FALKIRK
Local Development Plan

Technical Report 9:
Retail and Town Centres

November 2011

Falkirk Council

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Retailing and Town Centres

1. Introduction

1.1 Retailing is an important service industry both nationally and within the Falkirk Council area. Shopping is an essential activity for most households, and access to good shopping facilities is therefore a key quality of life issue. However, shopping is also increasingly seen as a leisure activity with important links to tourism.

1.2 Retailing is one of the core economic functions of town centres, and the retail sector is bound up inextricably with the future of town centres in terms of planning policy. The importance of town centres has long been recognised. They provide an accessible focus for social and economic interaction, an expression of the identity of an area, and an indicator of local economic prosperity.

1.3 Shopping is also a major trip generator, and the location of retail facilities and the way people shop has a significant influence on transport use, with consequent implications for sustainable development and climate change.

1.4 This report is intended to provide the evidence base for the consideration of retail and town centre issues within the Main Issues Report of the Local Development Plan (LDP). It considers:

- Current retail trends and the economic context;
- National and local retail policy;
- Retail provision within the Falkirk area including current commitments;
- Shopping patterns within the Falkirk area;
- The network of centres within the Falkirk area, their current vitality and viability, and opportunities for change and improvement;
- Retail capacity in the Falkirk area and the extent to which further retail provision is needed; and
- Overall summary.

2. Current Retail Trends

2.1 Retailing is a dynamic and innovative industry which has evolved rapidly over the last 20-30 years in response to various social and economic changes. These include increased personal disposable income, increased mobility, and heightened consumer expectations in terms of choice and variety of goods, and the quality of the shopping experience.

2.2 This period saw a significant rise in new floorspace, but also a process of rationalisation and concentration, with superstores and national multiples expanding at the expense of smaller independent retailers, and larger centres attracting investment at the expense of smaller ones. Growth has also been accompanied by dispersal, although the growth of out-of-centre retailing has been curtailed to some extent by government policy. New formats have evolved, such as the trend toward warehouse retailing for personal as well as household goods, and discount foodstores.

2.3 The current recession has had a major impact on the retail industry, with a number of national retailers closing stores or going out of business, and increased vacancy levels in high streets up and down the country. Although there have been some signs of recovery, consumer confidence remains weak, and it seems likely that future growth will be modest.

2.4 However, the convenience shopping sector has weathered the recession better than the comparison sector and the big food retailers continue to pursue expansion programmes in order to increase market share. These retailers have increasingly moved into non-food sales, putting further pressure on non-food competitors.

2.5 Internet shopping has increased dramatically, and many major retailers have embraced and are benefitting from the growth in online sales. However, this is again putting pressure on retailers with more traditional business models. This has further emphasised the need for town and shopping centres to offer a wider leisure experience, which is about more than just the purchase of goods.

3. Policy Context

National Policy

3.1 National policy on town centres and retailing is contained within the Scottish Government's Scottish Planning Policy document[1]. The key points are:

- Town centres are a key element of the economic and social fabric of Scotland, and should be the focus of a mix of uses including retail, leisure, entertainment, recreation, cultural and community facilities, as well as homes and businesses.
- Development plans should identify a network of centres and explain the role of each centre in the network. The network can include town centres, commercial centres and local centres. It will form the context for the assessment of proposals for new development
- The development plan should identify gaps and deficiencies in the provision of shopping, leisure and other uses to be remedied by identifying appropriate locations for new development and regeneration.
- Planning should seek to support the improvement of town centres through its influence on the type, siting and design of new development. Actions and strategies to promote town centre improvement are encouraged. Health checks, incorporating various measures of vitality and viability, can be used to gauge town centre performance.
- All retail, leisure and related developments should be accessible by walking, cycling and public transport.
- The sequential approach should be used when selecting locations for all retail and commercial leisure uses unless the development plan identifies an exception. Development plans should indicate whether retail or commercial development may be appropriate outwith existing centres and identify appropriate locations.
- Where a proposal is contrary to the development plan, planning authorities should ensure that the sequential approach has been applied; there is no unacceptable impact on the network of centres; the proposal

[1] http://www.scotland.gov.uk/Publications/2010/02/03132605/8

will help to meet deficiencies identified in the development plan; and there is no conflict with other significant development plan objectives.

- Retail impact analysis is required for retail and leisure developments over 2,500 sq.m. outwith defined centres which are not in accordance with the development plan. Impact analysis may be required for smaller proposals.

Development Plan Policy

3.2 Current retail policy in the Falkirk area is contained within Structure Plan policies ECON.4, ECON.5 and ECON.6, and Local Plan policies EP6 – EP13. In essence, the policies are based on support for a hierarchy of town, district and local centres which is set out in Schedule ECON.5 of the Structure Plan. The roles of the different types of centres are set out in the Local Plan Table 5.2.

Type	**Centres**	**Role**
Sub Regional Centre	Falkirk	Serves Council-wide catchment in terms of comparison and convenience shopping. Major visitor destination. Provides an extensive range of shops services, leisure activities and community facilities.
District Centre	Bo'ness Denny Grangemouth Stenhousemuir	Serves the larger towns in terms of main food shopping, limited comparison shopping and services. Provides a reasonable range of local shops, services and community facilities.
Local Centre	Bainsford Bonnybridge Brightons Camelon Charlotte Dundas Grahamston Larbert Laurieston Polmont Newcarron Redding Slamannan	Serve the smaller towns and suburbs in terms of top-up shopping and limited local services. In larger catchments may be anchored by larger store serving a proportion of main shopping needs.
Retail/ Leisure Park	Falkirk Gateway	Provides out-of-centre focus for household shopping and leisure complementary to Falkirk Town Centre. Limited to 25,000 sq.m. non-food (bulky goods) floorspace

3.3 Policy ECON.5 sets out locational criteria for new development. New non-food retail development is directed to Falkirk Town Centre, the District Centres and the new commercial centre of the Falkirk Gateway. For food retailing, the policy objective has been to decentralise provision out from Falkirk to the local communities. Food retailing is directed to specified settlements – Grangemouth, Larbert/ Stenhousemuir, the Polmont area, Denny, and Bonnybridge/Banknock - where there was considered to be a deficiency in provision, with such provision to be located in District and Local Centres if possible. There is a restriction of 1,000 sq.m. on any new stores in Falkirk. For out-of-centre retail and commercial leisure development, Policy

ECON.6 sets criteria which proposals must meet if they are to be acceptable. These encompass impact on centres, need, the sequential approach, accessibility, impact on car trips and whether the proposal is located within the Urban Limit.

3.4 Local Plan Policy EP7 also sets a threshold for 'significant' retail development which will need to meet the above locational criteria. Smaller proposals serving neighbourhood needs are permitted more generally within the urban area.

3.5 Local Plan Policies EP8 – EP13 deal with particular types of retailing, including neighbourhood/rural shops, food and drink outlets, mobile snack vans, motor vehicle showrooms, open air markets and factory outlets.

3.6 The Local Plan contains specific policies for each centre, which indicate the type of uses which will be favoured in different parts of the centre.

Town Centres Strategy

3.7 The Council's Town Centres Strategy is complementary to the above planning policies. The strategy has a particular focus on the regeneration of the District Centres of Bo'ness, Denny, Grangemouth and Stenhousemuir. Regeneration is being pursued through physical enhancement and/or redevelopment to secure new retail and other facilities, with Council land assets being used to lever in private investment. Regeneration has taken place in Bo'ness and Stenhousemuir centres but is currently stalled due to the recession in Grangemouth and Denny.

4. Retail Provision in the Falkirk Area

4.1 Retail provision in the area is concentrated within a hierarchy of centres, as reflected in the development plan policies referred to above.

4.2 The hierarchy is dominated by Falkirk Town Centre which functions as the Sub-Regional Centre. Not only is it the main comparison shopping centre, but it also retains a very significant food shopping role. Falkirk Town Centre also includes Central Retail Park which is the only retail park in the area and the principal centre for household goods shopping. Changes to the restrictions on the Retail Park mean that it has diversified away from purely household goods in recent years.

4.3 The District Centres comprise the traditional town centres of Grangemouth, Bo'ness, Denny and Stenhousemuir. They have seen a long term decline in their comparison shopping role and are now mainly focussed on convenience shopping and services. Local Centres comprise the centres of the smaller towns and the suburban centres of Falkirk and Grangemouth. Finally, there is a considerable amount of floorspace within settlements which is not located within centres.

Retail Floorspace Survey

4.4 The Council carried out a comprehensive Retail Floorspace Survey in 2009, which updated the previous survey of 2004. Tables 1 and 2 show the amount of floorspace and number of units recorded, by category, in the various centres in 2009, with the 2004 figures alongside for comparison. The figures do not take account of the comparison floorspace within large foodstores. It is estimated that this amounts to around 9,000 sq.m.

4.5 The figures show a significant 16% rise in the overall amount of floorspace recorded from 2004 to 2009. This is attributable to new floorspace which has been developed; industrial units which have come into some form of retail use; and retail premises which were not previously recorded but have now been captured within the data. The category that has seen the greatest increase is convenience, which rose by 28% due the development of three large new foodstores in Falkirk, Grangemouth and Stenhousemuir. Comparison floorspace has increased only marginally by 2%. Service floorspace has increased by 18%, reflecting the more diverse role of centres. Vacant floorspace has risen dramatically by 76%, reflecting the more difficult economic climate in 2009 as compared to 2004. Falkirk Town Centre has seen a significant increase in vacant floorspace, with the High Street, Callendar Square and Central Retail Park particularly affected. The District Centres present a mixed picture, reflective of both the negative effects of the recession, but also the positive benefits of regeneration and investment programmes.

Table 1 Gross Retail Floorspace 2009 in sq.m. (2004 figures in grey)

	Conv.	Comp.	Service	Vacant	Total
Sub Region Centre					
Falkirk T C	27,620 **19,626**	83,999 **82,839**	33,621 **28,394**	15,945 **7,771**	161,185 **138,630**
District Centres					
Bo'ness	4,995 3,622	1,649 2,811	4,664 3,436	1,134 1,635	12,442 12,441
Denny	1,752 1,783	1,150 939	2,469 2,476	651 138	6,022 5,336
Grangemouth	9,350 3,341	4,522 5,432	4,292 4,631	2,017 735	20,181 14,139
Stenhousemuir	4,417 1,425	1,332 2,026	2,247 1,822	1,865 194	9,861 5,457
Local Centres					
Bainsford	132 132	0 0	541 541	309 309	982 982
Bonnybridge	1,045 1,217	886 706	2,177 1,564	344 666	4,452 4,153
Brightons	498 600	893 923	389 459	341 239	2,121 2,221
Camelon	610 750	500 425	2,174 1,369	0 130	3,284 2,274
Charlotte Dundas	710 1,034	439 375	832 1,371	1,182 384	3,163 3,164
Grahamston	209 127	1,559 1,887	1,747 1,639	1,015 91	4,530 3,744
Laurieston	628 669	505 721	1038 799	0 41	2,171 2,230
Larbert	501 539	359 416	1,038 1000	57 0	1,955 1,955
Newcarron	5,186 5,186	4,546 4,546	364 364	0 0	10,096 10,096
Polmont	2,509 2,509	0 129	1,480 1,401	50 0	4,039 4,039
Slamannan	288 **391**	47 **47**	186 **285**	235 **32**	756 **755**
Out of Centre					
Bo'ness	1,997 2,011	103 60	648 734	75 60	2,823 2,865
B'bridge/Banknock	1,556 1,512	396 0	1,411 357	243 274	3,606 2,143
Denny	3,577 3,403	194 223	891 510	242 458	4,904 4,594
Falkirk	4,646 5,123	18,077 15,788	4,009 3,390	1,692 1,893	28,424 26,194
Grangemouth	1,708 1,568	1,712 671	2,155 658	61 425	5,636 3,322
Larbert/S'muir	1,359 1,427	267 438	1,193 1374	103 139	2,922 3,378
Polmont Area	1,129 1,318	97 132	1,102 1,204	318 57	2,646 2,711
Rural	1,445 1,594	5,153 3,972	1,242 955	235 158	8,075 6,679
Total	**77,867** **60,907**	**128,590** **125,506**	**71,868** **60,733**	**27,951** **15,829**	**306,276** **262,975**

Table 2 Number of Units 2009 (2004 figures in grey)

	Conv.	Comp.	Service	Vacant	Total
Sub Region Centre					
Falkirk T C	25 26	231 252	180 197	55 50	491 525
District Centres					
Bo'ness	11 16	26 30	43 35	12 10	92 91
Denny	6 11	15 15	32 30	10 4	63 60
Grangemouth	10 10	23 34	37 36	24 10	94 90
Stenhousemuir	8 7	10 16	23 27	5 4	46 54
Local Centres					
Bainsford	1 1	0 3	11 10	5 3	17 17
Bonnybridge	5 5	11 8	24 22	4 2	44 37
Brightons	4 5	9 12	4 5	3 2	20 24
Camelon	6 8	8 9	25 18	0 4	39 39
Charlotte Dundas	4 6	3 3	4 8	8 2	19 19
Grahamston	3 2	8 13	27 24	9 3	47 42
Laurieston	3 4	5 7	16 11	0 1	24 23
Larbert	3 4	6 7	18 16	1 0	28 27
Newcarron	2 2	5 5	3 3	0 0	10 10
Polmont	4 4	0 2	13 12	1 0	18 18
Slamannan	3 5	1 1	3 6	6 1	13 13
Out of Centre					
Bo'ness	15 16	2 2	14 19	4 3	35 40
B'bridge/Banknock	10 9	7 0	17 10	3 7	37 26
Denny	15 13	3 4	10 12	4 6	32 35
Falkirk	30 37	43 45	63 63	22 22	158 167
Grangemouth	16 16	16 11	27 16	1 8	60 51
Larbert/S'muir	14 16	8 10	18 31	2 3	42 60
Polmont Area	13 16	3 3	15 16	6 1	36 36
Rural	14 17	5 5	9 6	3 5	31 33
Total	**225** **256**	**450** **494**	**635** **634**	**186** **153**	**1496** **1537**

Developments Since 2009 and Future Commitments

4.6 Since the floorspace survey was undertaken at the end of 2009, two further significant changes in retail provision have taken place. In 2010, a large new store was opened by Tesco at Redding (6,940 sq.m. gross floorspace). This was identified as a location for a new local centre in the Falkirk Council Local Plan. Simultaneously, Tesco closed their smaller Callendar Road store in Falkirk (4,185 sq.m.). This resulted in an overall net increase in convenience floorspace.

4.7 Planning permission was granted in 2010 for a large new foodstore in Glasgow Road, Camelon (5,540 sq.m. gross). It is expected that this store will open in 2012. The proposed regeneration of Denny Town Centre will result in the replacement of existing shops with new comparison and convenience floorspace, including a new anchor foodstore, although this has not yet obtained planning consent.

4.8 On the comparison side, 25,000 sq.m. gross of non-food bulky goods floorspace is identified for the Falkirk Gateway in the Falkirk Council Local Plan. The Council was minded to grant outline planning permission for development at the Gateway in 2007, subject to the conclusion of a Section 75 Agreement, but this has not yet been signed, and the development has been put on hold pending an upturn in market conditions.

5. Local Shopping Patterns

5.1 In 2009, the Council carried out a Household Survey to investigate shopping patterns in the Council area. The last such survey was in 1998, and the survey questions in 2009 survey were designed to replicate the 1998 ones, to allow trends to be analysed. The survey provides useful information on the shopping behaviour of residents in the Council area, in particular where people shop for different types of goods, how frequently they shop, why they shop in particular locations, mode of transport for shopping trips and how much is spent.

Food Shopping

5.2 The majority of households (56%) buy food and groceries in main food shopping trips with top-ups in between. This is a reduction from 1998 when 75% undertook main food shopping. More people (39%) now shop more regularly, buying what is needed each time. 4% obtain their shopping from someone outwith their household and just 1% use the internet. In terms of frequency, 85% of households doing a main food shop do it weekly or more often, a slight increase from the 80% in 1998.

5.3 The location most often used for main food shopping is shown in Table 3. This demonstrates the continuing popularity of the Falkirk stores where 55% of main food shopping trips are still focused. This has dropped from 60% in 1998, with new stores at Grangemouth and Stenhousemuir having taken some of Falkirk’s market share. The amount of main food shopping done outwith the Council area has remained constant at 9%.

Table 3 Location most often used for main food shopping by Falkirk Council households 2009

Location	2009	1998	% difference
Falkirk-Asda (Newmarket St)	24%	18%	+6
Falkirk-Tesco (Central Retail Park)	18%	21%	-3
Grangemouth-Asda	16%	n/a	+16
Falkirk-Morrisons (Brockville)	9%	n/a	+9
Bo'ness-Tesco	6%	8%	-2
Stenhousemuir-Asda	5%	n/a	+5
Cumbernauld	5%	2%	+3
Falkirk-Tesco (Callendar Road)	4%	12%	-8
Grangemouth-Tesco	3%	6%	-3
Linlithgow	2%	2%	0
Denny-Co-op	1%	6%	-5
Denny-Somerfield	1%		+1
Polmont-Co-op	1%		+1
Stirling	1%	2%	-1
Other not in Falkirk	1%		+1
Falkirk-M&S (High St)	0%	1%	-1
Falkirk-Lidl (Arnot St)	0%		
Falkirk-Co-op (Newcarron)	0%	9%	-9
Falkirk-Lidl (Newcarron)	0%		
Other Falkirk Town Centre	0%	0%	0
Other Local shops in Falkirk	0%	1%	-1
Other local shops in Grangemouth	0%	0%	0
Other local shops in Bo'ness	0%	0%	0
Other local shops in Denny	0%	0%	0
Stenhousemuir-Co-op	0%	1%	-1
Local shops in Bonnybridge	0%	0%	0
Bonnybridge-Co-op	0%		
Haggs-Local shops	0%	0%	0

5.4 Table 4 indicates which main food shopping locations are most used by residents in different communities, and gives a idea of the extent to which areas are self-contained for main food shopping, with comparisons with 1998. This has particular importance in the context of the Structure Plan strategy of decentralising food shopping out to the District and Local Centres. The new foodstores which have been built have caused some very striking changes. Self containment in Grangemouth and Stenhousemuir has increased significantly. In other communities, however, self containment has reduced. In Bo’ness only 38% now do their main food shopping in the town, with 30% going to the Grangemouth Asda. Self containment has also reduced in the Polmont area, although this is likely to have been reversed since the opening of Tesco in Redding. In Denny/Bonnybridge, increased leakage outwith the

Council area is particularly marked, increasing from 23% to 30%. This reflects the relatively poor food shopping facilities available locally.

Table 4 Location most often used for main food shopping by area of residence 2009 (1998 figures in grey)

Area where shopping is done	Area of residence: Bo'ness	Denny and Bonny-bridge	Falkirk	Grange-mouth	Larbert/ Stenhousemuir and Rural North	Polmont and Rural South
Bo'ness	39% 68%	0% 0%	0% 0%	1% 2%	0% 0%	0% 0%
Denny and Bonnybridge	0% 0%	12% 41%	0% 1%	0% 0%	0% 1%	0% 0%
Falkirk	19% 14%	56% 38%	94% 95%	16% 41%	45% 87%	76% 78%
Grangemouth	30% 1%	0% 0%	3% 0%	82% 51%	13% 0%	15% 2%
Larbert/Stenhousemuir and Rural North	0% 0%	1% 0%	2% 0%	0% 0%	38% 7%	0% 0%
Polmont and Rural South	0% 1%	0% 0%	0% 0%	0% 3%	0% 0%	2% 16%
Outside Council area	12% 14%	30% 23%	1% 1%	2% 1%	4% 4%	7% 5%

5.5 The most important reasons given in the 2009 survey for choosing the most often used shop were:

- Being handy, convenient or easy to get to (58%)
- Prices (41%)
- Variety/selection of goods (27%)
- Has everything I need (21%)
- Easy parking (18%)

5.6 Convenience is more often cited as a reason for choosing District and Local Centres, whereas variety/selection and 'has everything I need' were more often stated for Falkirk locations. 'Quality' did not figure as a major determinant, but was most often cited as a reason for trips outwith the Council area.

5.7 Car is the main method of travel used to undertake main food shopping, being used by 82% of households. This represents an increase on the 77% reported in 1998. Bus is the second most common method of transport, used by 12% of households.

5.8 42% of households combined their main shopping trip with another purpose either within the same store or at shops nearby. This represents an increase from the 27% reported in 1998.

5.9 The majority of householders were quite satisfied or very satisfied with their main shopping facility. Comparison with the 1998 survey indicates that shoppers have similar levels of satisfaction to those cited in the previous survey.

5.10 In terms of top-up shopping, shoppers still tend to use the larger stores, but smaller, local shops are, not surprisingly, used more often than for main food shopping. However, it is clear that local shops have almost universally seen a decrease in their usage since the 1998 survey, with market share taken by some of the larger stores.

5.11 Working hours shopping was generally uncommon, and has only marginally increased from the 1998 survey.

Clothing and Footwear

5.12 As shown in Table 5, the most frequently visited centre for clothing/footwear purchases is Falkirk Town Centre, which 53% of respondents visited to make their last purchase. This is a decrease from 60% in 1998. However, the second most popular location was Central Retail Park with 13%. If Central Retail Park is seen as part of the Town Centre, the combined percentage has increased, suggesting that the wider Town Centre is holding its own in terms of market share. The popularity of Stirling has remained constant at 3%, whilst that of Glasgow and Edinburgh has decreased marginally. Internet purchases have increased from nothing to 3%.

Table 5 Location of last clothing/footwear purchase by Falkirk Council households 2009

Location	2009	1998	% difference
Falkirk Town Centre	53%	60%	-7
Falkirk Central Retail Park	13%	n/a	13
Grangemouth Town Centre	3%	3%	0
Bo'ness Town Centre	0%	0%	0
Denny Town Centre	0%	1%	-1
Stenhousemuir Town Centre	0%	1%	-1
Other local shopping centre	0%	2%	-2
Stirling	10%	12%	-2
Glasgow (incl. out of town centres like Braehead)	5%	6%	-1
Edinburgh (incl. out of town centres like The Gyle)	2%	5%	-3
Livingston	3%	1%	2
Cumbernauld	2%	1%	1
Other town/city outwith Falkirk	1%	4%	-3
Internet	3%	n/a	3
Catalogue/ Mail Order	3%	4%	-1

Bulky Goods

5.13 Table 6 shows that the most popular location for making purchases of furniture or electrical goods is Central Retail Park, where 38% of respondents made their last purchase. This compares with 18% in 1998, indicating increased market share. Falkirk Town Centre is the second most used location at 30%, although this has reduced from 41%, indicating that there has been a significant shift in household good purchases within Falkirk. Significantly, the internet is the third most population place to purchase bulky goods at 8%.

Table 6 Location of last furniture/electrical purchase by Falkirk Council households

Location	2009	1998	% difference
Falkirk Central Retail Park	38%	18%	20
Falkirk Town Centre	30%	41%	-11
Internet	8%	n/a	8
Stirling	6%	4%	2
Edinburgh (incl. e.g. out of town centres like The Gyle)	4%	3%	1
Catalogue/ Mail Order	4%	6%	-2
Glasgow (incl. e.g. out of town centres like Braehead)	3%	2%	1
Other town/city outwith Falkirk	3%	-	3
Grangemouth Town Centre	2%	0%	2
Bo'ness Town Centre	1%	-	1
Other local shopping centre	1%	6%	-5
Livingston	1%	1%	0
Cumbernauld	1%	1%	0
Denny Town Centre	0%	-	0
Stenhousemuir Town Centre	0%	-	0

6. Assessment of Centres

Falkirk Town Centre

6.1 Falkirk Town Centre plays a key strategic role as a Sub-Regional Centre, with a catchment that encompasses the Council area but stretches beyond the Council boundary into neighbouring local authority areas. The 2009 Retail Floorspace Survey shows it to have a total floorspace of 161,185 sq.m., which includes Central Retail Park. Of this some 52% is comparison floorspace, 17% convenience, 21% non-retail commercial uses, and 10% vacant.

6.2 Since 2000, the main changes to retail provision have been the construction of the Morrisons superstore and the completion of Phase 2 of Central Retail Park, with its mix of retail warehousing and leisure uses including a multi-screen cinema. Relaxations to the Section 75 Agreement covering Central Retail Park have seen a change in the character in Phase 1 with more mainstream high street retailers such as Next and Boots represented within it.

6.3 The Town Centre has maintained its competitive position, and has proved fairly resilient in the face of the economic recession. Levels of vacancy have increased, as shown by the 2009 Retail Floorspace Survey, but remain low relative to other comparable centres in Scotland and the UK. The Household Survey demonstrates the Town Centre's continuing popularity with the residents of the Council area. Although market share for comparison shopping appears to have diminished somewhat since 1998, this is mostly attributable to the impact of Central Retail Park. If the retail park is considered as part of the Town Centre, market share has actually increased. After the steady increase through the late 1980s and 1990s, Zone A rentals have remained stable through the 2000s at £88 per sq.ft. This compares favourably with some competitors such as Perth and Cumbernauld, but is less than that achieved in Stirling and Livingston.

6.4 In 2010, CACI identified Falkirk as the 7th largest centre in Scotland (137th in the UK), in terms of its retail footprint ranking. Falkirk was classified as an 'average' centre, with the retail offer focused on value and mass-retailing. CACI identified the potential opportunity to improve the offer of upper mass and premium retail. This reflects the view that, although Falkirk has a scale of shopping which is second only to the major cities, it is not viewed as positively for the quality of its overall retail provision.

6.5 In terms of the main anchor developments in the Town Centre, the Howgate remains an attractive and successful mall, notwithstanding the current economic climate. Callendar Square has been less successful, and has a relatively high vacancy rate. However, both centres could be considered dated in terms of the size and configuration of units, and this has hindered attempts to improve the retail offer within the core of the Town Centre. Central Retail Park, by contrast, has been able to offer larger more flexible units, albeit that many still consider it to be detached from, and competing with the Town Centre. Central Retail Park continues to be a success and although vacancies increased when the recession hit, there have been some recent new lettings and the park is likely to be fully let again in the near future.

6.6 Diversifying the Town Centre functions, with an increased emphasis on leisure and cultural activities, is an increasingly important means of encouraging people to continue to visit Town Centres. Although there is a strong leisure component within Phase 2 of Central Retail Park, the leisure offer within the core of the Town Centre is limited. There is also scope to make more of the Town Centre's built heritage, along the lines of the recent Old Parish Church enhancement project. There is relatively little major office space in the Town Centre, apart from the Municipal Buildings at the west end. Callendar Business Park lies around 1 km to the east. Office development can assist Town Centre vitality and viability through the extra footfall from office workers, and this may be a use which is worth promoting.

6.7 Town Centre Management was pioneered within Falkirk Town Centre in the late 1980s and continues to play a key role in improving and marketing the centre. In 2008, this was taken to a new level when Falkirk became one of six pilot Business Improvement Districts (BIDs) in Scotland. This is a mechanism for harnessing a business rate levy to be invested in town centre improvements. The Falkirk BID has now come to end of a successful first 3-year period, and is seeking approval from businesses for a further 5-year term.

6.8 Although Town Centre Management has continued to oversee a more co-ordinated approach to the management and maintenance of the physical fabric of the Town Centre, the last 10 years have seen relatively little large-scale investment in environmental improvements. However, recent schemes include the upgrading the area around the Old Parish Church, and the implementation of new signage and orientation boards. Undoubtedly, there is scope for further enhancement, particularly along key routes within the secondary areas leading in to the High Street.

6.9 There continue to be issues around access to, and movement around, the Town Centre. Congestion at peak times is evident on key corridors into the Town Centre and on the gyratory systems within it. For pedestrians, the core pedestrianised area provides a high quality environment, but elsewhere severance and narrow pavements on key routes inhibits movement. Buses experience delays due to the gyratory systems, whilst the bus station itself would benefit from upgrading. In terms of car parking, there are some 6,600 spaces available, a large proportion of which are free and outwith the Council's control. This limits the Council's ability to use parking policy to manage access to the Town Centre and promote sustainable transport.

6.10 Future redevelopment opportunities are important if the Town Centre is to continue to develop as a vibrant centre. The Local Plan identifies three possible large-scale opportunities:

- Callendar Road – encompassing the Tesco store (now closed), adjacent uses and the bus station
- Melville Street – focused on the Melville Street car park and located at a highly visible point opposite Grahamston railway station
- Williamson Street – a backland area to the south of the eastern end of the High Street focused around the Williamson Street car park

In addition, the Council is giving consideration to the future of the Municipal Buildings site as part of a review of its operational property. It is possible that this process could lead to a redevelopment opportunity.

6.11 In conclusion, although Falkirk Town Centre remains in reasonably good health, there are many challenges and issues to be addressed if it is to remain competitive in the face of ever increasing competition from other centres, other forms of retailing and other leisure attractions. The Council's regeneration focus over recent years has been on the District Centres and, whilst investment and improvements have continued to be made in the Town Centre, there is a case for a new regeneration strategy to focus attention on the range of actions needed.

<u>Grangemouth</u>

6.12 Grangemouth is the second largest town centre in the area, with a total floorspace of some 20,181 sq.m. The Town Centre is largely a 1960s precinct, refurbished in 1991. The major change over recent years has been the opening in 2006 of the large Asda foodstore to the north of the Town Centre. The store has been very successful in terms of reducing expenditure leakage out of Grangemouth, attracting some 82% of main food shopping trips by Grangemouth residents. However, its link with the Town Centre is less than ideal and anecdotal evidence suggests that it has had a negative effect on shops in the precinct.

6.13 Grangemouth Town Centre faces a number of problems and issues. Vacancy levels in the precinct have gone up between 2004 and 2009, and the amount of comparison floorspace has decreased. National retailer representation in the centre has declined. The 1960s layout presents problems in terms of its external appearance and the size of retail units offered, whilst the pedestrianised shopping area appears dated. The Town Centre also falls within major hazard consultation zones associated with the Grangemouth industries, which presents constraints on its expansion

6.14 In line with the Town Centres Strategy, the Council had sought to take forward the regeneration of the Town Centre through a partnership between the main landowners. A masterplan was produced and was subject to public consultation. However, due to a review of procurement legislation, it is now considered that formal marketing of the regeneration opportunity is required, and the process is being recommenced.

Bo'ness

6.15 Bo'ness is a traditional town centre with a distinctive historic character. It has a total floorspace of 12,442 sq.m. and is anchored at its eastern end by Tesco and Lidl foodstores. Since 2004, there has been a significant rise in convenience floorspace, with the opening of Lidl, and the expansion of Farmfoods. Comparison floorspace has declined, due to the loss of Woolworths and the conversion of comparison shops to convenience or services. However, although there has been a fair turnover of businesses, the overall number of vacant units has only increased marginally, suggesting that the Town Centre has held up relatively well in the face of the recession.

6.16 The proportion of Bo'ness residents doing their main food shopping in Tesco in the Town Centre declined from 68% to 39% between 1998 and 2009. This is mainly attributable to leakage to the new Asda store in Grangemouth, and points to the possible need to strengthen the food shopping offer within the Town Centre.

6.17 The Bo'ness Town Centre Townscape Heritage Initiative (THI) has seen major investment in the fabric of the Town Centre, including building restoration (most notably the Hippodrome which has been brought back into use as a cinema), public realm improvements, tenement repairs and shopfront enhancement. The Bo'ness Foreshore regeneration initiative is a further strand of the Council's strategy for the regeneration of the Town Centre. The proposal is to redevelop the foreshore to the north of the Town Centre for mainly residential, but some commercial uses, together with restoration of the historic dock and harbour, thereby reconnecting the Town Centre to the waterfront. However, the proposal has been put on hold pending an upturn in market conditions.

Denny

6.18 Denny Town Centre is split between the precinct style development of Church Walk, which is now vacant pending redevelopment, and the traditional properties of Stirling Street. It has a total floorspace of 6,022 sq.m. The convenience shopping offer in Denny is limited, with just 1,752 sq.m., most of which is accounted for by the small Co-op foodstore. The more recently developed Sainsbury/Iceland store is some half a kilometre south of the Town Centre proper. Only 12% of main food shopping trips by Denny residents are now retained within Denny Town Centre. Nonetheless, the Retail Floorspace Survey showed that the number and range of shops had held up reasonably well since 2004, the only obviously increase in vacancies being in Church Walk due to the ongoing redevelopment proposals.

6.19 Through the Town Centres Strategy, the main priority in Denny Town Centre is the redevelopment of the Church Walk block and the creation of retail and community facilities, anchored by a new foodstore. The Council engaged Henry Boot as development partner, and a planning application was submitted in 2009. However, the project has been delayed by the economic downturn, and revisions are being considered to the masterplan to improve viability.

Stenhousemuir

6.20 Stenhousemuir has recently undergone comprehensive redevelopment through the Town Centres Strategy, and has been radically restructured to provide a new Asda foodstore, new non-food retail floorspace and a new library and health centre. The centre now has a total floorspace of 9,861 sq.m., an increase of 80% compared with 2004. A substantial part of the non-food floorspace is not yet let, giving a relatively high proportion of vacant space. The large new foodstore has resulted in the Town Centre retaining 38% of main food shopping trips by Larbert/Stenhousemuir residents, compared to 7% in 1998.

Local Centres

6.21 The Local Centres vary considerably in their size and character. Some are small traditional town, village or suburban centres, characterised by shops on the ground floor of tenemental properties (Bainsford, Bonnybridge, Brightons, Camelon, Grahamston, Laurieston, Larbert and Slamannan), whilst others are modern centres based around anchor foodstores (Redding, Newcarron, Polmont). Charlotte Dundas is a small 1960s style precinct. Generally they fulfil top-up shopping and service needs, but in the case of the modern centres, notably Redding, and to a lesser extent Newcarron and Polmont, they may meet main food shopping needs.

6.22 The traditional centres are generally constrained in their ability to accommodate or attract significant new convenience floorspace. In the case of Camelon, the Council has approved a large foodstore which is detached from the centre. The extent to which the shopping needs of a growing population can be met in these centres, or whether further new Local Centres will be needed is a key issue for the LDP.

Falkirk Gateway

6.23 The proposed commercial centre within the Falkirk Gateway is the one element of the Structure Plan hierarchy that has yet to be implemented, the development having been put on hold pending an upturn in market conditions. The content of the centre is 25,000 sq.m. of bulky goods floorspace. It is possible that pressure will arise for changes to the intended nature of the centre, to assist its viability and vitality. This could involve a wider range of comparison goods or, indeed, the introduction of a convenience shopping element. The bulky goods character of the centre is designed to be complementary to other centres, and to meet a need which could not be met elsewhere. Any proposals to change the mix would have to be viewed in the context of their impact on the wider network of centres and capacity in the retail system as a whole.

7. Retail Capacity

7.1 Retail capacity studies were undertaken for both comparison and convenience shopping in association with the Structure Plan Alteration in 2005. These were prepared to help assess the need for additional retail floorspace in the Council area and the capacity of the retail system to accept new development over the Structure Plan period. The basic methodology is to estimate current expenditure and turnover within the area, projecting it forward to an appropriate date using population and expenditure growth projections. The process involves a lot of assumptions and uncertainties, and the outputs need to be treated with caution.

Comparison Shopping

7.2 The Council has decided not to carry out a further comparison shopping capacity study. Given the extent of vacant floorspace in centres, existing commitments at the Falkirk Gateway, intended new non-food floorspace as part of Town Centre regeneration schemes in Denny and Grangemouth, the growth of internet shopping, and the general state of non-food retailing sector, there is unlikely to be any demand for significant additional floorspace in the short to medium term. The capacity for comparison retailing is, in any case, particularly difficult to estimate given the nature of such activity, lack of data, and current economic uncertainties.

Convenience Shopping

7.3 The Council has, however, carried out a Convenience Shopping Capacity Study, which is included as Appendix 1 to this report. This looks at the overall picture of expenditure and turnover in the Council area as a whole, but also examines the issue of capacity within sub-areas, and balance of provision, by looking at self-containment and leakage within these sub-areas.

7.4 The study indicates that there is considerable uncertainty over current and likely future available expenditure in the Council area, and looks at a range of estimates, based on data from the 2009 Household Survey and the most recent retail consultancy study covering the area. Sensitivity analysis was carried out to test which factors have the greatest influence over future expenditure levels. Turnover ratios are estimated for all the main stores and centres based on the Retail Floorspace Survey and the Household Survey. This shows how various stores are trading relative to one another. The huge variation in ratios indicates that some stores are probably ‘overtrading’ whilst others are ‘undertrading’. Leakage out of the area remains at similar levels to that shown by the Household Survey in 1998. The overall conclusion is that, given growth in population and expenditure, there is likely to be scope for some additional convenience floorspace. Some of this will, of course be taken up by existing commitments such as at Camelon and Denny. There is potential to claw back leakage to surrounding areas, but this would need substantial new stores toward the periphery of the area to counteract the influence of Cumbernauld and Linlithgow.

7.5 The study looks at levels of self-containment within sub-areas as a proxy for assessing capacity and the balance of retail provision across the Council area. It takes into account further changes in provision since the Retail Floorspace Survey (the opening of the new Tesco store at Redding and the closure of the Callendar Road Tesco in Falkirk) and the committed development at Camelon. This analysis indicates an excess of available expenditure compared to floorspace in Bo'ness, Denny and Bonnybridge, Larbert/Stenhousemuir/Rural North, and Polmont/Rural South which suggests possible capacity for the development of new convenience provision.

7.6 The need for better provision in Denny/Bonnybridge is already acknowledged in the current Structure Plan. The proposed new store in Denny Town Centre may address this to some extent, although there appear to be limitations on the size of store which can be accommodated. Likewise, other Local Centres, such as Bonnybridge, are constrained, raising the issue of whether new local centres should be promoted and, if so, of what scale.

7.7 The analysis also suggests there is some deficiency in provision within Bo'ness, although this is not as marked as in Denny/Bonnybridge.

7.8 Larbert/Stenhousemuir/Rural North and Polmont/Rural South show a continuing excess of available expenditure compared to floorspace, in spite of the recent new stores which have been built in these areas. However, this finding should be tempered by the fact that these areas are highly accessible to the Sub-Regional Centre of Falkirk.

7.9 The analysis shows that in Falkirk and Grangemouth there is a notional surplus of turnover. In Grangemouth, this would suggest that there is no need for further floorspace. In Falkirk the surplus of turnover clearly relates to the sub-regional role played by Falkirk Town Centre with regard to main food shopping as well as comparison shopping. There is no doubt that this role contributes to Falkirk Town Centre's vitality and viability, although current policy limits new floorspace in Falkirk town as a whole, in order to encourage decentralisation of food shopping provision.

7.10 The intentions of the main store operators are, of course, a key factor in considering the potential for future convenience floorspace. Although no specific representations have been made by operators as part of the pre-MIR consultation process, it is understood that there is some market interest in the provision of new stores. Sainsbury are actively seeking a larger presence in the area, and Aldi, who are not represented in the area, have been seeking a site in the recent past.

8. Conclusions

8.1 Retailing is a dynamic industry, which is vital to the local economy, and continues to change in response to market trends. Town centres, of which retailing remains a vital part, are central to the area's future image and prosperity. The recession has put considerable pressure on the retail industry and town centres, with only tentative signs of recovery.

8.2 National policy is set out in the Scottish Planning Policy. It emphasises the identification of a network of centres, support for town centres, and the sequential approach as the basis of policy.

8.3 Structure and Local Plan policy in the Falkirk Council area is based on support for a hierarchy of Sub-Regional, District and Local centres, complemented by the proposed retail/leisure park at the Falkirk Gateway. The Council's Town Centres Strategy has focused in recent years on the regeneration of the District Centres in particular.

8.4 The 2009 Retail Floorspace survey has highlighted some important changes since 2004. Overall floorspace has increased, with several large new foodstores accounting for most of this increase. There has been further increase in convenience floorspace since 2009, and further foodstore proposals are in the pipeline. Vacant floorspace has risen significantly as a result of the recession.

8.5 The 2009 Household Survey has highlighted changes in shopping patterns since the last survey in 1998. Falkirk Town Centre continues to dominate main food shopping, although the development of new stores in Grangemouth and Stenhousemuir has reduced leakage of expenditure from these local centres. The recent opening of a new store in Redding will have had a similar effect in the Polmont area. Leakage from Denny/Bonnybridge and Bo'ness has increased. Overall leakage from the Council area to centres in adjacent local authority areas (mainly Cumbernauld and Linlithgow) has remained fairly constant. For clothing and footwear, the role of Central Retail Park has increased, at the expense of the traditional part of the Town Centre, although if the two are considered together, they have increased their market share relative to competing centres such as Glasgow, Edinburgh and Stirling. A similar pattern is evident for bulky household goods.

8.6 In terms of the health of the various centres, Falkirk Town Centre has remained resilient in the face of the recession, but faces continuing challenges in the years ahead if it is to improve its competitive position. There is a need to improve the quality of the retail offer; diversify use with a greater emphasis on leisure and cultural activities, and possibly office uses; address access and movement issues; improve the Town Centre environment, particularly away from the pedestrianised core; and capitalise on various potential redevelopment opportunities.

8.7 The District Centres have been the focus of regeneration efforts, with successful projects having been implemented in Bo'ness and Stenhousemuir which have helped to stabilise and improve their role. Improvements in Denny and Grangemouth have been delayed. The various Local Centres are diverse in scale and character. Some are based around modern foodstores; the more traditional ones are constrained in their ability to accommodate or attract new investment.

8.8 A Convenience Shopping Capacity Study has been carried out, which looks at the overall scope for additional floorspace in the area, and the balance of provision across the various sub-areas. Although there are uncertainties around the key assumptions of the study, population and expenditure growth is likely to give scope for some additional floorspace. Some of this will be absorbed by proposed developments. The analysis of the sub-areas shows a theoretical underprovision in Denny/Bonnybridge and Bo'ness, which have lacked recent investment in new convenience floorspace, but also in Polmont and Larbert/Stenhousemuir, in spite of the recent opening of new stores. Falkirk and Grangemouth show a theoretical overprovision. Clearly, the location of any new convenience floorspace is a key issue which will involve consideration of the role of existing centres, their capacity to accommodate to accommodate further floorspace, and an assessment of the need for, and the scale of, any new local centres which might be required to meet food shopping needs.

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