Derry City and Strabane District Council

Retail Capacity Study Update

August 2023

Contents

Appendices

Report title: Derry City and Strabane District Council
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Status: Final

For and on behalf of Avison Young (UK) Limited

1. Introduction

1.1 Avison Young were commissioned by Derry City and Strabane District Council (hereafter 'the council' or 'DCSDC') to complete a Retail Capacity Study to inform the council's emerging Local Development Plan 2032. This report was completed in November 2018. The Council now wishes for this evidence base to be updated to reflect the passage of time since the original report. This would allow for the key figures in respect to population growth and per capita expenditure to be updated to reflect recent major events such as COVID-19 and the post-Brexit deal.

1.2 This report should be read alongside the original study given that this update focuses on the retail capacity elements only. This will consider changes to the base population forecasts, alongside changes to the base expenditure and growth projections. This then allows for consideration of the levels of retail capacity up to 2032 for both food (convenience) and non-food (comparison) floorspace.

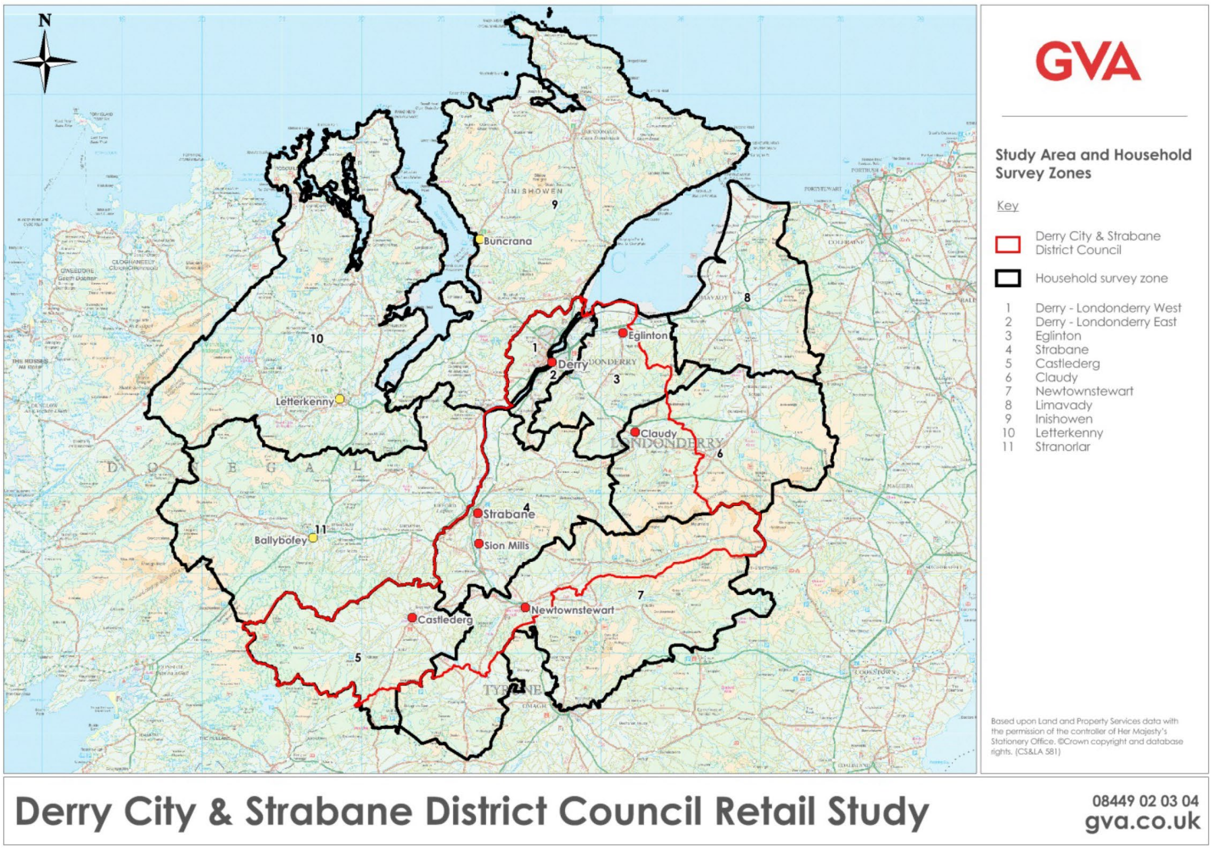
2. Population Updates

2.1 Section 5 of the original Part 1 report set out the approach adopted in defining the Study Area for the assessment. This covered 11 zones based on postcode sectors within Northern Ireland and Local Electoral Areas (LEAs) for the Republic of Ireland.

2.2 Zones 1-7 most closely represent the Council boundary area based on postal areas, although there are some minor differences in geographic extent. Zones 1 and 2 represent Derry-Londonderry city and Zone 4 represents Strabane. The relevant postcode sectors for each are described in the table below and copied from the original report. This remains unchanged.

Table 5.1: Zone Breakdown

Zone	Postcode Sectors
Zone 1 – Derry / Londonderry West	BT48 0, BT48 6, BT48 7, BT48 8, BT48 9
Zone 2 – Derry / Londonderry East	BT47 2, BT47 5, BT47 6
Zone 3 - Eglinton	BT47 3
Zone 4 – Strabane	BT82 0, BT82 8, BT82 9
Zone 5 – Castlederg	BT81 7
Zone 6 –Claudy	BT47 4
Zone 7 - Newtownstewart	BT78 4, BT79 7, BT79 8
Zone 8 - Limavady	BT49 0, BT49 9
Zone 9 –Inishowen	N/A
Zone 10 - Letterkenny	N/A
Zone 11 – Stranorlar (Ballybofey)	N/A



Population

2.3 For population, within the original report, the base numbers and growth projections were drawn from Experian. These figures were based on Census data from 2011 and forecast forward. The latest population projections from 2023 to 2032 have been sourced from Experian to inform this Update report.

2.4 For the original Study bespoke reports were commissioned from Experian for those in the Republic of Ireland (Zones 9-11), to provide the base data. At the time this was informed by Republic of Ireland Census data from 2011. This information has not been refreshed as part of this Update but given this would only have minor effects on expenditure inflows, the findings are considered to be robust.

2.5 As per the original Study, there is a difference in geographical extent between the Council boundary and Zones 1-7, affecting the total population number. Total population for Zones 1-7 within the latest Experian information is 176,917 in 2023, as set out in the table below.

2.6 In comparison, we note that the NISRA 2018-based Population Projections for Areas within Northern Ireland provide a projection for the population of the Council area as 151,280 for the year ending 2022-23. Experian's figures for the Council authority area in 2023 are 151,180 which shows the similarities between the different data sources. It also reveals that those parts of Zones 3, 6 and 7 that sit within other local authority areas must collectively account for the residual population amount.

2.7 The latest population forecasts from Experian are provided below:

Figure 1: Population Projections

Zone	2023	2027	2032	No. Change	% Change
Zone 1 – Derry-Londonderry West	61,748	61,574	61,147	-601	-1%
Zone 2 – Derry-Londonderry East	31,382	31,169	30,736	-646	-2.1%
Zone 3 - Eglinton	16,221	16,124	15,982	-239	-1.5%
Zone 4 – Strabane	26,650	26,547	26,209	-441	-1.6%
Zone 5 – Castlederg	8,016	7,967	7,864	-152	-1.8%
Zone 6 – Claudy	13,277	13,276	13,165	-112	-0.9%
Zone 7 - Newtownstewart	19,623	19,719	19,709	+86	+0.4%
Total Zones 1-7	**176,917**	**176,376**	**174,812**	**-2,105**	**-1.19%**
Zone 8 – Limavady (in Northern Ireland)	22,820	22,844	22,769	-51	-0.2%
Zone 9 – Inishowen	41,957	42,294	42,718	+761	+1.8%
Zone 10 - Letterkenny	42,538	42,880	43,310	+772	+1.8%
Zone 11 – Stranorlar	26,661	26,875	27,145	+484	+1.8%

2.8 As can be seen from the above, across Zones 1-7 there is anticipated to be a 1.19% reduction in population between 2023-2032. This compares with the previous estimates in the original Study that there would be a 0.93% increase in population between 2018-2032.

2.9 In comparison, we note that the NISRA 2018-based Population Projections for Areas within Northern Ireland project a reduction for the Council area of -2,575 people between 2023-32. This is a 1.7% reduction in population within DCSDC.

3. Base Expenditure Updates

3.1 This section will consider updates to the base expenditure since the original Study.

3.2 In order to calculate the updated total retail expenditure potential of the Study Area, new per capita data on convenience (food) and comparison (non-food) spending has been sourced from Experian. This information reflects the localised economic characteristics of the subject area and information is provided to reflect the individual postcode sectors and grouped across the 8 zones within Northern Ireland.

3.3 In respect to the 3 zones within the ROI, as comparable data is unavailable for these areas and to ensure consistency, an average spend per person was calculated using the data from neighbouring zones in Northern Ireland. This was considered a robust approach for modelling expenditure potential given the absence of other comparable sources. This is the same approach as was taken within the original study.

3.4 Within the original Study, Experian data was provided in 2016 prices and projected forward to the 2018 base year and then the 2022, 2027 and 2032 test years. This was provided by Experian's Retail Planner Briefing Note 15 (December 2017).

3.5 Experian Retail Planner Briefing Note 20 (February 2023) is now the latest version of this data source. This information is provided in 2021 prices and is the price year that has been adopted throughout all of the retail tables within this Update report. This information is then projected forward to the 2023 base year, and 2027 and 2032 test years.

3.6 In order to provide this latest report, the original methodology was retained with the following updated:

- Per capita expenditure data for each Zone from Location Analyst by Experian (May 2023 reports)
- Expenditure growth rate updates (taken from Figure 7 of Experian Retail Planner Briefing Note 20)
- Sales density growth rate forecasts (taken from Figures 4a and 4b of Experian Retail Planner Briefing Note 20)
- Sales density updates for individual convenience retailers (base data taken from Global Data 2021 and Mintel UK Retail Rankings 2020).

Expenditure Growth Forecasts

3.7 The latest expenditure growth rates, in comparison with those from the original Study, are provided below:

Figure 2: Expenditure Growth Comparison

Year	Original Study (2018)	Update Study (2023)	Original Study (2018)	Update Study (2023)
	Convenience Growth Rate	Convenience Growth Rate	Comparison Growth Rate	Comparison Growth Rate
2023	-0.1%	-6.7%	3.4%	-0.4%
2024	0.1%	-2.4%	3.3%	-1.6%
2025	0.1%	-0.4%	3.2%	0.3%
2026	0.1%	0%	3.2%	1.3%
2027	0.1%	0.1%	3.1%	2.5%
2028	0.1%	0.1%	3.0%	3%
2029	0.0%	0.1%	3.1%	3%
2030	0.0%	0.1%	3.2%	3%
2031	0.2%	0.1%	3.4%	3%
2032	0.1%	0.1%	3.3%	3%

Source: Experian Retail Planner Briefing Note 15 (2017) and Experian Retail Planner Briefing Note 20 (2023)

3.8 Experian's commentary on retail spending within their latest projections is that *"Retail spending began to falter in 2022 with cost of living pressures leading to an unwind in the swift bounce back which followed the easing in Covid 19 related restrictions 2023."*

3.9 They note that *"It takes until the middle of 2024 for inflation to ease back to the Bank of England's 2% target, at which point a meaningful recovery in retail sales materialises. In the longer term, sales volumes are expected to return to a stronger footing with the removal of Brexit and Covid 19 related uncertainty and a strengthening economic backdrop. However, the weakened financial positions of households, businesses and government will be a constraint, and scarring from the recent bout of high inflation leaves the level of sales in real terms below were they were in Retail Planner 19."*

3.10 In addition, *"Comparison sales volumes are also projected to decline in 2023. Consumer confidence has been hovering around all time lows and Bulky goods sales in particular are likely to suffer as consumers put off major purchases, such as the replacement of white goods. A projected recovery gains momentum by 2025 and in the long term growth per head averages around 3%.*

Non-store Retailing / Special Forms of Trading

3.11 The original Study, as was set out at paragraph 5.16 of that report, adopted an approach whereby information on Special Forms of Trading (SFT), such as internet retailing, was caught by the household survey with specific questions asked about destinations for the various categories of goods described as convenience or comparison goods. This included an opportunity to state these goods were bought via the internet. In light of this, no specific reduction was made for SFT/ internet sales as a result, with internet spending as a destination specifically noted within the retail tables.

3.12 One of the major changes since the 2018 report is the accelerated growth of non-store trading as an effect of COVID-19. This now accounts for 26.5% of sales for comparison goods and 5.6% for convenience goods in 2023. These percentages are forecast to increase to 30.9% of sales for comparison goods and 7.2% for convenience goods by 2032, as shown in the table below. These changes are largely the effects of COVID-19 which accelerated the switch to online retailing for many consumers, particularly in the comparison (non-food) sector.

Figure 3: Percentage Market Share of non-store retail sales

% Market share of non-store retail sales				
	Convenience Goods		Comparison Goods	
Year	RPBN 15 (2017)	RPBN 20 (2023)	RPBN 15 (2017)	RPBN 20 (2023)
2023	4.2%	5.6%	17.4%	26.5%
2027	4.7%	6.6%	17.6%	29.2%
2032	5.1%	7.2%	17.8%	30.9%

3.13 As these figures are not fully reflected within the tables given the household survey methodology originally adopted though, it is important to recognise that the capacity findings identified later in this report represent a best-case scenario. It is clear that these would have been further reduced by incorporating these higher figures for online retailing.

Total Expenditure

3.14 Given the changes outlined above in respect of population and growth rates, the convenience and comparison goods expenditure forecasts for the Study Area have changed significantly from the original report, as evidenced below.

Figure 4: Convenience Goods Total Expenditure Comparisons

Convenience Goods Total Expenditure (£m)						
Zones	Original Study (2018)	Update Study (2023)	Original Study (2018)	Update Study (2023)	Original Study (2018)	Update Study (2023)
	2023		2027		2032	
DERRY AND STRABANE DISTRICT COUNCIL AREA (APPROX)						
1-7	£395.8m	£458.4m	£398.4m	£456m	£399.9m	£454.2m
REMAINDER OF STUDY AREA						
8-11	£294.4m	£353.8m	£297.8m	£355.5m	£301.9m	£360.1m

3.15 It is clear from the above that the expenditure on convenience goods has increased considerably since the original report, with this evident in the per capita expenditure predictions for each Zone. For example, within the original Study, Zone 1 was predicted to have a per capita expenditure of £2,178 in 2023, whereas this Update shows that this is instead £2,457. Collectively this leads to a greater total convenience potential than the previous Study.

3.16 In the longer term, the overall total convenience expenditure is predicted to reduce within Zones 1-7 due to a combination of weak expenditure growth and a declining population. This will fall from £458.4m in 2023 to £454.2m in 2032 based on the latest Experian projections.

Figure 5: Comparison Goods Total Expenditure Comparisons

Zones	Comparison Goods Total Expenditure (£m)					
	Original Study (2018)	Update Study (2023)	Original Study (2018)	Update Study (2023)	Original Study (2018)	Update Study (2023)
	2023		2027		2032	
DERRY AND STRABANE DISTRICT COUNCIL AREA (APPROX)						
1-7	£706.2m	£562.9m	£803.3m	£606.7m	£940m	£698.1m
REMAINDER OF STUDY AREA						
8-11	£541.3m	£435m	£618.7m	£469.7m	£711.3m	£528.5m

3.17 In respect to comparison goods, the overall total comparison expenditure has dropped considerably since the original Study. Whilst this is still predicted to grow within Zones 1-7, as per the original study, this will be at a noticeably slower rate due to a combination of weaker expenditure growth and a declining population. This will increase from £562.9m in 2023 to £698.1m in 2032 based on the latest Experian projections. This represents a 24% growth, compared with the original projections for 33% growth between the same period.

Sales Density Growth

3.18 Together with the changes in assumptions set out above, it is also apparent that sales efficiencies have changed since 2018. In this respect Experian state that *"Sales density growth rates have been volatile in recent years given sharp swings in retail spending due to temporary closures in businesses and social distancing restrictions during the pandemic, and subsequently the impact of high inflation. Density growth rates are expected to be weak in 2023 and 2024 given the poor near term outlook for retail sales volumes, particularly in the comparison component, before recovering as spending strengthens. This represents a downward revision relative to the Retail Planner 19 projections building on a lower starting position as per the historic data. Most of the shortfall relative to the old forecast is expected to remain through the forecast horizon. Budgetary challenges from rising costs and tight margins will be a key factor underpinning floor space efficiencies over the coming years."*

3.19 These changes are identified in the table below.

Figure 6: Sales Density Growth Rates Comparisons

	Sales Density Growth Rates							
	RPBN 15 (2017)	RPBN20 (2023)	RPBN 15 (2017)	RPBN 20 (2023)	RPBN 15 (2017)	RPBN 20 (2023)	RPBN 15 (2017)	RPBN 20 (2023)
	2022		2023		2027		2032	
Convenience Goods	0%	-7.7%	0%	3.4%	0.1%	0.1%	0.1%	0%
Comparison Goods	2.3%	3.4%	2.3%	-0.1%	2.2%	2%	2.2%	2.8%

Source: Retail Planner Briefing Note 15 and Retail Planner Briefing Note 20

4. Retail Capacity Update

4.1 For this Update report, the household survey information from March 2018 that was instructed to support the original Study has been utilised to determine the market shares, expenditure leakage and retention levels. The amendments to the population and growth rates for expenditure and sales density information, which were discussed earlier, all have direct effects on the final retail capacity findings with these discussed in more detail within this section of the report.

4.2 This opportunity has also been used to update the information (Tables 8a and 8b) on existing convenience floorspace and commitments within the Study Area, given the passage of time and because a number of the planning permissions have now expired.

Table 8a: Convenience Goods Benchmark Update

4.3 In terms of Table 8a, the original retail floorspace within the Study Area was informed by past studies for the area and details provided by the Council. Since then, more information has been brought forward revealing the scale of existing floorspace in the area. This information is drawn from the supporting reports for planning applications for Lidl (LA11/2019/0263/F) and a recent Crescent Link application (LA11/2021/0120/F).

4.4 The floorspace information is then utilised, alongside sales density information from Global Data 2021 to calculate the anticipated company average turnover for each location. This sales density information was grown to the base year, 2023, using the forecasts from Experian discussed earlier.

Table 8b: Commitments

4.5 In order to update this table, information was provided directly by Derry City and Strabane District Council regarding which planning permissions had been implemented since the 2018 Study. From this updated information it is apparent that the planning permissions for a number of large-scale retail proposals within Derry-Londonderry and Strabane have now expired. Planning permission for a new Lidl store in Strabane has also been incorporated.

4.6 In addition, details of smaller scale convenience developments, or extensions, that weren't built or operational at the time of the 2018 household survey, are also incorporated within this table. This allows for a more complete view on retail capacity to be given.

Convenience and Comparison Goods Capacity

4.7 Based on the updates identified earlier, the capacity assessments set out from Tables 9a-c and 10a-c (Appendix 1) have been amended. These provide an overall picture of retail capacity within the Council area for both convenience and comparison goods, together with individual tables relating to needs within Derry-Londonderry and Strabane specifically.

Figure 7: Convenience Goods Floorspace Capacity (Updated)

		Surplus Expenditure (£m)	Commitments (£m)	Residual Expenditure (£m)	Floorspace Capacity (sqm)
2023	**Derry – Londonderry (Zones 1-2 only)**	£18.9m	£40.8m	-£21.9m	-1,918sqm
	Strabane (Zone 4 only)	-£4.5m	£7.7m	-£12.2m	-1,067sqm
	DCSDC Area (Zones 1-7)	£35.5m	£57.6m	-£22.2m	-1,940sqm
2027	**Derry – Londonderry (Zones 1-2 only)**	£9.6m	£42.1m	-£32.5m	-2,756sqm
	Strabane (Zone 4 only)	-£12.4m	£7.9m	-£20.3m	-1,726sqm
	DCSDC Area (Zones 1-7)	£22.5m	£59.4m	-£36.9m	-3,131sqm
2032	**Derry – Londonderry (Zones 1-2 only)**	£8.1m	£42.2m	-£34m	-2,884sqm
	Strabane (Zone 4 only)	-£13m	£7.9m	-£21m	-1,779sqm
	DCSDC Area (Zones 1-7)	£20.4m	£59.6m	-£39.2m	-3,317sqm

4.8 The original Study had identified that 84.2% of convenience expenditure was retained within the Council area. During this Update of the tables though, a few minor miscalculations within the formula were identified and rectified. The updated Table 9a now demonstrates that the Council area retains 87.1% of convenience expenditure thereby increasing the total turnover potential. For Derry-Londonderry, this increases the retention levels from 90.2% to 94.7%, whilst retention levels in Strabane remain consistent at 88.4%.

4.9 For the Council area, as shown in Table 9a, a comparison of the benchmark turnover of existing facilities and the turnover of commitments with the current (2023) turnover of existing convenience goods stores continues to indicate that there is a deficit of expenditure, with this being -£22.2m at 2023. This is largely an effect of the turnover of the Arntz Belting scheme and new Lidl store in Strabane which are commitments.

4.10 Across the assessment period, and based on a constant market share, the amount of 'surplus' convenience goods expenditure associated with stores across Zones 1-7 will only further reduce. A deficit of -£36.9m is present in 2027, with this increasing to -£39.2m in 2032.

4.11 The Figure above also identifies the capacity for Derry-Londonderry and Strabane specifically, as shown in Tables 9b and 9c of Appendix 1.

4.12 For Derry-Londonderry, there remains no capacity, across any of the test years principally due to the commitments within that catchment area. The residual expenditure is -£21.9m in 2023, rising to -£32.5m and then -£34m in 2032. These deficits are largely an effect of the commitment at the Arntz Belting site, however, it is also a product of falling convenience expenditure due to reduced growth rates and a declining population. As advised within the original Study, if that permission was not implemented over the Plan period, this could free up some capacity in future years.

4.13 For Strabane, the scale of deficit is reduced when compared with the original Study due to the expiry of commitments in the catchment since 2018. Nonetheless, there is predicted to be no residual expenditure in 2023 with a deficit of -£12.2m, with this increasing to -£20.3m in 2027 and then -£21m in 2032. This is principally because the low expenditure growth levels and falling population within the area, do not keep pace with the increases in sales densities predicted by Experian.

4.14 A similar update is provided below for comparison goods.

Figure 8: Comparison Goods Floorspace Capacity (Updated)

		Surplus Expenditure (£m)	Commitments (£m)	Residual Expenditure (£m)	Floorspace Capacity (sqm)
2023	**Derry – Londonderry (Zones 1-2 only)**	£0m	£7.6m	-£7.6m	-1,013sqm
	Strabane (Zone 4 only)	£0m	£1.1m	-£1.1m	-225sqm
	DCSDC Area (Zones 1-7)	£0m	£10.3m	-£10.3m	-1,379sqm
2027	**Derry – Londonderry (Zones 1-2 only)**	£19.9m	£8m	£11.9m	1,501sqm
	Strabane (Zone 4 only)	£2.4m	£1.2m	£1.2m	236sqm
	DCSDC Area (Zones 1-7)	£14.6m	£10.9m	£3.7m	464sqm
2032	**Derry – Londonderry (Zones 1-2 only)**	£20.5m	£9.1m	£11.4m	1,271sqm
	Strabane (Zone 4 only)	£2m	£1.3m	£0.7m	117sqm
	DCSDC Area (Zones 1-7)	£23.7m	£12.4m	£11.3m	1,261sqm

4.15 In respect to market shares, very minor adjustments have also been made in respect to the comparison goods tables. For the Council area, and as identified in Tables 10a-c, 74.8% of expenditure is retained compared with the 74.3% figure within the original Study. For Derry-Londonderry, this is 83.4% of expenditure rather than the 84% within the 2018 report. For Strabane, this is 50.2% of expenditure, compared with 46.2% in the original Study.

4.16 For 2023, the assessment confirms that there is no capacity at 2023 for the Council area, although this changes in 2027 with £3.7m of residential expenditure available and £11.3m in 2032. In comparison with the 2018 Study, this level of expenditure to accommodate additional floorspace is significantly reduced in both 2027 and 2032. This is a product of the reduced growth rates, declining population and failure of these to keep pace with the projections for sales density increases.

4.17 In terms of the Derry-Londonderry catchment, the projections for capacity are similar, with residual expenditure becoming available in 2027 and 2032. These would be greater if it were not for the live commitments within the catchment area. Within the 2018 Study, this catchment was projected to have residual expenditure of £31m by 2027. The Update report reveals this has decreased to £11.9m. For 2032, this has also reduced from a projection of £51m residual expenditure capacity in the 2018 Study to £11.4m within this Update.

4.18 For Strabane, small levels of retail capacity for comparison goods floorspace emerge in 2027 with £1.2m available, and in 2032, £0.7m. These however represent an improvement on the original Study, where -£10m of residual expenditure was projected for 2027 and -£9.1m in 2032.

4.19 In light of these modest projections, we do not recommend that the Council specifically plan to accommodate this floorspace through new site allocations. This is particularly the case, given that these projections do not fully account for the changes to Special Forms of Trading (i.e. internet spending) that have accelerated since 2018 as a result of the COVID-19 pandemic and its effects on consumer behaviour. Please refer to paragraphs 3.11-3.13 for further explanation of this.

Summary

4.20 Overall, it is clear that the forecasts set out earlier, in respect to population changes and economic growth have all weakened the potential for future capacity since the 2018 Study.

4.21 In short, whilst there is some evidence of overtrading at certain convenience retail destinations within the Derry-Londonderry catchment, as there was within the 2018 Study, commitments within the city mean that there is no headroom to accommodate further convenience floorspace in 2023. These figures only further deteriorate in 2027 and 2032 as a result of the depressed growth rates and the declining population.

4.22 For comparison goods, there remains some potential for additional floorspace after 2027 and 2032 within Derry-Londonderry city and Strabane, however this is notably reduced compared with the 2018 findings.

4.23 As a result of the above, for both forms of retail goods, we do not consider there to be a requirement for the allocation of specific sites within the emerging Local Development Plan. The scale of capacity for comparison goods that is evident means that this could either be accommodated within the hierarchy of centres or best considered as part of individual retail impact assessments, in support of specific planning applications. We consider that these remain the most appropriate measure to ensure any new floorspace can be accommodated in terms of the relevant planning policy tests for need and impact.

5. Sensitivity Analysis Update – Population Growth Scenarios (+2k, +5K and +10K Growth)

5.1 In addition to the above, to accord with the potential growth scenarios set out within the LDP, which involve an increase in the population by 2,000, 5,000 and 10,000 people up to 2032, the sensitivity analysis that was undertaken as part of the original Study has also been updated.

5.2 The population growth has been spread amongst the Council boundary (approx. zones 1-7), on a pro-rata basis, to reflect the existing population spread across the zones. For each growth scenario, a summary table is provided to set out the main findings of the exercise.

Figure 9 - Current Population Growth Scenario – Convenience Goods

Current Population Growth Scenario – Convenience Goods Derry City & Strabane District Council Area (Zones 1-7)			
Year	**2023**	**2027**	**2032**
Population (Council Area) Zones 1-7	176,917	176,376	174,812
Population (Total Study Area)	310,894	311,269	310,755
Available Convenience Expenditure	£458.4m	£456m	£454.2m
Total Turnover Potential	£418.1m	£416.1m	£414.8m
Residual Expenditure	-£22.2m	-£36.9m	-£39.2m
Retail Floorspace Capacity (sq.m)	-1,940	-3,131	-3,317

Figure 10 - +2K Population Growth Scenario – Convenience Goods

+2K Population Growth Scenario – Convenience Goods Derry City & Strabane District Council Area (Zones 1-7)			
Year	**2023**	**2027**	**2032**
Population (Council Area) Zones 1-7	176,917	177,806	178,917
Population (Total Study Area)	310,894	312,699	314,860
Available Convenience Expenditure	£458.4m	£459.7m	£464.9m
Total Turnover Potential	£418.1m	£419.4m	£424.2m
Residual Expenditure	-£22.2m	-£33.6m	-£29.7m
Retail Floorspace Capacity (sq.m)	-1,940	-2,854	-2,521

Figure 11 - +5K Population Growth Scenario – Convenience Goods

+5K Population Growth Scenario – Convenience Goods Derry City & Strabane District Council Area (Zones 1-7)			
Year	**2023**	**2027**	**2032**
Population (Council Area) Zones 1-7	176,917	179,139	181,917
Population (Total Study Area)	310,894	314,032	317,860
Available Convenience Expenditure	£458.4m	£463.2m	£472.7m
Total Turnover Potential	£418.1m	£422.4m	£431m
Residual Expenditure	-£22.2m	-£30.6m	-£22.9m
Retail Floorspace Capacity (sq.m)	-1,940	-2,597	-1,940

Figure 12 - +10K Population Growth Scenario – Convenience Goods

+10K Population Growth Scenario – Convenience Goods Derry City & Strabane District Council Area (Zones 1-7)			
Year	**2023**	**2027**	**2032**
Population (Council Area) Zones 1-7	176,917	181,361	186,917
Population (Total Study Area)	310,894	316,254	322,860
Available Convenience Expenditure	£458.4m	£468.9m	£485.7m
Total Turnover Potential	£418.1m	£427.5m	£442.4m
Residual Expenditure	-£22.2m	-£25.5m	-£11.5m
Retail Floorspace Capacity (sq.m)	-1,940	-2,168	-971

5.3 In all scenarios considered, it is notable that the increases in population forecasted do not create any capacity for new convenience floorspace up to 2032. The sensitivity analysis also considers comparison floorspace below.

Figure 13 - Current Growth Scenario – Comparison Goods

Current Population Growth Scenario – Comparison Goods Derry City & Strabane District Council Area (Zones 1-7)			
Year	**2023**	**2027**	**2032**
Population (Council Area) Zones 1-7	176,917	176,376	174,812
Population (Total Study Area)	310,894	311,269	310,755
Available Comparison Expenditure	£562.9m	£606.7m	£698.1m
Total Turnover Potential	£548.0m	£593.9m	£678.4m
Residual Expenditure	-£10.3m	£3.7m	£11.3m
Retail Floorspace Capacity (sq.m)	-1,379	464	1,261

Figure 14 - +2K Population Growth Scenario – Comparison Goods

+2K Population Growth Scenario – Comparison Goods Derry City & Strabane District Council Area (Zones 1-7)			
Year	**2023**	**2027**	**2032**
Population (Council Area) Zones 1-7	176,917	177,806	178,917
Population (Total Study Area)	310,894	312,699	314,860
Available Comparison Expenditure	£562.9m	£611.6m	£714.5m
Total Turnover Potential	£548m	£597.7m	£691.2m
Residual Expenditure	-£10.3m	£7.5m	£24.1m
Retail Floorspace Capacity (sq.m)	-1,379	950	2,691

Figure 15 - +5K Population Growth Scenario – Comparison Goods

+5K Population Growth Scenario – Comparison Goods Derry City & Strabane District Council Area (Zones 1-7)			
Year	**2023**	**2027**	**2032**
Population (Council Area) Zones 1-7	176,917	179,139	181,917
Population (Total Study Area)	310,894	314,032	317,860
Available Comparison Expenditure	£562.9m	£616.2m	£726.5m
Total Turnover Potential	£548m	£601.3m	£700.5m
Residual Expenditure	-£10.3m	£11.1m	£33.4m
Retail Floorspace Capacity (sq.m)	-1,379	1,400	3,732

Figure 16 - +10K Population Growth Scenario – Comparison Goods

+10K Population Growth Scenario – Comparison Goods Derry City & Strabane District Council Area (Zones 1-7)			
Year	**2023**	**2027**	**2032**
Population (Council Area) Zones 1-7	176,917	181,361	186,917
Population (Total Study Area)	310,894	316,254	322,860
Available Comparison Expenditure	£562.9m	£623.8m	£746.5m
Total Turnover Potential	£548m	£607.2m	£716m
Residual Expenditure	-£10.3m	£17m	£49m
Retail Floorspace Capacity (sq.m)	-1,379	2,151	5,466

5.4 As with the original retail study, the sensitivity analysis found that capacity for comparison goods floorspace arises in both 2027 and 2032, under all growth scenarios. The scale of this naturally increases the higher the population growth. It is notable though that this capacity has dropped significantly from the original Study.

5.5 By 2032, this is predicted to be between 1,261 sq.m, under the Experian forecasts for population growth, and up to 5,466 sq.m under the +10,000 population growth model. As set out within the original Study, we believe there are opportunities within the existing hierarchy of centres to accommodate this forecasted need.

Appendix I

Updated Retail Capacity Tables

Contact details

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