of February 2014, which provides additional information including in relation to shopping patterns across the Study Area and the health of defined centres in Kirklees.
- 1.02 The retail capacity study has been republished due to revised floorspace figures in table 5 of Appendix 3 (August 2017).
- 1.03 The Update utilises the market research which informed the 2014 Study, namely the shopping survey of 1,000 households which was undertaken by NEMS Market Research Limited in March 2013. The Study Area for the survey comprises ten separate zones and is broadly reflective of the Kirklees authority boundary. A plan of the Study Area is provided at Appendix 1. The Study Area also includes parts of the neighbouring authority areas of Bradford, Calderdale, Leeds and Wakefield, which are accessible to Kirklees and accordingly represents the area where local residents may look to facilities within Kirklees to help meet their retail needs. Accordingly, references to the market share of convenience goods and comparison goods shopping trips claimed by retail venues within Kirklees District are derived from the March 2013 NEMS survey.

Structure of Report

- 1.04 Our report first sets out the context for our updated quantitative need assessment by providing an overview of current retail trends, and by considering current national retail and town centre planning policy of relevance to the commission. We then set out up-to-date population and expenditure data for the Study Area, before providing our updated assessment of quantitative need.



1.05 Accordingly, our report is structured as follows:

- Section 2 provides a context for the Update by providing an analysis of key retail trends;
- Section 3 considers the up-to-date position in respect of relevant retail and town centre national planning policy;
- Section 4 sets out current and future population and expenditure levels within the Study Area; and
- Section 5 sets out our assessment of the quantitative need for further convenience and comparison goods floorspace over the assessment period to 2031.

2.0 Current and Emerging Retail Trends

Introduction

- 2.01 The retail property landscape across the UK has evolved significantly over the past 50 years, from post-war redevelopment in town centres, through to the emergence of retail warehouse parks and out-of-town regional shopping malls. For most of this period, the retail sector has experienced considerable expenditure growth, which has been attributed to a number of factors, including greater disposable income, availability of credit, new technology and a general overall increase in our standard of living. However, recent economic conditions have had a clear impact on expenditure and convenience goods spending per capita has actually reduced in recent years. The way in which goods are purchased has also altered due to the increased popularity of 'e-tailing', which now claims more than one in every ten pounds spent in the UK.

Current Retail Picture

- 2.02 Colliers¹ provides information regarding recent retail trends, together with forecasts for the future of retailing in the UK. The findings confirm that there are increasing signs of growth in the retail sector in London and other key regional centres where there have been uplifts in prime rents. However, outside leading centres, as a result of changes in shopping habits, including strong online competition, consumers and retailers have become increasingly selective about their locations, resulting in diverging rental performance dependent on a centre's position within the settlement hierarchy. As a result, mid-sized sub-regional centres outside London continue to struggle. Colliers advise that there is an oversupply of floorspace in many UK High Streets as a result of changing shopping habits and continued caution among retailers. Colliers report that falling footfall in shopping centres is likely to present a challenge in the coming years, but consider that with proactive management and a renewed focus on food, drink and leisure, that shopping centres can capitalise on the benefits of their 'all under one roof' offer. In terms of the market outlook, Colliers advise that economic growth is expected to continue to gain momentum and with household spending back at pre-recession levels and interest rates unlikely to rise in the short term, the favourable environment for retail sales growth should be maintained.

- 2.03 It is evident that the UK unemployment rate is currently falling (recorded as being 5.1% between October and December 2015, compared to 5.7% between October and December

¹ 'National Retail Barometer: Autumn 2015', Colliers
www.wyg.com

2014)² and that average pay for employees in Great Britain increased 1.9% between October to December 2015 compared to the same period 12 months earlier³.

- 2.04 Recent economic conditions have resulted in significant structural changes to the high street, whereby the pressure on retailers to remain solvent has meant that many are being increasingly cautious with their investment decisions. In particular, retailers are rationalising their physical store portfolios by reducing their number of stores, abandoning their representation in weaker centres and concentrating on acquiring sites in city centres and major regional shopping centres, such as Bradford, Doncaster, Harrogate, Hull, Leeds, Sheffield, York and Meadowhall Shopping Centre. The Grimsey Review identified that the national vacancy rate at 2013 equated to over 22,000 empty shops across the top 650 town centres. The Centre for Retail Research⁴ estimates that overall store numbers will fall by 61,930 between 2012 and 2018, with the main impact being upon non-food stores. The report also estimates that 316,000 people will become unemployed, permanently or temporarily, as a result of these store closures.
- 2.05 To address this, many retailers have sought to re-negotiate their lease terms with landlords in order to enable them to switch from quarterly rents to monthly agreements, with several high street firms (including Monsoon and New Look) trying to ease the cash flow burden of paying rent three months in advance. In June 2016, BHS (with 163 shops and employing 11,000 staff) became the latest high-profile casualty on the high street.
- 2.06 Some retailers are finding it increasingly difficult to justify being represented in every town in the UK and in less profitable markets. As a consequence, demand has reduced considerably for 'poorer quality premises' in secondary locations and in many smaller towns, with a commensurate drop in value (and often rent). Large cities and towns are likely to suffer less compared to smaller centres, given that they provide an enhanced choice for customers and offer the greater retail and leisure 'experience' that consumers increasingly desire.
- 2.07 In summary, there has been a marked polarisation and divergence in retailer spending, characterised by diminishing demand for secondary premises in smaller peripheral centres and strong competition for well located and appropriately configured floorspace in key centres. It is evident that whilst Central London, regional city centres and regional shopping malls are relatively stable, a significant number of small and medium sized towns which serve a

² 'Labour Market Statistics, February 2016 Release', ONS, February 2016

³ 'Labour Market Statistics, February 2016 Release', ONS, February 2016

⁴ 'Retail Futures 2018', Centre for Retail Research, May 2013

localised catchment may need to implement innovative ideas in order to compete for expenditure and reduce trade leakage.

- 2.08 Colliers⁵ notes that the strong economic outperformance observed since mid-2013 is giving way to a mid-cycle slow down. Colliers report that although the retail market will adjust to individual retailer failures, the long-term impact of a 'Brexit' is harder to evaluate at the current point in time. In terms of prime rents, Colliers note that 2016 is characterised by stability rather than growth, with 78% of the locations monitored by Colliers having no change in Prime Zone A rents. Colliers also report consumer purchasing power is expected to be buoyed by low inflation, low interest rates and the 'wealth effect' of the rise in house prices. Colliers advise that although prospects in the retail sector as a whole are good, with improved spending and more confidence among retailers, business rates could be seriously damaging to the sector. A delay in reviewing business rates has also been identified by both the Portas⁶ and Grimsey⁷ Reviews as a key factor affecting the success of many operators.
- 2.09 Given current spending patterns and the wider uncertain economic climate, it is unsurprising that Experian, which monitors and forecasts retail consumer expenditure in the UK, has in recent years identified significant changes when reviewing its forecast growth rates for both convenience and comparison goods expenditure over the short term. Experian's⁸ forecast annual per capita convenience goods growth rate is -0.2% at 2015, +0.1% at 2016 and +0.3% at 2017. By way of contrast, Experian⁹ forecast in 2010 that per capita convenience goods growth would equate to +0.8% per annum across these same three reporting years.
- 2.10 However, Experian's forecast annual per capita comparison goods growth rates have been significantly more positive in recent years and are similar to those recorded prior to the recession. Experian identifies per capita growth of +5.3% at 2015, +3.2% at 2016 and +2.9% at 2017.
- 2.11 Despite difficulties in recent years across the comparison goods sector, certain types of retail have continued to perform well. The market for recreational goods has, on the whole, performed strongly in recent years, with healthy growth attributed to supermarket sales together with the growing popularity of online shopping, which continues to see an increase in sales year-on-year. However, the manner in which such purchases are made has changed

⁵ 'Midsummer Retail Report 2016: Building the New Machine, Colliers, 2016

⁶ 'The Portas Review', December 2009

⁷ 'The Grimsey Review – An Alternative Future for the High Street', September 2013

⁸ Experian Retail Planner Briefing Note 13 (Figure 1a), October 2015

⁹ Experian Retail Planner Briefing Note 8.1 (Figure 1), August 2010

considerably, with the increasing popularity of the internet to purchase books and music having a notable impact on the composition of town centres, with such stores being less prevalent on the high street. Other businesses have experienced growth in the last two years, with the Grimsey Review¹⁰ reporting a 12% increase (equating to an additional 1,100 stores) in 'value-related retailing' outlets, including second-hand, discount and charity shops. The Grimsey Review also makes reference to the expansion of pawnbrokers, pay-day lenders and betting shops which have collectively experienced a 17% growth in the number of such outlets since 2009.

- 2.12 The referendum in June 2016 on the UK's membership of the European Union resulted in a majority vote to leave the EU. The terms of withdrawal are to be negotiated with the Commission within two years of formal notification by the UK Government. A number of commentators have forecast uncertainty during this time that will have negative impacts on consumer confidence and expenditure, and investor decisions being put on hold.

Trends in Comparison Goods Retailing

- 2.13 Whilst it is not anticipated that growth in retail spending over the next ten years will mirror that achieved after the turn of the millennium, there is expected to be some growth in comparison goods expenditure in coming years. However, there is an increasing focus from retailers on achieving more efficient use of their floorspace, particularly given the recent poor performance of certain national multiples, many of which have been affected by the significant increase in e-tailing and increases in rental levels secured before 2008. As a result of the current economic climate, retailers are more reluctant to commit to new development than they have been in previous decades. Instead, they are more selective and are holding out for accommodation that is appropriate both in terms of location and the type of premises provided. Indeed, retailers are seeking to occupy larger units in order to achieve more efficient use of floorspace and attract shoppers from a wider area. These larger floor plates enable operators to provide a greater range of goods; for example, in 2009, when the retail market was generally stagnant, Primark opened one million sq.ft of new retail space.
- 2.14 International market conditions and price deflation in some key sectors have also meant that many high street names are becoming increasingly vulnerable to takeover. This is being pursued through disposals, company voluntary administrations (CVAs), informal arrangements with landlords, lease expiries and break options. More generally, whilst there is likely to be continued demand for larger, modern retail units in the future, increased sensitivity over

¹⁰ 'The Grimsey Review – An Alternative Future for the High Street', September 2013
www.wyg.com

future viability will mean a cautious approach to new investment for many key national retailers. Marginal locations within centres will increasingly be rejected. Many national retailers, who would have previously considered smaller/lower order centres in order to increase their market share, are now assessing their future strategies given the downturn experienced in the economy. Consequently, many investment decisions will be influenced by the scale of commitment from other retailers; developers will increasingly need to promote large town centre redevelopment schemes with anchor tenants if they are to attract other high quality retailers.

Trends in Food Retailing

2.15 In the aftermath of the growth in the number of edge and out of centre large format supermarkets during the 1990s, development of such facilities became more limited due to stricter planning laws and a lack of suitable sites. As a result, the national multiples in the food retailing sector sought to find a range of other measures to improve their market share. These included:

- Offering a wider product range, such as financial and insurance products, petrol and non-food goods;
- Developing a wide range of retail models, for example small-format convenience stores in town centres (e.g. Sainsbury's Local, Tesco Express), smaller supermarkets mostly in town centres (e.g. Tesco Metro), superstores (e.g. Tesco) and hypermarkets (e.g. Tesco Extra, Asda Supercentres);
- Extended opening hours;
- Offering cheap products and no-frills service;
- Providing an attractive and powerful brand image; and
- Offering a home delivery service.

2.16 Mintel¹¹ identifies that the recession – allied with a period of higher inflation – has had an impact on consumer behaviour and the wider dynamics of grocery retailing. Price, or specifically value, is now identified as the key issue for consumers, and more shoppers are assessing whether purchases represent value for money. Shoppers have realised that they are able to 'trade down' and switch to own-label ranges or to discount retailers to save money without sacrificing on quality. Customers are mixing value and premium in the same basket.

¹¹ 'Food & Drink Retailing', Mintel, March 2014
www.wyg.com

- 2.17 As consumers alter their shopping habits, it is predicted that growth will be limited and the battle for market share will intensify further. With consumer confidence recovering post recession, Mintel predict slow growth on food spending in the coming years. However, winning a share of consumer spend will require more than low prices, with shoppers increasingly seeking to source high-quality, good value food.
- 2.18 The changing UK demographics are also having a major impact on the food and grocery sector. For example, there has been a rise in single occupancy young professional households who are 'time poor' and relatively 'cash rich'. Though their baskets might be small, they tend to buy higher value items, therefore providing an opportunity to boost volume and value growth. Elsewhere, an ageing population profile is leading to a rise in time rich consumers who are likely to make more frequent small trips rather than do large weekly shops. The contrasting requirements of these markets means that retailers are seeking to open a variety of stores with a particular current focus on discount and small convenience stores and a move away from new superstores.
- 2.19 Verdict¹² estimates that the food and grocery sector was worth an £139.0 billion in 2015, equating to an annual growth of 2.8%. The four key supermarket chains in the UK have respective market shares of 22.0% (Tesco), 12.7% (Asda), 12.6% (Sainsbury's) and 7.9% (Morrisons). National multiple retailers, which also include operators such as Co-operative Food (4.9%), Aldi (4.8%), Waitrose (4.0%), Marks and Spencer (3.9%), Lidl (2.4%) and Iceland (2.0%), collectively account for a total grocery market share of 77.0%.
- 2.20 Discount retailers are growing fastest in the market, a trend which looks set to continue. Both Aldi and Lidl have experienced significant increases to their market share in recent years. Research by Mintel¹³ indicates that between 2011 and 2013 the number of consumers indicating that they visit Aldi or Lidl stores as their main destination for in-store grocery shopping almost doubled, rising from a combined figure of 6% to 11%.
- 2.21 There has been a recent slowdown in the growth plans of the majority of the principal supermarket operators. Tesco, for example, indicated in April 2013 that it had scrapped plans for major store developments on more than 100 sites and would instead focus on developing medium size units. It then announced in January 2015 its intention to pull out of a further 49 store development and to close 43 existing stores. Tesco subsequently announced in January

¹² 'UK Food & Grocery – Verdict Sector Report', Verdict, December 2015

¹³ 'Food & Drink Retailing', Mintel, March 2014

2016 its intention to scale back the number of its stores which trade 24 hours a day, with the opening hours of 76 stores being reduced.

- 2.22 Asda is the second largest supermarket retailer in the UK, with more than 550 stores nationwide. In contrast to Tesco's plans, it announced in February 2015 its intention to invest £600m opening 17 new supermarkets and revamping 62 more as well as plans to open a further number of petrol filling stations. Asda's focus for additional openings is believed to be in London and the south of England.
- 2.23 Morrisons also intends to open few larger stores once its current pipeline of development is completed. Its focus in recent years has been on developing the small-scale M Local convenience format store. However, the retailer posted disappointing results for the year to 1 February 2015 and announced the agreed sell-off of 140 M Local stores in September 2015 for a £30 million loss. The retailer also confirmed in September 2015 the closure of 11 of its supermarkets.
- 2.24 Sainsbury's announced in October 2014 its intention to further develop the Sainsbury's Local format and to improve its online offering. However, its most significant move was to enter the discount market under the Netto fascia, with Sainsbury's owning a half share in Netto's UK operation. Netto announced the trialling of 15 stores in November 2014 clustered around the M62 corridor between Liverpool and Hull in order to 'test the water'. The first two new build openings were announced in March 2015 in Lymm and Hull, which appeared to suggest confidence in the venture. However, following the trial, the two retailers announced in July 2016 that they would end their partnership and close all Netto stores in the UK by August 2016.
- 2.25 Emboldened by changing convenience goods shopping patterns and significant increases in their market share, Aldi and Lidl have both announced ambitious store opening targets that, if met, will further increase pressure on the 'main four' operators (these being Asda, Morrisons, Sainsbury's and Tesco). Aldi has identified major expansion plans on top of significant store openings in recent years, reflective of its position as the UK's fastest growing food retailer. The retailer announced in August 2015 plans to invest £600m into its UK business with a target for 130 new stores over a two year investment period. Aldi also revealed plans to start trading online from 2016, initially limited to the sale of wine and non-food goods. Lidl similarly revealed plans in November 2015 to open 40 to 50 stores a year over the forthcoming

three year period, revising upwards previous plans for 30 to 40 store openings a year. The retailer opened 20 new stores in 2014.

- 2.26 More generally, the role of supermarkets has continued to develop in recent years, with the large operators now offering a greater diversity of goods and services, via a larger number of formats and locations. Food and non-food sales are also increasingly being driven by large supermarket growth, with half of town centres competing with five or more supermarkets within a two mile radius¹⁴. Whilst the exact impacts which will arise from the opening of a new supermarket are dependent on local circumstances, BCSC notes that there has been a significant decline in the number of independent food retailers in recent times, including a reduction of 45% between 1996 and 2007 in the number of greengrocers. Over the same time period the market share of total retail sales secured by supermarkets increased from 38% to 42%. Mintel¹⁵ predicts that the long term decline in the number of specialist food and drink retailers can be expected to bottom out in the coming years, helped by the shift being experienced toward convenience stores.

Markets

- 2.27 In recent years there has been an increased focus on the importance of markets in contributing to the health of town centres. The Portas Review (2011) recommended the support for markets as a key element of the High Street, including recommendations for a 'National Market Day' and reducing regulations relating to market trading. The Government published the 'High Streets at the Heart of our Communities' (March 2012) report in response which accepted the recommendations made by Portas in relation to the importance of markets. At the same time, paragraph 23 of the NPPF states that local planning authorities should retain and enhance existing markets and, where appropriate, re-introduce or create new ones, ensuring that markets remain attractive and competitive.
- 2.28 The Government published 'The Future of High Streets' report in July 2013. It advises that the key to success and securing the long term future of the High Street is for communities to strike the right balance between traditional retail and other uses for high street property, and that markets, pop up shops, housing, community and social uses, and entertainment and cultural activities all have a part to play. The Government backed and helped to fund the Love

¹⁴ 'What Does the Future Hold for Town Centres?', BCSC, September 2009

¹⁵ 'Food and Drink Retailing', Mintel, March 2014

Your Local Market campaign, run by the National Association of British Market Authorities, which seeks to:

- encourage people to take the first step on the entrepreneurial ladder;
- support local growth by increasing footfall to local markets and town centres; and
- encourage the local community to make the most of their local market and town centre.

2.29 In response to the increased focus on the role of markets in contributing to the strength of town centres, there has been a trend towards local authorities seeking to improve and capitalise on the contribution markets can make towards the health of centres. There has been a trend towards greater diversification of markets. Along with traditional markets, specialist and temporary markets are developing.

Out of Centre Development

2.30 In recent years, Colliers¹⁶ notes that there has been a continually changing demand in the out of town retail sector. High profile administrations including MFI (November 2008), Comet (November 2012) and JJB Sports (September 2014), alongside the failure of other retailers with a significant out of town presence, created significant voids in the landscape of retail parks. The Local Data Company¹⁷ reported the national average vacancy rate in out of centre retail warehouses in 2014 to be 8.0%, an increase of around 4.1% from 2012. The flooding of the market with un-let space acted to reduce rents although the vacancies created by administrations have now largely been absorbed by new interest from discount retailers such as B&M, Home Bargains and Dunelm alongside familiar high street retailer such as Mothercare, Next Home and TK Maxx¹⁸ with vacancy rates improving to 6.6% reflecting this¹⁹. In January 2016, Dixons Carphone Warehouse announced plans to close 134 stores within 18 months, and to combine remaining Currys and PC World shops into a 3-in-1 store format incorporating a Carphone Warehouse outlet. The changing retailer mix at out of town destinations, buoyed by wider planning permissions, has provided a more diverse offering within the sector.

2.31 Looking forward, Colliers²⁰ indicates that future out of centre development will fall into two main categories. The first relates to the adaptation and refurbishment of existing stock. Colliers states that between 80% and 90% of the retail warehousing stock that the UK

¹⁶ 'Midsummer Retail Report: New Frontiers', Colliers, October 2015

¹⁷ 'Vacancy Report Summary H2 2014', Local Data Company, February 2015

¹⁸ 'Midsummer Retail Report 2014: Coming Up for Air', Colliers, July 2014

¹⁹ 'Vacancy Report Summary H1 2015', Local Data Company, September 2015

²⁰ 'Midsummer Retail Report 2015: New Frontiers', Colliers, July 2015

requires to service demand has already been built. Accordingly, most development activity will see landlords seeking to improve the suitability of their property for the latest retailers and also make improvements to improve dwell time on retail parks (for example, by seeking to introduce coffee shops and restaurants). Older schemes may be remodelled or redeveloped to meet current needs. According to Colliers, the other main strand of out of centre retail development relates to opportunities in areas where there has not been a great deal of retail warehousing in the past.

Shopping Centre Development

- 2.32 Shopping centre retail development has been at a virtual standstill in recent years, but there are a few signs that a corner may about to be turned. Cushman & Wakefield²¹ reported that development activity was restrained in 2014, with an estimated 124,300 sq.m of shopping centre space added over the course of the year, which is less than half the total added in 2013. Cushman & Wakefield indicated that the shopping centre development pipeline for 2015 totalled 154,618 sq.m and included the 53,000 sq.m Birmingham Grand Central, the 51,100 sq.m Westfield Bradford and the 27,870 sq.m Friars Walk in Newport, all of which opened in the second half of 2015. It is anticipated that 2016 will see the delivery of several shopping extensions. Cushman & Wakefield forecasts that the shopping centre pipeline will pick up significantly from 2017 as the economic recovery and the greater availability of finance help to bring forward new schemes and extensions that already have planning permission.
- 2.33 Notwithstanding this, the viability of shopping centre retail development remains, for the moment, challenging no matter how well designed or well located a scheme is. There are three types of scheme which have a better chance of success in the current economic climate. The first of these will be where a town has a large, affluent catchment and an acknowledged undersupply of retail floorspace in both town centre and out-of-town locations. The second scenario relates to schemes which were very close to happening before the recession took hold, which may be revised to better meet the current needs of the market. Barnsley, Macclesfield, Bradford and Lichfield are examples of such schemes. The third opportunity relates to development where the key anchor is a foodstore and, as a result, demand has remained strong. However, due to changes in the food retail sector and the trading model of the 'main four' operators, opportunities in this last category are more difficult to come by.
- 2.34 In addition to retail, food and drink is becoming an integral part of many shopping centres. In particular, consumers are increasingly travelling to larger centres to use the leisure facilities

²¹ 'Marketbeat Shopping Centre Development Report', Cushman & Wakefield, September 2014
www.wyg.com

and experience more of a complete 'day out'. In the past, it was relatively typical for non-retail uses to occupy less than 10% of shopping centre floorspace, but this has increased in recent schemes, including Westfield in Stratford where catering and leisure units occupy over 20% of the space. Similarly, construction has started on the Westgate Centre in Oxford, which is due for completion in 2017 and will provide a mixed use development incorporating retail uses, food and drink uses and leisure uses, including a five-screen cinema, within a covered environment incorporating streets, arcades, lanes and squares.

Growth in E-tailing ('E-commerce')

- 2.35 Many consumers who previously shopped in town centres and at retail parks are now increasingly using the internet to make purchases. Experian²² identifies that internet sales' share of total retail sales stood at 11.6% in mid-2015 compared to just 4.7% at mid-2008. The value of internet sales in 2015 is estimated at £42.1 billion.
- 2.36 The rise in recent years of e-commerce has had a major impact upon retailers, developers and investors alike, with the top 10 e-retailers in 2012 including Amazon UK (16%), Shop Direct (5%) and Next (4%)²³. As access to the internet/online shopping continues to grow through digital televisions, tablets and mobile phones, proportionally less money is anticipated to be spent on the high street or at retail parks.
- 2.37 The growth in internet as a sales medium has been enabled by the increase in access to the internet by households, which the Office for National Statistics²⁴ reports increased from 57% at 2006 to 86% in 2015. A total of 22.5 million households in Great Britain now have internet access. The proportion of households with access to the internet is expected to increase further over the coming years, alongside the growth in mobile phones and tablets with access via the new 4G spectrum. The ONS states that access to the internet using a mobile phone increased by nearly a third between 2011 and 2015, from 36% to 66%. This has supported the strong recorded growth in internet sales, together with improved consumer confidence in the security of online payment. The option of using the internet to 'click and collect' in-store at a dedicated counter is also increasing in popularity (particularly within stores with large sales areas), with the service now accounting for over 50% of John Lewis internet orders²⁵.

²² 'Experian Retail Planner Briefing Note 13', October 2015

²³ Ibid

²⁴ 'Statistical Bulletin: Internet Access Households and Individuals', Office for National Statistics, August 2015

²⁵ 'Click and Collect', Mintel, September 2014

- 2.38 As a consequence of such changes, the Office for National Statistics²⁶ indicates that the number of people using the internet to purchase goods continues to rise, with 76% of the UK population purchasing products over the internet in 2015, compared to 53% in 2008. The most popular online purchases were clothes/sports goods, with 49% of all adults in the UK purchasing some items via the internet. In addition, 42% of the population bought household goods online and 23% bought food or groceries.
- 2.39 Online spending continues to be the key growth opportunity for national and independent retailers, accounting for increasing proportions of total sales. With regard to foodstore operators, food accounts for approximately 20.5% of all internet sales²⁷, and by 2019 online sales will account for 8.3% of all grocery retailers' sales²⁸. Verdict's research identifies that major retailers have seen their business grow as online shopping has increased and, as a result, the likes of Asda and Sainsbury's have improved their geographical coverage and capacity. In particular, online sales at Tesco currently exceed £2 billion, with Mintel noting that the operator has a reported 39.1% online grocery market share, which is more than double that of the next leading competitor of Sainsbury's who have a 17.5% market share.
- 2.40 It is evident that internet shopping as a whole is having an impact upon traditional high streets, in light of increased competition and lower prices. Consequently, there is a possibility that online retailing will continue to put pressure on retail rental growth over the next five to ten years. In particular, it appears likely that smaller town centres (which may be less able to offer a complete 'shopping experience') are likely to be the subject of greater ongoing impacts from online retailing.
- 2.41 Despite some variance in the estimated future growth of online shopping, it is clear that e-tailing cannot entirely replace the 'shopping experience' as shopping is a social activity. In this regard, retailers are already adopting innovative approaches to encourage people to visit their store through 'try before you buy' concepts. For example, Ellis Brigham has installed Vertical Chill indoor ice climbing walls at five stores for customers to try equipment and to interact with products. For successful retailers, online selling provides an additional route to the market. Online retailers benefit from demand generated through physical channels whilst high street outlets can benefit from reaching a wider customer base through the internet. Those

²⁶ 'Statistical Bulletin: Internet Access Households and Individuals', Office for National Statistics, August 2015

²⁷ 'Shop Expansion and the Internet', CBRE, May 2012

²⁸ 'Online Grocery Retailing', Mintel, March 2015

retailers who are likely to have a healthy future are those who are able to combine a strong high street presence with an interesting and closely related e-tail offer.

Summary

- 2.42 In summary, it is evident that the retail market has undergone significant changes in recent years. Wider economic conditions facing the UK have led to a marked decline in some previously healthy town centres, as well as other traditional retail formats. This has principally been caused by a decline in available expenditure, due to suppressed disposable incomes and an increase in the proportion of expenditure committed online.
- 2.43 However, 2015 saw an increase in consumer confidence, mainly driven by an improved economic outlook as a result of falling unemployment and the availability of credit. As a consequence, it is anticipated that expenditure growth rates will increase moving forward. Whilst such forecasts remain below those achieved before the recession, they are significantly higher than those recorded over the last three or four years. Notwithstanding this, in June 2016, the referendum on the UK's membership of the European Union resulted in a majority vote to leave the EU. A number of commentators have forecast that the uncertainty brought about by this decision will impact negatively upon consumer confidence.
- 2.44 The growth in online sales has impinged on the need for new tangible floorspace. However, increased expenditure growth allied with the retail industry embracement of innovative multi-channelling retail strategies, provides an opportunity for town centres to widen their audience in the future and retain ground. To deliver on this, it will be critical that town centres are flexible enough to both embrace and complement digital solutions, whilst also providing appropriate and well managed retail floorspace that can showcase products and services. The ability for centres to 'move with the times' and utilise modern technology, whilst providing a materially different experience to online shopping, (partly through the inclusion of leisure and food and drink offers), will help ensure their ongoing vitality and viability.

3.0 Planning Policy Context

Introduction

- 3.01 Given that this Study Update seeks to provide evidence to assist in the production of the Local Plan, it is important to review existing national planning policy of pertinence to retail and town centre matters to explore the context for the Update and how it may impact upon the production of future development plan policy. We also summarise emerging Kirklees Local Plan policy, insofar as it is relevant to retail and town centre matters.

National Planning Policy Framework

- 3.02 The National Planning Policy Framework was published in March 2012. The NPPF replaces all former Planning Policy Statements, Planning Policy Guidance Notes and some Circulars in a single consolidated document.
- 3.03 The main theme of the NPPF is that there should be 'a presumption in favour of sustainable development'. In terms of plan-making, it is stated that local planning authorities should positively seek opportunities to meet the development needs of their area, with an emphasis on Local Plans having sufficient flexibility to adapt to rapid change.
- 3.04 In terms of economic development, it is set out within the NPPF's core principles that planning should proactively drive and support economic development to deliver the homes, business and industrial units, infrastructure and thriving local places that the country needs. Every effort should be made to objectively identify and then meet the business and other development needs of an area, with positive responses made to wider opportunities for growth.
- 3.05 The NPPF stresses the Government's commitment to securing economic growth in order to create jobs and prosperity, with paragraph 17 stating that the planning system should do everything it can to support sustainable economic growth.
- 3.06 Paragraph 19 indicates that planning should operate to encourage and not to act as an impediment to sustainable growth, and that significant weight should be placed on the need to support economic growth through the planning system. The NPPF seeks to ensure that local planning authorities plan proactively to meet the development needs of business and support an economy fit for the 21st century.

3.07 The NPPF still recognises the need to promote the vitality and viability of towns and cities through the promotion of competition and growth management during the plan period. Paragraph 23 of the NPPF provides guidance for local planning authorities in drawing up Local Plans, it indicates that they should:

- recognise town centres as the heart of their communities and pursue policies to support their vitality and viability;
- define a network and hierarchy of centres that is resilient to anticipated future economic changes;
- define the extent of town centres and primary shopping areas, based on a clear definition of primary and secondary frontages in designated centres, and set policies that make clear which uses will be permitted in such locations;
- promote competitive town centres that provide customer choice and a diverse retail offer and which reflect the individuality of town centres;
- retain and enhance existing markets and, where appropriate, re-introduce or create new ones, ensuring that markets remain attractive and competitive;
- allocate a range of suitable sites to meet the scale and type of retail, leisure, commercial, office, tourism, cultural, community and residential development needed in town centre. It is important that needs for retail, leisure, office and other main town centre uses are met in full and are not compromised by limited site availability. Local planning authorities should therefore undertake an assessment of the need to expand town centres to ensure a sufficient supply of suitable sites;
- allocate appropriate edge of centre sites for main town centre uses that are well connected to the town centre where suitable and viable town centre sites are not available. If sufficient edge of centre sites cannot be identified, set policies for meeting the identified needs in other accessible locations that are well connected to the town centre;
- set policies for the consideration of proposals for main town centre uses which cannot be accommodated in or adjacent to town centres;
- recognise that residential development can play an important role in ensuring the vitality of centres and set out policies to encourage residential development on appropriate sites; and
- where town centres are in decline, local planning authorities should plan positively for their future to encourage economic activity.

- 3.08 Paragraph 24 requires local planning authorities to adopt a sequential approach to the consideration of planning applications for main town centre uses that are not in an existing centre or in accordance with an up-to-date Local Plan. The following paragraph 25 indicates that that the sequential approach should not apply to applications for small scale rural offices or other small scale development.
- 3.09 Paragraph 26 indicates that local planning authorities should require an impact assessment for retail, leisure and office development outside of town centres which are not in accordance with an up-to-date Local Plan and if the development is over a proportionate, locally set threshold. Where there is no locally defined threshold, the default threshold will be 2,500 sq.m.
- 3.10 Paragraph 27 indicates that where an application fails to satisfy the sequential test or is likely to have a significant adverse impact on the vitality and viability of a town centre or on existing, planned, committed investment in a centre it should be refused.
- 3.11 The NPPF also recognises that retail activity should still, where possible, be focused in existing town centres. Retail and leisure proposals which cannot be accommodated in or adjacent to the town centre will have to satisfy a dual impact test and the sequential test.

Ensuring the Vitality of Town Centres Planning Practice Guidance

- 3.12 Ensuring the Vitality of Town Centres National Planning Practice Guidance was published in March 2014 and replaces the previous Planning for Town Centres Practice Guidance. It provides a more concise summation of how retail and main town centre planning policy is to be applied in practice. However, the objectives of the Practice Guidance remain comparable with those of its predecessor, with there being a stated requirement for local planning authorities to plan positively and support town centres to generate local employment, promote competition within and between town centres, and create attractive and diverse places for users.
- 3.13 The Practice Guidance requires local planning authorities to fully assess and plan to meet needs for main town centre uses through the adoption of a 'town centre first' approach. Paragraphs 002 and 003 confirm that this should be delivered through a positive vision or strategy which is communicated through the development plan. The strategy should be facilitated through active engagement with the private sector and other interested organisations (including Portas Pilot organisations, Town Teams and so on). Any strategy

should be based on evidence which clarifies the current state of town centres and opportunities to meet development needs and support centres' vitality and viability.

3.14 Such strategies should seek to address the following matters:

- the appropriate and realistic role, function and hierarchy of town centres in the area of over the plan period, including an audit of the vitality and viability of existing town centres and their ability to accommodate new development;
- consideration of the vision for the future of each town centre and the most appropriate mix of uses;
- the assessment of the scale of development that a town centre can accommodate;
- the timeframe for new retail floorspace to be delivered;
- what other complementary strategies are necessary or appropriate to enhance the town centre to deliver the vision in the future; and
- the consideration of the enhancement of car parking provision including charging and enforcement mechanisms.

3.15 Paragraph 005 of the Practice Guidance identifies a series of key indicators which are of relevance in assessing the health of a centre over time. Paragraph 005 goes on to state that not all successful town centre regeneration initiatives have been retail led or focused on substantial new development, but have instead involved improvements such as renewed public realm, parking, and accessibility and other partnership mechanisms.

3.16 Paragraph 007 identifies the importance of planning for tourism as an important component of any overall vision and indicates that local planning authorities should consider specific tourism needs (including locational or operational requirements) and opportunities for tourism to support local services, vibrancy and the built environment.

3.17 Paragraph 009 reaffirms the town centre first policy in the form of the sequential test, which requires local planning authorities to undertake an assessment of candidate sites' availability, suitability and viability when preparing their local plan. Such an assessment should also consider the scale of future needs and the type of land needed to accommodate main town centre uses.

Housing and Economic Development Needs Assessment Planning Practice Guidance

- 3.18 The Government has issued further Practice Guidance to provide specific instruction in respect of the undertaking of needs assessments (including those for main town centre uses). Paragraph 032 of the Practice Guidance states that plan makers should consider forecasts of quantitative and qualitative need based on a range of data which is current and robust. Local planning authorities will need to take account of business cycles and make use of forecasts and surveys to assess employment land requirements.

Relaxation of Permitted Development Rights

- 3.19 At a national level, recent changes to the Town and Country Planning (General Permitted Development) Order 1995 have sought to support the diversification and vitality of town centres. The changes follow the Portas Report recommendation to make it easier to change surplus space in order to provide for the effective re-use of buildings.
- 3.20 The Town and Country Planning (General Permitted Development) (England) Order 2015 came into force on 15 April 2015. The Order acts, *inter alia*, to consolidate and replace the Town and Country Planning (General Permitted Development Order 1995) and to provide additional permitted development rights. It should be noted that conditions and restrictions apply, and that prior approval is generally required in order to implement development. The new rights include:
- a permitted change of use from amusement arcade/casino (sui generis use) to residential use (Class C3);
 - a permitted change from retail (Class A1) to financial services (Class A2);
 - a permitted change from retail/financial services (Class A1/A2) to food and drink (Class A3);
 - a permitted change from retail/financial services (Class A1/A2), betting offices, pay day loan shops and casinos to assembly and leisure uses (Class D2);
 - extension of the temporary permitted development rights introduced in May 2013 for extensions to shops, offices, industrial and warehouse buildings to support business expansion and the economy so they apply permanently;
 - the erection of click and collect facilities within the curtilage of a retail shop; and
 - modifications to the size of an existing retail shop loading bay.

3.21 The intended consequence of such measures is to secure the redevelopment and reuse of premises. It is considered that the relaxation in respect of changes of use to residential are more likely to encourage re-use of offices in larger metropolitan areas which may benefit from a greater supply of office buildings.

Emerging Kirklees Local Plan

3.22 Kirklees Metropolitan Borough Council is currently preparing a new Local Plan. Consultation on a Draft version of the Local Plan was undertaken between November 2015 and February 2016.

3.23 The Draft Local Plan comprises two parts as follows:

- Draft Local Plan – Strategy and Policies; and
- Draft Local Plan – Allocations and Designations.

3.24 The Draft Local Plan sets out a draft vision and strategic objectives for the development of Kirklees for the period 2013 to 2031. The Draft Local Plan seeks to ensure that most new development, including housing, employment, retail and mixed use development is focussed on the urban area, with the largest amount of development located in Huddersfield and Dewsbury, or on allocated sites.

3.25 The Draft Local Plan identifies that Kirklees has a growing population that is set to increase by 47,700 from 428,100 in 2013 to 475,800 in 2031²⁹. The Draft Plan states that over the same period the number of households is expected to increase by 26,221 from 176,152 to 202,373³⁰.

3.26 The Draft Local Plan seeks to deliver 32,200 jobs over the plan period, which equates to a total employment land requirement of 265 hectares (196 hectares when the existing supply is taken into account). Once completions, commitments, Priority Employment Areas and flexibility are accounted for, the Draft Local Plan seeks to allocate 262 hectares of employment land.

3.27 In relation to residential development, the Draft Local Plan seeks to deliver 29,340 homes over the plan period, which equates to an annual housing requirement of 1,630 homes. Once

²⁹ 2012-based ONS sub national population projections

³⁰ 2012-based CLG households projections for England

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completions, commitments, windfall allowance, losses and flexibility are accounted for, the total amount of housing proposed to be allocated in the Local Plan amounts to 19,933 homes. The Draft Local Plan proposes the following housing distribution by district committee area:

- Batley and Spen – 4,715 homes
- Dewsbury and Mirfield – 3,148 homes
- Huddersfield – 6,896 homes
- Kirklees Rural – 5,148 homes

3.28 Draft Policy DLP 13 of the Local Plan relates to town centre uses. The draft policy sets out a shopping centre hierarchy for Kirklees as follows:

- **Principal Town Centres** – Huddersfield and Dewsbury
- **Town Centres** – Batley, Cleckheaton, Holmfirth and Heckmondwike
- **District Centres** – Almondbury, Birstall, Denby Dale, Honley, Kirkburton, Lindley, Marsden, Marsh, Meltham, Milnsbridge, Mirfield, Moldgreen, Ravensthorpe, Skelmanthorpe and Slaithwaite
- **Local Centres** – 61 in total

3.29 The draft policy identifies the role and function of the centres within each level of the shopping centre hierarchy. The policy advises that main town centre uses which are appropriate in scale, help to retain an existing centre's market share, and enhance the experience of those visiting the centre and the businesses which operate in that centre will be supported. However, proposals that undermine the vitality and viability of a centre or compromise the shopping centre hierarchy will not be supported.

3.30 Draft Policy DLP 13 recognises that new centres may be required as a result of the demand brought about by major large scale residential led development scheme. The policy advises that new centres will be supported where they are of an appropriate scale and provide an appropriate level of services to serve the proposed development, and where the requirements of the sequential and impact tests are met.

3.31 The requirements of the sequential and impact tests are also set out at Draft Policy DLP 13. In relation to impact assessments, local impact thresholds are provided stating that proposals for retail, leisure and office development which are not located within a defined centre will be required to be supported by an impact assessment where:

- the proposal provides a floorspace greater than 500 sq.m gross;
 - the proposal is located within 800 metres of the boundary of a town centre or district centre and is greater than 300 sq.m gross; or
 - the proposal is located within 800 metres of the boundary of a Local Centre and is greater than 200 sq.m gross.
- 3.32 Draft Policy DLP 14 relates to shopping frontages and explains that primary shopping areas, primary shopping frontages and secondary shopping frontages have been defined to ensure a strong retail core to the principal town centres and town centres in the District. The policy sets out the criteria which will be used to assess proposals for main town centre uses in the primary and secondary shopping frontages.
- 3.33 Residential uses in town centres are considered at Draft Policy DLP 15. The draft policy states that residential uses will be supported within defined town centres subject to a number of criterion being met. These criterion include the requirement for primary shopping areas and shopping frontages to be protected and for space to be provided for other main town centre uses. The policy states that in these defined areas residential uses will only be permitted on upper floors and shall not prejudice existing established uses.
- 3.34 Draft Policy DLP 16 relates to food and drink uses and the evening economy. It is the intention of the draft policy for proposals for food and drink uses and licensed entertainment uses to be supported, provided they are located within a defined centre and subject to ensuring the concentration of food and drink and licensed entertainment uses are not located in a particular centre or part of a centre where they would result in harm to the character, function, vitality and viability of the centre, either individually or cumulatively.
- 3.35 Draft Policy DLP 17 sets out the policies which will be applicable in Huddersfield town centre. It is advised that Huddersfield town centre will be the principal focus for high quality comparison retail goods within the District, supported by a range of leisure, tourism, office and other main town centre uses. The draft policy states that proposals on the edge of Huddersfield town centre and along the Leeds Road/St Andrew's Road corridor shall include enhanced pedestrian connections to the town centre.
- 3.36 Draft Policy DLP 18 relates to Dewsbury town centre. It is the intention of the Draft Local Plan that Dewsbury town centre will be a place of vibrancy, vitality and diversity, with a mix of uses to attract visitors and provide new space for town centre living. Draft Policy DLP 18 states that



Dewsbury town centre will form the focus for retail provision for the north of the district, supported by other main town centre uses. The draft policy requires that proposals for edge of centre development shall include enhanced connections to the town centre.

- 3.37 The Draft Local Plan Allocations and Designations document provides details of site allocations, including employment, residential and mixed use allocations proposed to meet the requirements set out in the Draft Local Plan Strategy and Policies document. The document also provides details in relation to the town centre designations set out on the Policies Maps.

4.0 Population and Expenditure

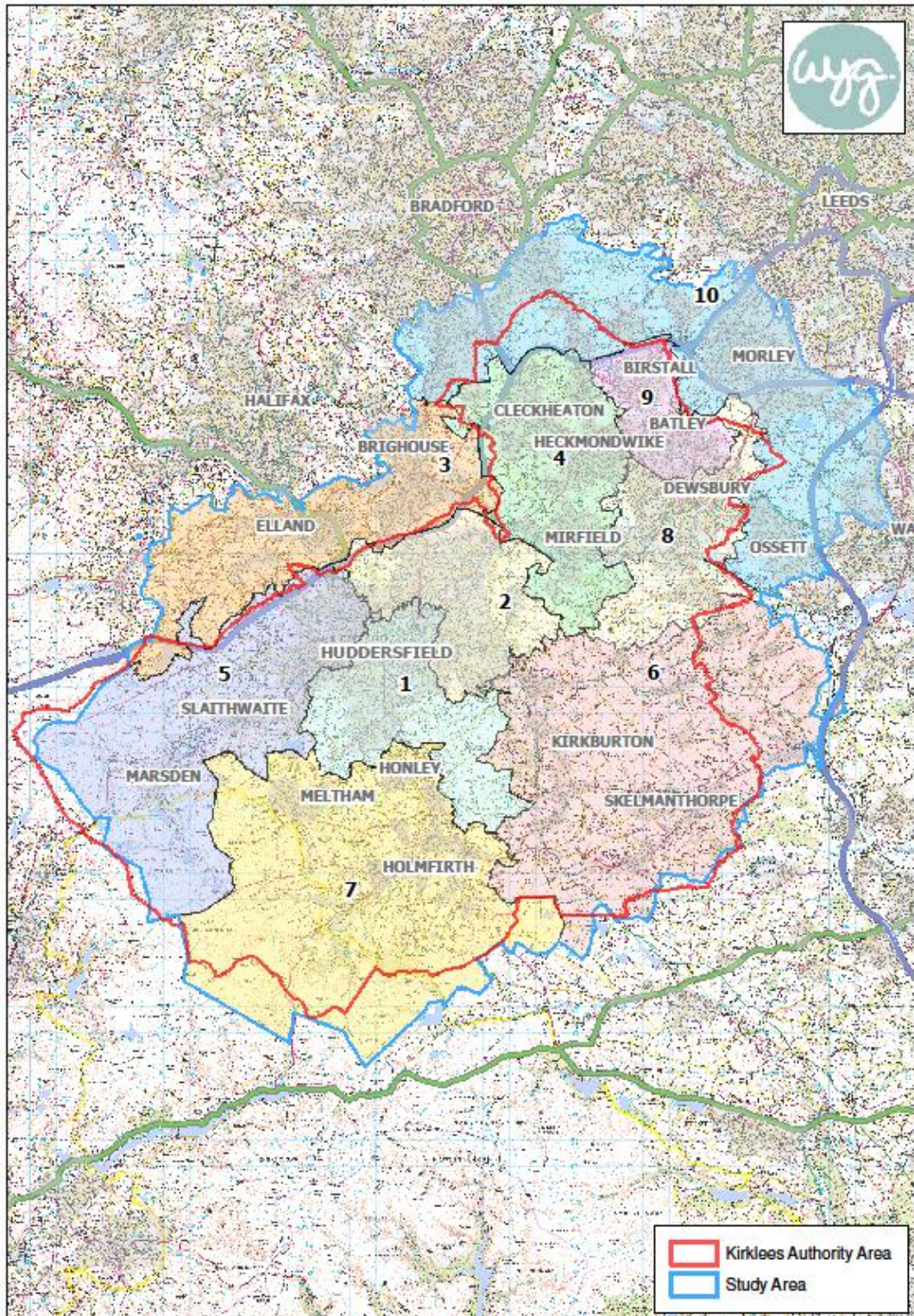
- 4.01 In March 2013, a survey of 1,000 households was undertaken within the defined Study Area, which has been drawn so as to broadly reflect the Kirklees authority area and also adjacent areas where local residents would naturally gravitate towards conveniently located retail facilities in Kirklees. A map of the catchment is provided overleaf at Figure 4.1 and at Appendix 1.
- 4.02 The defined catchment was broken down into ten survey zones on a geographic basis in order to allow trends to be assessed on a local level and for the consideration of shopping patterns particular to each of the District's six town centres and the study zones. The zones are numbered 1 to 10 and Table 4.1 sets out the postcode sectors which define each of the zones, which have been used as a basis for the NEMS household survey and the quantitative need assessment. Huddersfield town centre is located in Zone 1, Cleckheaton and Heckmondwike are located in Zone 4, Holmfirth is located in Zone 7, Dewsbury is located in Zone 8 and Batley is located in Zone 9.
- 4.03 The zones comprise the following postcode areas.

Table 4.1: Survey Zones by Post Code Sector

Survey Zone	Post Code Sectors
Zone 1	HD 1 1, HD 1 2, HD 1 3, HD 1 4, HD 1 5, HD 1 6, HD 4 5, HD 4 6, HD 4 7
Zone 2	HD 2 1, HD 2 2, HD 5 0, HD 5 8, HD 5 9
Zone 3	HD 6 1, HD 6 2, HD 6 3, HD 6 4, HX 4 0, HX 4 8, HX 4 9, HX 5 0, HX 5 9
Zone 4	BD19 3, BD19 4, BD19 5, BD19 6, WF14 0, WF14 8, WF14 9, WF15 6, WF15 7, WF15 8, WF16 0, WF16 9
Zone 5	HD 3 3, HD 3 4, HD 7 4, HD 7 5, HD 7 6
Zone 6	HD 8 0, HD 8 8, HD 8 9, WF 4 4
Zone 7	HD 9 1, HD 9 2, HD 9 3, HD 9 4, HD 9 5, HD 9 6, HD 9 7
Zone 8	WF12 0, WF12 7, WF12 8, WF12 9, WF13 1, WF13 2, WF13 3, WF13 4
Zone 9	WF17 0, WF17 5, WF17 6, WF17 7, WF17 8, WF17 9
Zone 10	BD 4 0, BD 4 6, BD 4 9, BD11 1, BD11 2, BD12 0, BD12 7, BD12 8, BD12 9, LS27 0, LS27 7, LS27 8, LS27 9, WF 2 0, WF 3 1, WF 3 2, WF 5 0, WF 5 8, WF 5 9

- 4.04 The questions and full tabulation of results from the household survey are provided at Appendix 2.

Figure 4.1: Study Area and Zones



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- 4.05 Further details in relation to shopping patterns across the District and the market shares achieved by individual facilities are set out in the 2014 Retail Study.

Study Area Population

- 4.06 The population within each postal code sector and each zone at 2014 has been calculated using Experian Micromarketer G3 data (2014 estimate, which was issued in October 2015). Experian also models projected future increases in population data, utilising Government population projections. Experian is a widely accepted source of population and expenditure data and is regularly used by WYG in calculating retail capacity.
- 4.07 Experian's baseline population data estimates take into consideration the findings of the 2011 Census release, which is then projected forward by Experian using a 'demographic component model', which takes into consideration the birth rate, ageing, net migration and death rate. Further information on Experian's methodology is available in its Population and Household Projections Data Profile (UK 2015 Data Release) and its UK 2015 Local Area Data Release Notes.
- 4.08 In considering future population growth, the Draft Local Plan sets out that Kirklees Council is planning for an increase in population of 47,700 persons in Kirklees across the emerging Kirklees Local Plan period, from 428,100 persons in 2013 to 475,800 persons in 2031³¹. This equates to 2,650 persons per annum. Given that the base date of this Study Update is 2016, on a pro rata basis, the planned population increase equates to 39,750 persons in the period 2016 to 2031 i.e. 2,650 persons per year for 15 years. We understand that this planned population growth across Kirklees District has been derived from the 2012-based Office of National Statistics (ONS) sub national population projections.
- 4.09 The Kirklees local authority area comprises Zones 1, 2, 4, 5, 7, 8 and 9 of the Study Area (almost in their entirety), and parts of Zones 6 and 10. Zone 3 lies outside the Kirklees local authority area. We have estimated the proportion of each zone's population which resides within Kirklees, through the use of Experian Micromarketer G3 software. Table 4.2 sets out the proportional population split for each zone.

³¹ 2012-based ONS sub-national population projections
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Table 4.2: Proportion of Study Area Population Residing in Kirklees

Survey Zone	Proportion of Population Residing Within Kirklees	Proportion of Population Residing Outside Kirklees
Zone 1	100.0%	0.0%
Zone 2	100.0%	0.0%
Zone 3	0.0%	100.0%
Zone 4	100.0%	0.0%
Zone 5	100.0%	0.0%
Zone 6	85.0%	15.0%
Zone 7	100.0%	0.0%
Zone 8	100.0%	0.0%
Zone 9	100.0%	0.0%
Zone 10	5.0%	95.0%

- 4.10 In order to estimate the population forecasts for the Study zones (or parts thereof) in Kirklees at 2016, we have grown forward Experian's population estimates at 2014 in accordance with the Kirklees population growth forecasts (as set out in the Kirklees Draft Local Plan). As we have set out above, the Draft Local Plan identifies that the Council is planning for an increase in population of 47,000 persons across Kirklees between 2013 to 2031, which equates to 2,650 persons per annum. Accordingly, based on this planned population growth, at 2016, the population of Kirklees should be in the region of 436,050 persons. This is based on a population of 428,100 persons at 2013, increasing by 2,650 persons per annum up to 2016.
- 4.11 The level of population at 2016 is 9,000 persons greater than Experian's 2014 population estimate and we have grown forward Experian's 2014 population estimate in accordance with this level of growth. For the subsequent reporting years, (i.e. 2021, 2026 and 2031), we have grown forward the population for Kirklees in accordance with the Draft Local Plan growth target of 2,650 persons per annum, which equates to an increase of 13,250 persons for each of the five year reporting periods. The source and level of population growth which has been apportioned across Kirklees for each of the reporting years is set out at Table 4.3.

Table 4.3: Level of Population Growth Apportioned to Kirklees for Each Reporting Year

Year	Population Estimate for Kirklees Local Authority Area	Population Growth	Source
2014	427,050	-	Experian Population Estimate 2014
2016	436,050	9,000 (2014-2016)	Experian Population Estimate 2014, Grown Forward by 9,000 persons to achieve Draft Local Plan Population Target of 436,050 at 2016
2021	449,300	13,250 (2016-2021)	2016 Population Figure Grown Forward by 13,250 persons to achieve Draft Local Plan Population Target of 449,300 at 2021
2026	462,550	13,250 (2021-2026)	2021 Population Figure Grown Forward by 13,250 persons to achieve Draft Local Plan Population Target of 462,500 at 2026
2031	475,800	13,250 (2026-2031)	2026 Population Figure Grown Forward by 13,250 persons to achieve Draft Local Plan Population Target of 475,800 at 2031

- 4.12 The population forecasts for Kirklees, upon which this Study Update is based, are consistent with the distribution of housing growth set out in the Draft Local Plan, and therefore represent an appropriate basis for the purposes of modelling future retail needs.
- 4.13 The population growth in Kirklees for each of the five year reporting periods has been distributed across the Study Area in accordance with the distribution of housing growth in Kirklees as set out in the Kirklees Draft Local Plan Appendix 3 (Housing Delivery and Phasing). Table 4.4 sets out the proportion of housing growth which has been apportioned to each zone. The level of housing growth takes into account housing completions, extant housing commitments and Draft Local Plan housing allocations.

Table 4.4: Housing Growth Distribution in Kirklees

Survey Zone	Proportion of Housing Growth in Kirklees
Zone 1	11.5%
Zone 2	16.4%
Zone 3	0.0%
Zone 4	15.1%
Zone 5	10.8%
Zone 6	14.2%
Zone 7	8.3%
Zone 8	16.2%
Zone 9	6.7%
Zone 10	0.8%

Source: Draft Kirklees Local Plan, Appendix 3 (Housing Delivery and Phasing) and Kirklees Planning Policy Group

- 4.14 For example, as we have set out above, we estimate a population increase of 9,000 persons in Kirklees between 2014 and 2016. A total of 11.5% of Kirklees' planned housing growth is due to take place in Zone 1 between 2014 and 2031. Accordingly, we estimate that the population of Zone 1 will grow by 1,031 persons between 2014 and 2016, which equates to 11.5% of the estimated increase in Kirklees' population during this period. This process has been repeated for each zone for each reporting period.
- 4.15 For the Study zones (or parts thereof) which lie outside Kirklees, namely Zone 3, and parts of Zone 6 and 10, we have based the population growth throughout the Study period on the growth estimates provided by Experian Micromarketer G3 data (which was issued in October 2015). In cases where a proportion of the population of the zone reside within Kirklees and a proportion reside outside Kirklees, the population growth for the area within Kirklees is based on the Kirklees Draft Local Plan population growth targets and the population growth for the area outside Kirklees is based on Experian data.
- 4.16 Outside of the Kirklees authority area, we consider that Experian's future population projections represent an appropriate data source for the purposes of modelling future retail needs. The Experian data is reflective of growth rates that take into account Office for National Statistics (ONS) population projections, and current age, gender and socio-economic estimates.
- 4.17 On the basis of our population growth methodology, Table 4.4 sets out our estimate of future population growth across the Study Area using Experian Micromarketer G3 data projected forward and adjusted for Kirklees in accordance with the planned population growth and

housing distribution set out by the Draft Kirklees Local Plan. Table 4.4 sets out our estimate of the population across the Study Area at 2014 (Experian population estimate), at 2016 (Study Update base year), and then at five-year intervals to 2031 (i.e. at 2021, 2026 and 2031).

- 4.18 Table 4.5 identifies that the Study Area population is forecast to increase from 621,723 persons at 2016 to 636,340 persons at 2020, equating to an increase in population over the first five year forecast period of approximately 14,617 persons, or 2.4%. At 2031, the population of the Study Area is forecast to be 673,272 persons, equating to an increase in population over the 15 year Study period from 2016 to 2031 of approximately 51,549 persons, or 8.3%. Within Kirklees, the forecast population increases from 436,050 at 2016 to 449,300 at 2021 and to 475,800 at 2031. This equates to an estimated population increase within Kirklees of 13,250 persons, or 3.0%, between 2016 and 2020, and an increase of 397,750 persons, or 9.1%, over the overall 15 year Study period.

Table 4.5: Study Area Population by Survey Zone (2014 to 2031)

Zone	2014	2016	2021	2026	2031
1	54,464	55,495	57,012	58,529	60,046
2	60,690	62,166	64,338	66,511	68,684
3	49,896	50,216	50,542	51,943	53,211
4	73,321	74,676	76,670	78,664	80,658
5	53,311	54,286	55,721	57,156	58,591
6	44,111	45,461	47,522	49,614	51,704
7	35,662	36,410	37,510	38,611	39,711
8	62,193	63,651	65,797	67,942	70,088
9	43,177	43,781	44,670	45,558	46,447
10	134,688	135,583	136,559	140,461	144,131
Total	611,513	621,723	636,340	654,989	673,272

Note: Derived from Experian Micromarketer G3 2014 data release and Draft Kirklees Local Plan Appendix 3

Retail Expenditure

- 4.19 In order to calculate per capita convenience and comparison goods expenditure, we have again utilised Experian Micromarketer G3 data which provides detailed information on local consumer expenditure that takes into consideration the socio-economic characteristics of the local population.
- 4.20 The base year for the Experian expenditure data is 2014. Per capita growth forecasts have been derived from Experian Retail Planner Briefing Note 13, which was published in October 2015. Appendix 3 of the Retail Planner Briefing Note identifies annual growth forecasts for

convenience and comparison goods, which we set out at Table 4.6 and which inform our assessment.

Table 4.6: Expenditure Growth Forecasts

Year	Convenience (%)	Comparison (%)
2014	-1.8	5.5
2015	-0.2	5.3
2016	0.1	3.2
2017	0.3	2.9
2018	0.2	2.7
2019	0.2	2.8
2020	0.1	3.0
2021	0.1	3.2
2022	-0.1	3.1
2023	0.1	3.3
2024	0.2	3.3
2025	0.1	3.1
2026	0.1	3.1
2027	0.1	3.2
2028	0.1	3.1
2029	0.1	3.2
2030	0.1	3.3
2031	0.1	3.2

Source: Appendix 3, Experian Retail Planner Briefing Note 13 (October 2015)

- 4.21 The latest growth forecasts suggest that the recovery from the downturn in the economy is well underway for comparison goods. Growth in convenience goods expenditure is more limited, with growth remaining relatively slow in the medium to long term. For convenience goods, Experian forecasts +0.1% annual growth at 2016. Whilst there is some deviation in the rate forecast thereafter, the rate of annual convenience goods growth forecast to 2031 broadly follows +0.1%.
- 4.22 By contrast, Experian identifies an immediate and relatively strong annual comparison growth rate of +3.2% at 2016. A drop in the rate of growth to +2.9% is anticipated at 2017, with annual growth rates thereafter to 2031 forecast to be extremely stable, within the range +2.7% to +3.3%.
- 4.23 Growth in expenditure forecast in the longer term (beyond the next ten years) should be treated with caution given the inherent uncertainties in predicting the economy's performance



over time. Assessments of this nature should therefore be reviewed on a regular basis in order to ensure that forecasts over the medium and long term are reflective of any changes to relevant available data.

- 4.24 Experian Retail Planner Briefing Note 13 also provides a forecast in respect of the proportion of expenditure which will be committed through special forms of trading (comprising 'non-store retailing', such as internet sales, TV shopping and so on) over the reporting period. We have excluded any expenditure which survey respondents indicated was committed via special forms of trading and instead have made an allowance derived from Experian's recommendation. The use of Experian's recommended allowance for special forms of trading is generally accepted by retail planning consultants as being an appropriate manner in which to account for purchases made through non-store means.

- 4.25 In considering special forms of trading, it should be noted that many products which are ordered online are still actually sourced from a physical store's shelves or stockroom (particularly in the case of convenience goods). Accordingly, expenditure committed in this manner acts to support stores and should be considered 'available' to tangible retail destinations. In order not to overstate the influence of expenditure committed via special forms of trading, our approach is based on Experian's 'adjusted' figure (provided at Appendix 3 of its Retail Planner Briefing Note 13) which makes an allowance for internet sales sourced from stores. The proportion of expenditure committed through special forms of trading cited below at Table 4.7 is excluded from the identified expenditure as it is not available to stores within the Study Area.

Table 4.7: Special Forms of Trading Forecasts

Year	Convenience	Comparison
2016	3.0%	12.4%
2021	4.4%	15.0%
2026	5.1%	15.0%
2031	5.8%	14.6%

Source: Appendix 3, Experian Retail Planner Briefing Note 13 (October 2015)

- 4.26 Based on the above growth rates and special forms of trading allowances, it is possible to produce expenditure estimates for each zone at 2016, 2021, 2026 and 2031. In doing so, our assessment takes into account both per capita retail expenditure growth and population change.

Convenience Goods Expenditure

- 4.27 Taking into consideration the above increases in population and per capita expenditure, it is estimated that, at 2016, the resident population of the Study Area generates some £1,154.09m of convenience goods expenditure³². As set out below in Tables 4.8 and 4.9, available convenience goods expenditure is then forecast to increase to £1,236.07m at 2031, which represents an increase of £81.98m (or 7.10%) between 2016 and 2031.

Table 4.8: Total Available Study Area Expenditure – Convenience Goods (£m)

2016 (£m)	2021 (£m)	2026 (£m)	2031 (£m)
1,154.09	1,174.77	1,205.28	1,236.07

Source: Table 2a, Appendix 3
In 2014 prices

Table 4.9: Total Available Study Area Expenditure – Convenience Goods (£m)

Growth 2016-2021 (£m)	Growth 2016-2026 (£m)	Growth 2016-2031 (£m)
20.68	51.20	81.98

Source: Table 2a, Appendix 3
In 2014 prices

Main Food and 'Top-Up' Shopping

- 4.28 For the purposes of this study, the proportion of convenience goods expenditure directed to respondents' main food shopping destination has been derived directly from a specific question in the household survey and has been applied on a zonal basis. The survey indicates that, across the Study Area, approximately 80.6% of expenditure is directed to the main food shopping destination (bulk food shop) and approximately 19.4% is directed to 'top up' shopping destinations (i.e. regular day-to-day purchases, such as milk, bread, and so on)³³. Our estimate of the split between these two types of expenditure on a zonal basis is provided below at Table 4.10.

³² Expressed in 2014 prices, as is every subsequent monetary value

³³ Derived from responses to Question 14 of the NEMS household survey, based on the Study Area average calculated using the mid-point in the range of each response (e.g. if a respondent stated that between 50% and 75% of their food spend was undertaken through a 'main food' shop, we have assumed that 62.5% of expenditure was committed in such a manner)

Table 4.10: Assumed Split of Convenience Goods Expenditure Between Main and Top-Up Shopping

Zone	Main Food (%)	Top Up (%)
1	79.6	20.4
2	79.0	21.0
3	82.7	17.3
4	79.1	20.9
5	80.7	19.3
6	83.0	17.0
7	81.3	18.7
8	79.3	20.7
9	80.7	19.3
10	81.2	18.8

Source: Derived from Table 2B, Appendix 3

- 4.29 By applying these estimates to the identified resident population of the Study Area, convenience goods expenditure at 2016 committed through 'main food' shopping trips is estimated to be £930.47m and through 'top up' shopping trips is estimated to be £223.62m.

Comparison Goods Expenditure

- 4.30 For comparison goods, Tables 4.11 and 4.12 set out our estimation that the resident population of the Study Area will generate some £1,603.08m of comparison goods expenditure at 2016. Available comparison goods expenditure is then forecast to increase to £2,746.21m at 2031, which represents an increase of £1,143.13m (or 71.3%) between 2016 and 2031.
- 4.31 Whilst the identified expenditure increase is clearly very significant, the rate of forecast growth is still more modest than that which has been previously achieved, principally because of the expectation that an ever increasing proportion of comparison goods expenditure will be committed through special forms of trading (most particularly, internet shopping).

Table 4.11: Total Available Study Area Expenditure – Comparison Goods (£m)

2016 (£m)	2021 (£m)	2026 (£m)	2031 (£m)
1,603.08	1,895.00	2,281.72	2,746.21

Source: Table 10, Appendix 3
In 2014 prices

Table 4.12: Total Available Study Area Expenditure – Comparison Goods (£m)

Growth 2016-2021 (£m)	Growth 2016-2026 (£m)	Growth 2015-2031 (£m)
291.92	678.64	1,143.13

Source: Table 10, Appendix 3
In 2014 prices

- 4.32 For the purposes of this Study, comparison goods expenditure has been divided into nine sub-categories: 'Furniture', 'DIY', 'Gardening Goods', 'Electrical' (these four categories collectively being referred to as bulky goods that may require large areas for storage or display), 'Clothing & Footwear', 'CDs, DVDs and Books', 'Small Household Goods', 'Toys, Games, Bicycles and Recreational Goods' and 'Health and Beauty/Chemist Goods' (collectively referred to as non-bulky goods). The proportion of expenditure directed to each sub-category is estimated by Experian on a zonal basis.
- 4.33 In considering the above, it should be noted that if an excess of expenditure manifests itself within the Study Area, this does not necessarily translate directly into a requirement for additional floorspace. In assessing quantitative need, it is also necessary to take account of:
- Existing development proposals;
 - Expected changes in shopping patterns; and
 - The future efficiency of retail floorspace.

5.0 Updated Assessment of Quantitative Retail Need

5.01 We have examined the need for new convenience and comparison goods floorspace over five year reporting periods from 2016 to 2031. At the outset, it is again important to note that an assessment of need in the long term should be viewed with caution, due to the obvious difficulties inherent in predicting the performance of the economy and shopping habits over time. A complete series of quantitative capacity tables are provided at Appendix 3, which act to provide full details of the step-by-step application of our methodology. A summary of our approach and our findings in respect of capacity is set out below.

Capacity Formula

5.02 For all types of capacity assessment, the conceptual approach is identical, although the data sources and assumptions may differ. The key relationship is Expenditure (£m) (allowing for population change and retail growth) *less* Turnover (£m) (allowing for improved 'productivity') *equals* Surplus or Deficit (£m).

5.03 **Expenditure (£m)** – The expenditure element of the above equation is calculated by taking the population within the defined catchment and then multiplying this figure by the average annual expenditure levels for various forms of retail spending per annum. The expenditure is estimated with reference to a number of factors, namely:

- Growth in population;
- Growth in expenditure per person per annum; and
- Special Forms of Trading (e.g. internet shopping, catalogue shopping and so on).

5.04 **Turnover (£m)** – The turnover figure relates to the annual turnover generated by existing retail facilities within the Study Area. The turnover of existing facilities is calculated using Mintel Retail Rankings and Verdict UK Grocery Retailers reports – independent analysis which provides sales densities for major multiple retailers.

5.05 **Surplus / Deficit (£m)** – This represents the difference between the expenditure and turnover figures outlined above. A surplus figure represents an effective under provision of retail facilities within the Study Area (which, all things being equal, would suggest that additional floorspace could be supported), whereas a deficit would suggest a quantitative overprovision of retail facilities.

- 5.06 Although a surplus figure is presented in monetary terms, it is possible to convert this figure to provide an indication of the quantum of floorspace which may be required. The level of floorspace will vary dependent on the type of retailer proposed and the type of goods traded. For example, in the case of comparison goods, non-bulky goods retailers tend to achieve higher sales densities than bulky goods retailers. However, within the bulky goods sector there is significant variation, with electrical retailers tending to have a much higher sales density than those selling DIY or furniture goods.
- 5.07 We set out below the identified quantitative capacity for additional convenience and comparison goods floorspace across the Kirklees local authority area and within each of the study zones. Given the geography of the District, and its reasonable retention of convenience goods expenditure, it is assumed that the future convenience goods expenditure available to Kirklees will be commensurate with its current market share. For each zone, it is also assumed that the future expenditure available to the centre will be consistent with its current market share. This approach is consistent with that which was adopted in the 2014 Kirklees Retail Capacity Study
- 5.08 The quantitative need identified for each zone may not necessarily be provided in its entirety within the defined centres within that zone. This is because a portion of the need – particularly in respect of convenience goods floorspace – could be provided within adjacent zones, with a focus on sustainable locations and accepting the need to adopt a sequential approach.

Capacity for Future Convenience Goods Floorspace

[Kirklees Local Authority Area](#)

- 5.09 In order to ascertain the likely need for additional convenience goods floorspace within Kirklees District, it is first necessary to consider the performance of the current provision. The performance of existing stores has been determined utilising the market shares of shopping trips identified by the household survey which informed the 2014 Retail Study. Whilst we acknowledge that some changes in convenience goods retail provision have occurred since the undertaking of the household survey, we consider these changes to be limited, and accordingly, are of the view that the market shares identified by the household survey remain reliable at 2016. The updated population and expenditure data (as set out at Chapter 4) have been applied to these market shares in order to provide an up-to-date position in relation to the performance of existing stores.

- 5.10 Table 5.1 below sets out the survey-derived turnover of the existing convenience goods floorspace within Kirklees District. We have provided the survey derived turnover for all convenience goods stores providing over 500 sq.m net convenience sales area below. The full list of convenience goods stores in Kirklees District and their survey-derived turnovers are set out at Table 5 of Appendix 3. For each destination, the survey-derived turnover is compared to a 'benchmark' turnover which indicates the level of turnover that the store would generally be expected to attract, based on company average trading levels. A judgement can then be made on the trading performance of existing facilities based on the comparison of the survey-derived turnover with the expected turnover (based on published trading information from Mintel and Verdict) of existing provision.
- 5.11 The 'benchmark' turnover differs for each operator based on its average turnover per square metre throughout the country. Although robust up-to-date information is available in terms of the convenience goods floorspace provided by large foodstores, it can be more difficult to quantify the extent of local convenience provision as there is no single comprehensive database to rely upon. The gross floorspace figures have been derived from StorePoint data and verified by the floorspace figures provided by the Valuation Office Agency (VOA). The net floorspace is also derived from StorePoint where available or assumed to be 60% of the gross floorspace for large foodstores and 70% for local shops/convenience stores (both based on typical gross to net splits for national multiple foodstores). The proportion of net convenience and comparison floorspace split is as identified by Verdict UK 2015 or assumed to be 90% convenience and 10% comparison for local shops/convenience stores.
- 5.12 Where we have been unable to verify the exact quantum of floorspace provided by existing smaller-scale convenience stores on either StorePoint or VOA, we have assumed that stores are trading 'at equilibrium' (i.e. the survey-derived turnover equates to the expected level of turnover). On each occasion, given the scale of the catchment and most stores' relatively central location within it, it has been assumed that most convenience goods store's turnover will be drawn from within the Study Area. However, for some stores we have assumed that a proportion of their turnover will be derived from inflow from outside the Study Area.
- 5.13 As this assessment is based upon a 'goods based' approach which disaggregates expenditure by category type, it is important to recognise that major foodstore operators generally sell an element of non-food goods such as books, CDs, clothing and household goods. To account

for this, the typical ratio between convenience/comparison goods provision for each operator³⁴ has been applied to the estimated net floorspace of each foodstore. This provides an indication of the likely sales area dedicated to the sale of convenience goods at each store.

Table 5.1: Trading Performance of Current Foodstores

Store	Net F'space (sq.m)	Net Conv F'space (sq.m)	Sales Density (£)	Benchmark Turnover (£m)	Survey Estimate (£m)
Zone 1					
<u>Huddersfield In and Edge of Centre</u>					
Farmfoods, Market Street, Huddersfield	578	520	7,129	3.71	0.65
M&S, New Street, Huddersfield	1,140	999	11,239	11.22	1.25
Sainsbury's, Market Street, Huddersfield	3,247	2,257	12,715	28.69	30.32
Sainsbury's, Southgate, Shorehead, Huddersfield	6,578	4,572	12,715	58.13	77.15
Tesco Superstore, Viaduct Street, Huddersfield	3,186	2,084	13,491	28.11	33.26
Lidl, Castlegate, Manchester Road, Huddersfield	690	552	4,253	2.35	2.59
Other Huddersfield In and Edge of Centre	-	-	-	8.96	7.27
<u>Huddersfield Outside Centre</u>					
Aldi, Ringway Centre, Beck Road, Huddersfield	938	750	12,869	9.66	7.70
Lidl, Wakefield Road, Huddersfield	1,057	846	4,253	3.60	4.11
Other, Huddersfield Out of Centre	-	-	-	3.06	2.45
<u>Other Zone 1</u>					
Co-operative Food, Westbourne Road, Marsh	932	818	8,541	6.99	4.11
Other, Zone 1	=	=	=	5.41	5.03
Sub-Total				169.88	175.89
Zone 2					
Other, Huddersfield Outside Centre	-	-	-	8.81	11.55
<u>Other Zone 2</u>					
Aldi, Gallagher Retail Park, Wakefield Road, Huddersfield	1,051	841	12,869	10.82	15.36
Asda, Longhill Road, Huddersfield	5,003	2,687	14,106	37.90	56.66
M&S Simply Food, Gallagher Retail Park, Wakefield Road, Huddersfield	1,031	903	11,239	10.15	5.09
Morrisons, Penistone Road, Waterloo	4,371	3,261	12,134	39.57	82.14
Other Zone 2	-	-	-	13.84	17.83
Sub-Total				121.08	183.54
Zone 4					
<u>Cleckheaton In and Edge of Centre</u>					
Tesco Superstore, Northgate, Cleckheaton	1,413	924	13,491	12.47	23.69
Other, Cleckheaton In and Edge of Centre	-	-	-	0.97	0.97
<u>Heckmondwike In and Edge of Centre</u>					
Lidl, Northgate, Heckmondwike	981	785	4,253	3.34	4.01
Morrisons, Union Street, Heckmondwike	3,762	2,806	12,134	34.05	68.84
Other, Heckmondwike In and Edge of Centre	-	-	-	2.46	2.46
<u>Mirfield In and Edge of Centre</u>					
Co-operative Food, Huddersfield Road, Mirfield	904	794	8,541	6.78	3.09
Lidl, Station Road, Mirfield	943	754	4,253	3.21	6.24
Other Mirfield In and Edge of Centre	-	-	-	4.35	3.94

³⁴ The footnotes attached to Table 5 of Appendix 3 provide further clarification in respect of our approach in this regard

Store	Net F'space (sq.m)	Net Conv F'space (sq.m)	Sales Density (£)	Benchmark Turnover (£m)	Survey Estimate (£m)
<u>Mirfield Outside Centre</u>					
Other Mirfield Out of Centre	-	-	-	5.02	3.03
Other, Zone 4	-	-	-	5.39	3.72
Sub-Total				78.04	120.00
Zone 5					
<u>Zone 5</u>					
Aldi, Scar Lane, Milnsbridge, Huddersfield	989	791	12,869	10.18	17.70
Co-operative Food, Leymoor Road, Golcar	758	666	8,541	5.68	0.45
Other Zone 5	-	-	-	23.26	21.74
Sub-Total				39.13	39.89
Zone 6					
Other, Zone 6	-	-	-	12.38	10.07
Sub-Total				12.38	10.07
Zone 7					
<u>Holmfirth In and Edge of Centre</u>					
Co-operative Food, Market Street, Holmfirth	1,391	1,221	8,541	10.43	6.00
Other, Holmfirth In and Edge of Centre	-	-	-	2.31	2.31
<u>Other Zone 7</u>					
Morrisons, Station Street, Meltham	1,601	1,194	12,134	14.49	39.95
Other, Zone 7	-	-	-	8.78	9.89
Sub-Total				36.01	58.14
Zone 8					
<u>Dewsbury In and Edge of Centre</u>					
Asda, Mill Street West, Dewsbury	4,598	2,469	14,106	34.83	56.87
Sainsbury's, nr Rishworth Centre, Goods Lane, Railway Street, Dewsbury	3,053	2,122	12,715	26.98	26.20
Other Dewsbury In and Edge of Centre	-	-	-	7.83	5.05
<u>Dewsbury Outside Centre</u>					
Lidl, Commercial Road, Dewsbury	1,133	906	4,253	3.85	1.73
Other Dewsbury Out of Centre	-	-	-	2.42	1.97
Other Zone 8	-	-	-	8.36	12.41
Sub-Total				84.27	104.23
Zone 9					
<u>Batley In and Edge of Centre</u>					
Aldi, Branch Road, Batley	736	589	12,869	7.58	9.27
Asda, Batley Shopping Centre, Alfred Way	997	535	14,106	7.55	5.20
Tesco Extra, Bradford Road, Batley	7,069	4,623	13,491	62.37	54.56
Other Batley In and Edge of Centre	-	-	-	5.52	3.78
<u>Other Zone 9</u>					
M&S Simply Food, Birstall Shopping Park, Nr Batley	772	676	11,239	7.60	2.04
Other Zone 9	-	-	-	5.98	5.50
Sub-Total				96.60	80.35
Zone 10					
Other Zone 10	-	-	-	1.66	1.74
Sub-Total				1.66	1.74
SUB-TOTAL WITHIN OR IN PROXIMITY OF PRINCIPAL TOWN CENTRES AND TOWN CENTRES				391.25	451.22
TOTAL INCLUDING SHOPS OUTSIDE PRINCIPAL CENTRES				639.06	773.69

See Table 5, Appendix 3 for detailed assumptions
Principal Town Centres and Town Centres include Huddersfield, Dewsbury, Batley, Cleckheaton, Holmfirth and Heckmondwike
(in accordance with Draft Local Plan Policy DLP 13)
At 2014 prices

- 5.14 Table 5.1 indicates that, across the Kirklees local authority area, the expected turnover of existing convenience goods shopping provision is £639.06m, which compares to a survey-derived turnover of £773.86m (which equates to a 67.1% market share of convenience goods expenditure which arises in the Study Area). This suggests that, cumulatively, convenience goods floorspace is effectively 'overtrading' by £134.80m at 2016. A significant proportion of this overtrading occurs in Zone 2, which includes the urban area to the north of Huddersfield town centre, suggesting that there is a current undersupply of convenience goods floorspace to the north of Huddersfield. The convenience goods floorspace in Zone 2 is overtrading by £62.46m.
- 5.15 The benchmark turnover of existing stores relates to those stores that were trading at the time of the 2013 household survey and accordingly the results should be viewed in this context. All other convenience goods floorspace (providing greater than 100 sq.m net floorspace) which has been implemented subsequent to the undertaking of the household survey is treated as a commitment.
- 5.16 Based on the findings of the 2013 household survey, the survey suggests that several superstores are performing strongly, most particularly the Morrisons at Penistone Road in Waterloo (which overtrades by £42.57m), Morrisons on Union Street in Heckmondwike (which overtrades by £35.25m) and Morrisons on Station Street in Meltham (which overtrades by £25.45m). It should be noted that, although the level of overtrading is significant, such trading performances are not unheard of and occur elsewhere at the more successful stores operated by the 'big four' supermarket retailers.
- 5.17 In order to appraise the need for additional convenience goods retail floorspace, it is necessary to consider how overtrading may be affected by future growth in expenditure. Accordingly, we have identified the anticipated increases in expenditure which will be available to the Kirklees local authority area, assuming that current market share achieved by convenience goods floorspace in Kirklees is maintained. In each case, it is assumed that the sales efficiency of existing floorspace will change in accordance with the forecasts provided by Figure 4a of Experian's Retail Planner Briefing Note 13 (-0.4% at 2016; -0.1% per annum from 2017 to 2022; and +0.0% per annum from 2023). The future turnover of commitments has also been estimated through the application of these forecast changes in retail sales density.

- 5.18 Following this exercise, we then consider the contribution existing retail commitments³⁵ will make to meeting identified convenience shopping needs.
- 5.19 Table 5.2 indicates that, after taking into consideration future increases in both population and expenditure, a convenience goods expenditure surplus across the Kirklees local authority area of £149.12m is identified at 2016. At 2021, after increases in population and expenditure are considered along with changes in floorspace productivity, we estimate that there will be a greater expenditure surplus of £166.09m. By 2026, we estimate that there will be a surplus of £187.10m, increasing thereafter to £207.68 at 2031.

Table 5.2: Quantitative Need for Convenience Goods Floorspace in Kirklees

Year	Benchmark Turnover (£m) ¹	Study Area Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	639.06	773.69	14.31	149.12
2021	635.87	787.55	14.23	166.09
2026	635.23	808.01	14.14	187.10
2031	635.23	828.65	14.07	207.68

Source: Table 6a of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (67.1%) claimed by facilities in the Kirklees local authority area and 1.8% inflow.
2014 Prices

- 5.20 We have taken account of all retail planning permissions which provide greater than 100 sq.m net floorspace and estimate that extant retail planning permissions³⁶, considered together with those commitments implemented since the undertaking of household survey in 2013, provide an estimated 10,967 sq.m of convenience goods sales floorspace across the Kirklees local authority area. As set out at Table 5.3, we estimate that these commitments would have a combined turnover of £99.89m if they were operational at base year 2016. Convenience goods retail commitments are identified at:

- **HD One, Stadium Way, Huddersfield** (planning permission reference 2008/92864), which provides for the erection of a multi-use leisure and entertainment development, with ancillary uses (including retail uses), plus hotel, office and residential uses;
- **Sunnyside Farm, Netherton** (planning permission reference 2013/93010), which provides for the erection of a farm shop and butchers;
- **Former St Luke's Hospital, Blackmoorfoot Road, Crosland Moor, Huddersfield** (planning permission reference 2014/93099), which provides for the erection of foodstore;

³⁵ Convenience goods commitments are detailed in the below commentary and at Table 7 of Appendix 3

³⁶ Provided via email by the Kirklees Planning Policy Group on 27 May 2016

- **Bradley Road, Bradley, Huddersfield** (planning permissions reference 2013/92453), which provides for the erection of a petrol service station with convenience provision;
- **Sheepridge Post Office, Sheepridge Road, Huddersfield** (planning permission reference 2014/91303), which provides for a convenience store/off-licence;
- **Horncastle Street, Cleckheaton** (planning permission reference 2009/92638 and 2015/91170), which provides for a discount foodstore³⁷;
- **Plot B, Access 26 Business Park, Cleckheaton** (planning permission reference 2013/91831) which provides for retail units, which have been implemented and occupied by Subway and Greggs;
- **Fountain Works, Huddersfield Road, Robertown** (planning permission reference 2012/91320 and 2015/90510) which provides for a mixed use development including retail units, which are currently under-construction;
- **Former Swan Inn, Huddersfield Road, Mirfield** (planning permission reference 2013/94023) which provides for a mixed use development including a convenience store;
- **Three Nuns Service Station, Leeds Road, Mirfield** (planning permission reference 2015/93160) which provides for an extension to the existing service station shop;
- **Former Works, Station Road, Mirfield** (planning permission reference 2015/94112) which provides for the erection of a replacement Lidl foodstore;
- **White Horse, 298 Oxford Road, Gomersal** (planning permission reference 2013/91459) which provides for the erection of a convenience store, which has been occupied by Sainsbury's Local;
- **Former Colne Mills, Britannia Road, Slaithwaite** (planning permission reference 2013/91459) which provided for a foodstore which is now completed and operated by Aldi;
- **Globe Mills, Bridge Street, Slaithwaite** (planning permission reference 2013/91452) which provides for an artisan market and retail units;
- **Colne Valley Business Park** (planning permission reference 2012/92593) which provides for the erection of a food retail unit;
- **Halifax Road, Birchencliffe, Huddersfield** (planning permission reference 2013/91257) which is complete and has provided two retail units, the large of which is occupied by a Tesco Express store;
- **Riversholme Works, Huddersfield Road, Holmfirth** (planning permission reference 2011/92600) which has provided a foodstore, operated by Lidl;

³⁷ This scheme has been built out and was originally occupied by Netto. However, the Netto store has now closed as part of a companywide strategy to close all 16 Netto trial stores in the UK.

- **Dewsbury Magistrates Court, Grove Street, Dewsbury** (planning permission reference 2015/94029) which provides for four retail units;
- **Ravensthorpe Petrol Station, Huddersfield Road, Ravensthorpe** (planning permission reference 2014/91429) is complete and has provided a replacement petrol station including new retail unit;
- **Aldi, Branch Road, Batley** (planning permission reference 2013/92416) has been completed and provided an extension to the existing Aldi store;
- **Land at Cemetery Road, Batley** (planning permission reference 2016/90137) provides for the erection of a new foodstore. It was originally planned that the foodstore would be operated by Netto, however, this is no longer to be the case as Netto has withdrawn from the UK market. Notwithstanding this, we have retained this commitment as there is potentially scope for the permission to be built out by another convenience goods operator. We recommend that this commitment is monitored as, if the permission is not implemented, this would result in an increase in the identified convenience goods capacity;
- **Cross Rink Street, Batley** (planning permission reference 2009/93382) provides for a convenience store which is currently under construction; and
- **Bradford Road, Birkenshaw** (planning permission reference 2015/91326) provides for a convenience store.

5.21 We are aware that Tesco also benefits from extant planning permission (reference 2009/93675) for the erection of a replacement store of 6,860 sq.m (comprising 4,585 sq.m for food and 2,275 sq.m for non-food sales) at Southgate in Huddersfield. However, we are also aware that Tesco has reviewed its new store programme and we understand from press reports³⁸ that this planning permission will not be implemented by the company. Currently, none of the other 'big four' supermarket retailers are pursuing strategies of building such large stores either. As a consequence, we do not take account of this permission in our consideration of commitments, as to do so would provide a misleading position in respect of the need for additional convenience goods floorspace.

5.22 We are aware that the Netto at Horncastle Street in Cleckheaton has now closed and the permission for the foodstore at Cemetery Road in Batley will no longer be implemented by Netto as the company has decided not to continue with its trial of the UK market. Notwithstanding this, we have retained these two schemes as commitments within the Study,

³⁸ Article headlined 'Confirmed: Tesco axe plan for new Huddersfield town centre store', Huddersfield Daily Examiner, 8 January 2015 (<http://www.examiner.co.uk/news/west-yorkshire-news/confirmed-tesco-axe-plan-new-8403794>).

as the store at Horncastle Street in Cleckheaton has already been implemented and we are of the view that given the scale and format of the unit approved at Cemetery Road in Batley, there is some potential for other convenience goods operators to be interested in implementing the permission (potentially in a revised form). Accordingly, we recommend that the Cemetery Road, Batley permission is monitored, as if the permission is not implemented, this would result in an increase in the convenience goods capacity identified.

5.23 Full details of the assumptions made in estimating the turnover of commitments are provided in the notes which accompany Table 7 of Appendix 3. However, Table 5.3 sets out our estimate that the identified convenience goods commitments would have a combined turnover of £99.89m at 2016. This extinguishes the majority of the identified need for convenience goods floorspace across the whole of the Kirklees local authority area.

Table 5.3: Extant Convenience Commitments within Kirklees

Location	Planning Application Reference	Proposal	Net Conv Sales (sq.m)	Conv Sales Density (£ per sq.m)	Estimated T/O at 2016 (£m)	Status
HD One, Stadium Way, Huddersfield	2008/92864	Erection of multi-use leisure and entertainment development with ancillary facilities (including retail)	728	8,000	5.8	Extant
Sunnyside Farm, Netherton Moor Road, Netherton, Huddersfield	2013/93010	Erection of farm shop, butchers and restaurant	428	3,000	1.28	Extant
Former St Luke's Hospital, Blackmoorfoot Road, Crosland Moor, Huddersfield	2014/93099	Outline application including retail units (open use class A1) and accommodation for potential neighbourhood uses (use class A2/D1/D2/sui generis)	1,944	13,270	25.80	Extant
Bradley Road, Bradley, Huddersfield	2013/92453	Erection of petrol service station	127	8,000	1.02	Extant
Sheepridge Post Office, 86, Sheepridge Road, Huddersfield	2014/91303	Demolition of store and apartment and erection of retail premises and three apartments	153	8,000	1.22	Extant
Horncastle Street, Cleckheaton	2009/92638 and 2015/91170	Proposed discount foodstore	662	8,561	5.66	Complete
Plot B, Access 26 Business Park, Cleckheaton	2013/91831	Erection of drive-thru coffee shop and retail units	196	8,000	1.57	Complete
Fountain Works, Huddersfield Road, Roberttown	2012/91320 and 2015/90510	Outline permission for mixed-use development comprising A1 and B1 uses	218	8,729	1.90	Under-construction
Former Swan Inn, 962, Huddersfield Road, Mirfield	2013/94023	Erection of 3 units for mixed development comprising retail (A1), café/restaurant (A3) and hot food takeaway (A5)	293	8,000	2.34	Extant

Location	Planning Application Reference	Proposal	Net Conv Sales (sq.m)	Conv Sales Density (£ per sq.m)	Estimated T/O at 2016 (£m)	Status
Three Nuns Service Station, Leeds Road, Mirfield	2015/93160	Extensions to form ancillary office, training rooms and associated facilities, extension to existing retail unit	158	8,000	1.26	Extant
Former works, Station Road, Mirfield,	2015/94112	Demolition of all existing buildings and erection of Class A1 food store	807	4,253	3.43	Extant
White Horse, 298 Oxford Road, Gomersal	2013/93067	Demolition of existing building and erection of building for use within Class A1 retail	270	12,715	3.43	Complete
Former Colne Mills, Britannia Road, Slaithwaite	2013/91459	Erection of single storey foodstore (use class A1)	900	12,869	11.58	Complete
Globe Mills, Bridge Street, Slaithwaite	2013/91452	Demolition of outbuildings and refurbishment/redevelopment of Globe Mills	648	13,270	8.59	Under-construction
Colne Valley Business Park	2012/92593	Erection of food retail unit, formation of amended access, delivery and plant yard and installation of ATM	280	8,000	2.24	Demolition undertaken
Halifax Road, Birchenclyffe	2013/91257	Erection of two A1 retail units	245	13,491	3.31	Complete
Riverholme Works, Huddersfield Road, Holmfirth	2011/92600	Demolition of existing building and erection of foodstore (Lidl)	850	4,253	3.61	Complete
Dewsbury Magistrates Court, Grove Street, Dewsbury	2015/94029	Change of use of basement (part) to four shops and installation of new shop front	121	8,000	0.97	Extant
Ravensthorpe Petrol Station, Huddersfield Road, Ravensthorpe, Dewsbury	2014/91429	Demolition of existing buildings and erection of sales building	231	8,000	1.85	Complete
Aldi, Branch Road, Batley	2013/92416	Extension to existing foodstore	178	12,869	2.29	Complete
Land at Cemetery Road/Mayman Lane, Batley	2016/90137	Planning Permission for erection of foodstore	638	8,561	5.46	Extant
Cross Rink Street, Batley	2009/93382	Erection of retail development	615	2,500	1.54	Under-construction
Adjacent 527, Bradford Road, Birkenshaw	2015/91326	Erection of single storey retail unit	280	13,270	3.72	Extant
Total	-	-	10,967		99.89	
Extant			6,337		58.0	
Implemented/Complete			4,630		41.9	

Source: Table 7 of Appendix 3. At 2014 Prices

5.24 After account is taken of these commitments, an expenditure surplus of £49.23m is apparent at 2016, increasing to £66.70m at 2021, to £87.81m at 2026 and to £108.38m at 2031. The surplus equates to a net convenience goods floorspace requirement of between 3,700 sq.m and 5,800 sq.m at 2016 (depending on format and operator), increasing to between 8,200 sq.m and 12,700 sq.m at 2031. Whilst this floorspace requirement could take a variety of

forms, in the short term it broadly equates to a single large scale superstore. The identified floorspace requirement for each reporting year is set out below at Table 5.4.

- 5.25 The positive capacity for additional convenience goods floorspace in Kirklees does represent a reduction from the capacity identified at 2014 in the Kirklees Retail Study. The 2014 Retail Study identified a residual capacity of £146.49 at 2018, increasing to £242.62m at 2028 (at 2014 prices).³⁹
- 5.26 This reduction in convenience goods capacity can partly be attributed to the opening of new convenience retail stores since 2014 and commitments for additional convenience goods floorspace which have been granted planning permission since the 2014 Retail Study reported. New stores which have opened include a new Aldi store on Britannia Road in Slaithwaite and a Sainsbury's Local in Gomersal. New commitments include a foodstore at Cemetery Road⁴⁰ in Batley, a replacement Lidl store on Station Road in Mirfield, an extension to the Lidl store in Dewsbury and a new foodstore at the former St Luke's Hospital site in Crosland Moor. While other stores have opened since the publication of the 2014 Retail Study, including a Lidl at Riverholme Works in Holmfirth, a Tesco Express store on Halifax Road in Birchencliffe and an extension to the Aldi in Batley, these stores were committed at the time of the 2014 Retail Study and were taken into account in the assessment of capacity.

Table 5.4: Quantitative Need for Convenience Goods Floorspace in the Kirklees After Account is Made for Commitments

Year	Convenience Goods				
	£m			Floorspace Requirement (sq.m net)	
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min ^{1*}	Max ^{2*}
2016	149.12	99.89	49.23	3,700	5,800
2021	166.09	99.39	66.70	5,100	7,800
2026	187.10	99.29	87.81	6,700	10,300
2031	207.68	99.29	108.38	8,200	12,700

Source: Table 8a of Appendix 3

¹ Average sales density assumed to be £13,270 per sq.m at 2016 (based on the average sales density of the leading five supermarket operators as identified by Verdict 2015)

² Average sales density assumed to be £8,561 per sq.m at 2016 (based on the average sales density of discount food retailers)

2014 Prices

³⁹ Converted from 2011 prices (£133.90 at 2018, increasing to £221.77m at 2028).

⁴⁰ This store was originally intended to be occupied by Netto, but this will no longer be the case following Netto's withdrawal from the UK market.

5.27 Having considered the capacity to support additional convenience goods floorspace across the whole of Kirklees, we below consider convenience goods requirements for each of the Study Area zones within the Kirklees area.

Zone 1

- 5.28 Table 5.5 sets out our estimate that an expenditure surplus of £6.17m is attracted to Zone 1 at 2016 based on the zones identified market share of 15.2% of all convenience goods expenditure which originates within the Study Area. Assuming the convenience goods facilities in Zone 1 maintain this market share over the plan period, we estimate that this surplus will grow to £10.16m at 2021, to £14.98m at 2026 and to £19.67m at 2031.
- 5.29 We are aware of three convenience goods commitments located in Zone 1, namely the consent for retail floorspace as part of a multi-use leisure and entertainment development at Stadium Way in Huddersfield, the erection of a farm shop at Netherton Moor Road in Netherton to replace existing marquees and the consent for a foodstore as part of a wider mixed use development at the former St Luke's Hospital at Crosland Moor in Huddersfield. In combination, these three commitments, which will provide 3,100 sq.m net convenience floorspace, are estimated to have a convenience goods benchmark turnover of £32.90m at 2016. Although there remains an extant planning consent for the delivery of a Tesco store at Southgate in Huddersfield, Tesco has advised that, in accordance with its national strategy, it will not be proceeding with the development. Given the scale of the consented Southgate store and the current business strategies of the other 'big four' supermarket operators, we do not consider there will likely be interest in the scheme from alternative operators. Therefore, the extant Tesco consent is excluded from our assessment.
- 5.30 As set out at Table 5.6, once the three commitments at Stadium Way in Huddersfield, at Netherton and Crosland Moor are taken into account, all of the identified expenditure surplus in Zone 1 is extinguished up to 2031 and therefore the new proposals will satisfy the identified capacity over the Plan period.

Table 5.5: Quantitative Need for Convenience Goods Floorspace in Zone 1

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	169.88	175.89	0.16	6.17
2021	169.04	179.04	0.16	10.16
2026	168.87	183.69	0.16	14.98
2031	168.87	188.38	0.16	19.67

Source: Table 6B of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (15.2%) claimed by facilities in Zone 1 2014 Prices

Table 5.6: Quantitative Need for Convenience Goods Floorspace in Zone 1 with Account Made for Commitments

Year	Convenience Goods				
	£m			Floorspace Requirement (sq.m net)	
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min ^{1*}	Max ^{2*}
2016	6.17	32.90	-26.74	-2,000	-3,100
2021	10.16	32.74	-22.58	-1,700	-2,700
2026	14.98	32.71	-17.72	-1,300	-2,100
2031	19.67	32.71	-13.03	-1,000	-1,500

Source: Table 8B of Appendix 3

¹ Average sales density assumed to be £13,270 per sq.m at 2016 (based on the average sales density of the leading five supermarket operators as identified by Verdict 2015)

² Average sales density assumed to be £8,561 per sq.m at 2016 (based on the average sales density of discount food retailers) 2014 Prices

Zone 2

- 5.31 Table 5.7 indicates that a significant expenditure surplus of £63.46m is apparent in Zone 2 at 2016 based on the zone's identified market share of 15.9% of all convenience goods expenditure which originates within the Study Area. Assuming convenience goods facilities maintain this market share going forward, we estimate that this surplus will increase to £67.35m at 2021, to £72.32m at 2026 and to £77.21m at 2031.
- 5.32 We are aware of two extant convenience goods commitments in Zone 2. These comprise the erection of a petrol filling station including retail sales area at Bradley Road in Bradley and the erection of a retail unit at Sheepridge Road in Huddersfield. These extant permissions, in combination, are estimated to provide a net convenience goods floorspace of 280 sq.m and a benchmark turnover of £2.24m at 2016. Once these two commitments are accounted for, we estimated that there will be a residual expenditure surplus of £61.22m at 2016, increasing to £74.98m at 2031. This equates to an estimated floorspace requirement of between 4,600

sq.m and 7,200 sq.m net at 2016, increasing to between 5,700 sq.m and 8,800 sq.m net at 2031.

- 5.33 The level of need at 2031 is sufficient to support the delivery of two large supermarkets. However, this requirement should be considered taking into account the requirement in surrounding zones. Zone 1 and 2 sit next to each other and in combination cover the Huddersfield area. There is currently a deficit requirement in Zone 1 and any identified capacity in Zone 2 should be considered in the context of the position across the wider Huddersfield area. In addition, given the inherent uncertainties in predicting the economy's performance over time, we recommend that these longer term (beyond ten years) estimates are viewed with some caution, with a re-assessment undertaken in the next five years.

Table 5.7: Quantitative Need for Convenience Goods Floorspace in Zone 2

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	121.08	183.54	1.00	63.46
2021	120.48	186.83	0.99	67.35
2026	120.36	191.68	0.99	72.32
2031	120.36	196.58	0.98	77.21

Source: Table 6C of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (15.9%) claimed by facilities in Zone 2
2014 Prices

Table 5.8: Quantitative Need for Convenience Goods Floorspace in Zone 2 with Account Made for Commitments

Year	Convenience Goods			Floorspace Requirement (sq.m net)	
	£m			Min ^{1*}	Max ^{2*}
	Surplus (£m)	Commitments (£m)	Residual (£m)		
2016	63.46	2.24	61.22	4,600	7,200
2021	67.35	2.23	65.12	4,900	7,600
2026	72.32	2.22	70.09	5,300	8,200
2031	77.21	2.22	74.98	5,700	8,800

Source: Table 8C of Appendix 3

¹ Average sales density assumed to be £13,270 per sq.m at 2016 (based on the average sales density of the leading five supermarket operators as identified by Verdict 2015)

² Average sales density assumed to be £8,561 per sq.m at 2016 (based on the average sales density of discount food retailers)
2014 Prices

Zone 4

- 5.34 Table 5.9 indicates that an expenditure surplus of £44.11m is attracted to Zone 4 at 2016 based on its identified market share of 10.4% of all convenience goods expenditure which originates within the Study Area. Assuming convenience goods facilities maintain this market share going forward, we estimate that this surplus will grow to £46.64m at 2021, to £49.88m at 2026 and to £53.07m at 2031.
- 5.35 We have identified seven commitments or schemes which have been built out since the 2013 household survey was undertaken, which in combination provide an estimated 2,602 sq.m net convenience floorspace and have an estimated benchmark turnover of £19.59m at 2016. These commitments include the provision of an enlarged replacement Lidl store on Station Road in Mirfield. Once these commitments are taken into account, as set out at Table 5.10, we estimate that £24.52m residual expenditure will be available 2016, increasing to £33.59m at 2031. This surplus translates into an immediate requirement for between 1,800 sq.m and 2,900 sq.m net of convenience goods net floorspace at 2016, increasing to between 2,500 sq.m and 3,900 sq.m at 2031. In considering the convenience goods floorspace capacity of Zone 4, it is important to note that a deficit is identified in the adjacent Zone 9. The Zone 4 convenience goods expenditure surplus is effectively neutralised by the deficit which is apparent in Zone 9.

Table 5.9: Quantitative Need for Convenience Goods Floorspace in Zone 4

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	78.04	120.00	2.16	44.11
2021	77.65	122.15	2.15	46.64
2026	77.58	125.32	2.13	49.88
2031	77.58	128.52	2.12	53.07

Source: Table 6D of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (10.4%) claimed by facilities in Zone 4 2014 Prices

Table 5.10: Quantitative Need for Convenience Goods Floorspace in Zone 4 with Account Made for Commitments

Year	Convenience Goods				
	£m			Floorspace Requirement (sq.m net)	
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min ¹ *	Max ² *
2016	44.11	19.59	24.52	1,800	2,900
2021	46.64	19.50	27.14	2,100	3,200
2026	49.88	19.48	30.40	2,300	3,600
2031	53.07	19.48	33.59	2,500	3,900

Source: Table 8D of Appendix 3

¹ Average sales density assumed to be £13,270 per sq.m at 2016 (based on the average sales density of the leading five supermarket operators as identified by Verdict 2015)

² Average sales density assumed to be £8,561 per sq.m at 2016 (based on the average sales density of discount food retailers)

2014 Prices

Zone 5

- 5.36 Table 5.11 identifies an expenditure surplus of £1.19m is attracted to Zone 5 at 2016 based on its identified market share of 3.5% of all convenience goods expenditure which originates within the Study Area. Once more assuming that convenience goods facilities maintain this market share going forward, we estimate that this surplus will grow to £2.10m at 2021, to £3.19m at 2026 and to £4.25m at 2031.
- 5.37 We have identified four committed schemes or schemes which have been built out since the 2013 household survey was undertaken which provide convenience goods floorspace. These include the Aldi store at Britannia Road in Slaithwaite and a Tesco Express store on Halifax Road in Birchencliffe, which are both now trading. In combination, the four commitments are estimated to provide 2,073 sq.m convenience goods floorspace and have a turnover of £25.72m at 2016. As identified below at Table 5.12, these commitments extinguish all of the identified convenience goods expenditure, resulting in an expenditure deficit of -£24.53m at 2016, with a deficit of -£21.32m still being apparent at 2031. Accordingly, no requirement for additional convenience goods floorspace in Zone 5 is identified, with a deficit floorspace requirement of between -1,800 sq.m and -2,900 sq.m net identified at 2016.

Table 5.11: Quantitative Need for Convenience Goods Floorspace in Zone 5

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	39.13	39.89	0.43	1.19
2021	38.93	40.61	0.42	2.10
2026	38.89	41.66	0.42	3.19
2031	38.89	42.73	0.42	4.25

Source: Table 6E of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (3.5%) claimed by facilities in Zone 1 2014 Prices

Table 5.12: Quantitative Need for Convenience Goods Floorspace Zone 5 with Account Made for Commitments

Year	Convenience Goods				
	£m			Floorspace Requirement (sq.m net)	
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min ^{1*}	Max ^{2*}
2016	1.19	25.72	-24.53	-1,800	-2,900
2021	2.10	25.59	-23.49	-1,800	-2,800
2026	3.19	25.57	-22.38	-1,700	-2,600
2031	4.25	25.57	-21.32	-1,600	-2,500

Source: Table 8E of Appendix 3

¹ Average sales density assumed to be £13,270 per sq.m at 2016 (based on the average sales density of the leading five supermarket operators as identified by Verdict 2015)

² Average sales density assumed to be £8,561 per sq.m at 2016 (based on the average sales density of discount food retailers) 2014 Prices

Zone 6

- 5.38 Table 5.13 sets out our estimate that there is a convenience goods expenditure deficit of -£2.31m in Zone 6 at 2016 based on its identified market share of 0.9% of all convenience goods expenditure originating within the Study Area. This is a result of our assessment finding the existing convenience goods floorspace in Zone 6 to be under-trading. Assuming the convenience goods facilities in Zone 6 maintain their market share over the plan period, we estimate that this deficit will reduce to -£2.07m at 2021, to -£1.79m at 2026 and to -£1.52m at 2031.
- 5.39 We are not aware of any convenience goods floorspace commitments in Zone 6. Notwithstanding this, given the identified deficit, there is no requirement for additional convenience goods floorspace in Zone 6 up to 2031.

Table 5.13: Quantitative Need for Convenience Goods Floorspace in Zone 6

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	12.38	10.07	0.00	-2.31
2021	12.32	10.25	0.00	-2.07
2026	12.30	10.52	0.00	-1.79
2031	12.30	10.78	0.00	-1.52

Source: Table 6B of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (0.9%) claimed by facilities in Zone 6 2014 Prices

Table 5.14: Quantitative Need for Convenience Goods Floorspace in Zone 6 with Account Made for Commitments

Year	Convenience Goods				
	£m			Floorspace Requirement (sq.m net)	
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min ^{1*}	Max ^{2*}
2016	-2.31	0.00	-2.31	-200	-300
2021	-2.07	0.00	-2.07	-200	-200
2026	-1.79	0.00	-1.79	-100	-200
2031	-1.52	0.00	-1.52	-100	-200

Source: Table 8F of Appendix 3

¹ Average sales density assumed to be £13,270 per sq.m at 2016 (based on the average sales density of the leading five supermarket operators as identified by Verdict 2015)

² Average sales density assumed to be £8,561 per sq.m at 2016 (based on the average sales density of discount food retailers) 2014 Prices

Zone 7

- 5.40 Table 5.15 indicates that a convenience goods expenditure surplus of £22.14m is apparent in Zone 7 at 2016 based on its identified market share of 5.0% of all convenience goods expenditure which originates within the Study Area. Assuming convenience goods facilities maintain this market share going forward, we estimate that a surplus of £23.36m will be apparent at 2021, increasing to £24.93m at 2026 and to £26.48m at 2031.
- 5.41 Since the 2013 household survey was undertaken, a Lidl store has commenced trading on Huddersfield Road in Holmfirth. The store has provided 850 sq.m net of convenience goods floorspace, with this additional floorspace estimated to turnover £3.61m. As set out below, once the new Lidl store is taken into account, the convenience goods expenditure surplus in Zone 7 reduces to £18.52m at 2016 and to £22.89m at 2031. This surplus expenditure translates to a convenience floorspace requirement of between 1,400 sq.m and 2,200 sq.m net at 2016, increasing to between 1,700 sq.m and 2,700 sq.m net at 2031. This level of

floorspace is equivalent to a large supermarket or small superstore. However, the identified capacity needs to be considered in the context of the position in adjacent zones. In this regard, Zone 7 is directly adjacent to Zone 5, which is the subject of a convenience goods expenditure deficit.

Table 5.15: Quantitative Need for Convenience Goods Floorspace in Zone 7

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	36.01	58.14	0.00	22.14
2021	35.83	59.19	0.00	23.36
2026	35.79	60.72	0.00	24.93
2031	35.79	62.27	0.00	26.48

Source: Table 6G of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (5.0%) claimed by facilities in Zone 7 2014 Prices

Table 5.16: Quantitative Need for Convenience Goods Floorspace in Zone 7 with Account Made for Commitments

Year	Convenience Goods				
	£m			Floorspace Requirement (sq.m net)	
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min ^{1*}	Max ^{2*}
2016	22.14	3.61	18.52	1,400	2,200
2021	23.36	3.60	19.76	1,500	2,300
2026	24.93	3.59	21.34	1,600	2,500
2031	26.48	3.59	22.89	1,700	2,700

Source: Table 8G of Appendix 3

¹ Average sales density assumed to be £13,270 per sq.m at 2016 (based on the average sales density of the leading five supermarket operators as identified by Verdict 2015)

² Average sales density assumed to be £8,561 per sq.m at 2016 (based on the average sales density of discount food retailers) 2014 Prices

Zone 8

- 5.42 An expenditure surplus of £28.11m is attracted to Zone 8 at 2016 based on its identified market share of 9.0% of all convenience goods expenditure which originates within the Study Area. Assuming convenience goods facilities maintain this market share going forward, we estimate that this surplus will grow to £30.35m at 2021, to £33.14m at 2026 and to £35.88m at 2031.
- 5.43 Two convenience goods commitments have been identified in Zone 8, which in combination would provide 352 sq.m net convenience goods floorspace, equating to a benchmark turnover of £2.82m. Once these commitments are taken into account, the estimated residual

expenditure surplus is £25.29m at 2016, increasing to £33.08m at 2031. This translates to a requirement of between 1,900 sq.m and 3,000 sq.m net at 2016, increasing to between 2,500 sq.m and 3,900 sq.m net at 2031. . In considering the convenience goods floorspace capacity of Zone 8, it is important to note that an expenditure deficit is identified in the adjacent Zone 9. The identified need in Zone 8 should be considered in this context.

Table 5.17: Quantitative Need for Convenience Goods Floorspace in Zone 8

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	84.27	104.06	8.15	28.11
2021	83.85	105.93	8.10	30.35
2026	83.77	108.68	8.05	33.14
2031	83.77	111.46	8.01	35.88

Source: Table 6H of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (9.0%) claimed by facilities in Zone 8 2014 Prices

Table 5.18: Quantitative Need for Convenience Goods Floorspace in Zone 8 with Account Made for Commitments

Year	Convenience Goods				
	£m			Floorspace Requirement (sq.m net)	
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min ^{1*}	Max ^{2*}
2016	28.11	2.82	25.29	1,900	3,000
2021	30.35	2.81	27.54	2,100	3,200
2026	33.14	2.80	30.34	2,300	3,600
2031	35.88	2.80	33.08	2,500	3,900

Source: Table 8H of Appendix 3

¹ Average sales density assumed to be £13,270 per sq.m at 2016 (based on the average sales density of the leading five supermarket operators as identified by Verdict 2015)

² Average sales density assumed to be £8,561 per sq.m at 2016 (based on the average sales density of discount food retailers)

2014 Prices

Zone 9

- 5.44 Table 5.19 identifies that, as a result of the identified under-trading of convenience goods floorspace, a convenience goods expenditure deficit of -£13.83m is apparent in Zone 9 at 2016 based on the zone's identified market share of 7.0% of all convenience goods expenditure which originates within the Study Area. Once more if convenience goods facilities maintain this market share going forward, we estimate that this deficit will reduce to -£11.92m at 2021, to -£9.72m at 2026 and to -£7.59m at 2031.

5.45 We have identified two extant convenience goods commitments in Zone 9. In addition, an extension to the Aldi at Branch Road in Batley has been completed subsequent to the undertaking of the household shopper survey in 2013. In combination, these three schemes provide for an additional 1,431 sq.m net convenience goods floorspace, equating to estimated turnover of £9.29m at 2016. Accordingly, once these commitments are accounted for, the convenience goods expenditure deficit in Zone 9 is -£23.12m at 2016 and -£16.82m at 2031. Accordingly, we do not consider there to be a requirement for additional convenience goods floorspace in Zone 9.

Table 5.19: Quantitative Need for Convenience Goods Floorspace in Zone 9

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	96.60	80.35	2.42	-13.83
2021	96.12	81.79	2.41	-11.92
2026	96.02	83.91	2.40	-9.72
2031	96.02	86.06	2.38	-7.59

Source: Table 6I of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of the Addendum to Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (7.0%) claimed by facilities in Zone 9

Table 5.20: Quantitative Need for Convenience Goods Floorspace Zone 9 with Account Made for Commitments

Year	Convenience Goods				
	£m			Floorspace Requirement (sq.m net)	
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min ^{1*}	Max ^{2*}
2016	-13.83	9.29	-23.12	-1,700	-2,700
2021	-11.92	9.24	-21.16	-1,600	-2,500
2026	-9.72	9.23	-18.95	-1,400	-2,200
2031	-7.59	9.23	-16.82	-1,300	-2,000

Source: Table 8I of Appendix 3

¹ Average sales density assumed to be £13,270 per sq.m at 2016 (based on the average sales density of the leading five supermarket operators as identified by Verdict 2015)

² Average sales density assumed to be £8,561 per sq.m at 2016 (based on the average sales density of discount food retailers)

2014 Prices

Zone 10

5.46 As set out at Table 5.21, our assessment has identified a convenience goods expenditure surplus of £0.08m in Zone 10 at 2016. Moving forward, based on Zone 10's identified market share of 0.2% of all convenience goods expenditure which originates within the Study Area being maintained, we estimate that at 2021 this will increase to £0.12m at 2021 and to £0.22m at 2031. We have identified a single convenience goods floorspace commitment in

Zone 10 which provides for the provision of a convenience store, which we estimate will provide 280 sq.m net convenience floorspace at a benchmark turnover of £3.72m. Once this commitment is accounted for, there is a convenience goods expenditure deficit of -£3.63m at 2016 and -£3.47m at 2031. Accordingly, we do not consider there to be a requirement for the delivery of additional convenience goods floorspace in Zone 10 up to 2031.

Table 5.21: Quantitative Need for Convenience Goods Floorspace in Zone 10

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	1.66	1.74	0.00	0.08
2021	1.65	1.77	0.00	0.12
2026	1.65	1.82	0.00	0.17
2031	1.65	1.87	0.00	0.22

Source: Table 6J of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (0.2%) claimed by facilities in Zone 10 2014 Prices

Table 5.22: Quantitative Need for Convenience Goods Floorspace Zone 10 with Account Made for Commitments

Year	Convenience Goods				
	£m			Floorspace Requirement (sq.m net)	
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min ^{1*}	Max ^{2*}
2016	0.08	3.72	-3.63	-300	-400
2021	0.12	3.70	-3.57	-300	-400
2026	0.17	3.69	-3.52	-300	-400
2031	0.22	3.69	-3.47	-300	-400

Source: Table 8I of Appendix 3

¹ Average sales density assumed to be £13,270 per sq.m at 2016 (based on the average sales density of the leading five supermarket operators as identified by Verdict 2015)

² Average sales density assumed to be £8,561 per sq.m at 2016 (based on the average sales density of discount food retailers)

2014 Prices

Qualitative Convenience Goods Need

- 5.47 The Kirklees Retail Capacity Study (2014) also provided an assessment in relation to the qualitative need for additional convenience goods floorspace. The Study concluded that given the limited main food shopping provision available in Zone 5 and Zone 6 that there may be qualitative benefits associated with the delivery of additional convenience goods floorspace in locations accessible from these zones. The Study concluded that such additional provision would have the qualitative benefits of improving choice for the residents of these zones and

could assist in creating more sustainable shopping patterns as residents from Zone 5 and 6 were found to be travelling elsewhere to undertake main food shopping.

- 5.48 Since the 2014 Retail Study reported, a new Aldi store has opened in Slaithwaite, and a new Tesco Express store has opened at Birchencliffe, both of which are located in Zone 5. In addition, there is extant permission for the redevelopment of Globe Mills to provide a mixed-use development, including an element of convenience goods retail floorspace. Accordingly, it is considered that these developments have responded to the previously identified qualitative deficiency in Zone 5.
- 5.49 In relation to Zone 6, no additional convenience goods floorspace has been consented in this zone since the 2014 Retail Study reported and therefore it remains the case that the existing provision in this zone is limited, requiring many shoppers to travel further afield in order to undertake main food shopping. Accordingly, we maintain our view that there would be qualitative benefits from the provision of appropriate additional food retail provision within Denby Dale, Kirkburton or Skelmanthorpe.
- 5.50 The 2014 Retail Study also concluded that qualitative benefits may arise via the delivery of additional convenience goods provision in Zone 7. Since the 2014 Study reported, a new Lidl store has opened in Holmfirth and, accordingly, customer choice in this zone has been improved. Notwithstanding this, further qualitative benefits could arise through the provision of appropriately located convenience goods shopping provision within the Holme Valley to create more sustainable shopping patterns.

Capacity for Future Comparison Goods Floorspace

- 5.51 Turning to comparison goods capacity, it is first important to note that our methodology deviates from that which has been deployed in respect of convenience goods for two principal reasons. Firstly, it can be extremely difficult to attribute an appropriate benchmark turnover to existing comparison goods provision. Secondly, there tends to be greater disparity between the trading performance of apparently similar comparison goods provision depending on its location, the character of the area and the nature of the catchment. As a consequence, we adopt the approach with comparison goods floorspace that it is trading 'at equilibrium' at base year 2016 (i.e. our survey derived turnover estimate effectively acts as benchmark).
- 5.52 We assume that there is therefore a nil quantitative need for any additional floorspace across the Kirklees local authority area at 2016. Once again, we also assume that the future

performance of Kirklees's comparison goods facilities will be commensurate with their current market share. However, we do consider that Huddersfield town centre and the retail parks and standalone large format retail units in Kirklees will attract some limited custom from outside the Study Area. In this respect, having reviewed the retail studies undertaken in the neighbouring local authority areas of Bradford, Calderdale and Wakefield, we estimate that 12.6% of Kirklees overall turnover will be derived as inflow from outside the Study Area at 2016.

- 5.53 On this basis and given that the household survey identifies that the Kirklees local authority area claims a 60.9% market share of comparison goods expenditure, we estimate that £1,117.06m of comparison goods expenditure is claimed by comparison goods floorspace within Kirklees at 2016. Our assessment 'rolls forward' the identified market share to examine the likely level of comparison goods floorspace required to maintain the role and function of the retail facilities in Kirklees going forward.
- 5.54 Given the forecast increases in comparison goods expenditure and population and allowing for year on year increases in the productivity of existing floorspace, we estimate that by 2021 there will be an expenditure surplus of £89.58m to support additional comparison goods floorspace within the Kirklees local authority area. As set out below at Table 5.23, this surplus is forecast to then increase sharply to £232.29m at 2026 and then to £414.66m at 2031. Account has again been made for the turnover efficiency of existing comparison goods floorspace to increase (on the basis that operators are generally able to make their existing floorspace more productive over time)⁴¹.

Table 5.23: Quantitative Need for Comparison Goods Floorspace in Kirklees

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	1117.16	976.05	141.11	0.00
2021	1231.01	1,153.79	166.80	89.58
2026	1357.80	1,389.24	200.85	232.29
2031	1499.13	1,672.05	241.73	414.66

Source: Table 30A of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4b of Experian Retail Planner 13 (October 2015)

² Assumes constant market share (60.9%) claimed by facilities within the Kirklees local authority area 2014 Prices

Such increases have been derived from the projections set out in Table 4b of Experian Retail Planner Briefing Note 13 (these being +3.1% at 2016, +2.2% at 2017, +1.9% per annum between 2018 and 2022, and +2.0% between 2023 and 2031)

5.55 Once again, this initial analysis does not take into account existing commitments, which we set out in Table 5.24 and which we estimate would have a combined benchmark turnover of £54.04m if it were to be assumed that each was operational at 2016. As previously set out, our methodology is predicated on the assumption that existing facilities will be trading in line with expectations at base year 2016. Whilst there have been some changes in comparison goods retail floorspace since the undertaking of the household survey, most of these changes are relatively minor in nature and are a consequence of retailers responding to the market. Accordingly, given that we are of the view that the market shares identified by the household survey remain reliable at 2016, we also assume that the changes in floorspace that have occurred subsequent to the undertaking of the survey will have broadly met any outstanding needs in the intervening period (and, as a consequence, that comparison goods floorspace is trading 'at equilibrium' at base year 2016). Therefore, for comparison goods, it is therefore not necessary to account for planning commitments that are implemented at the time of our reporting.

5.56 Comparison goods floorspace that we have accounted for in our assessment are set out below:

- **4-6 High Street, Huddersfield** (planning permission reference 2015/92456), which provides for a four retail units;
- **Former Gas Works Site, Gas Works Street, Huddersfield** (planning permission reference 2007/94438), which provides for a retail unit as part of a wider mixed use development;
- **HD One, Stadium Way, Huddersfield** (planning permission reference 2008/92864) which provides for the erection of a multi-use leisure and entertainment development, with ancillary uses (including retail uses), plus hotel, office and residential uses;
- **Former St Luke's Hospital, Crosland Moor, Huddersfield** (planning permission reference 2014/93099), which provides for a foodstore as part of a wider mixed use development;
- **Horncastle Street, Cleckheaton** (planning permission reference 2009/92638 and 2015/91170), which provides for a discount foodstore⁴²;
- **Former works, Station Road, Mirfield** (planning permission reference 2015/94112) which provides for the erection of a replacement Lidl foodstore;
- **Former Colne Mills, Britannia Road, Slaithwaite** (planning permission reference 2013/91459) which provided for a foodstore which is now completed and operated by Aldi;

⁴² This scheme has been built out and was originally occupied by Netto. However, the Netto store has now closed as part of a companywide strategy to close all Netto stores in the UK.

- **Globe Mills, Bridge Street, Slaithwaite** (planning permission reference 2013/91452) which provides for an artisan market and retail units;
- **Riversholme Works, Huddersfield Road, Holmfirth** (planning permission reference 2011/92600) which has provided a foodstore, operated by Lidl;
- **Dewsbury Magistrates Court, Grove Street, Dewsbury** (planning permission reference 2015/94029) which provides for four retail units;
- **Land at Cemetery Road, Batley** (planning permission reference 2016/90137) provides the erection of a new foodstore. It was originally planned that the foodstore would be operated by Netto, however, this is no longer to be the case as Netto has withdrawn from the UK market;
- **Unit L, Junction 27 Retail Park, Birstall** (planning permission reference 2014/93084) provides for an extension to Unit L, to be occupied by SCS; and
- **Gelder Road, Birstall** (planning permission reference 2015/93163) provides for the erection of a non-food retail unit.

5.57 As previously identified in this section, planning consent for the development of a Tesco superstore at Southgate in Huddersfield remains extant. Whilst the consent provides for a proportion of comparison goods floorspace, Tesco has advised that they will not be progressing with the development. Currently, none of the other 'big four' supermarket retailers are pursuing strategies of building such large stores either. As a consequence, we do not treat this scheme as a commitment. We are aware that the Netto at Horncastle Street in Cleckheaton has now closed and the permission for the foodstore at Cemetery Road in Batley will no longer be implemented by Netto, given the company has decided not to continue with its trial of the UK market. Notwithstanding this, we have retained these two schemes as commitments within the Study, as the store at Horncastle Street in Cleckheaton has already been implemented and there is potential for the Cemetery Road proposal to be built out and occupied by other retailers. Accordingly, we recommend that the Cemetery Road, Batley permission is monitored, as if the permission is not implemented, this would result in an increase in the comparison goods capacity identified.

5.58 Our estimate of the approximate turnover of each of the above schemes is set out below at Table 5.24.

Table 5.24: Extant Comparison Commitments within the Kirklees Area

Location	Planning Application Reference	Proposal	Net Comp Sales (sq.m)	Comp Sales Density (£ per sq.m)	Estimated T/O at 2016 (£m)	Status
4-6, High Street, Huddersfield	2015/92456	Change of use from sui generis to A1 retail	221	6,000	1.33	Extant
Former Gasworks Site, Gas Works Street / Leeds Road, Huddersfield	2007/94438	Outline application for erection of mixed use development including retail (Use Class A1) and/or leisure (Use Class D2)	3,715	-	26.00	Extant
HD One, Stadium Way, Huddersfield	2008/92864	Erection of multi-use leisure and entertainment development with ancillary facilities plus hotel, office and residential uses.	870	6,000	5.2	Extant
Former St Luke's Hospital, Blackmoorfoot Road, Crosland Moor, Huddersfield	2014/93099	Outline application for phased development, including retail units	1,614	5,000	8.07	Extant
Horncastle Street, Cleckheaton	2009/92638 and 2015/91170	Proposed discount foodstore	165	4,911	0.81	Complete
Former works, Station Road, Mirfield,	2015/94112	Demolition of all existing buildings and erection of Class A1 food store	160	1,243	0.20	Extant
Former Colne Mills, Britannia Road, Slaithwaite, Huddersfield	2013/91459	Erection of single storey foodstore (use class A1)	225	8,578	1.93	Complete
Globe Mills, Bridge Street, Slaithwaite	2013/91452	Demolition of outbuildings and refurbishment/redevelopment of Globe Mills	586	3,000	1.76	Under-construction
Riverholme Works, Huddersfield Road, Holmfirth	2011/92600	Demolition of existing building and erection of foodstore (Lidl)	213	1,243	0.26	Complete
Dewsbury Magistrates Court, Grove Street, Dewsbury	2015/94029	Change of use of basement (part) to four shops	121	5,000	0.61	Extant
Land at Cemetery Road/Mayman Lane, Batley	2016/90137	Erection of foodstore	159	4,911	0.78	Complete
Unit L, Junction 27 Retail Park, Holden Ing Way, Birstall	2014/93084	Erection of extension to Unit L	186	3,153	0.59	Complete
Adjacent DW Sports Gym, Gelderd Road, Birstall	2015/93163	Erection of non-food retail unit (Class A1)	1,620	4,000	6.48	Extant
Total			9,857		54.04	
Extant			8,647		49.50	
Implemented / Complete			1,210		54.04	

Source: Table 31 of Appendix 3. 2014 Prices

5.59 As set out at Table 5.25, although the estimated £54.04m turnover of comparison goods commitments extinguishes a proportion of surplus expenditure, a substantial surplus of £30.03

remains at 2021, increasing sharply to £342.14m at 2031. The surplus equates to a comparison goods net floorspace requirement of between 4,500 sq.m and 9,100 sq.m net at 2021, increasing to between 42,500 sq.m and 85,000 sq.m net at 2031. The minimum figure is based on the identified need being met through the delivery of high street floorspace and the maximum figure relates to need being met by bulky goods retailers or in smaller centres (which both generally accommodate operators which achieve lesser sales densities).

Table 5.25: Quantitative Need for Comparison Goods Floorspace in Kirklees Area After Account is Made for Commitments

Year	Comparison Goods				
	£m			Floorspace Requirement (sq.m net)	
	Surplus	Extant	Residual	Min ^{1*}	Max ^{2*}
2016	0.00	54.04	-54.04	-9,000	-18,000
2021	89.58	59.55	30.03	4,500	9,100
2026	232.29	65.68	166.61	22,800	45,700
2031	414.66	72.52	342.14	42,500	85,000

Source: Table 32A of Appendix 3

¹ Average sales density assumed to be £6,000 per sq.m at 2016

² Average sales density assumed to be £3,000 per sq.m at 2016
2014 Prices

5.60 It is notable that a substantial level of comparison goods capacity is identified in Kirklees in the medium to long term, which is a different position to that identified by the 2014 Retail Study. At that time, no comparison goods floorspace requirement was identified up to 2023 and a more limited capacity of between 15,070 sq.m net and 25,150 sq.m net (at 2014 prices)⁴³ was identified at 2028. This difference can largely be accounted for by the expiration of several planning consents, which were extant on publication of the 2014 Retail Study. Most particularly, the previous consent for the erection of a 11,500 sq.m net extension to the Kingsgate shopping centre in Huddersfield (planning application reference 2011/91613) expired in March 2015. In addition, although the planning permission (reference 2009/93675) for the erection of a replacement Tesco superstore at Southgate in Huddersfield has not yet expired, the scheme will not be progressed and, accordingly, this commitment has not been included in our assessment. In combination, these two schemes were estimated to achieve a comparison goods benchmark turnover of £85.98 at 2014 (in 2014 prices)⁴⁴ by the Kirklees Retail Study (2014), which extinguished all short to medium term comparison goods capacity. However, as these two schemes are no longer to be progressed, this Retail Study Update has identified that a lesser amount of comparison goods expenditure is to be claimed by

⁴³ Converted from 15,100 sq.m net and 25,200 sq.m net (at 2011 prices)

⁴⁴ £86.15m at 2014 (in 2011 prices)

commitments and therefore a more substantial comparison goods floorspace requirement has been identified.

- 5.61 We note that plans are still being progressed in relation to the Kingsgate shopping centre and a new application (planning application reference 2016/92029) was submitted on the 20 June 2016 to extend the shopping centre. The new application seeks to provide 3,031 sq.m of leisure floorspace (including a nine-screen cinema), 2,186 sq.m floorspace for food and drink uses and a 1,943 sq.m extension to the existing Next unit. As the application has not been determined at the time of writing, the scheme is not included as a comparison goods commitment. However, if the scheme is approved and implemented, it would cater for just a small proportion of the comparison goods floorspace requirement identified up to 2021.
- 5.62 Having considered the capacity to support additional comparison goods floorspace across the whole of the Kirklees local authority area, we again below consider the specific requirements of individual zones in the Study Area. In viewing the below, consideration should be given to the contribution that existing vacant floorspace in defined centres could make to meeting identified needs.

Zone 1

- 5.63 Table 5.26 indicates that an expenditure surplus of £46.06m is attracted to Zone 1 at 2021 based on its identified market share of 32.0% of all comparison goods expenditure which originates within the Study Area. Assuming that this comparison goods market share is maintained going forward, we estimate that this surplus will grow to £119.43m at 2026 and to £213.19m at 2031.
- 5.64 We have identified four commitments in Zone 1 which provide a notable level of comparison goods floorspace. In combination, commitments at 4-6 High Street in Huddersfield, the former Gas Works site in Huddersfield, the HD One site on Stadium Way in Huddersfield and the former St Lukes Hospital site in Crosland Moor provide an estimated 6,421 sq.m net comparison goods floorspace, which would generate an estimated benchmark turnover of £40.62m at 2016. Although these commitments extinguish a proportion of the surplus comparison goods expenditure identified, a surplus of £1.30m remains at 2021, increasing to £158.69m at 2031. As set out at Table 5.27, this surplus expenditure translates to a requirement for between 200 sq.m and 400 sq.m of comparison goods net floorspace at 2021, increasing to a substantial need for between 19,700 sq.m and 39,400 sq.m of floorspace at 2031.

5.65 We are aware that a Certificate of Lawfulness (reference: 2012/92849) has been granted in relation to the existing units at Great Northern Retail Park on Leeds Road in Huddersfield, which provides them with unrestricted Use Class A1 Retail consent. This development is not included as a commitment, as the ten units (totalling 14,529 sq.m gross floorspace) at Great Northern Retail Park are already in place. However, we note that the certificate widens the type of uses permitted at the retail park, which could alter the performance and influence of the shopping destination. Therefore, we recommend that any changes at the retail park are monitored moving forward.

Table 5.26: Quantitative Need for Comparison Goods Floorspace in Zone 1

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	574.38	512.91	61.47	0.00
2021	632.91	606.30	72.67	46.06
2026	698.10	730.04	87.50	119.43
2031	770.76	878.65	105.31	213.19

Source: Table 30B of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of the Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (32.0%) claimed by facilities in Zone 1
2014 Prices

Table 5.27: Quantitative Need for Comparison Goods Floorspace in Zone 1

Year	Comparison Goods				
	£m			Floorspace Requirement (sq.m net)	
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min ^{1*}	Max ^{2*}
2016	0.00	40.62	-40.62	-6,800	-13,500
2021	46.06	44.76	1.30	200	400
2026	119.43	49.37	70.06	9,600	19,200
2031	213.19	54.51	158.69	19,700	39,400

Source: Table 32b of Appendix 3

¹ Average sales density assumed to be £6,000 per sq.m at 2016 (based on the estimated average sales density for high street comparison good floorspace)

² Average sales density assumed to be £3,000 per sq.m at 2016 (based on the estimated average sales density for retail warehouse comparison goods floorspace)

2014 Prices

Zone 2

5.66 Table 5.28 indicates that an expenditure surplus of £2.93m is attracted to Zone 2 at 2021 based on its identified market share of 2.1% of all comparison goods expenditure which originates within the Study Area. Assuming that this comparison goods market share is maintained going forward, we estimate that this surplus will grow to £7.59m at 2026 and to £13.54m at 2031.

- 5.67 We are unaware of any relevant extant comparison goods planning permissions in Zone 2 and, as a consequence and as set out in Table 5.29, this surplus translates into a short term requirement for between 400 sq.m and 900 sq.m of comparison goods net floorspace at 2021, increasing to a need for between 1,700 sq.m and 3,400 sq.m of floorspace at 2031.

Table 5.28: Quantitative Need for Comparison Goods Floorspace in Zone 2

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	36.49	33.39	3.10	0.00
2021	40.21	39.47	3.67	2.93
2026	44.35	47.52	4.42	7.59
2031	48.97	57.19	5.32	13.54

Source: Table 30C of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of the Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (2.1%) claimed by facilities in Zone 2 2014 Prices

Table 5.29: Quantitative Need for Comparison Goods Floorspace in Zone 2 After Account is Made for Commitments

Year	Comparison Goods				
	£m			Floorspace Requirement (sq.m net)	
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min ^{1*}	Max ^{2*}
2016	0.00	0.00	0.00	0	0
2021	2.93	0.00	2.93	400	900
2026	7.59	0.00	7.59	1,000	2,100
2031	13.54	0.00	13.54	1,700	3,400

Source: Table 32c of Appendix 3

¹ Average sales density assumed to be £6,000 per sq.m at 2016 (based on the estimated average sales density for high street comparison good floorspace)

² Average sales density assumed to be £3,000 per sq.m at 2016 (based on the estimated average sales density for retail warehouse comparison goods floorspace)

2014 Prices

Zone 4

- 5.68 Table 5.30 indicates that an expenditure surplus of £3.46m is available to Zone 4 at 2021, based on its identified market share of just 2.5% of all comparison goods expenditure which originates within the Study Area. Assuming that this comparison goods market share is maintained going forward, we estimate that this surplus will grow to £8.97m at 2026 and to £16.02m at 2031.
- 5.69 Since the Kirklees Retail Capacity Study (2014) reported, planning permission has been granted for a foodstore in Cleckheaton. The foodstore was originally occupied by Netto, but

has since closed, following the company's decision to end their trial of the UK market. Notwithstanding this, as the store has been built out and there is potential for the unit to be re-occupied by an alternative retailer, we have maintained this store as a commitment. We recommend that the future occupation of the store is monitored in order to understand any changes in the floorspace split. In addition, there is a further commitment in Zone 4 for a Lidl store in Mirfield. Together these stores are estimated to provide 325 sq.m net comparison goods floorspace, with an estimated benchmark turnover of £1.01m. As Table 5.31 identifies, we find that the identified surplus translates into a need for between 400 sq.m and 700 sq.m net of comparison goods net floorspace at 2021, increasing to a need for between 1,800 sq.m and 3,600 sq.m net of floorspace at 2031.

Table 5.30: Quantitative Need for Comparison Goods Floorspace in Zone 4

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	43.16	39.84	3.32	0.00
2021	47.55	47.09	3.92	3.46
2026	52.45	56.70	4.72	8.97
2031	57.91	68.24	5.69	16.02

Source: Table 30Dof Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of the Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (2.5%) claimed by facilities in Zone 4 2014 Prices

Table 5.31: Quantitative Need for Comparison Goods Floorspace in Zone 4 After Account is Made for Commitments

Year	Convenience Goods				
	£m			Floorspace Requirement (sq.m net)	
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min ^{1*}	Max ^{2*}
2016	0.00	1.01	-1.01	-200	-300
2021	3.46	1.11	2.35	400	700
2026	8.97	1.23	7.74	1,100	2,100
2031	16.02	1.36	14.66	1,800	3,600

Source: Table 32D of Appendix 3

¹ Average sales density assumed to be £6,000 per sq.m at 2016 (based on the estimated average sales density for high street comparison good floorspace)

² Average sales density assumed to be £3,000 per sq.m at 2016 (based on the estimated average sales density for retail warehouse comparison goods floorspace) 2014 Prices

Zone 5

5.70 Table 5.32 indicates that a very limited comparison goods expenditure surplus of £1.39m is attracted to Zone 5 at 2021 based on its identified market share of 1.1% of all comparison

goods expenditure which originates within the Study Area. Assuming that this comparison goods market share is maintained going forward, we estimate that this surplus will grow to £3.61m at 2026 and to £6.45m at 2031.

- 5.71 We note two comparison goods planning permissions have been consented in Zone 5 since the household survey was undertaken, – for an Aldi store (which has been implemented) at the former Colne Mills and a mixed use development at Globe Mills, both in Slaithwaite. These commitments act to extinguish all identified comparison goods capacity over the short and medium term. Accordingly, a positive expenditure surplus of just £1.50m is identified at 2031, which we estimate will support between 200 sq.m and 400 sq.m net of comparison goods net floorspace.

Table 5.32: Quantitative Need for Comparison Goods Floorspace in Zone 5

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	17.37	17.37	0.00	0.00
2021	19.14	20.53	0.00	1.39
2026	21.11	24.72	0.00	3.61
2031	23.31	29.76	0.00	6.45

Source: Table 30E of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of the Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (1.1%) claimed by facilities in Zone 1 2014 Prices

Table 5.33: Quantitative Need for Comparison Goods Floorspace in Zone 5 After Account is Made for Commitments

Year	Comparison Goods			Floorspace Requirement (sq.m net)	
	£m				
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min ^{1*}	Max ^{2*}
2016	0.00	3.69	-3.69	-600	-1,200
2021	1.39	4.06	-2.67	-400	-800
2026	3.61	4.48	-0.87	-100	-200
2031	6.45	4.95	1.50	200	400

Source: Table 32b of Appendix 3

¹ Average sales density assumed to be £6,000 per sq.m at 2016 (based on the estimated average sales density for high street comparison good floorspace)

² Average sales density assumed to be £3,000 per sq.m at 2016 (based on the estimated average sales density for retail warehouse comparison goods floorspace)

2014 Prices

Zone 6

- 5.72 Table 5.34 indicates that an expenditure surplus of £1.11m is attracted to Zone 6 at 2021 based on its identified market share of just 0.9% of all comparison goods expenditure which originates within the Study Area. Assuming that this comparison goods market share is maintained going forward, we estimate that this surplus will grow to £2.87m at 2026 and to £5.13m at 2031.
- 5.73 We are not aware of any comparison goods commitments in Zone 6. Accordingly, the level of comparison goods expenditure surplus identified translates to a limited requirement for between 200 sq.m and 300 sq.m net comparison goods floorspace at 2021, increasing to a requirement for between 600 and 1,300 sq.m comparison goods floorspace at 2031.

Table 5.34: Quantitative Need for Comparison Goods Floorspace in Zone 6

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	13.82	13.82	0.00	0.00
2021	15.23	16.34	0.00	1.11
2026	16.80	19.67	0.00	2.87
2031	18.55	23.68	0.00	5.13

Source: Table 30B of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of the Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (0.9%) claimed by facilities in Zone 6
2014 Prices

Table 5.35: Quantitative Need for Comparison Goods Floorspace in Zone 6

Year	Comparison Goods				
	£m			Floorspace Requirement (sq.m net)	
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min ¹ *	Max ² *
2016	0.00	0.00	0.00	0	0
2021	1.11	0.00	1.11	200	300
2026	2.87	0.00	2.87	400	800
2031	5.13	0.00	5.13	600	1,300

Source: Table 32b of Appendix 3

¹ Average sales density assumed to be £6,000 per sq.m at 2016 (based on the estimated average sales density for high street comparison good floorspace)

² Average sales density assumed to be £3,000 per sq.m at 2016 (based on the estimated average sales density for retail warehouse comparison goods floorspace)
2014 Prices

Zone 7

- 5.74 Table 5.36 indicates that an expenditure surplus of £1.60m is attracted to Zone 7 at 2021 based on its identified market share of 1.2% of all comparison goods expenditure which

originates within the Study Area. Assuming that this comparison goods market share is maintained going forward, we estimate that this surplus will grow to £4.16m at 2026 and to £7.43m at 2031.

- 5.75 We are aware of a single relevant extant planning permission providing for comparison goods floorspace in Zone 7. This relates to a proposed Lidl store in Holmfirth. Once this commitment is accounted for, there remains a requirement for between 200 sq.m and 400 sq.m net comparison goods floorspace at 2021, increasing to a need for between 900 sq.m and 1,800 sq.m net of floorspace at 2031.

Table 5.36: Quantitative Need for Comparison Goods Floorspace in Zone 7

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	20.01	20.01	0.00	0.00
2021	22.05	23.65	0.00	1.60
2026	24.32	28.48	0.00	4.16
2031	26.85	34.28	0.00	7.43

Source: Table 30G of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of the Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (1.2%) claimed by facilities in Zone 7
2014 Prices

Table 5.37: Quantitative Need for Comparison Goods Floorspace in Zone 7 After Account is Made for Commitments

Year	Comparison Goods				
	£m			Floorspace Requirement (sq.m net)	
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min ^{1*}	Max ^{2*}
2016	0.00	0.26	-0.26	0	-100
2021	1.60	0.29	1.31	200	400
2026	4.16	0.32	3.84	500	1,100
2031	7.43	0.36	7.07	900	1,800

Source: Table 32G of Appendix 3

¹ Average sales density assumed to be £6,000 per sq.m at 2016 (based on the estimated average sales density for high street comparison good floorspace)

² Average sales density assumed to be £3,000 per sq.m at 2016 (based on the estimated average sales density for retail warehouse comparison goods floorspace)
2014 Prices

Zone 8

- 5.76 Table 5.38 indicates that an expenditure surplus of £9.20m is available to Zone 8 at 2021, based on its identified market share of 6.4% of all comparison goods expenditure which originates within the Study Area. Assuming that this comparison goods market share is

maintained going forward, we estimate that this surplus will grow to £23.85m at 2026 and to £42.58m at 2031.

- 5.77 We are aware of a single relevant extant comparison goods planning permission in Zone 8 at the Dewsbury Magistrates Court site. Once the commitment is accounted for, we find that the identified surplus translates into a requirement for between 1,300 sq.m and 2,600 sq.m net of comparison goods net floorspace at 2021, increasing to a need for between 5,200 sq.m and 10,400 sq.m of floorspace at 2031.

Table 5.38: Quantitative Need for Comparison Goods Floorspace in Zone 8

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	114.71	102.12	12.59	0.00
2021	126.40	120.71	14.89	9.20
2026	139.42	145.35	17.92	23.85
2031	153.93	174.94	21.57	42.58

Source: Table 30Hof Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of the Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (6.4%) claimed by facilities in Zone 4 2014 Prices

Table 5.39: Quantitative Need for Comparison Goods Floorspace in Zone 8 After Account is Made for Commitments

Year	Convenience Goods			Floorspace Requirement (sq.m net)	
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min ^{1*}	Max ^{2*}
	£m				
2016	0.00	0.61	-0.61	-100	-200
2021	9.20	0.67	8.53	1,300	2,600
2026	23.85	0.74	23.11	3,200	6,300
2031	42.58	0.81	41.76	5,200	10,400

Source: Table 32H of Appendix 3

¹ Average sales density assumed to be £6,000 per sq.m at 2016 (based on the estimated average sales density for high street comparison good floorspace)

² Average sales density assumed to be £3,000 per sq.m at 2016 (based on the estimated average sales density for retail warehouse comparison goods floorspace)

2014 Prices

Zone 9

- 5.78 Table 5.40 indicates that a comparison goods expenditure surplus of £23.53m is attracted to Zone 9 at 2021 based on its identified market share of 14.6% of all comparison goods expenditure which originates within the Study Area. Assuming that this comparison goods market share is maintained going forward, we estimate that this surplus will grow to £61.01m at 2026 and to £108.91m at 2031.

5.79 We note three extant planning permissions which provide for comparison goods floorspace in Zone 9, which relate to a proposed foodstore at Cemetery Road in Batley and two permissions at the out-of-centre retail park at Birstall. Although these commitments act to extinguish a proportion of the identified comparison goods capacity in Zone 9, there remains a positive expenditure surplus of £14.88m at 2021, which we estimate will support between 2,300 sq.m and 4,500 sq.m of comparison goods net floorspace. By 2031, we estimate that there will be an expenditure surplus of £98.37m which will support between 12,200 sq.m and 24,400 sq.m of comparison goods net floorspace.

Table 5.40: Quantitative Need for Comparison Goods Floorspace in Zone 9

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	293.42	234.51	58.90	0.00
2021	323.32	277.22	69.63	23.53
2026	356.62	333.79	83.84	61.01
2031	393.74	401.74	100.91	108.91

Source: Table 30I of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of the Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (14.6%) claimed by facilities in Zone 9

Table 5.41: Quantitative Need for Comparison Goods Floorspace in Zone 9 After Account is Made for Commitments

Year	Comparison Goods			Floorspace Requirement (sq.m net)	
	£m			Min ^{1*}	Max ^{2*}
	Surplus (£m)	Commitments (£m)	Residual (£m)		
2016	0.00	7.85	-7.85	-1,300	-2,600
2021	23.53	8.65	14.88	2,300	4,500
2026	61.01	9.54	51.47	7,100	14,100
2031	108.91	10.53	98.37	12,200	24,400

Source: Table 32I of Appendix 3

¹ Average sales density assumed to be £6,000 per sq.m at 2016 (based on the estimated average sales density for high street comparison good floorspace)

² Average sales density assumed to be £3,000 per sq.m at 2016 (based on the estimated average sales density for retail warehouse comparison goods floorspace)

2014 Prices

Zone 10

5.80 Table 5.42 indicates that a comparison goods expenditure surplus of £0.31m is attracted to Zone 10 at 2021 based on its identified market share of just 0.1% of all comparison goods expenditure which originates within the Study Area. Assuming that this comparison goods market share is maintained going forward, we estimate that this surplus will grow to £0.79m at 2026 and to £1.41m at 2031.

- 5.81 We are unaware of any relevant comparison goods extant planning permissions in Zone 10. Accordingly, as set out Table 5.43, we estimate that between 200 sq.m and 400 sq.m net of comparison goods floorspace could be supported at 2031.

Table 5.42: Quantitative Need for Comparison Goods Floorspace in Zone 10

Year	Benchmark Turnover (£m) ¹	Available Expenditure (£m) ²	Assumed Inflow (£m)	Surplus Expenditure (£m)
2016	3.80	2.09	1.72	0.00
2021	4.19	2.47	2.03	0.31
2026	4.62	2.97	2.44	0.79
2031	5.11	3.58	2.94	1.41

Source: Table 30I of Appendix 3

¹ Benchmark turnover to increase in line with improvements in turnover efficiency set out in Table 4a of the Experian Retail Planner 13 (October 2015)

² Assumes constant market share of Study Area expenditure (0.1%) claimed by facilities in Zone 9
2014 Prices

Table 5.43: Quantitative Need for Comparison Goods Floorspace in Zone 10 After Account is Made for Commitments

Year	Comparison Goods				
	£m			Floorspace Requirement (sq.m net)	
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min ^{1*}	Max ^{2*}
2016	0.00	0.00	0.00	0	0
2021	0.31	0.00	0.31	0	100
2026	0.79	0.00	0.79	100	200
2031	1.41	0.00	1.41	200	400

Source: Table 32J of Appendix 3

¹ Average sales density assumed to be £6,000 per sq.m at 2016 (based on the estimated average sales density for high street comparison good floorspace)

² Average sales density assumed to be £3,000 per sq.m at 2016 (based on the estimated average sales density for retail warehouse comparison goods floorspace)
2014 Prices

Qualitative Comparison Goods Need

- 5.82 The Kirklees Retail Capacity Study (2014) also provided an assessment in relation to the qualitative need for additional comparison goods floorspace. The Study advised that given the nature of comparison goods retailing (where many purchases are occasional in nature and would ordinarily result in trips to higher order centres to take advantage of the greater choice available), we did not consider there to be any qualitative deficiencies which needed to be addressed in the same manner as for convenience goods.
- 5.83 As set out in the 2014 Retail Study, the three zones which attract more than four out of every ten pounds spent on comparison goods are Zones 1 (accommodating Huddersfield), Zone 8 (accommodating Dewsbury) and Zone 9 (accommodating Batley, Birstall and Birstall Shopping



Park). The comparison goods expenditure retained by each zone is broadly in line with our expectations and although shoppers in certain zones may have to travel some distance to Huddersfield, Leeds or Wakefield to make certain purchases, this is a consequence of the nature of comparison goods retailing and the geography of the District (with certain zones failing to be densely populated enough to support substantial comparison goods retail provision).

Glossary of Terms

Bulky Goods	Comparison goods sub-category including furniture, DIY, gardening goods and electrical goods. Such goods may require large areas for storage or display.
Capacity	Retail capacity in terms of this report refers to surplus/deficit of expenditure (£m) which represents the difference between the expenditure and turnover of the identified facilities.
Comparison Goods	Comparison goods relate to items not obtained on a frequent basis, these include clothing, footwear, household and recreational goods. A more detailed breakdown of comparison goods categories is provided below.
<i>Furniture Goods</i>	<i>Includes all consumer expenditure on furniture, floor coverings and household textiles such as beds, sofas, tables, cupboards, bed linen, curtains, towels, lamps, mirrors, and so on.</i>
<i>DIY Goods</i>	<i>Includes all consumer expenditure on hardware, DIY, decorators' supplies and garden centre type goods. This category includes products such as hammers, saw, screwdrivers, wallpaper, plumbing items, floorboards, ceramic tiles, plants, pots, turf for lawns, and so on.</i>
<i>Electrical Goods</i>	<i>All consumer retail expenditure on domestic electrical and gas appliances, such as washing machines, dryers, dishwashers, ironing and press machines, cookers, freezers and fridge-freezers, coffee makers, radios, televisions, DVD players, and so on.</i>
<i>Clothing & Footwear</i>	<i>All consumer retail expenditure on shoes and other footwear, garments for men, women, children and infants either ready-to-wear or made-to-measure, underwear, ties, handkerchiefs, scarves, and so on.</i>
<i>Household Goods</i>	<i>Includes household textiles and soft furnishings, china, glassware, jewellery and other miscellaneous goods such as greeting cards, notebooks, pens, pencils, and so on.</i>
<i>Recreational Goods</i>	<i>All consumer retail expenditure on bicycles and tricycles (excluding toy bicycles), musical instruments, sports equipment, camping equipment, toys of all kinds including dolls, soft toys, and so on.</i>

<i>Chemist Goods</i>	<i>All consumer retail expenditure on prescription and non-prescription drugs, adhesive and non-adhesive bandages, first-aid kits, hot-water bottles, toilet shops, sponges, and so on.</i>
Convenience Goods	Convenience goods relate to everyday essential items including confectionary, food, drinks, newspapers and magazines.
Edge of Centre	For retail purposes, a location that is well connected and up to 300 metres of the primary shopping area. For all other main town centre uses, a location within 300 metres of a town centre boundary. For office development, this includes locations outside the town centre but within 500 metres of a public transport interchange. In determining whether a site falls within the definition of edge of centre, account should be taken of local circumstances.
Expenditure Per Capita	The average spend of each person within the defined Study Area on a variety of retail goods.
Expenditure	Expenditure is calculated by taking the population within a defined area and then multiplying this figure by average annual expenditure levels for various forms of goods.
Expenditure Forecasts	This assessment has been undertaken using the 'goods based' approach as prescribed in the Planning for Town Centres Practice Guidance. Retail expenditure forecasts have been derived from Experian Retail Planner Briefing Note 13 (October 2015).
Experian (MMG3)	The database used to identify population, expenditure and socio-economic breakdown of the Study Area population.
Gross Floorspace	Represents the level of total floorspace or footprint of a specific development (i.e. sales area, storage, checkouts, café, display, and so on).
GOAD Plans	Provide accurate information on the composition of town centres, shopping areas, out-of-town retail parks and outlet villages in the UK. Identifies the fascia name, retail category, floorspace, and exact location of all retail outlets and vacant premises.
GOAD Reports	Provide a snap-shot of the retail status or demographic make-up of Goad surveyed town centres. Provides a comprehensive breakdown of floorspace and outlet count for all individual trade types in the Convenience, Comparison, Retail Service, Leisure, Financial/Business Services and Vacancy sectors.
Main town centre uses	Retail development (including warehouse clubs and factory outlet centres); leisure, entertainment facilities the more intensive sport and

recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, night-clubs, casinos, health and fitness centres, indoor bowling centres, and bingo halls); offices; and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).

Market Share	Market shares derived from the household survey results, which are based on either the proportion of shopping trips or the proportion of expenditure attracted to a particular centre/facility.
National Multiple	This is a retail or service operator which is or part of a network of nine or more outlets.
Net Floorspace	Represents the level of internal area devoted to the sale of goods.
Out of Centre	A location which is not in or on the edge of a centre but not necessarily outside the urban area.
Out of Town	A location out of centre that is outside the existing urban area.
Primary Frontage	Primary frontages are likely to include a high proportion of retail uses which may include food, drinks, clothing and household goods.
Secondary Frontage	Secondary frontages provide greater opportunities for a diversity of uses such as restaurants, cinemas and businesses.
Primary Shopping Area	Defined area where retail development is concentrated (generally comprising the primary and those secondary frontages which are adjoining and closely related to the primary shopping frontage).
Price Base	The price base for the Study is 2014; all prices are or have been adjusted to 2014 in order to be consistent.
Rates of Productivity	This takes into account the potential for existing retail floorspace to improve their turnover productivity (e.g. smaller goods could be sold from a smaller area for more money, increased opening hours, etc.).
Retail	Retail for the purpose of the quantitative assessment of retail capacity included in this Study relates to household consumer expenditure rather than the definition of retail provided in respect of Class A1 Shops as defined in The Town and Country Planning (Use Classes) Order 1987 (as amended). Household expenditure takes the form of two elements, convenience goods and comparison goods, for which we provide separate definitions in this glossary.



Sales Density	Retail capacity figures are expressed in term of floorspace, relying on the application of assumed sales density figures to the surplus expenditure identified. This is based on the typical turnover of a store by square metre/foot.
Special Forms of Trading	Defined by Experian as expenditure not directed to traditional floorspace such as the internet, mail order, party plan and vending machines and other non-store activity such as market and road-side stalls.
Study Area	This represents the household survey area, which is based on postal sectors.
Trade Draw	This refers to the level of trade attracted to a particular facility/centre.
Turnover	The turnover figure relates to the annual turnover generated by existing retail facilities.
Town Centre	Area defined on the local authority's proposal map, including the primary shopping area and areas predominantly occupied by main town centre uses within or adjacent to the primary shopping area. References to town centres or centres apply to city centres, town centres, district centres and local centres but exclude small parades of shops of purely neighbourhood significance. Unless they are identified as centres in Local Plans, existing out-of-centre developments, comprising or including main town centre uses, do not constitute town centres.