



London Borough of Redbridge

Quantitative Retail Capacity

Assessment

FINAL Report

December 2015

Address: Ropemaker Court, 12 Lower Park Row, BS1 5BN

Tel: 0117 925 4394

Email: planners.bristol@wyg.com

Web: www.wyg.com

www.wyg.com

creative minds safe hands





Document Control

Project: A094355
File Origin: A094355/Retail Capacity Assessment

Document Checking:

Prepared & Checked by:	Tristan Hutton	Signed:	
---------------------------	----------------	---------	---

Verified by:	Simon Metcalf	Signed:	
--------------	---------------	---------	---

Issue	Date	Status
1	09/12/2015	First Draft
3	11/12/2015	DRAFT





Contents Page

1.0	Introduction	1
1.1	Instruction.....	1
1.2	Structure of Report	1
2.0	The Household Survey & Current Patterns of Retail Spending	3
2.1	Introduction.....	3
2.2	The Household Survey.....	3
3.0	Population and Expenditure	13
3.2	Study Area Population	13
3.3	Retail Expenditure	14
3.4	Convenience Goods Expenditure	15
3.5	Comparison Goods Expenditure.....	16
4.0	Retail Capacity in London Borough of Redbridge.....	17
4.1	Introduction.....	17
4.2	Capacity Formula	17
4.3	Capacity for Future Convenience Goods Floorspace	18
4.4	Capacity for Future Comparison Goods Floorspace	21
4.5	Scope for Redbridge to Increase its Market Share	23
5.0	Summary & Conclusions	25
5.1	Introduction.....	25
5.2	Convenience Goods Capacity	25
5.3	Comparison Goods Capacity.....	25
5.4	Conclusions	26





Appendix Contents

Appendix 1 – Map of Study Area and Zones

Appendix 2 – Household Survey Questionnaire

Appendix 3 – Household Survey Results

Appendix 4 – Convenience Goods Quantitative Capacity Assessment

Appendix 5 – Comparison Goods Quantitative Capacity Assessment





1.0 Introduction

1.1 Instruction

- 1.1.1 WYG Planning (hereafter referred to as 'WYG') was commissioned by the London Borough of Redbridge ('the Council') in September 2015 to undertake a Retail Capacity Assessment for Redbridge.
- 1.1.2 A key purpose of this Study is to provide an assessment of retail needs/capacity in the period to 2030. The Study will act as the evidence base to assist in the formulation of future development plan policy, as well as providing baseline information to assist in the determination of planning applications for retail development.
- 1.1.3 WYG has also been appointed to undertake an assessment of potential retail site opportunities in Redbridge. The purpose of the study is to assist the Council in identifying sufficient sites in the emerging Local Plan that are capable of accommodating the retail capacity needs identified in this study. The assessment forms a separate bound study titled 'Retail Site Opportunities Assessment'. For the avoidance of doubt WYG has not been appointed to undertake any qualitative assessment/needs for the centres in the Borough.
- 1.1.4 This Study draws upon new empirical research, with NEMS Market Research Limited (NEMS) undertaking surveys of 1,000 households within the defined Study Area in October 2015. The Study Area for the household survey comprises ten zones which are based on postcode sectors grouped to reflect areas which are likely to exhibit similar patterns of shopping behaviour. The Study draws upon the most recent Experian Micromarketer G3 population and expenditure data in order to establish the up-to-date position with regard to both convenience and comparison goods capacity.

1.2 Structure of Report

- 1.2.1 Our report is structured as follows:
- Section 2 provides a description of current shopping patterns within Redbridge and surrounding area utilising the findings of a survey of 1,000 households;
 - Section 3 identifies current and future population and expenditure levels within the Study Area;



- Section 4 provides our assessment of the quantitative need for further convenience and comparison goods retail floorspace over the assessment period; and
- Section 5 provides a summary of key findings.



2.0 The Household Survey & Current Patterns of Retail Spending

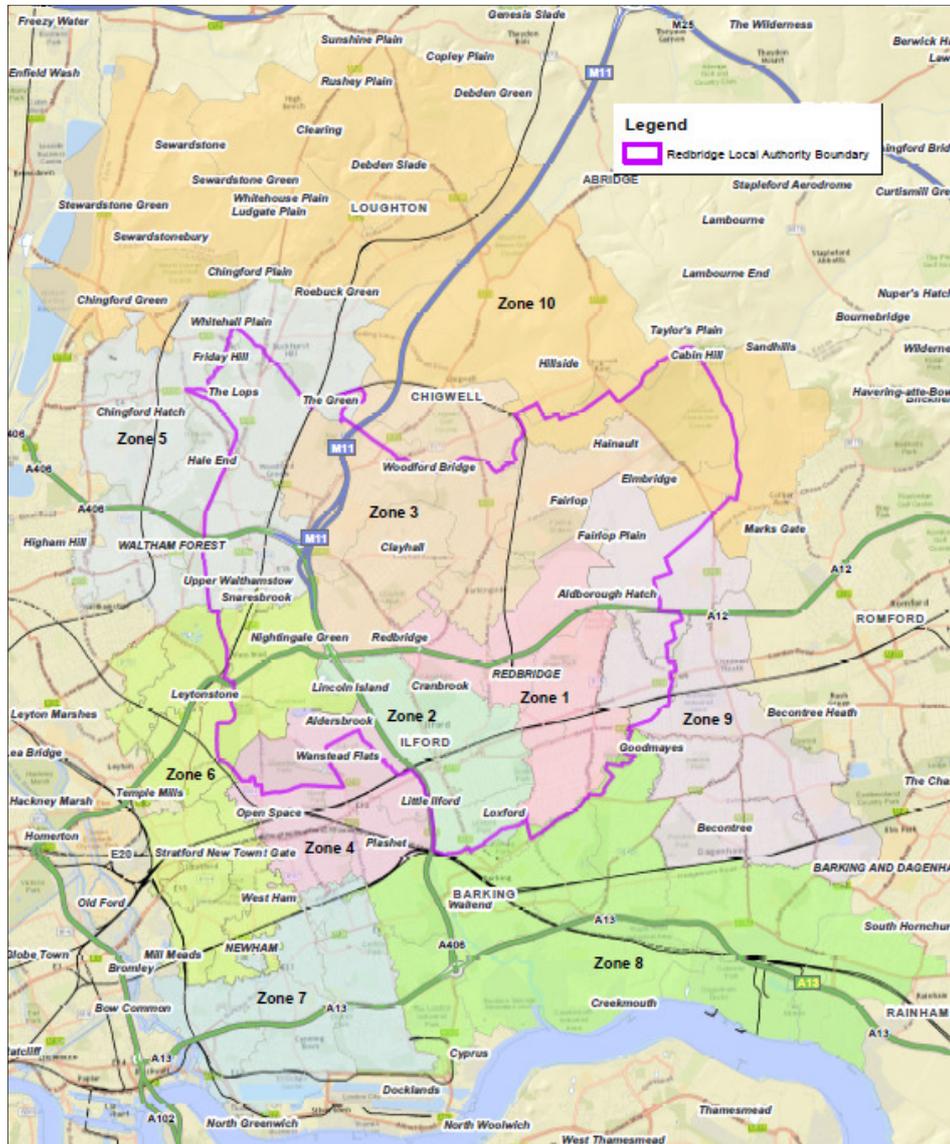
2.1 Introduction

- 2.1.1 The undertaking of original market research enables in-depth analysis at a local level and allows the evaluation of the trade drawn of particular centres. The use of specifically commissioned and tailored survey research is fundamental to identifying the likely capacity for future retail floorspace across the Study Area. Notwithstanding this, WYG acknowledges that there can be limitations to survey research, particularly with regard to the sample size which can be achieved, and the results should therefore be taken to be a broad indication of consumer preferences.
- 2.1.2 A key requirement of this Study is the detailed understanding of shopping patterns. WYG commissioned specialist market researchers NEMS to undertake a comprehensive household telephone survey to identify consumers' habits and preference in the Study Area.
- 2.1.3 We set out the general methodological approach to the survey and the key results below.

2.2 The Household Survey

- 2.2.1 In October 2015 a survey of 1,000 households was undertaken within a Study Area, which comprises all of the London Borough of Redbridge and also extends into several neighbouring authorities including Newham, Barking & Dagenham, Waltham Forest, Havering, and Epping Forest. The household survey by NEMS included 100 respondents in each of the survey zones.
- 2.2.2 The extent of the Study Area and its 10 zones is set out at **Appendix 1** and Figure 2.1 below.

Figure 2.1: Plan Showing Extent of the Redbridge Study Area



2.2.3 The zones were defined according to postcode sector geography to assist in the collection of data for the purposes of a telephone based household survey, rather than necessarily representing the shopping catchment areas of the respective areas. The Study considers shopping behaviours within the wider area and partly in other adjacent local authority areas.



Figure 2.2: Survey Zone Composition

Zone	Postcode Sectors
1 – Gants Hill / Newbury Park	IG2 6, IG2 7, IG3 8, IG3 9
2 – Ilford	IG1 1, IG1 2, IG1 3, IG1 4
3 – Barkingside	IG4 5, IG5 0, IG6 1, IG6 2, IG6 3, IG7 5, IG8 7, IG8 8
4 – East Ham	E7 0, E7 8, E12 5, E12 6
5 – South Woodford / Walthamstow	E4 6, E4 9, E17 3, E17 4, E18 1, E18 2, IG8 0, IG8 9, IG9 5, IG9 6
6 – Stratford / Leytonstone	E7 9, E10 6, E11 1, E11 2, E11 3, E11 4, E13 0, E 15 1, E15 3, E15 4
7 – Canning Town	E6 1, E6 3, E6 5, E13 8, E13 9, E16 1, E16 3, E16 4
8 – Barking/ Beckton	E6 2, E6 6, IG11 0, IG11 7, IG11 8, IG11 9, RM8 2, RM9 4, RM9 6, RM10 9, RM13 8
9 – Chadwell Heath / Dagenham	RM6 4, RM6 5, RM6 6, RM8 1, RM8 3, RM9 5, RM10 7, RM10 8
10 – Loughton / Chingford	E4 7, IG7 4, IG7 6, IG10 1, IG10 2, IG10 3, IG10 4, RM5 2

2.2.4 Zones 1, 2 and 3 cover the London Borough of Redbridge administrative area. Zones, 4, 5, 6, 9 and 10 also partly comprise parts of Redbridge. Zones 7 and 8 are located wholly outside Redbridge.

2.2.5 The results of the household survey are utilised to calculate the expenditure claimed by each existing retail facility within the Study Area, a process which is considered in Section 4 of this report.

2.2.6 We consider below the market share of trips to particular retail venues to purchase both convenience goods and comparison goods. For convenience goods, respondents have been questioned in respect of where they last visited to undertake 'main' food shopping (which may take the form of a 'trolley' shop and be undertaken on a weekly basis) and 'top up' food shopping (which will generally be undertaken on a more frequent basis and will involve the purchase of grocery staples, such as milk and bread, and occasional items). For comparison goods, respondents have been questioned in respect of where they last visited to purchase ten separate types of comparison good:

- Clothing and footwear;
- Books, CD's and DVD's;
- Furnishings & Household Textiles;
- Small Household Goods;
- Recreational Goods;



- Chemist/Health & Beauty Goods;
- Large Electrical Goods;
- Small Electrical Goods;
- DIY & Gardening Products; and
- Furniture, Carpets & Floor Covering Products.

2.2.7 It is important to note that the market shares identified from the 'weighted' survey results have been recalculated to exclude answers such as 'don't do', 'don't know', and 'varies'.

2.2.8 A copy of the survey questionnaire is attached at **Appendix 2**, a full copy of the survey results is contained at **Appendix 3**, and market shares, with 'don't do', 'don't know' and 'varies' answers stripped out shown in tables at **Appendix 4** and **Appendix 5**.

Internet/Click & Collect

2.2.9 Figure 2.3 below sets out the survey results in relation to internet/click and collect shopping. It suggests that there is considerable variation in terms of the types of goods which are purchased online. As we would expect, a greater proportion of main food shopping is undertaken online, when compared to top-up shopping. This is reflective of the fact that online food shopping is more practical and convenient when a large number of items are purchased.

2.2.10 There is a reasonably significant degree of variation between zones in terms of proportion of purchases committed online. There are four types of comparison goods where, within every zone, at least one in ten purchases are made online. These categories are: books, CDs and DVDs (for which 47-75% of respondents indicated they made their last purchase online); recreational goods (12-46%), large electrical goods (24-44%), and small electrical goods (14-52%).



Figure 2.3: Proportion of Purchases Made Online by Zone (%)

Goods Type		%
Convenience Goods	Main Food	0-9%
	Top Up	0-1%
Comparison Goods	Clothing & Footwear	7-20%
	Books, CD's, DVD's	47-75%
	Furnishings & Household Textiles	4-27%
	Small Household Goods	2-24%
	Recreational Goods	12-46%
	Chemist/Health & Beauty Goods	1-9%
	Large Electrical Goods	24-44%
	Small Electrical Goods	14-52%
	DIY & Gardening Products	0-7%
	Furniture, Carpets & Floor Covering Products	3-30%

Source: Tables 4-14, Appendix 4

Convenience Goods Shopping Patterns

- 2.2.11 Figures 2.4 and 2.5 summarise the proportion of main food and top up convenience shopping trips which are directed to key retail facilities located within the Study Area, based upon the results of the household survey.
- 2.2.12 Foodstores located within the Redbridge administrative area currently claim a market share of 31%. The most popular foodstores within Redbridge include the Sainsbury's, George Lane, South Woodford District Centre (which secures 5% of all trips originating with the Study Area to undertake main food shopping), the Tesco's, High End, Goodmayes Local Centre (5%), the Tesco, Cranbrook Road, Barkingside District Centre (3%), and Sainsbury's, King George Avenue, Newbury Park (3%).



Figure 2.4: Principal Food Shopping Destinations by Zone – Main Food Shopping (%)

Zone	Principal Shopping Destination
1 – Gants Hill/ Newbury Park	- Tesco Extra, Goodmayes Local Centre (35%) - Sainsbury's, Newbury Park (15%)
2 – Ilford	- Sainsbury's, Roden Street, Ilford Town Centre (22%) - Tesco, Goodmayes Local Centre (12%) - Tesco, Woodford Green (11%)
3 – Barkingside	- Tesco, Barkingside District Centre (18%) - Sainsbury's, Barkingside District Centre (13%) - Tesco, Woodford Green (8%)
4 – East Ham	- Beckton (24%) (primarily Tesco, Armada Way & Asda, Tollgate Road) - Stores in East Ham/Upton Park (18%) (primarily Tesco, Green Street) - Tesco, Goodmayes Local Centre (9%)
5 – South Woodford/ Walthamstow	- Sainsbury's South Woodford District Centre (22%) - Waitrose, South Woodford District Centre (9%) - Other within Survey Area (22%) (primarily Waitrose, Buckhurst Hill & Tesco, Highams Park)
6 – Stratford/ Leytonstone	- Leytonstone (26%) (primarily Tesco, Gainsborough Road) - Stratford (18%) (primarily Morrison, The Grove) - East Ham/Upton Park (10%) (primarily Tesco, Green Street)
7 – Canning Town	- Beckton (58%) (primarily Tesco, Armada Way & Asda, Tollgate Road) - East Ham/Upton Park (15%) (primarily Sainsbury's Myrtle Road)
8 – Barking/ Beckton	- Beckton (22%) (primarily Asda, Tollgate Road) - Barking (24%) (primarily Asda, North Street & Tesco Highbridge Road) - Dagenham (21%) (primarily Asda, Merrielands Crescent)
9 – Chadwell Heath/ Dagenham	- Dagenham (41%) (primarily Asda, Merrielands Crescent & Morrisons, Wood Lane) - Romford (9%) (primarily Sainsbury's, The Brewery & Aldi, Malborough Road)
10 – Loughton/ Chingford	- Loughton (57%) (primarily Sainsbury's, Old Station Rd & Morrison, High Road) - Other Outside Survey Area (9%) (primarily Tesco, Sewardstone Road, Waltham Abbey)

Source: WYG Table 4, Appendix 4

2.2.13 In the three central zones in Redbridge (Zones 1-3) between 68% and 81% of respondents undertake their main food shopping at facilities within Redbridge. In terms of other zones some 24% and 46% of respondents in Zones 4 and 5 respectively visit main food facilities within the Borough. Furthermore, some 26% of respondents in Zone 9 visit facilities within Redbridge. Less than 10% of respondents in the remaining zones visit the borough for main food shopping.

2.2.14 Top-up shopping is often undertaken close to home and, as expected, a large proportion of shopping trips being undertaken in the zone in which they originate. Redbridge claims 37% of all top up food shopping trips originating from within the Study Area. As we would expect, large food superstores are generally less able to attract top up food shopping trips from 'far and wide' (as some of them are able to do in respect of main food shopping), but still evidently help to meet this type of food shopping need. It is noted that in Zones 1 and 2 Ilford Town Centre secures a greater proportion of top up shopping trips (24% and 42% respectively) than it does main food shopping (9% and 28% respectively) reflecting the convenience offer in the centre.



2.2.15 Overall, both the main food shopping and top-up shopping market shares secured in zones within and proximate to Redbridge are considered to be generally healthy and where 'leakage' to other destinations is apparent, these facilities are often reasonably well placed to meet such needs in a sustainable manner.

Figure 2.5: Principal Food Shopping Destinations by Zone – Top-up Food Shopping (%)

Zone	Principal Shopping Destination
1 – Gants Hill/ Newbury Park	- Tesco, Goodmayes Local Centre (14%) - Aldi, Seven Kings Local Centre (10%) - Other (local stores), Ilford Town Centre (15%) - Other (local stores) within the Borough (12%)
2 – Ilford	- Sainsbury's, Roden Street, Ilford Town Centre (19%) - Sainsbury's, Gants Hill District Centre (10%) - Iceland, Gants Hill District Centre (10%) - Other (local stores) within the Borough (17%)
3 – Barkingside	- Chigwell (11%) (primarily Tesco Express & Nisa stores, Manford Way) - Sainsbury's, Woodford Broadway/Snakes Lane Local Centre (10%) - Sainsbury's, Barkingside District Centre (8%) - Other (local stores) Barkingside District Centre (9%)
4 – East Ham	- East Ham/Upton Park (31%) (primarily Iceland and Lidl stores, High Street) - Stratford (10%) (primarily Sainsbury's Local, Celebration Avenue) - Other (local stores) within the Borough (14%) - Other within survey area but outside Borough (28%) (across a wide number of local stores)
5 – South Woodford/ Walthamstow	- Sainsbury's, South Woodford District Centre (10%) - Chingford (9%) (primarily Co-op, Hatch Lane) - Other (local stores) within the Borough (9%) (primarily local stores - within Woodford Green) - Other within survey area but outside Borough (25%) (across a wide number of local stores)
6 – Stratford/ Leytonstone	- Leytonstone (20%) (across a number of local stores) - Stratford (17%) (primarily Morrison, The Grove & Sainsbury's The Mall) - Other within survey area but outside Borough (20%) (across a wide number of local stores)
7 – Canning Town	- East Ham/Upton Park (48%) (primarily Sainsbury's Myrtle Road, Tesco, High Street South, and local shops) - Beckton (19%) (primarily Tesco, Armada Way & Lidl, Tollgate Road) - Canning Town (11%) (primarily Iceland, Barking Road)
8 – Barking/ Beckton	- Barking (31%) (primarily Asda, North Street & Tesco Highbridge Road) - Dagenham (23%) (primarily Asda, Merriellands Crescent, Morrisons, Wood Lane and Lidl Heathway)
9 – Chadwell Heath/ Dagenham	- Dagenham (54%) (primarily Morrisons, Wood Lane) - Romford (14%) (primarily Asda, Dolphin Approach & Aldi, Market Place)
10 – Loughton/ Chingford	- Loughton (59%) (primarily Sainsbury's, Torrington Drive & M&S Simply Food, High Road) - Chigwell (9%) (primarily Tesco & Nisa, Manford Way)

Source: WYG Table 5, Appendix 4

Comparison Goods Shopping Patterns

2.2.16 As noted previously at paragraph 2.2.6 households were asked which retail facility/location they last visited to purchase ten separate types of comparison good. The main results derived from the



household shopping survey in terms of overall comparison goods shopping patterns are reproduced in Figure 2.6 below.

2.2.17 Across the study area as a whole Stratford is the most popular comparison goods shopping destination attracting 15% of the overall comparison goods expenditure, followed by Romford (9%) and Ilford Town Centre (8%).

2.2.18 Figure 2.6 below shows that Ilford Town Centre is the most popular comparison goods shopping destination in Zones 1 and 2, Stratford is the most popular destination in Zones 3, 4, 5, and 6, whilst Lakeside Shopping Centre/Grays are the most popular in Zones 8 and 9, Beckton in Zone 7, and Loughton in Zone 10.

Figure 2.6: Principal Comparison Goods Shopping Destinations by Zone (%)

Zone	Principal Shopping Destination
1 – Gants Hill/ Newbury Park	- Ilford Town Centre (24%) - Stratford (10%) - Lakeside Shopping Centre/Grays (9%) - Goodmayes Local Centre (6%)
2 – Ilford	- Ilford Town Centre (41%) - Stratford (9%)
3 – Barkingside	- Stratford (17%) - Romford (13%) - Ilford Town Centre (10%) - Barkingside District Centre (7%)
4 – East Ham	- Stratford (20%) - East Ham/Upton Park (12%) - Beckton (11%) - Ilford Town Centre (10%)
5 – South Woodford/ Walthamstow	- Stratford (24%) - South Woodford (8%) - Central London (7%) - Chingford (7%)
6 – Stratford/ Leytonstone	- Stratford (35%) - Leytonstone (9%) - Central London (6%)
7 – Canning Town	- Beckton (30%) - Stratford (16%) - Lakeside Shopping Centre/Grays (7%) - Ilford Town Centre (5%)
8 – Barking/ Beckton	- Lakeside Shopping Centre/Grays (18%) - Beckton (17%) - Romford (12%) - Barking (11%) - Ilford Town Centre (5%)
9 – Chadwell Heath/ Dagenham	- Lakeside Shopping Centre/Grays (12%) - Romford (36%) - Dagenham (11%)
10 – Loughton/ Chingford	- Loughton (19%) - Romford (12%) - Stratford (10%)

Source: WYG Table 14, Appendix 5



2.2.19 Figure 2.7 shows which survey zones centres within Redbridge attract shoppers from. Albeit to differing degrees Ilford Town Centre draws shoppers from all 10 zones. It is noted Newbury Park Local also draws trade from each survey zone. This is primarily due Newbury Retail Park being located within the defined boundary of this local centre. South Woodford and Barkingside district centres and Seven Kings and Ilford Lane local centres also draw trade from at least six survey zones.

Figure 2.7: Centres within Redbridge Borough – Comparison Goods Shopping Draw

	Zone									
	1	2	3	4	5	6	7	8	9	10
Ilford Town Centre	Blue									
South Woodford District Centre		Blue	Blue	Blue	Blue	Blue				Blue
Wanstead District Centre	Blue			Blue		Blue				
Gants Hill District Centre	Blue		Blue							
Barkingside District Centre	Blue	Blue	Blue	Blue		Blue		Blue		Blue
Chadwell Heath District Centre	Blue	Blue						Blue	Blue	
Goodmayes Local Centre	Blue	Blue	Blue					Blue	Blue	Blue
Seven Kings Local Centre	Blue	Blue	Blue	Blue		Blue		Blue	Blue	Blue
Newbury Park Local Centre	Blue									
Ilford Lane Local Centre	Blue	Blue	Blue	Blue			Blue		Blue	Blue
Woodford Bridge Local Centre			Blue	Blue	Blue				Blue	Blue
Woodford Broadway Local Centre			Blue		Blue	Blue				Blue
Manford Way Local Centre			Blue			Blue				Blue

Source: WYG Table 14, Appendix 5
 Notes: Blue denotes centre attracts shoppers from zone

2.2.20 In terms of Ilford Town Centre itself, Figure 2.8 below sets out its zonal market share for each of the ten comparison goods categories. It shows that Ilford Town Centre is a popular non-bulky comparison goods shopping destination in Zones 1-4 and whilst attracts shoppers from the majority of the other 6 survey zones, the proportion of shoppers is no more than 10% of respondents/shoppers.

2.2.21 Turning to bulky comparison goods, similar to general bulky goods shopping patterns across the UK, the town centre attracts a lesser number of shoppers, albeit Zones 1-4 are again the zones where the town centre draws the majority of shoppers.



Figure 2.8: Ilford Town Centre – Comparison Goods Market Share

	Zone									
	1	2	3	4	5	6	7	8	9	10
Non-Bulky Comparison Goods										
Clothing and footwear	34%	48%	11%	14%	3%	6%	10%	6%	3%	1%
Books, CD's and DVD's	14%	23%	10%	18%	1%	2%	-	1%	3%	1%
Furnishings & Household Textiles	19%	29%	12%	13%	5%	2%	4%	7%	7%	-
Small Household Goods	24%	45%	7%	13%	-	3%	6%	10%	3%	-
Recreational Goods	23%	30%	10%	9%	4%	-	1%	6%	-	1%
Chemist/Health & Beauty Goods	34%	77%	21%	8%	2%	1%	4%	3%	4%	1%
Bulky Comparison Goods										
Large Electrical Goods	12%	17%	3%	1%	-	1%	2%	5%	-	2%
Small Electrical Goods	7%	19%	9%	9%	1%	-	2%	1%	1%	1%
DIY & Gardening Products	8%	16%	2%	-	-	-	-	-	1%	1%
Furniture, Carpets & Floor Coverings	13%	24%	1%	-	1%	3%	-	1%	1%	-

Source: WYG Tables 4-13, Appendix 5



3.0 Population and Expenditure

3.1.1 This section of the report assesses the current population and available expenditure (for both convenience and comparison goods) within the Study Area.

3.2 Study Area Population

3.2.1 The 2013 population within each postal code sector has been calculated using Experian Micromarketer G3 data. The baseline population data taken into consideration the findings of the 2011 Census release. In agreement with planning officers in the Council the population has been projected forward using projections published by the GLA (2014 round trend-based population projections: short term migration scenario). Zone 10 of the study area lies outside the GLA area and has therefore been projected using Experian growth rates which are derived from ONS population projections.

3.2.2 For the purpose of the study, population and expenditure has been calculated at five year intervals to 2030 in accordance with the NPPF (i.e. 2020 and 2025), and then at 2030 to reflect the future development plan timeframe.

3.2.3 On this basis, the defined Study Area is estimated to contain a resident population of approximately 1,015,059 people at 2015 rising to 1,183,507 people at 2030. This represents an increase in population within the Study Area of 168,448 people (equating to an increase of 16.6%) between 2015 to 2030.

3.2.4 Figure 3.1 provides a detailed breakdown of the forecast population change within each survey zones in each of the reporting period to 2030.

Figure 3.1: Study Area Population by Survey Zone (2015-2030)

Zone	2015	2020	2025	2030
1	68,038	72,251	76,128	79,403
2	68,291	75,520	76,412	79,698
3	85,323	90,607	95,469	99,575
4	80,296	85,468	89,622	93,140
5	119,969	127,399	134,235	140,008
6	154,178	163,726	172,512	179,931
7	116,739	124,258	130,298	135,412
8	154,375	163,936	172,732	180,161
9	99,935	106,124	111,819	116,628
10	67,916	71,827	75,785	79,550

Source: WYG Table 5, Appendix 4



3.3 Retail Expenditure

3.3.1 In order to calculate per capita convenience and comparison goods expenditure, WYG has again utilised Experian Micromarketer G3 data which provides detailed information on local consumer expenditure which takes into consideration the socio-economic characteristics of the local population. Experian is a widely accepted source of expenditure and population data and is regularly used by WYG in calculating retail capacity.

3.3.2 The base year for Experian expenditure data is 2013. Per capita growth forecasts have been derived from Experian Retail Planner Briefing Note 13, which was published in October 2015. For the purposes of this study, the following annual growth forecasts, provided at Appendix 3 of the Briefing Note, set out below in Figure 3.2, have been applied.

Figure 3.2: Expenditure Growth Forecasts

Year	Convenience	Comparison
2013	-1.1	3.6
2014	-2.2	4.8
2015	-0.4	4.7
2016	-0.2	2.4
2017	0.1	2.1
2018	-0.1	1.8
2019	-0.1	2.1
2020	-0.2	2.5
2021	-0.3	3.1
2022	-0.3	2.9
2023	-0.1	3.4
2024	0.0	3.4
2025	-0.1	3.2
2026	-0.1	3.1
2027	-0.1	3.3
2028	-0.1	3.1
2029	-0.1	3.3
2030	-0.1	3.4

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

3.3.3 The above growth rates for comparison and convenience goods sales reflect the proportion of trading using traditional retail space. For comparison goods Experian exclude from the calculation 25% of special forms of trading (internet). For convenience goods 70% of sales are excluded to reflect the proportion of convenience sales that is affected through stores.



3.3.4 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. Assessment 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.

3.3.5 Based on the above growth rates and special forms of trading allowances, it is possible to produce expenditure estimates for each survey zone at 2015, 2020, 2025 and 2030. In doing so, our assessment takes into account both per capita retail expenditure growth and population change.

3.4 Convenience Goods Expenditure

3.4.1 Taking into consideration the above changes in population and per capita expenditure, it is estimated that, at 2015, the resident population of the Study area generates some £1,747m of convenience goods expenditure. Available convenience goods expenditure is then forecast to increase to £2,077m at 2030, which represents an increase of £329.8m between 2015 and 2030.

Figure 3.3: Total Available Study Area Expenditure – Convenience Goods (£m)

2015 (£m)	2020 (£m)	2025 (£m)	2030 (£m)	Growth 2015-2020 (£m)	Growth 2015-2025 (£m)	Growth 2015-2030 (£m)
1,735	1,830	1,910	1,982	94.7	174.3	246.3

Source: Table 3, Appendix 4
2013 Prices

3.4.2 The proportion of convenience goods expenditure which is committed through main food shopping trips and through ‘top-up’ shopping trips is usually estimated with reference to respondents’ answers of the household survey, which ask respondents to estimate the amount they spent on their last (and time before last) main food shop and their last top-up shop (Questions 4, 9 and 13X of the survey). However, having analysed the data from the survey we have concerns that it does not accurately reflect the split between main and top-up expenditures. The survey identifies an expenditure split of 85-90% for main/10-15% for top-up. We would anticipate, based on other household surveys and changing food shopping habits, particularly in London, that the main food/top-up expenditure split is actually closer to 70% main food/30% top up food split. Accordingly, in this instance we have adopted a 70%/30% main/top up food expenditure split.

3.4.3 The household survey identifies that respondents broadly spent the same amount of expenditure at their last main food shop as they did at their main food shop the time before last. We consider this to be reasonable and accordingly we distribute the per-capita main-food convenience expenditure equally between the two identified main-food destinations.



3.4.4 By applying these estimate to the identified resident population of the Study Area, convenience goods expenditure at 2015 committed through 'main food' shopping trips is estimated to be £1,215m and through 'top-up' shopping trips is estimated to be £520.6m.

3.5 Comparison Goods Expenditure

3.5.1 For comparison goods, Figure 3.4 sets out our estimation that the resident population of the Study area will generate some £2,722m of comparison goods expenditure at 2015. Available comparison goods expenditure is then forecast to increase to £4,916m at 2030, which represents an increase of £2,194m (or 81%) between 2015 and 2030.

3.5.2 Whilst the identified expenditure increase is clearly significant, the rate of forecast growth is 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).

Figure 3.4: Total Available Study Area Expenditure – Comparison Goods (£m)

2015 (£m)	2020 (£m)	2025 (£m)	2030 (£m)	Growth 2015-2020 (£m)	Growth 2015-2025 (£m)	Growth 2015-2030 (£m)
2,722	3,289	4,026	4,916	566.7	1,304	2,194

Source: Tables 3a-3e, Appendix 5
2013 Prices

3.5.3 For the purposes of this Study, comparison goods expenditure has been divided into ten sub-categories: 'Clothing and footwear', 'Books, CD's and DVD's', 'Furnishings & Household Textiles', 'Small Household Goods', 'Recreational Goods', 'Chemist/Health & Beauty Goods', 'Large Electrical Goods', 'Small Electrical Goods', 'DIY & Gardening Products', and 'Furniture, Carpets & Floor Covering Products'.

3.5.4 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.



4.0 Retail Capacity in London Borough of Redbridge

4.1 Introduction

4.1.1 We have examined the quantitative need for new convenience and comparison goods floorspace over the five year reporting periods to 2030 (i.e. at 2015, 2020, 2025 and 2030). At the outset, and as previously noted, it is important to note that an assessment 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.

4.1.2 A complete series of quantitative capacity tables are provided at **Appendix 4 and 5** to provide further detail in terms of the step-by-step application of our quantitative assessment methodology.

4.2 Capacity Formula

4.2.1 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).

4.2.2 **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. the internet, catalogue shopping and so on).

4.2.3 **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 lists the sales densities for all major multiple retailers.



- 4.2.4 **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.
- 4.2.5 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 itself there is significant variation, with electrical retailers tending to have a much higher sales density than those selling DIY or furniture goods.

4.3 Capacity for Future Convenience Goods Floorspace

- 4.3.1 In order to ascertain the likely need for additional convenience goods floorspace in Redbridge, it is first necessary to consider the performance of the current provision. Given Redbridge's retention of convenience goods expenditure, it is assumed that the future convenience goods expenditure available to Redbridge will be commensurate with its current market share.
- 4.3.2 Figure 4.1 sets out the current convenience goods trading position compared against the 'benchmark' (or anticipated) turnover of existing convenience goods floorspace and projects this forward to 2030. 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. Where we have been unable to verify the exact quantum of floorspace provided by existing smaller-scale convenience stores, we have assumed that stores are trading 'at equilibrium' (i.e. the survey-derived turnover equates to the expected level of turnover).
- 4.3.3 Our assessment is based upon a 'goods based' approach, which disaggregates expenditure by category type, and it is important to recognise that major foodstore operators generally sell an element of non-food goods such as books, compact discs, clothing and household goods. To account for this, the typical ratio between convenience/comparison goods provision for each operator 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.



- 4.3.4 Whilst survey results are commonly accepted as a means by which to identify existing shopping patterns, their findings should be treated with a 'note of caution' as they can have a bias towards national multiple retailers and, as a consequence, may understate the role of smaller stores and independent retailers.
- 4.3.5 Our assessment identifies that taking all convenience goods retail facilities in Redbridge together, the expected turnover of provision is £570.7m per annum at 2015, which is greater than the identified survey-derived turnover of £523.3m. This suggests that, taken cumulatively, existing convenience goods turnover is 'undertrading' when compared to its expected turnover.
- 4.3.6 However, there are instances where specific facilities trade very strongly or relatively poorly. For example, the Sainsburys store at George Lane, South Woodford District Centre, has an estimated convenience goods benchmark turnover of £39.4m, but turns over an estimated £64.9m of convenience goods expenditure. The Tesco Extra store in Goodmayes Local Centre has an estimated convenience goods benchmark turnover of £63.0m, but turns over an estimated £77.3m of convenience goods turnover.
- 4.3.7 By way of contrast, the convenience goods turnover of the Sainsbury's store at High Road in Chadwell Heath District Centre and the Aldi at Newbury Retail Park, turn over £13.2m and £6.1m less than their respective benchmark turnovers of £35.2m and £15.7m.
- 4.3.8 The individual performance of each of the main convenience goods facilities is identified at Table 10 of **Appendix 4**.
- 4.3.9 In order to appraise the need for additional convenience goods retail floorspace, it is necessary to consider how the performance of stores will be affected by future growth in expenditure. Accordingly, Figure 4.1 also sets out the anticipated increases in expenditure which will be available to the Redbridge's convenience goods retail facilities, assuming that the current survey derived market share of 33% is maintained. It is also assumed that the turnover of existing floorspace will improve through improvements in floorspace efficiency as set out in Experian Retail Planner Briefing Note 13. Following this exercise, we then consider the effect extant planning commitments will have in addressing any identified convenience goods shopping needs under each of the growth scenarios.
- 4.3.10 Figure 4.1 indicates that, after taking into consideration future increases in both population and expenditure, an effective convenience goods expenditure surplus of £47.4m is identified at 2015. By 2020, after increases in population and expenditure are considered against changes in floorspace



productivity, we estimate that there will be an expenditure surplus of £84.3m. By 2025, we estimate that surplus will increase to £111.5m, increasing thereafter to £135.2m at 2030.

Figure 4.1: Quantitative Need for Convenience Goods Floorspace in Redbridge

Year	Benchmark Turnover (£m)	Available Expenditure (£m)	Surplus Expenditure (£m)
2015	523.3	570.7	47.4
2020	517.6	601.9	84.3
2025	516.5	628.1	111.5
2030	516.5	651.8	135.2

Source: Table 11a of Appendix 4

Benchmark turnover to increase in line with improvements in turnover efficiency as set out in Figure 4a of Ex[erian Retail Planner Briefing Note 13

Assumes constant market share of Study Area expenditure (33%) claimed by facilities across whole of Study Area
2013 Prices

4.3.11 The Council has confirmed that the only convenience goods retail commitment in Redbridge is a 1,284sq m net foodstore scheme at 250-260 Fencepiece Road, Ilford. We estimate that this commitment will have a benchmark turnover of £17.9m if it was operational at base year 2015 (Table 9, **Appendix 4**). Other convenience goods commitments are of a very small scale (providing substantially less than 500 sq m gross floorspace) and are not considered to be of material consequence to a study of this nature.

4.3.12 After taking account of commitments, a residual of £117.6m is identified at 2030. The surplus equates to a convenience goods floorspace requirement of between 8,562sq m and 17,071sq m at 2030 (depending on format and operator), which is set out below at Figure 4.2.

Figure 4.2: Quantitative Need for Convenience Goods Floorspace in Redbridge

Year	Convenience Goods				
	£m			Floorspace Requirement (sq m net)	
	Surplus (£m)	Commitments (£m)	Residual (£m)	Min	Max
2015	47.4	17.9	29.5	2,115	4,218
2020	84.3	17.7	66.6	4,825	9,620
2025	111.5	17.6	93.9	6,837	13,631
2030	135.2	17.6	117.6	8,562	17,071

Source: Table 11c of Appendix 4

Min Floorspace Capacity - Average sales density assumed to be £13,956/sq m at 2015 (based on the average sales density of the leading four supermarket operators as identified by Verdict 2015)

Max Floorspace Capacity - Average sales density assumed to be £7,000/sq m at 2015 (based on the WYG's knowledge of discount operators)

2013 Prices



4.4 Capacity for Future Comparison Goods Floorspace

- 7.01 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' (i.e. our survey derived turnover estimate effectively acts as benchmark) at 2015.
- 4.4.1 We assume that there is therefore a nil quantitative need for any additional floorspace across Redbridge at 2015. Once again, it has generally been assumed that the future performance of Redbridge's facilities will be commensurate with its current market share.
- 4.4.2 Some £443.9m of comparison goods expenditure is claimed by facilities in Redbridge from the Study Area at 2015 which equates to a market share of 16% of all comparison goods expenditure generated by residents of the Study Area. Our assessment 'rolls forward' this market share to examine the likely level of comparison goods floorspace required to maintain the role and function of Redbridge's comparison goods retail facilities going forward.
- 4.4.3 By 'rolling forward' this market share we estimate that facilities in Redbridge will attract £536.3m of comparison goods expenditure at 2020, increasing to £656.5m at 2025, and to £801.6m at 2030.
- 4.4.4 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 2020 there will be an expenditure capacity of £23.9m to support additional comparison goods floorspace within Redbridge. As set out in Figure 4.3, this capacity is forecast to increase sharply to £92.0m at 2025 and then to £178.3m at 2030. Account has 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).



Figure 4.3: Quantitative Need for Comparison Goods Floorspace in Redbridge (before commitments)

Year	Actual Turnover of Facilities in Redbridge (£m)	Turnover of Facilities in Redbridge based on Current Market Share (£m)	Expenditure Capacity (£m)
2015	443.9	443.9	0.0
2020	512.3	536.3	27.0
2025	564.4	656.5	29.8
2030	623.3	801.6	32.9

Source: Table 15 of Appendix 5

Turnover of existing stores to increase in line with improvements in turnover efficiency as set out in Figure 4b of Experian Retail Planner 13 (October 13)

Assumes constant market share (16%) claimed by facilities within the Study Area

2013 Prices

4.4.5 Once again, this initial analysis does not take into account existing commitments, which we set out in Figure 4.4 and which we estimate will have a combined estimated turnover of £23.4m at 2013 prices, if it were to be assumed that each was operational at 2015. We have again taken account of known commitments that provide a gross floorspace greater than 500 sq m gross.

Figure 4.4: Extant Comparison Commitments within Redbridge

Location	Planning Application Reference	Proposal	Net Comp Sales (sq.m)	Sales Density (£/sq.m)	Estimated Turnover at 2015 (£m)
226-244 High Road, Ilford	1971/10	Mixed use commercial/residential development	820	4,000	3.3
288 Ilford Lane, Ilford	2702/11	Mixed use commercial/residential development	550	4,000	2.2
692-694 Chigwell Road, Woodford Green	0302/13	Extension to provide new retail floorspace	900	4,000	3.6
Goodmayes Retail Park	3427/13	Erection of new retail floorspace	584	4,000	2.3
Goodmayes Retail Park	1912/14	Mezzanine floor within Unit 1B	855	4000	3.4
Valentines House, Ilford	3782/14	Mixed use commercial/residential development	2,142	4,000	8.6
Total			5,851		23.4

Source: Table 15 of Appendix 5

2013 Prices



4.4.6 The estimated £23.4m turnover of comparison goods commitments is relatively substantial and extinguishes the majority of need for additional comparison goods floorspace in Redbridge in the period to 2020. A positive residual of £62.2m is identified by 2025 increasing to £145.5m at 2030. The surplus could support between 11,293sq m and 18,822sq.m at 2020, increasing to between 23,911sq m and 39,851sq m at 2030. 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 within Redbridge (which both generally accommodate operators which achieve lesser sales densities). The requirement in respect of additional comparison goods floorspace is set out below in Figure 4.5.

Figure 4.5: Quantitative Need for Comparison Goods Floorspace in Redbridge

Year	Comparison Goods				
	£m			Floorspace Requirement (sq.m net)	
	Capacity before Commitments	Commitments	Capacity	Min ^{1*}	Max ^{2*}
2015	0.0	23.4	0.0	-	-
2020	23.9	27.0	0.0	-	-
2025	92.0	29.8	62.2	11,293	18,822
2030	178.3	32.9	145.5	23,911	39,851

Source: Table 16 of Appendix 5

¹ Average sales density assumed to be £5,000 per sq m at 2015

² Average sales density assumed to be £3,000 per sq m at 2015
2013 Prices

4.4.7 In considering the level of floorspace which could be supported by the identified expenditure surplus we consider that it would be prudent for the Council to also plan for the reuse, refurbishment or redevelopment of existing vacant premises within defined centres wherever possible.

4.5 Scope for Redbridge to Increase its Market Share

4.5.1 In reviewing whether there is scope to increase the market share of retail facilities within a town or Borough/district we have regard to, *inter alia*, the following:

- Changes in retail market share of a town/borough;
- Current retail market share retention levels;
- The current performance of existing retail facilities; and
- The location/type of retail facilities adjacent/nearby to the town/borough.



Convenience Goods

- 4.5.2 Convenience goods facilities within Redbridge are currently retaining a high level of convenience goods expenditure. The three household survey zones which are located wholly in Redbridge are Zones 1, 2 and 3. A high level of convenience goods expenditure is retained by convenience facilities within these Redbridge zones: 83% in Zone 1, 81% in Zone 2 and 71% in Zone 3. The 2006 Redbridge Retail & Leisure Study identified that in 2005 these convenience goods expenditure retention levels were significantly lower: 31% in Zone 1, 38% in Zone 2, and 54% in Zone 3 (identified as Zone 4 in the 2006 Retail Study).
- 4.5.3 The survey also shows that generally convenience retail facilities within Redbridge are trading well with their combined convenience goods turnovers trading above expected benchmark levels.
- 4.5.4 Accordingly, having regard to the current increased convenience goods expenditure retention levels in Redbridge and the performance of existing convenience facilities we do not consider that there is a need/requirement to plan for an increase in Redbridge's market share in convenience goods expenditure.

Comparison Goods

- 4.5.5 The household survey results shows that a reasonable proportion of residents in Redbridge visit retail facilities outside Redbridge. The main facilities that are frequented include Stratford City, Lakeside Shopping Centre and Romford. Within the three household survey zones which are located wholly within Redbridge, Zones 1, 2 and 3, some 41%, 27% and 54% of residents respectively visit facilities outside Redbridge.
- 4.5.6 The 2006 Redbridge Retail & Leisure Study identified that in 2005 Redbridge's comparison goods expenditure retention levels within Zones 1, 2 and 3 was 42%, 50% and 34% respectively. Despite the opening of Stratford City since the 2006 Study the retention levels of Redbridge's comparison goods facilities remains largely unchanged in these zones (43%, 49% and 31% respectively).
- 4.5.7 The latest survey results clearly show that, following the opening of Stratford City, retail facilities within Redbridge have not seen a reduction in their market share.
- 4.5.8 Having regard to the above, and the location/strength of surrounding competing retail facilities, it is considered unrealistic to plan for an increase in Redbridge's comparison goods market share at the current time.



5.0 Summary & Conclusions

5.1 Introduction

5.1.1 A key purpose of this Study is to provide an assessment of retail needs/capacity in the period to 2030. The Study will act as the evidence base to assist in the formulation of future development plan policy.

5.1.2 The floorspace requirements identified in this Study are of some relevance to the determination of future planning applications for new retail floorspace in Redbridge. However, whilst the identified level of quantitative need has some relationship to the test of impact, it is necessary to be mindful that 'need' is no longer a direct planning test. Accordingly, the identified floorspace requirements should not be considered a 'cap' on appropriately located development. Instead, proposals that come forward should be assessed against the relevant policies of the NPPF and the development plan.

5.2 Convenience Goods Capacity

5.2.1 As identified at Section 4, we identify a requirement for between 8,562sq m and 17,071sq m of additional new convenience goods sales floorspace at 2030 (depending on format and operator), after account has been taken of existing commitments.

Figure 5.1: Quantitative Need for Convenience Goods Floorspace in Redbridge (sq m net)

	2015	2020	2025	2030
Minimum Convenience Goods Requirement	2,115	4,825	6,837	8,562
Maximum Convenience Goods Requirement	4,218	9,620	13,631	17,071

5.3 Comparison Goods Capacity

5.3.1 In terms of comparison goods, we identify a requirement for between 23,911sq m to 39,851sq m of additional new comparison goods sales floorspace at 2030 (depending on format and operator), after account has been taken of existing commitments.



Figure 5.2: Quantitative Need for Comparison Goods Floorspace in Redbridge (sq m net)

	2015	2020	2025	2030
Minimum Comparison Goods Requirement	-	-	11,293	23,911
Maximum Comparison Goods Requirement	-	-	18,822	39,851

5.4 Conclusions

- 5.4.1 This capacity assessment identifies a requirement for the Local Plan to plan for a minimum of 32,473sq m net within the plan period (to 2030).
- 5.4.2 The NPPF (Para 23) clarifies that a range of suitable sites should be allocated to meet the scale and type of retail development needed in town centres over the plan period. It advises that such needs should be met in full and should not be compromised by limited site availability.
- 5.4.3 A separate report, titled 'Retail Site Opportunities Assessment', has been prepared by WYG on behalf of the London Borough of Redbridge. The report assesses whether there is sufficient sites within the Borough to accommodate the retail capacity requirement identified in this study.



Appendices





Appendix 1 – Map of Study Area and Zones





Appendix 2 – Household Survey Questionnaire





Appendix 3 – Household Survey Results





Appendix 4 – Convenience Goods Quantitative Capacity Assessment





Appendix 5 – Comparison Goods Quantitative Capacity Assessment

