Perth & Kinross Council

Perth & Kinross Town Centre and Retail Study 2016

November 2016

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Executive Summary

1. The purpose of the research is to inform preparation of the next Perth & Kinross Local Development Plan (LDP2) relating to retailing and town centres. It updates the retail capacity and market assessments in the previous Retail Study in 2014. It also contains updated town centre health checks for Perth City Centre and the smaller towns of Aberfeldy, Auchterarder, Blairgowrie, Crieff, Kinross and Pitlochry.

2. Existing planning policies seek to protect the vitality and viability of the town centres within the defined network of centres. There is a focus on 'town centres first' under the sequential test, which is applied to proposed new development for uses which attract significant footfall, including retailing. Perth City Centre is defined as a sub-regional centre in the TAYplan, with the others in this study defined as 'smaller town centres'.

3. A telephone interview survey of a sample 1,100 households in Perth & Kinross was conducted to determine the shopping patterns and the public's use and perceptions of the City Centre and the smaller town centres. A telephone interview was also conducted from a sample of 153 business occupiers (in total) in Perth City Centre and in Crieff and Kinross town centres, to assess their trading outlook and property requirements against the background of town centre vacancy levels and other issues.

4. The following paragraphs reflect the text in the conclusions section of this report.

Retail market trends

5. The Scottish and UK economies have slowed down and future prospects now face greater uncertainty. In Scotland, weak economic growth may turn to recession. These uncertainties affect investment as the market holds back on decisions, including property investment in retailing and town centres. Retailer demand, shop vacancy rates and retail rents have generally stabilised since 2014, but in some locations, this stabilisation is at a much lower level of business, with fewer national retailers, lower rents, shorter leases and higher vacancies, than they historically enjoyed.

6. Aside from the economic uncertainties, there are two main trends which are affecting retailing in town centres in general, and are predicted to continue.

7. *First*, there is increasing concentration of demand by multiple retailers to locate mainly in the largest centres, especially in the largest city centres and largest shopping malls. This trend is having a considerable effect on the smaller town centres (and the smaller cities), where some dis-investment by multiple retailers is taking place in favour of concentration in the largest centres. There is also an associated trend with multiples taking purpose-built units, including within retail parks, rather than traditional town centre units.

8. Retailing remains a crucial economic component of town centre activities. Therefore, success for smaller towns and cities will depend heavily on independent operators in the future, combined with what is on offer. Much will depend on the range and quality of retail offer, in combination with the attractions of individual town centres as destinations for shopping and leisure.

9. *Second*, the growth in internet retail expenditure is predicted to continue and it already accounts for a high proportion of expenditure on comparison goods, on which town centres are especially reliant. Many successful retailers apply multi-channel sales methods (selling from shops and websites together).

10. The effects are to greatly increase competition between retailers and also reduce the demand for retail floorspace generally, compared to the past. In relation to this second effect, the risk of increased vacancies is heightened in combination with the trend towards concentration of multiple retailer demand in the largest centres. Greatly increased competition in the market has also resulted in closures of major stores, of which McEwens of Perth is a prominent example.

11. Therefore, it is essential for town centres to try and differentiate themselves to attract people into them for shopping, services, leisure and other activities. A vibrant town centre is much more likely to attract the necessary investment to remain competitive. Active promotion of the attractions of individual town centres as a whole is of key importance, to generate footfall and develop a focus on the town centres as distinct destinations.

12. The implications of these market trends for the emerging second LDP is that there would be benefit in giving added emphasis to concentrating the retail offer in town centres in prime pitches, with monitoring of changes, including any trend in vacancies. The concentration of retailing in this way will give enhance the impact of the offer.

13. Market interest in retail parks in general has picked-up, but this is mostly in the form of developers and operators seeking relaxation of restrictions on the ranges of goods that can be sold and reconfiguration of existing space; not demand for additional retail parks. The critical planning issue is always to guard the town centres under the sequential test when considering such proposals.

14. In the convenience retail sector, the market has changed very substantially. There is little or no demand for new large supermarkets or superstores. Instead, the market interest is centred on developing small convenience stores and discount food stores and other types of smaller store such as M&S Simply Food, often in purpose built units. In some cases, new retail applications include discount foodstores and budget mixed goods retail units.

Towns

15. **Perth-** Longer term analysis demonstrates that the City Centre retail property market has attracted regular investment to its portfolio of shop premises. However, the trend is towards lower demand. Closures and some dis-investments are evident and there has been no recent new retail property development, although there are new shop openings. Among the main priorities will be to 'fill the gaps' left by high profile departures, such as McEwens of Perth with other, quality retailing.

16. While Perth City Centre has a strong and distinctive independent retail offer, the finding of this study suggest scope for improvement in today's competitive market. It has a wide range of leisure and cultural-related offer, making it an attractive destination in combination with the high quality of the City Centre environment. As indicated in the previous paragraphs, there is forecast spare retail capacity in Perth to support significant additions to the retail offer.

17. As in the 2014 Retail Study, there is nothing that suggests the need for any radical change of planning policy for the City Centre, but we suggest more emphasis on maintaining the strength of the prime retail pitches in the emerging new LDP. Otherwise, the main issues include: maintaining investment in infrastructure and economic development support to create new and improved cultural attractions; maintain the occupation of retail premises; encourage development of sites within the City Centre; improve access to the City Centre; improve the historic environment and public realm; promote and market the City and development opportunities. All these actions would be consistent with the planning and economic development policies which support new business, retail, cultural, leisure, tourist and residential development to support growth of the City and its economy.

18. The development of improved linkages to St Catherine's Retail Park remains important. Further relaxations on restrictions on the range of goods for sale need to be considered with stringency, in order to focus new development in the City Centre as the priority.

19. **Aberfeldy-** the main requirement is to maintain the high-quality town centre environment and the good range of quality independent shops and non-retail services. There is no obvious requirement for significantly more retail floorspace. There is negligible spare convenience expenditure capacity.

20. **Auchterarder-** requires no specific actions beyond maintaining the existing retail

offer and the town centre environment, other than consideration of improved parking facilities. There has been little/no positive interest in developing a new supermarket. There is negligible spare convenience expenditure capacity.

21. **Blairgowrie-** serves as an important service centre for the local population and as a base for the surrounding Strathmore area. The main issue is to retain the existing retail and service offer and maintain the quality of the town centre environment. Some improvements to the choice and quality of the shops is needed, based on our study findings. There is no requirement for significantly more retail floorspace. There is negligible spare convenience expenditure capacity.

22. **Crieff-** serves as an important service centre for the local population and also as an important visitor destination, mainly for the surrounding attractions in Strathearn. There is a general need to continue with environmental improvements in the town centre, including improved parking. The vacancy rate is an issue. There is negligible spare convenience expenditure capacity beyond the existing consent at Duchlage Farm.

23. Primarily though, the priority is to promote the town centre strongly as a visitor destination, including improvements to the range of retail offer, plus opportunities for increasing the evening economy. The nearby Crieff Hydro is a supportive opportunity for promoting Crieff, with potentially more spin off benefits to the town centre. Development of the Duchlage Farm site for occupation by a discount foodstore and high end food retailer will greatly improve the convenience retail offer in Crieff.

24. **Kinross-** will continue to serve as a commuter town because of its good accessibility. There is a need to continue to promote improvements to the town centre environment. The shopping is limited and that is likely to remain the case in view of its role. There is negligible spare convenience expenditure capacity.

25. Also, the vacancy rate is an issue. Convenience shopping is good, because of Sainsbury's nearby. Increased marketing would assist with raising the profile of Kinross for visitors and assist with boosting the evening economy.

26. **Pitlochry-** is an important visitor destination with an attractive town centre and plenty of accommodation and attractions for visitors. It has good multiple retailer representation for its size, although the range and quality of the shops in general could be improved. There is a low proportion of convenience floorspace and little evidence that development of the existing supermarket consent will progress further during the period of this study. There is forecast spare convenience capacity in the circumstances.

Spare retail capacity

27. The forecasts of spare retail expenditure capacity over the next five and ten years are supportive of additional floorspace, or enhanced turnover, mostly in Perth.

28. For convenience retailing, the forecasts of spare capacity in this study contain assumptions that some existing supermarket consents are unlikely to be developed, as shown in Table 8.11. For the emerging new LDP, we suggest that the Council give consideration of how some of the existing consents should be recognised in policy terms.

29. Perth sub area offers the most capacity to support additional convenience floorspace over the next ten years, ranging between £27 million to £30 million. This could service an additional mid-size supermarket or discount foodstore developments and other small store developments or extensions to the existing stores.

30. In the Highland sub area, there is forecast spare convenience capacity of between £12 million and £18 million over the next ten years, assuming the consent for a Sainsbury's supermarket is not developed.

31. Apart from Perth and Highland sub areas, none of the others have sufficient convenience capacity to support significant additions to the convenience floorspace.

32. For comparison retailing, the forecast spare capacity is presented for the whole of Perth & Kinross, with the expectation that Perth offers the most potential to draw it from all over the Council area. The forecast spare capacity ranges from £106 million to £136 million, which could potentially support up to 17,500 sq m net of comparison retail floorspace. This would readily support the current potential retail market interest in Perth and the small towns, with considerable additions and/or enhance turnover within existing retail businesses.

33. It is important to recognise that capture of this forecast spare expenditure will be highly dependent on the retail market. The 'potential' nature of the capacity forecasts cannot be over-stressed. Under the retail trends identified in this study, Perth City Centre will need to remain highly competitive to retain a good/ reasonable market share of the forecast growth in comparison expenditure. If the range and quality of the comparison retail offer is not maintained, there is a risk that more expenditure will be lost to increased internet shopping and increased leakage of expenditure from Perth & Kinross.

Contents

1 Introduction

1.1 The consultants

1.1.1 In May 2016, Perth & Kinross Council commissioned **Roderick MacLean Associates Ltd** to undertake this retail study, with **Ryden LLP** as sub consultants covering the retail market.

1.2 Background and objectives

1.2.1 The Perth & Kinross Retail Study and City & Town Centre Review was published in June 2014. Since then, there have been changes in market conditions, including numerous planning consents (notably for food stores), plus some store closures and St Catherine's Retail Park has been refurbished and fully let.

1.2.2 Under the *Town Centres First* principle, the Scottish Government is seeking to promote the health of town centres for a diverse range of uses. The health check indicators in the 2014 SPP and the Understanding Scottish Places (USP) Audit Manual 2015 provide the structure for assessment.

1.2.3 The current brief seeks an updated assessment of the vitality and viability of the main town centres, including the evening economy, together with appraisal of the market and forecasts of spare retail capacity. This will inform the consideration of town centre and retail development proposals, including retail, commercial and leisure impact assessments submitted in support of proposals.

1.2.4 The research will inform preparation of the emerging LDP2 and also interpretation within the Proposed TAYplan 2.

1.3 Scope of services

1.3.1 We interpret that that the brief requires an update and extension of our 2014 Study to include health checks for additional town centres, within the scope of services summarised below:

- Provide information on consumers' views and use of Perth City Centre and the six town centres including views on the potential for more mixed use centres;
- Identify likely trends in town centre uses, in particular retailing, and the implications for Perth & Kinross;
- Identify any shortfalls and opportunities for retail, commercial and leisure provision in Perth & Kinross; and
- Examine potential improvements to Perth City Centre, including the evening economy, dwell time and parking provision.

1.3.2 In the brief, specific information is sought on a number of topics, which we interpret as including both quantitative and qualitative appraisal:

- Identification of the main catchment areas for Perth and the other six main towns, for shopping, commercial and leisure purposes. This will draw on the zone structure in the 2014 Study (5 zones);
- Identify convenience and comparison floorspace, and commercial and leisure floorspace in the town centres in Perth & Kinross;
- Provide forecasts of convenience and comparison retail expenditure capacity in Perth & Kinross (interpreted to extend over the next five and ten years);
- Broad identification of constraints on, and limitations of, the retail and leisure offer in the town centres in Perth & Kinross, and the opportunities for improvement;
- Broadly assess the impact of continued improvements to Stirling and Dundee City Centres, and also the effect of the growth of online shopping;
- A household survey is required to assess shopping patterns including expenditure leakage, the use and perceptions of town centres, including issues such as parking provision, dwell time and the evening economy in Perth;
- Town Centre health checks for Perth City Centre, Crieff and Kinross town centres to measure their vitality and viability- to include;

  Market indicators, including retail rents, yields, retailer requirements and vacancy rates;

  Vitality indicators, including pedestrian counts and the diversity of uses; and

Qualitative indicators- accessibility and parking, customer/business views and behaviour including dwell time, safety and crime, environmental quality, night time/after hours' economy; and

- Further town centre checks for the other four small towns mentioned in brief. Aberfeldy, Auchterarder, Blairgowrie and Pitlochry

1.3.3 The study brief requires the qualitative and quantitative analysis to be capable of comparisons with our 2014 Study. It also requires the town centre health check method to reflect that in the USP Town Audit Manual. As proposed in the tender, this report broadly follows the same structure and level of detail, as in the 2014 Study i.e. the provision of summary health checks, without the high level of detail on every topic as in the USP Town Audit.

1.4 Price base

1.4.1 All values of expenditure and turnover in this study are expressed in constant 2015 prices.

2 Retail catchment areas and population

2.1 Sub area retail catchments

2.1.1 The study references the same five sub areas for retail analysis, as in the 2014 Retail Study. These areas also form the basis for the spatial strategy in the Perth & Kinross Council Local Development Plan 2014.

2.1.2 The five sub areas include Perth, Kinross, Strathearn, Highland and Strathmore & the Glens, as illustrated on Map 2.1. The postcode sectors comprising the sub areas are shown in Appendix 1.

2.1.3 For Perth, the sub area represents the primary catchment, with the secondary catchment covering the rest of the Council area. For Kinross, the sub area represents the retail catchment of the town.

2.1.4 Crieff and Auchterarder share the Strathearn sub area and the town catchments are indicated in Appendix 1, based on the postcode sectors shown.

2.1.5 Aberfeldy and Pitlochry share the Highland sub area. The primary catchment areas for these towns are also shown in Appendix 1. These areas should be referenced for development management purposes.

2.1.6 Blairgowrie and Couper Angus share the Strathmore & the Glens area, although Blairgowrie is by far the larger town.

2.2 Population projections

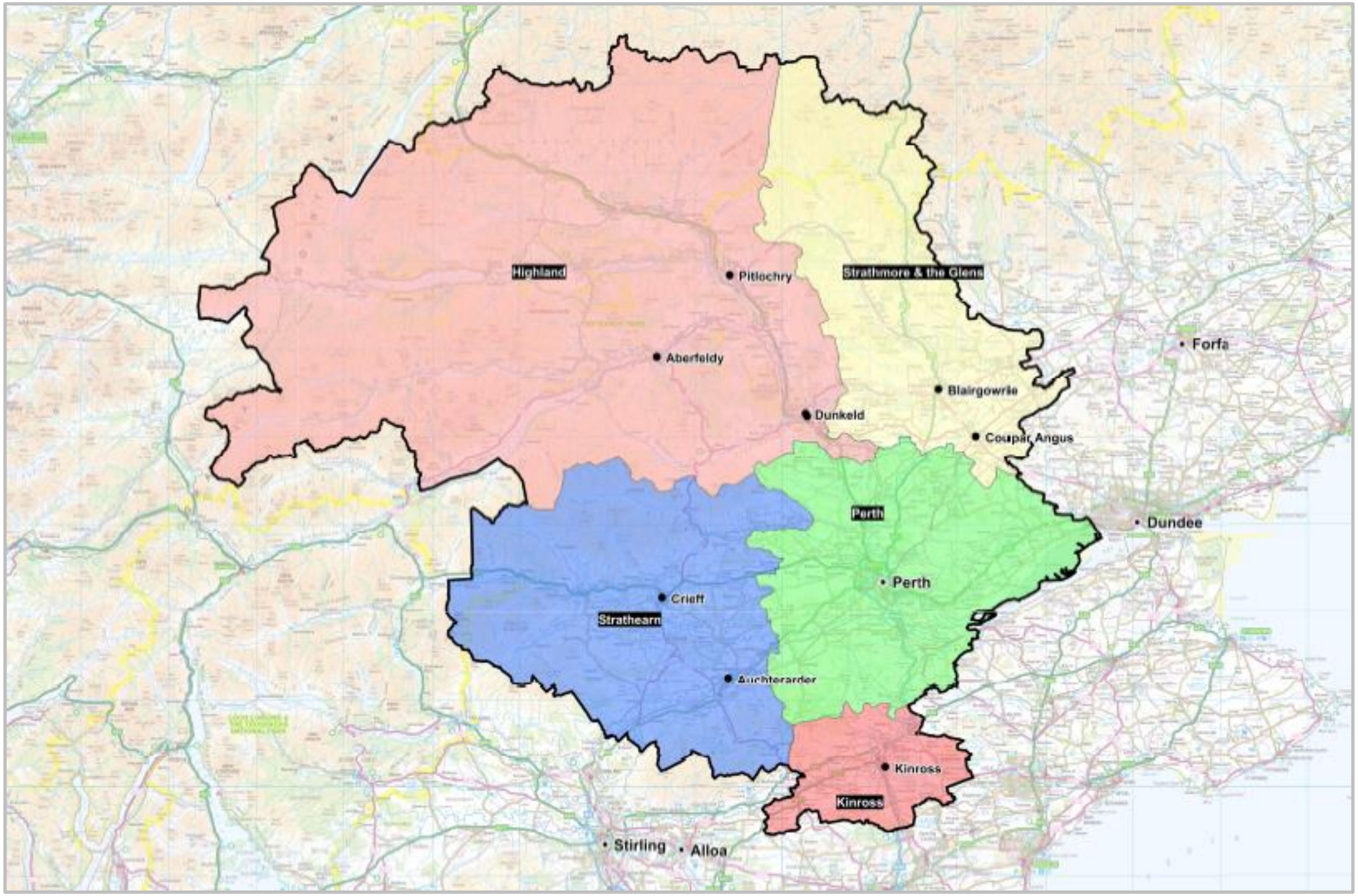
2.2.1 The current and projected populations of Perth & Kinross and the sub areas over the next ten years is shown in Table 2.1. The population growth in each sub area is based on the forecast proportions of housing completions in each area, controlled to the Council area total, from the Register General's 2012 based population projections- see Appendix 2. These projections are lower than the Register General's recent 2014 based projections. The Council prefers the 2012 based projections for development planning purposes, as they provide a wider margin for forecasting error.

2.2.2 There is a projected increase in the Council area population of just over 14,600 from 2016-26 (+9.6%).

Table 2.1
Perth & Kinross Council area: population projections

Sub area	Census 2011	2016	2021	2026
Perth	83,783	86,674	90,606	95,838
Kinross	11,940	12,609	13,245	13,782
Strathearn	20,238	21,401	22,514	23,035
Highland	11,516	12,220	12,741	13,148
Strathmore & the Glens	19,175	19,824	20,727	21,575
Total Perth & Kinross	**146,652**	**152,728**	**159,833**	**167,377**

Note
Sub area populations from the 2011 Census are shown in Appendix 1
The RG 2012 based population projections for total Perth & Kinross Council area are applied for 2016, 2021 and 2026.
Apportionment to the sub areas is based on actual housing completions to 2016 and programmed completions to 2027 see Appendix 2



Map 2.1 Perth & Kinross – five sub area catchments

3 Planning and economic development: policy framework, including Perth City Plan

3.1 Introduction

3.1.1 This section provides a summary of the current and emerging planning policy framework in Perth & Kinross, as it relates to town centres and retailing.

3.2 Scottish Planning Policy

3.2.1 The most recent version of the SPP was published in June 2014. It has a strong focus on encouraging the diversity of uses and vitality within town centres generally, alongside support for improvement to the quality of the centres as places to live and work.

3.2.2 Preparation of the 2014 SPP was undertaken in parallel with the External Advisory Group's Report to the Scottish Government entitled *Community and Enterprise in Scotland's Town Centres,* published in June 2013. This document sets out a 'town centres first' principle, where the health of town centres is given central focus. A list of health check indicators is contained in Appendix A of the 2014 SPP. Also, a detailed methodology on application of performance indicators is set out in the USP *(Understanding Scottish Places*) Town Audit 2015.

3.2.3 The 'town centres first' policy is promoted in the 2014 SPP, when planning for uses which attract significant numbers of people, including retail, commercial and leisure uses, offices, community and cultural facilities. Plans should identify a network of centres (city centres, town centres, local centres and commercial centres), explaining how they interrelate. For commercial centres, the function should be specified to protect town centres. Health checks of town centres should be undertaken regularly to assess their vitality and viability and strengths/ weaknesses. These checks should be used to develop town centre strategies.

3.2.4 Development plans should adopt the sequential approach to preferred locations for uses which generate significant footfall, including retailing and other uses, in the following order of preference:

- Town centres
- Edge of town centres
- Other commercial centres
- Out of centre locations that are readily accessible by a choice of transport.

3.2.5 All parties are advised to be realistic and flexible in applying the sequential test. New development in a town centre should contribute to diversity and be of a scale appropriate to that centre. A retail impact analysis is required for retail and leisure developments over 2,500 sq m gross which are contrary to the development plan. For smaller developments which affect vitality and viability, an impact analysis may also be required.

3.2.6 Out of centre locations should only be considered where the town centre/ edge of centre and commercial centre options are unavailable or do not exist, together with meeting other criteria specified in the SPP.

3.3 Current and Proposed TAYplan

3.3.1 The current TAYplan was approved in 2012, and this will be replaced by the Proposed TAYplan 2016-36, published in May 2015. It was submitted to the Scottish Ministers for approval in June 2016, so our study refers to this replacement version.

3.3.2 There is a hierarchy of principal settlements in the Proposed TAYplan. Tier 1 includes Perth and Dundee, which are anticipated to accommodate the majority of new development. Tier 2 settlements will take smaller shares of development, but have the potential to make significant contributions to the regional economy. Tier 3 settlements will take a small share of development and make a modest contribution to the regional economy. The application of these definitions to our study towns is shown in section 7.

Policy 5 TOWN CENTRES FIRST

To protect and enhance the vitality, viability and vibrancy of city/town centres:

A. strategies, plans, programmes and development proposals should focus land uses that generate significant footfall in city/ town centres defined in the network of centres (below) ahead of other locations (including retail, commercial leisure, offices, community and cultural facilities, civic activity and, where appropriate public buildings such as libraries, education and health care facilities). Other land uses including residential, hospitality and catering, events and markets should be encouraged in town centres.

B. Local Development Plans should:
i. identify specific boundaries, where appropriate, for each city/town centre, local centre and commercial centre in the network (below); including those subsequently identified in Local Development Plans;

ii. specify the appropriate functions that can take place at individual commercial centres; and,

iii. identify any other town centres and commercial centres, as appropriate; this will be particularly likely in larger, multi-centre settlements such as Dundee, Perth and Arbroath.

C. Local Development Plans and planning decisions should recognise that hospitality, catering and leisure facilities play a prominent role in supporting the visitor function of settlements and in the daytime and evening economy of all centres. They should also support improvements to town centres that enable events, festivals or markets to take place and which improve the general maintenance, character and wellbeing of the centre.

D. planning decisions for land uses that generate significant footfall should be based on the sequential priority (below - taken from Scottish Planning Policy) and other local considerations as appropriate.

Sequential Priority	Network of Centres	Functions of centres
1. These town, city and local centres should be the first location of choice for land uses that generate significant footfall; **then;** 2. on their edges **then;**	- **Regional Centre:** Dundee City Centre - **Sub-regional Centre:** Perth City Centre - **Larger Town Centres:** Arbroath, Cupar, Forfar, Montrose and St Andrews - **Smaller Town Centres:** Aberfeldy, Alyth, Anstruther, Auchterarder, Blairgowrie, Brechin, Carnoustie, Coupar Angus, Crieff, Kirriemuir, Kinross, Monifieth, Newburgh and Pitlochry - **Other town centres** identified in Local Development Plans (including the 5 district centres as defined in the Dundee Local Development Plan) - **Local centres or hubs** identified in Local Development Plans	Retail (convenience, comparison and bulky goods), Commercial Leisure, Offices,Civic and community activity, Visitor uses (overnight and day trips), Hospitality and Catering, and Residential.
3. in commercial centres for uses defined in Local Development Plan **then;** 4. at appropriate out of centre locations with good foot, cycle and passenger transport links	-**Commercial Centres:** Gallagher Retail Park, Dundee Kingsway East, Dundee Kingsway West, Dundee St Catherine's Retail Park, Perth -**Other commercial centres** identified in Local Development Plans	Retail (bulky goods and convenience) and Commercial Leisure.

Source: Proposed TAYplan2

3.3.3 *Policy 2* in the Proposed Plan aims to 'Shape Better Quality Places'. Of principal relevance to our study is *Policy 5* -Town Centres First, which is shown on the extract.

3.4 Perth & Kinross Council Local Development Plan

3.4.1 **Policies**: the Perth & Kinross Council LDP was adopted in February 2014. The LDP spatial strategy relates to the framework of the five sub areas described in section 2, although the Cairngorm National Park extends into the northern part of the Council area. Also, the Loch Lomond and Trossachs National Park extends into the western part of the Council area.

3.4.2 The LDP refers to the sub regional status of Perth and its role as the main shopping centre for Perth & Kinross. Map 3.1 shows the boundary of Perth City Centre and the main activities. It has a competing/ complementary relationship to Dundee and other centres. In addition to the small town centres in Perth & Kinross identified in the TAYplan, the LDP identifies commercial centres at: St Catherine's Retail Park, Crieff Road and Dunkeld Road and the Highland Gateway at Inveralmond. There are neighbourhood centres at Bridgend, Craigie and Rannoch Road- see Map 3.2.

3.4.3 Under *Policy RC 1*- Class 1 retail uses are encouraged in the town & neighbourhood centres, with larger retail floor plates encouraged in the town centres. Class 2 and 3 uses are encouraged at ground floor level, where proposals support the vitality, viability and character of the town centres. On upper floors, use for housing is encouraged where appropriate.

3.4.4 Under *Policy RC2*- a mix of uses is encouraged within the secondary areas of Perth City Centre, including shops, offices, restaurants, residential, clubs and pubs. Specialist shops are especially encouraged. The uses must not adversely affect amenity.

3.4.5 Under *Policy RC3*- proposals for retail development are encouraged, although there will be restrictions in some cases.

3.4.6 Under *Policy RC4*- proposals for retail and leisure development will follow the sequential test in the order of preference set out in the Proposed TAYplan:

3.4.7 Retail and leisure developments of 1,500 sq m gross or more, will require a retail, leisure or transport assessment if the location is outwith the town centre boundary and not in accordance with the development plan. Proposals outwith town centres require to meet a set of criteria set out in the LDP. Also, the Council will consider the need for restrictions on mezzanine floors and the level of comparison floorspace in supermarket proposals, for developments outwith town centres.

Under *Policy RC5*- proposals to modify planning controls on retail floorspace or the range of goods for sale must be justified by a health check, a retail impact assessment and a transport assessment if applicable. A set of criteria to address is set out in the LDP.

3.4.8 **Spatial Strategy:** follows that set out for Tiers 1-3 in the Proposed TAYplan. The Spatial Strategy is based on the five sub areas referred-to in section 2, aside from that part of the Council area within the Cairngorms National Park.

3.4.9 **Retail Strategy- overall:** paragraph 4.3.6 of the LDP refers to the limited quantitative need for more convenience floorspace from the previous Council studies (the position is updated by this report). Proposals in Perth which improve the quality and distribution of convenience retailing could be supported. The LDP identified a need for additional comparison retail floorspace which will be directed to the town centres.

3.4.10 In the **Perth area**, the LDP emphasises the sub regional role of the City Centre and refers to its prime retail core areas around High Street, St John's Street, George Street, Mill Street, Scott Street and South Street. Larger units are encouraged in these areas. Reference is made to the commercial centres identified earlier in this section as shown in Map 3.2. The LDP supports improved linkages between the City Centre, St Catherine's Retail Park and other retail developments.

3.4.11 In the **Kinross area**, the LDP mentions that development of the Sainsbury's supermarket means that a requirement for an additional large supermarket is not anticipated.

3.4.12 In **Strathearn,** the LDP refers to the importance of Crieff and Gleneagles for tourism.

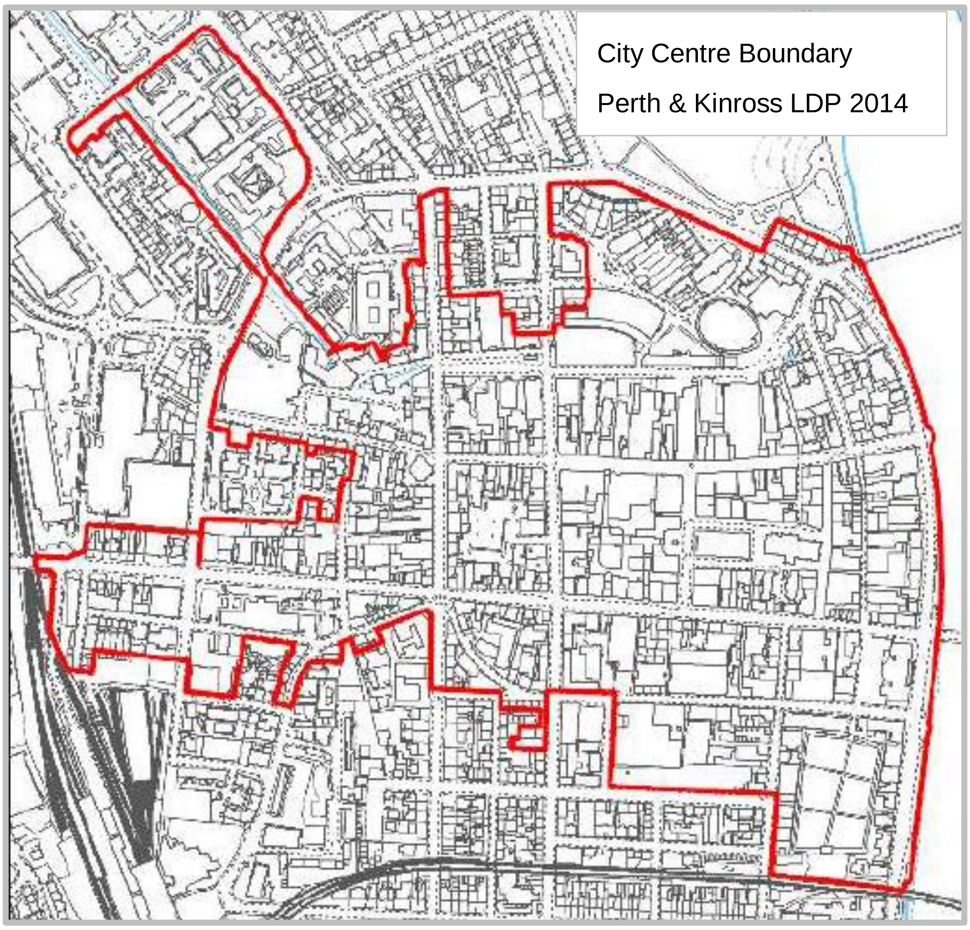
There is planning consent for development of two foodstores at Duchlage Farm in Crieff, which will serve local needs.

3.4.13 In the **Highland area**, the LDP identifies Pitlochry, Aberfeldy and Dunkeld as important local shopping and commercial centres, with Pitlochry as a focus for tourism. There is planning consent for a Sainsbury's supermarket in the town, but no development progress beyond initial site works. Estimate that it may not be developed in the period of this study.

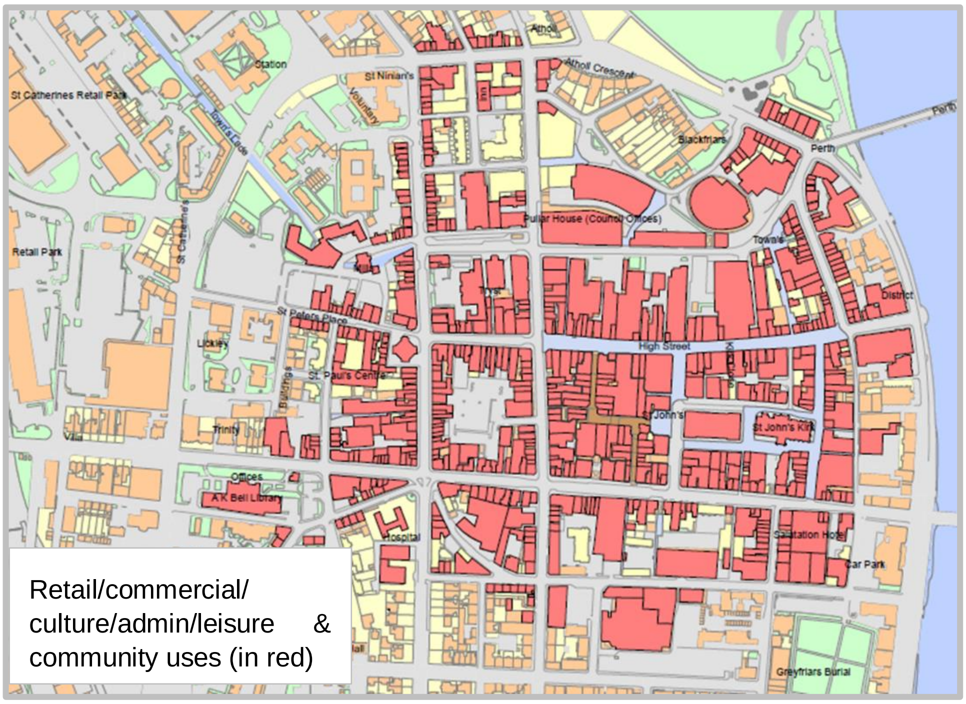
3.4.14 In **Strathmore & the Glens**, the LDP refers to the Tesco at Blairgowrie as contributing to lowering expenditure leakage from the area and the expectation that the supermarket consent in Pitlochry will also serve the northern part of Strathmore (but see above paragraph).

3.4.15 The next section reviews the national trends in retailing.

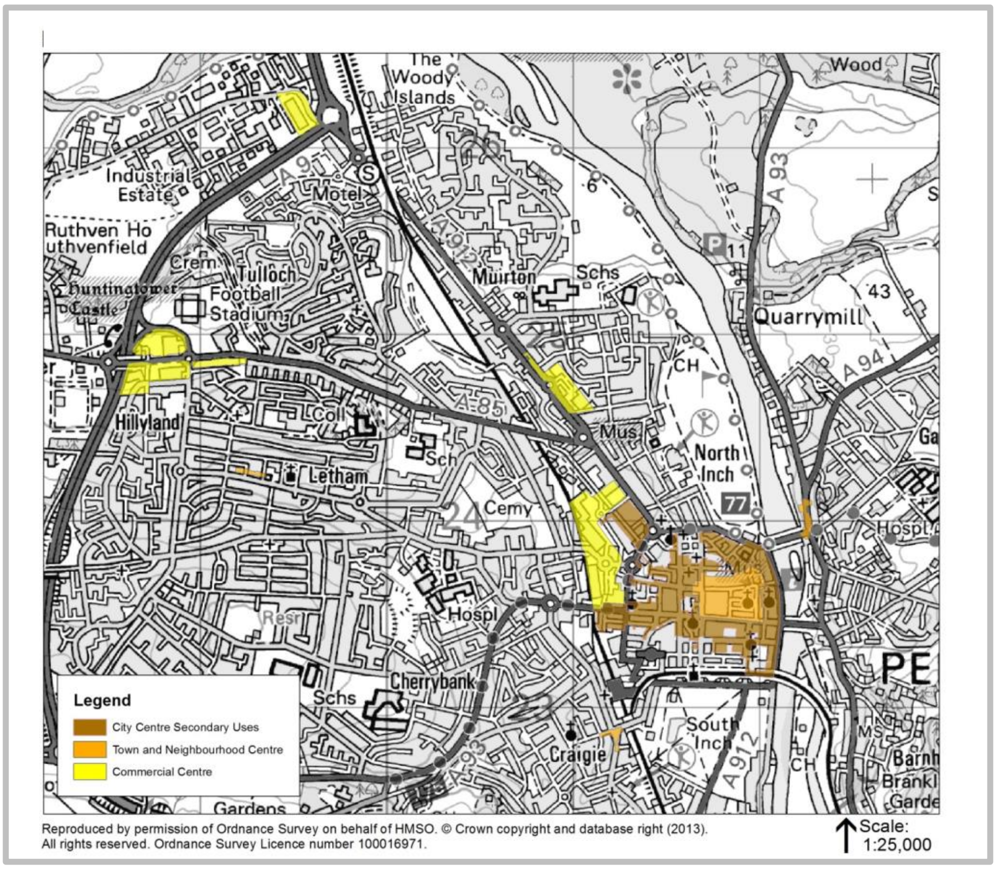
Map 3.1 City Centre Boundary



Map 3.1 (cont.) City Centre land uses



Map 3.2 Perth Retail Centres



3.5 Perth City Plan

3.5.1 The Perth City Plan 2015-35 is the second in the series published by the City Development Board, which comprises a mix of private and public sector stakeholders. It is a vision document focussing on economic development and place making, setting out the priorities for investment, which also relate to the planning policies for Perth.

3.5.2 The City Plan balances long term commitments with a commitment to early action. The Plan has five themes for promoting the City: Investment in infrastructure; Economic prosperity and enterprise; City of knowledge and learning; City Centre place-making/ investment and the visitor economy.

3.5.3 Under the *infrastructure* theme, the priorities are investment in transport connections, including a future cross-Tay link road, which will reduce through traffic in the City Centre and greatly benefit that environment for users (especially for shoppers). Another priority is the development of enhanced digital services, including WiFi access and intelligent operating systems. Again, this is also supportive of shopping and services in the City Centre. Finally, it is proposed to promote city-wide smart design.

3.5.4 Under *economic prosperity and enterprise* theme it is proposed to strengthen the appeal of Perth as a base for manufacturing, professional, technical services, by targeting inward investment opportunities and other means, especially in relation to existing key sectors in Perth. A drive to encourage business innovation and high productivity industries is embraced into this theme. If achieved, it would stimulate higher spending in the City Centre.

3.5.5 Under the *City of knowledge and learning* theme, the Plan proposes to capitalise on the Perth College of the University of the Highlands & Islands, including developing a skilled workforce. With a good education profile, there will be opportunities for more sophisticated and specialist shops and services in the City Centre.

3.5.6 Under the *place-making* theme, the Plan, recognises the positive aspects of the City Centre, including its fine historic buildings, shops, Concert Hall and other attractions, together with its compact form. However, some shortcomings are also recognised and the Plan proposes a number of improvements to make the City Centre livelier, more diverse, more attractive, more pedestrian-friendly and find new uses for gap sites. Map 3.3 is an extract from the City Plan, illustrating the place-making opportunities for improvement. The Plan refers to the need for a more proactive approach to place-making and the public realm, with the possibility of forming a BID for the City Centre. There are numerous development sites identified in the City Plan and these investment opportunities are shown on the extract in Map 3.4. for the City Centre. Key development sites in Perth as a whole are shown in Map 3.5.

3.5.7 Under the *visitor economy* theme, the Plan proposes to promote the marketing of Perth as a tourist and business tourism destination and support the development of tourism infrastructure and accommodation. Notably, the Plan will accelerate the improvements to existing cultural attractions and the development of a major new cultural attraction to support tourism growth.

3.5.8 Further reference to the place-making opportunities and promotion of cultural attractions (including the City Hall options) is contained in section 7, under the Perth City Centre health check.

Map 3.3 Place-making opportunities to improve the City Centre

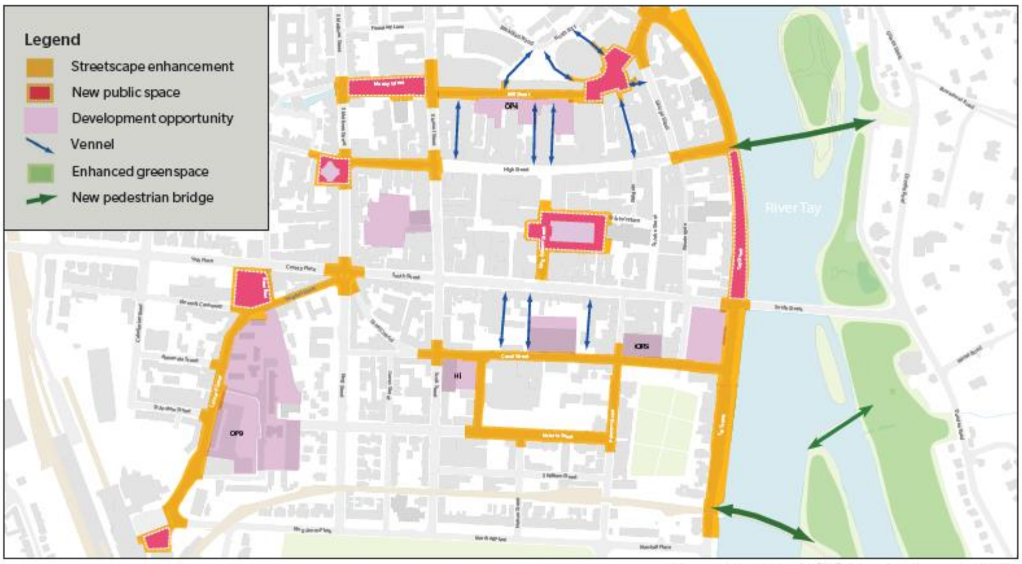


Figure 8: Transforming the public realm

Map 3.4 Development site opportunities in the City Centre

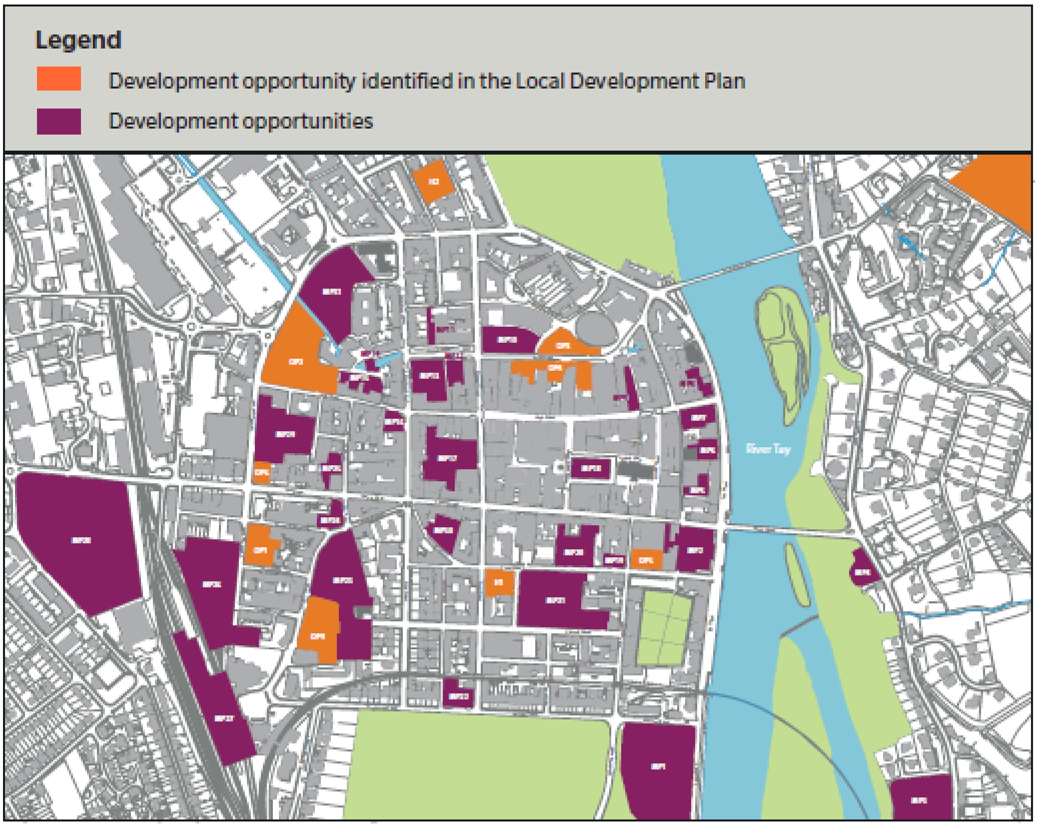
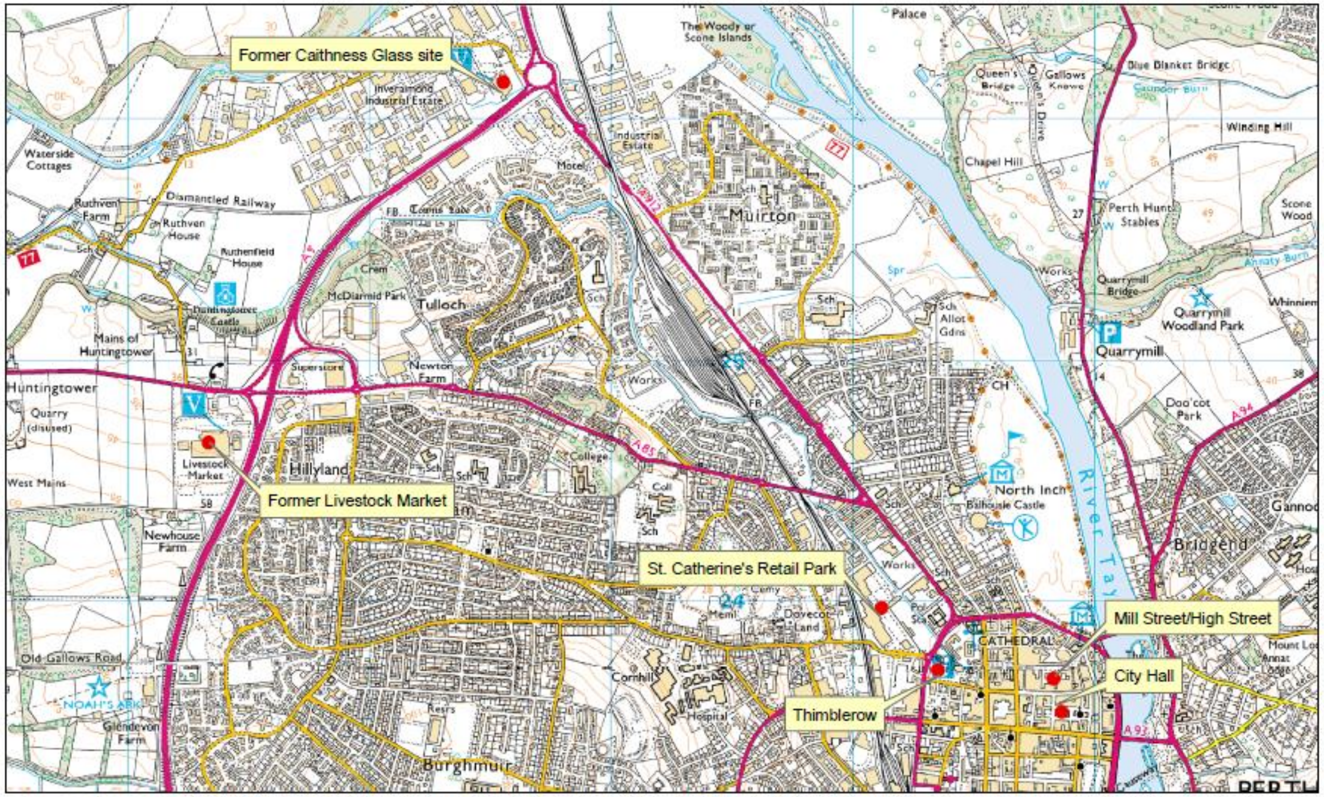


Figure 11: Plan showing development opportunities and key buildings



Map 3.5 Key development sites in Perth

4 National trends in retailing

4.1 Introduction

4.1.1 This section describes the national trends in retailing which form the context for assessment of the retail market in Perth & Kinross in section 5.

4.2 Overview

4.2.1 The retail market trend for towns such as those typically found in Perth & Kinross has been negative for a number of years. The market has been operating in favour of concentration in large cities and destination shopping malls and retail parks. Consumers increasingly travel to access a wider range of goods and services; or shop via the internet.

4.2.2 The 2008 recession accelerated this trend as some retailers failed or contracted; but far fewer came forward to replace them. Many towns have tended consequently to exhibit high vacancies and a shift towards convenience and leisure uses. In some cases, this has undermined their traditional roles in mainstream shopping such as clothing, footwear and household goods. Perth City Centre, for example, experienced an 11% decline in comparison shopping floorspace over the past five years (Table 5.1).

4.2.3 Perth has a sub-regional role in the TAYplan retail sector, and although a small successful city which has continued to attract retail investment, it is not immune to those wider trends favouring market concentration into the largest cities and malls.

4.2.4 The smaller settlements in Perth & Kinross are also affected by these retailing trends but also continue to serve their local market areas by providing mainly convenience shopping and local services.

4.3 The economy

4.3.1 The Scottish economy slowed during 2015- see Figure 4.1. Economic activity in Q1 2016 was 0.6% higher than in Q1 2015, although growth during Q1 2016 was flat. During the first quarter of this year the dominant services sector grew by 0.4%, but was held back by contraction in the production (-1.2%) and construction (-1.5%) sectors.

4.3.2 The 'Brexit' vote in June 2016 is expected to adversely affect this already weak growth. Fraser of Allander Institute forecasts a "sharp slowdown" in Scotland's economic growth due to uncertainty and to the damage to trade and investment prospects. Forecast annual growth is reduced to 0.9% in 2016, 0.5% in 2017 and 0.7% in 2018. The prospect that Scotland may fall into recession for a time during any given year is "highly possible". The Institute notes that it is not possible to assess yet whether Brexit will simply reduce economic output during the transitional years, or permanently (and adversely) affect the potential economic growth rate.

4.4 Retail market

4.4.1 Following the economic recovery in 2013 illustrated on Figure 4.1, consumer expenditure on retail goods in Scotland has also been rising for the past three years (Figure 4. 2), although at a lower rate than across Great Britain as a whole. Retail sales in Scotland grew by 0.2% during Q2 2016 and by 3.2% annually (Q2 2015 to Q2 2016).

4.4.2 As the consumer economy has resumed growth, the retail property market has also recovered. Retailer demand, shop vacancy rates and retail rents have generally stabilised since 2014. In some locations however, this stabilisation is at a much lower level of business – with fewer national retailers, lower rents, shorter leases and higher vacancies – than they historically enjoyed.

4.4.3 Following the 2008/09 recession, many familiar High Street names, such as Woolworths, disappeared. In addition, major retailers such as Arcadia Group (Burton, Dorothy Perkins, etc) and Thorntons are shrinking their branch networks to provide outlets in larger centres only. Most recently, BHS and Austin Reed have entered administration. As well as being a major loss to Perth City Centre, the recent closure of the department store McEwan's of Perth has been

Figure 4.1 Scottish economy: growth rates (Source- Scottish Government)

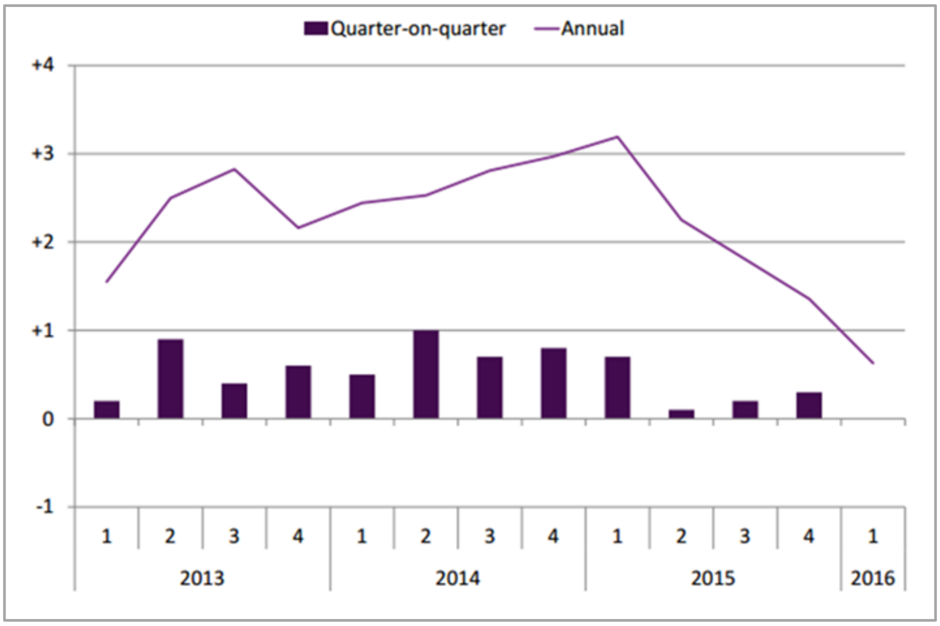
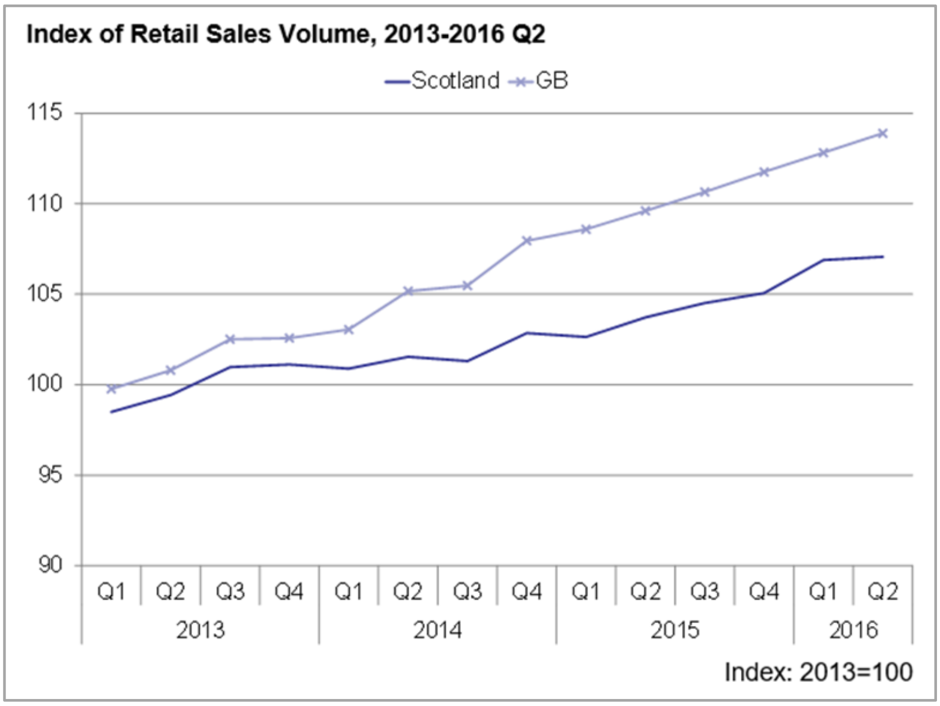


Figure 4.2 Index of retail sales volume 2013-2016 Q2



widely noted as symptomatic of the challenges facing many shopping locations.

4.4.4 Retailer demand for premises is strongest among a cohort of large city centres (e.g. Glasgow and Edinburgh), regional shopping malls (e.g. Braehead) and shopping parks (such as Glasgow Fort).

4.4.5 Demand for premises from national retailers in the many Scottish town centres which are not among this favoured cohort of destination centres has fallen dramatically. Towns which developed shopping malls occupied by multiple retailers in the 1980s/90s, then retail warehouse parks in the 1990s/2000s, have seen multiple retailer demand decline dramatically to only a few ubiquitous shop and leisure chains.

4.4.6 This focus of demand into fewer locations affects retail property rents. In 2016, prime Glasgow and Edinburgh retail rents are rising, while rents in most other locations are static, or indeed continue to be under downward pressure (particularly where a landlord is keen to secure a letting to an occupier who will then pay the non-domestic / business rates and perhaps a service charge).

4.4.7 In turn, developers and investors are targeting and investing only in locations which can support national retailers, often in purpose-built premises, on long leases, with the prospect of rising rents. This is a virtuous circle for perhaps ten or so Scottish centres, and an ongoing challenge for the remainder of towns and shopping centres.

4.4.8 Some retailers have continued to expand:

- Luxury retailers in top prime locations, such as those found in Aberdeen's Union Square and Edinburgh's George Street and Multrees Walk, have continued to invest. These retailers operate in a niche market with very specific locational requirements, and are not large in number.

- At the other end of the market, value retailers such as Poundland and B&M stores – and in the convenience sector Aldi and Lidl – have found a place in the market to cater for everyday goods at low prices, which is attractive to squeezed household budgets.

4.4.9 Most recently, there is an emerging resurgence in mid-market activity as consumer expenditure on household goods increases. This is driving renewed retailer activity which is benefiting mainly modern, purpose-built retail locations. Active retailers include Sofaworks, The Range and Pets at Home. This type of recent investment in purpose-built locations is noted at Perth's retail parks in Section 5.

4.4.10 Online retailing is a significant challenge to town centres. For example, it now accounts for an estimated 19% of comparison goods expenditure in the [1]UK, with a forecast increase to 23% by 2025. Evidence from the household survey for this study indicates a higher proportion of *current* internet spending in Perth & Kinross, at nearly 22.9% of comparison goods expenditure. Notably, Scotland's largest recent new "shop" is the Amazon regional distribution centre at Dunfermline.

4.4.11 The e-retailing challenge varies depending on the product; for example, entertainment items such as books, DVDs and video games have proved extremely popular to buy online. Leading market-aware retailers such as John Lewis Partnership and Argos have moved to a multi-channel model where a physical store can operate successfully alongside a website. Independent retailers can also exploit e-commerce due to the reduced cost, trading well beyond their traditional catchment areas. Note that internet retailing also contributes to widening the draw of retail expenditure to destinations such as Perth City Centre and the House of Bruar, for example- see also section 6.16 on the use of the internet for shopping.

4.4.12 The growth of supermarkets into comparison goods had also affected traditional retailers, but retrenchment by those retailers and town centre-first planning policies have reigned-in this expansion. Supermarkets are now much more focused on local convenience shops. The surge in numbers of local convenience outlets which had been evident over the past few years has now eased; the main operators such as Tesco and Sainsbury are more selective, while Morrisons has exited the convenience store market. Discount convenience operators, Aldi and Lidl, as noted above, continue to expand their market shares and their portfolios of stores in Scotland.

4.4.13 Looking forward into trends in the superstore sector, market trials with third party operators such as Arcadia (Burtons, Top Man, Dorothy Perkins, et cetera) taking concessionary space in Tesco stores are underway in the South of England. Online grocery shopping is now an established part of

[1] Pitney Bowes *Retail Expenditure Guide 2015-16*

the market, leading to the development of "dark stores" for fulfilment of on-line orders (although these are currently mainly in the densely-populated South-East of England).

4.4.14 The most active commercial sector in the current market cycle has been leisure uses. Restaurants, bars, cafes, cinemas, and hotels are complementary to retailing, by tapping into additional expenditure and bringing new customers (or extending the duration of their visits). Some shopping centres are however adding leisure uses not only to bring custom but to deal with persistent vacancy of shop units. Locations with new cinemas and restaurants include Glasgow and Edinburgh Forts, Silverburn, Braehead, Eastgate Inverness and The Centre Livingston. The recent investment in Perth Playhouse is a comparable diversification within the City Centre's leisure sector along with proposed additional leisure and housing development on the Thimblerow site.

4.4.15

4.4.16 Analysis of live "retail" requirements across Scotland indicates that up to half of these can be leisure such as restaurants and cafes, rather than traditional comparison or convenience retail.

4.4.17 Retail service chains such as financial services and estate agents are uncertain occupiers of town centres over the long term. Although these are still important locally, mobile delivery of banking and other services is likely to remove the need to have full branch networks across the country. Indeed, the BBC has just reported that Scotland has lost 112 bank branches over the past year, due to changing customer habits.

4.4.18 Travel agents are an early example of this on-line migration where there are now fewer national operators on High Streets, but also a few local specialists. Personal services including beauty and healthcare on the other hand are increasing their town centre presence.

4.4.19 Property values in many towns have fallen, and in many instances landlords are pragmatic about rent affordability and lease durations. Non-domestic rates however, except for exemptions for small and new businesses, will remain at historic levels until the current revaluation takes effect in 2017.

4.4.20 The market changes and adjustments in the retail, leisure and retail services sector described above are complex and ongoing. *Fundamentally, the gradual retrenchment of multiple retailers into prime destinations (and onto the internet), and their replacement in many locations with other commercial and employment uses, is a challenge to traditional shopping [2]centres*.

4.5 Summary

4.5.1 Traditional, small city centres such as Perth face stiff challenges to retain their retail offer of national and regional multiple retailers in order to maintain their market position. In addition, they require to continually support and replenish more local businesses on typically shorter leases.

4.5.2 These independent operators are likely to remain as the backbone of retailing in Perth and other towns in the Council area, and most of these operators are small, with a long presence in the towns, as revealed by the business occupier survey in section 6.

4.5.3 Leisure has been the most active area of commercial development, with demand for 'retail' units taken up with this type of occupier. It also forms a vital role in creating a 'destination' in combination with major retail developments, cultural and tourist uses and attractions and events and alfresco use within public spaces.

4.5.4 The personal service sector is performing well in smaller towns, but occupiers such as estate agents and financial services have an uncertain future.

[2] These challenges are recognised in the suite of Scottish Government reports: National Review of Town Centres: Scottish Government Action Plan (2013); One Year On (2014); and Town Centre Toolkit (2015).

5 Retail and leisure market in Perth & Kinross

5.1 Introduction

5.1.1 This section of the report contains a review of the retail market in Perth, followed by the small towns of Auchterarder Aberfeldy, Blairgowrie, Crieff, Kinross and Pitlochry.

5.2 Town centre floorspace

5.2.1 Prior to our market commentary, the level and diversity of current floorspace in the main town centres is shown in Table 5.1 at a broad level, distinguishing retail from other uses. The changes since 2011 are also shown. The associated proportions by type of use in 2016 are illustrated by the pie charts following this table. Table 5.2 shows a further breakdown of the other occupied floorspace by type of use, divided into six categories, including leisure-related uses. Further analysis is provided in this section and in section 7 (health checks).

5.3 Vacancy rates

5.3.1 The vacant floorspace in Perth & Kinross is shown in Table 5.1, relating to the City Centre and to other town centres. However, vacancy rates are commonly expressed in terms of the numbers of vacant units, which allows comparison with national average vacancy rates from information collected by agencies such as LDC and the Scottish Retail Consortium. Table 5.3 shows the vacancy rates in the main towns in the Council area in terms of units. The City Centre vacancy rate is similar to the LDC national average for town centres, but vacancy rates are lower than the national average in the other towns, aside from Crieff and Kinross. The highest vacancy rate is in Kinross. The vacancy rates in Dundee and Stirling are shown for comparison.

5.4 Multiple retailer representation

5.4.1 The proportion of multiple retailer representation in any town centre is a measure of strength in terms of investment and retail offer. Table 5.4 shows the proportions of multiple retailer representation in Perth City Centre and in the other small towns. Definition of multiple retailer representation is provided in the footnote to that table.

5.5 Perth retail market

5.5.1 Perth is the largest retail centre in Perth & Kinross and is one of Scotland's successful small cities.

5.5.2 Multiple retailer representation in Perth City Centre is 31%. There is a good representation from national multiple retailers along with local independent stores and chains. Key multiples include Boots, Next, Debenhams, Marks & Spencer, River Island, Primark, Greggs, H Samuel and Ernest Jones. Regional multiples include Davidsons Chemist, Goodfellow & Steven, Fine Rogerson Footwear and Ness.

5.5.3 Recent investment / arrivals in Perth city centre include JoJo Maman Bebe, Ness, Savers Health & Beauty, JD Sports, Shoe Zone, Subway, Monteray Jacks and Dr Noodles. Campus Sports closed its store on the High Street and relocated to South Street. Table 5.5 summarises these recent investments in Perth city centre, along with new arrivals at the city's retail parks.

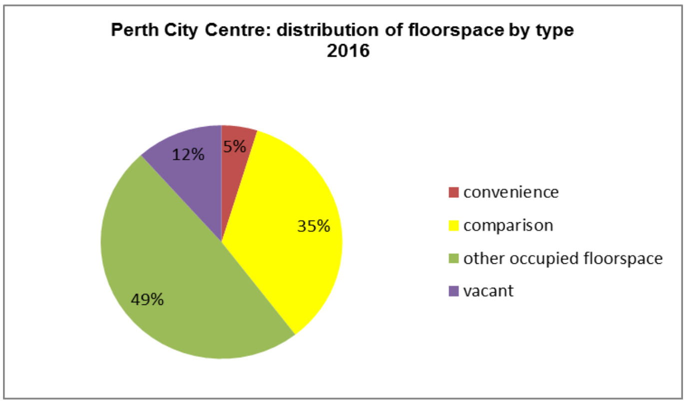
5.5.4 St Catherine's Retail Park, adjacent to the City Centre, caters for large space users. It has attracted new occupiers following the relaxations of the planning conditions restricting ranges of goods. New retailers to the park include The Range, Maplin Electronics, Bensons for Beds, Pagazzi Lighting, Sportsdirect.com and Home Bargains. Recently, both Greggs and Costa have opened at the Park. Further refurbishment of the Park is planned. There are plans to sub-divide the former B & Q unit. Iceland has a requirement for a unit here.

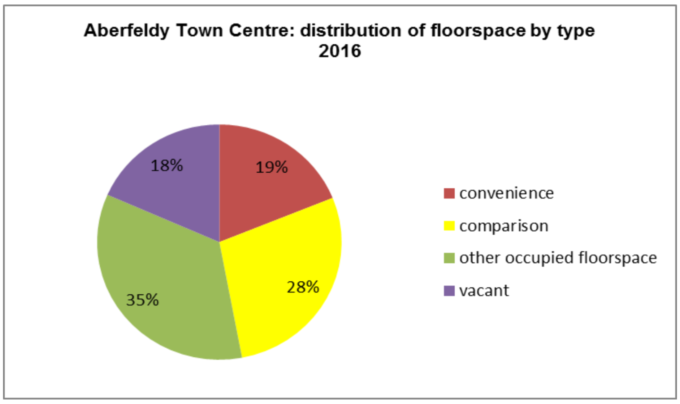
The Highland Gateway Retail Park out-of-town at Inveralmond has also attracted new activity. Long term occupiers Tiso and Nevada Bobs Golf Superstore were joined by M & S Simply Food in 2013. Since then Aldi, Jolleys Pet Food & Accessories and British Heart Foundation (Furniture & Electrical) have opened stores. Poundworld will open its first

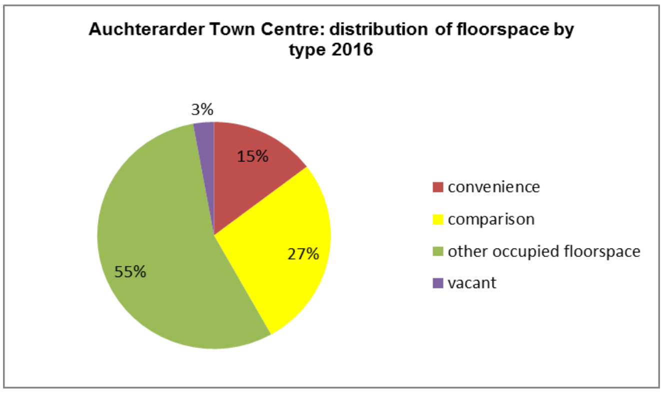
Table 5.1
Retail and all other occupied floorspace and vacant floorspace in the main town centres in Perth & Kinross 2016

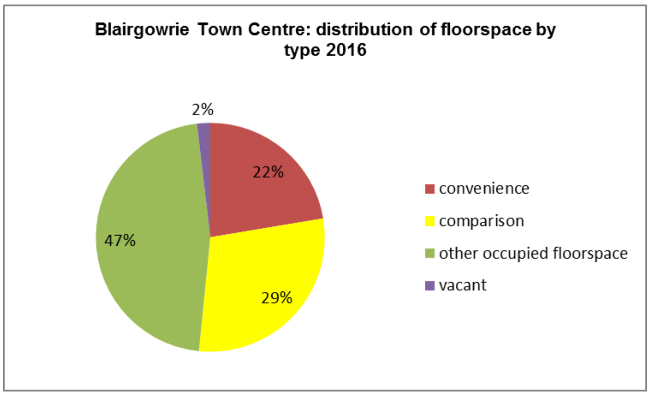
	Convenience floorspace		%	Comparison floorspace		%	Other occ. floorspace		%	Vacant floorspace		%	Total		%
	2011	2016	*change*	2011	2016	*change*	2011	2016	*change*	2011	2016	*change*	2011	2016	*change*
	sq m gross	sq m gross		sq m gross	sq m gross		sq m gross	sq m gross		sq m gross	sq m gross		sq m gross	sq m gross	
Perth City Centre	7,073	7,607	*8%*	62,147	55,163	*-11%*	81,330	77,440	*-5%*	11,440	18,470	*61%*	161,990	158,680	*-2%*
Other town centres															
Aberfeldy TC	1,810	1,680	*-7%*	2,772	2,507	*-10%*	*	3,078		*	1,639		*	8,903	
Auchterarder TC	1680	1,630	*-3%*	3,300	3,030	*-8%*	5,030	6,150	*22%*	1,520	320	*-79%*	11,530	11,130	*-3%*
Blairgowrie TC- incl. Tesco	6,650	7,268	*9%*	8,950	9,502	*6%*	11,160	15,120	*35%*	2,260	610	*-73%*	29,020	32,500	*12%*
Coupar Angus TC- excl Co-op (o/c)	801	458	*-43%*	1,006	417	*-59%*	*	1,173		*	738		*	2,786	
Crieff TC	4,145	2,850	*-31%*	7,570	5,200	*-31%*	7,540	10,070	*34%*	2,820	3,720	*32%*	22,075	21,840	*-1%*
Kinross TC- excl. Sainsbury's (o/c)	950	950	*0%*	1,640	1,150	*-30%*	3,600	4,640	*29%*	1,130	1,250	*11%*	7,320	7,990	*9%*
Pitlochry TC	1,770	2,330	*32%*	6,010	5,230	*-13%*	12,740	12,680	*0%*	1,350	1,480	*10%*	21,870	21,720	*-1%*

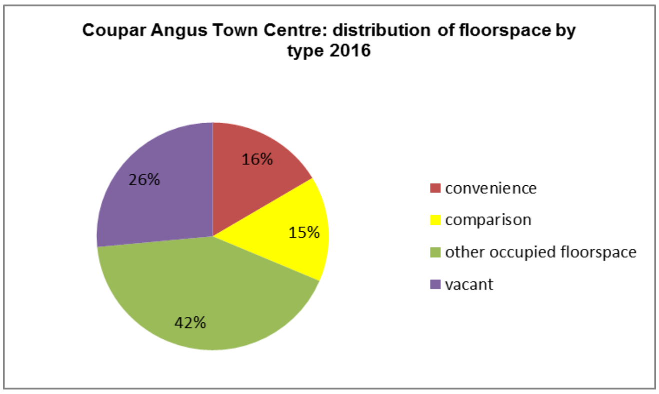
Note
The data for 2016 derives from the 2015 Goad surveys, apart from Aberfeldy and Coupar Angus (Assessor/Ryden 2016).
The comparative data for 2011 derives from the 2011 Retail Review and for Goad data for other occupied floorspace from that period
Other occupied floorspace includes non-retail services, administration, community and any other uses identified by Goad. *Vacant* includes retail and non-retail units

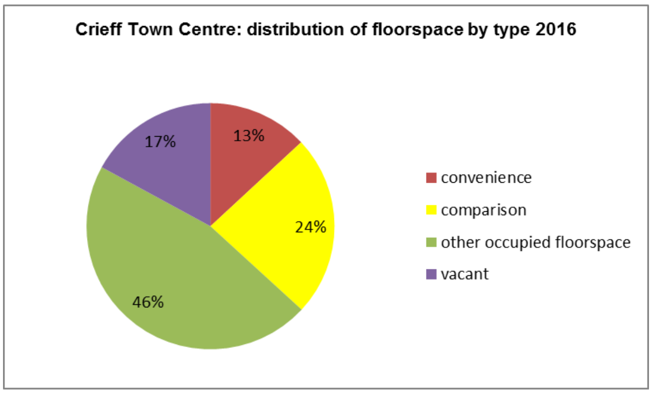

Perth City Centre: distribution of floorspace by type 2016
5%
35%
49%
12%
convenience
comparison
other occupied floorspace
vacant

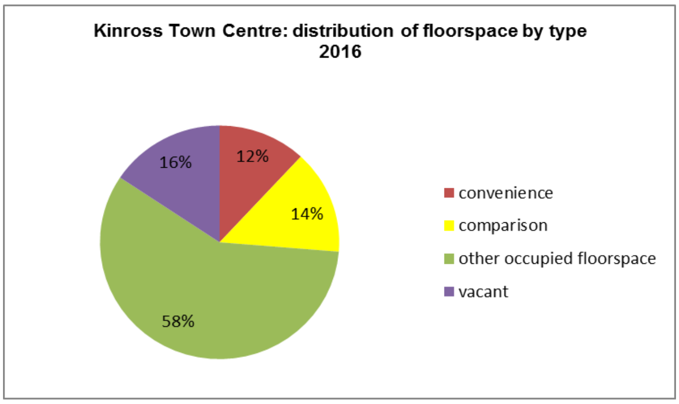

Aberfeldy Town Centre: distribution of floorspace by type 2016
19%
28%
35%
18%
convenience
comparison
other occupied floorspace
vacant


Auchterarder Town Centre: distribution of floorspace by type 2016
15%
27%
55%
3%
convenience
comparison
other occupied floorspace
vacant


Blairgowrie Town Centre: distribution of floorspace by type 2016
22%
29%
47%
2%
convenience
comparison
other occupied floorspace
vacant


Coupar Angus Town Centre: distribution of floorspace by type 2016
16%
15%
42%
26%
convenience
comparison
other occupied floorspace
vacant


Crieff Town Centre: distribution of floorspace by type 2016
13%
24%
46%
17%
convenience
comparison
other occupied floorspace
vacant


Kinross Town Centre: distribution of floorspace by type 2016
12%
14%
58%
16%
convenience
comparison
other occupied floorspace
vacant

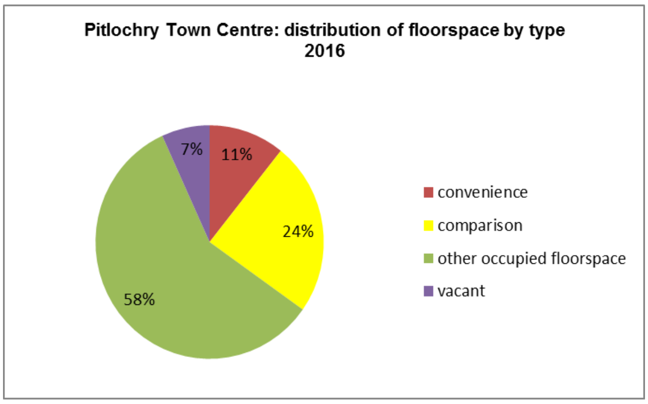

Pitlochry Town Centre: distribution of floorspace by type 2016
11%
24%
58%
7%
convenience
comparison
other occupied floorspace
vacant

Table 5.2
Distribution of other occupied floorspace in the town centres by type of use 2016

	Other occupied town centre floorspace	based on Goad 2015 **Perth City Centre**		Assesor/ other 2016 Ryden **Aberfeldy TC**	
Type		sq m gross		sq m gross	
1	Restaurants, cafes, pubs, take aways	22,100	29%	1,422	46%
2	Other services-hair,cleaners, travel agents etc	8,930	12%	537	17%
3	Banks, BS, financial services, insurance	4,310	6%	215	7%
4	Property, offices and professional services	6,920	9%	673	22%
5	Leisure, gaming, halls cinemas, libraries etc	18,860	24%	38	1%
6	Public services, PO and other miscellaneous	16,320	21%	194	6%
	Total	77,440	100%	3,078	100%

	Other occupied town centre floorspace	based on Goad 2015 **Auchterarder TC**		based on Goad 2015 **Blairgowrie TC**	
Type		sq m gross		sq m gross	
1	Restaurants, cafes, pubs, take aways	2,650	43%	4,470	30%
2	Other services-hair,cleaners, travel agents etc	1,150	19%	1,790	12%
3	Banks, BS, financial services, insurance	320	5%	1,600	11%
4	Property, offices and professional services	330	5%	700	5%
5	Leisure, gaming, halls cinemas, libraries etc	850	14%	2,500	17%
6	Public services, PO and other miscellaneous	850	14%	4,060	27%
	Total	6,150	100%	15,120	100%

	Other occupied town centre floorspace	Assesor/ other 2016 Ryden **Cupar Angus TC**		based on Goad 2015 **Crieff TC**	
Type		sq m gross		sq m gross	
1	Restaurants, cafes, pubs, take aways	171	15%	3,050	30%
2	Other services-hair,cleaners, travel agents etc	348	30%	2,400	24%
3	Banks, BS, financial services, insurance	315	27%	740	7%
4	Property, offices and professional services	259	22%	990	10%
5	Leisure, gaming, halls cinemas, libraries etc	0	0%	1,090	11%
6	Public services, PO and other miscellaneous	79	7%	1,800	18%
	Total	1,173	100%	10,070	100%

	Other occupied town centre floorspace	based on Goad 2015 **Kinross TC**		based on Goad 2015 **Pitlochry TC**	
Type		sq m gross		sq m gross	
1	Restaurants, cafes, pubs, take aways	1,400	30%	5,070	40%
2	Other services-hair,cleaners, travel agents etc	890	19%	700	6%
3	Banks, BS, financial services, insurance	290	6%	550	4%
4	Property, offices and professional services	630	14%	870	7%
5	Leisure, gaming, halls cinemas, libraries etc	220	5%	4,600	36%
6	Public services, PO and other miscellaneous	1,210	26%	890	7%
	Total	4,640	100%	12,680	100%

Table 5.3
Vacant units in Perth City Centre and six other town centres - 2016

	Vacant units	Total units	Vacancy rate %
Perth City Centre	76	645	11.8%
Aberfeldy	8	86	9.3%
Auchterarder	4	86	4.7%
Blairgowrie	10	159	6.3%
Crieff	26	170	15.3%
Kinross	8	56	14.3%
Pitlochry	8	106	7.5%
Other City Centres			
Dundee-*Dundee Retail Review 2015*	98	578	17.0%
Stirling-*Stirling Council- Network of Centres, Retail Audit 2015*	41	399	10.3%
Scottish town centre average -2 sources			
The Local Data Company, March 2016			11.7%
Scottish Retail Consortium, July 2016			7.5%

Note: vacancy rate= vacant units/ (retail and non-retail service units & vacant units)
Sources: Goad 2015 surveys except for Aberfeldy- (Assessor/Ryden 2016)
The selected tow n centres include those referred to in the brief.

Table 5.4
Multiple retailer representation- Perth & Kinross - 2016

	*Multiple retailers	Convenience and comparison shops	% multiple retailers
Perth City Centre	79	254	31%
Aberfeldy	4	28	14%
Auchterarder	5	34	15%
Blairgowrie	15	62	24%
Crieff	8	60	13%
Kinross	4	14	29%
Pitlochry	13	49	27%
Other City Centres			
Dundee-*Dundee Retail Review 2015*	133	223	60%
Stirling- *Goad 2015/Ryden*	105	200	53%

Note
* refers to multiple retailers only, excluding multiple non-retail services. Includes national multiples and regional chains. A multiple is defined as a retailer w ith 9 or more outlets (Experian). Charity shops have not been classified as muliples here.

Perth store in the last remaining unit at Highland Gateway Retail Park in September 2016.

5.5.5 Longer term analysis demonstrates that the City Centre retail property market has continued to attract regular investment to its portfolio of shop premises. Since January 2010 there have been 148 retail transactions in the City Centre totalling 25,030 sq.m. which equates to 3,850 sq.m. per annum, or approximately 23 deals each year.

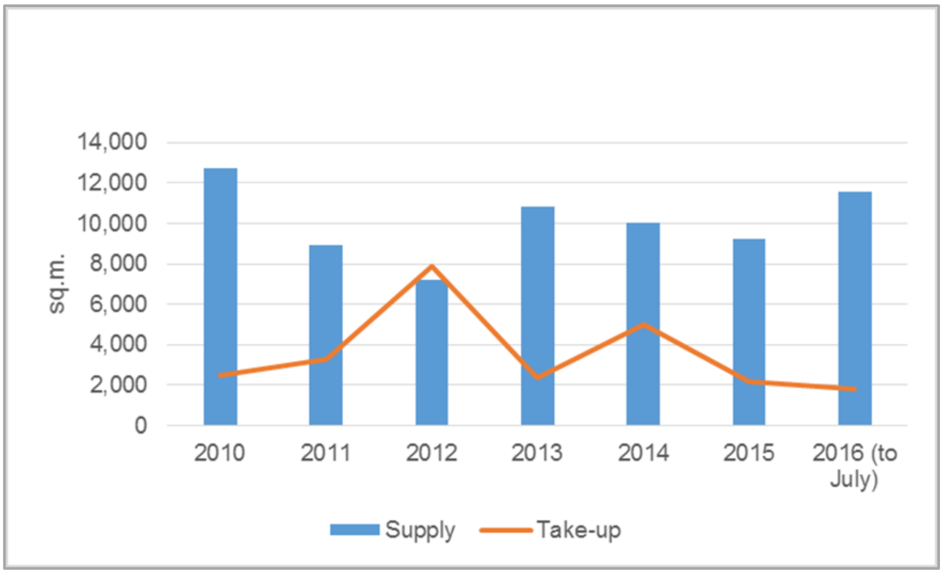
5.5.6 At present there are 40 retail units on the market in the City Centre totalling 11,590 sq.m.; these are units which are formally marketed to attract new occupiers and may not fully reflect supply if there are further units not being marketed, or perhaps occupied but potentially available.

5.5.7 Figure 5.1 illustrates these trends in supply and take-up of retail premises in Perth City Centre. The spike in take-up in 2012 was caused by the development of an extension to St. John's Shopping Centre which was occupied by H&M and River Island.

Table 5.5
New retail arrivals in Perth

Location	Retailers
St Johns Shopping Centre	JD Sports and Shoe Zone
High Street	JoJo Maman Bebe, Ness and Savers Health & Beauty
Scott Street	Subway
St John's Place	Monteray Jacks
South Street	Dr Noodles
St Catherine's Retail Park	The Range, Maplin Electronics, Bensons for Beds, Pagazzi Lighting, Sportsdirect.com, Home Bargains, Costa and Greggs
Highland Gateway	Aldi, Jolleys Pet Food & Accessories and British Heart Foundation (Furniture & Electrical) and Poundworld

Figure 5.1 Supply and take-up of retail premises in Perth City Centre



5.5.8 As with other cities and towns across the country there have been numerous store closures in Perth. The most high profile loss was the closure of McEwans of Perth department store. In addition, Top Shop, Officers Club, Crabtree & Evelyn, Austin Reed, Millets, Phones 4 U, Thomas Cook, Bertie Browns and Toy World have all closed stores

5.5.9 These dis-investments are summarised in Table 5.6. As shown on Figure 5.1, marketed vacancies in the City Centre are now at their highest level since 2010, which was immediately after the 2008/09 market crash- see also Table 5.1.

5.5.10 No major new retail development has been undertaken in Perth's City Centre in recent years, apart from the aforementioned 2,500 sq.m. extension to St John's Shopping Centre to create a new store for H & M and an extended store for River Island, and previous store refurbishment of the former Woolworth's on the High Street.

5.5.11 The proposed development of The Mill Quarter on the site of the Thimblerow car park, a £30 million mixed use development by Expresso Property is planned to comprise a mix of speciality shops, restaurants, bars, cinema, gym, housing and multi-storey car park.

Table 5.6 Dis-investment in Perth City Centre	
Location	**Retailer**
St John's Shopping Centre	Top Shop, Officers Club, Crabtree & Evelyn,
High Street	Phones 4 U, Millets, Toy World
St John Street	McEwans of Perth, Austin Reed
South Street	Bertie Browns

5.5.12 While not strictly speaking new development, relaxation of planning restrictions at St. Catherine's Retail Park has added to Perth's capacity to accommodate multiple retailers, as demonstrated by the transactions described and listed in Table 5.5 (see also paragraph 5.5.4).

5.5.13 Prime Zone A retail rents in Perth City Centre had remained static at £65 per sq.ft. Zone A since 2012, but during 2016 rose to £75 per sq.ft. Zone A. This compares to £100 per sq.ft. Zone A in Dundee, £115 in Stirling and £80 in Inverness. Perth rents are ranked eleventh-highest among Scotland's largest centres in Ryden's rental index and have recovered to 2006 levels following the challenging market conditions of the past few years. This compares with a 9% fall in prime retail rents in Dundee since 2006 and 30% fall over the same period in Inverness. Rents in Stirling have also remained static.

5.5.14 Prime retail investment yields in Perth are in the range of 7.5%-8.0%, compared with 8%-8.5% in both Dundee and Stirling.

5.5.15 In the convenience retail sector, the City Centre is served by a Tesco Metro and Sainsbury's Local, but there is no representation by Sainsbury's elsewhere in the city and no Waitrose in the city at all.

5.5.16 Looking to potential future investment by retailers, in 2014 when the consultants last reported on market activity in Perth & Kinross, there were nine multiple operators with requirements to invest in Perth (two of which were from Aldi). Of these requirements in 2014, two have been fulfilled, both outside of the core City Centre: Aldi at Highland Gateway Retail Park, Inveralmond; and Vets4Pets inside Pets at Home, St Catherine's Retail Park). Two former requirements are no longer actively interested.

5.5.17 The combined effects of these changes mean that there are once again nine known requirements for Perth. The operators and their indicative floorspace requirements are shown in Table 5.7

5.5.18 In addition to those formal requirements, and although no notification has been issued, there may potentially be market interest in Perth from some of the stores which had concessions in the now closed McEwans of Perth department store, for example Oasis, East and Brook Taverner. In addition, fashion retailer Joules is rumoured to have a requirement to open a store in the City.

5.6 Perth leisure

5.6.1 Perth is the main centre for leisure in the Council area and reference to the out of centre leisure facilities is included under the health checks in section 7.

5.6.2 There are 103 food and drink outlets (bars / restaurants / take-away's / public houses / cafes) in Perth City Centre, totalling 22,100 sq m along with an additional 29 units totalling 18,860 sq m classed as leisure (bingo & amusements / betting offices / cinema / theatre / nightclubs / hotel / guest houses / galleries / libraries).

5.6.3 Recent changes to the hospitality and leisure scene in the City Centre include an 83-bedroom Premier Inn on Mill Street opened in 2014, which sits alongside Perth Concert Hall. The 7-screen Perth Playhouse has undergone refurbishment and the works included the installation of an IMAX screen. Perth Theatre is currently undergoing refurbishment and redevelopment works and

Table 5.7
Requirements to locate in Perth 2016

Operator	Type	Size (sq m)
Retail		
Farmfoods	Supermarket	557 – 743
Aldi (South Perth)	Supermarket	604 – 1,486
Pavers	Shoes	232 – 372
Bonmarche	Clothing	186 – 464
Topps Tiles	Tiles	279 – 743
Sub- total		**1,858 – 3,808**
Service / Other		
Halfords Autocentre	Auto parts	325 – 743
Papa Johns	Café / restaurant / bar	79 – 93
Marstons Inns	Café / restaurant / bar	581 – 883
Pizza Hut Delivery	Take-away	9 – 93
Sub-total		**994 – 1,812**

improvements are planned to Perth Museum and Art Gallery and the development of Perth City Hall as a new arts venue

5.6.4 Further leisure provision is planned for the Thimblerow site. Plans have recently been submitted by pub chain Greene King's for a restaurant on land at Broxden Business Park, Perth.The Zoo nightclub closed in 2015 and has since been demolished; affordable homes are being built on the site.

5.7 Competition from Dundee and Stirling

5.7.1 Dundee as the largest centre for multiple retailers in the TAYplan area, and Perth should work to its strength in the quality independent retail sector, and as a pleasant destination for visitors and day trippers from a wide area. On account of its location, Perth has a wide retail catchment which gives it a strong base to draw upon. Nevertheless, it does not attract may shoppers from [3]Dundee.

5.7.2 Looking to the future, Perth will experience both competition and opportunities from development of the Dundee Waterfront and arrival of the V&A. There will be an opportunity to achieve spin-off benefits from this development in Dundee to link with Perth's own planned investment in tourism and recreational infrastructure on the River and investment in cultural attractions within the City.

5.7.3 Stirling too, is a strong shopping centre and a very prominent visitor destination with its Wallace Monument, general history, easy accessibility and pleasant setting. The main area of competition is likely to remain the visitor and day tripper market. Therefore, Perth will need to continue to invest in the City Centre in terms of its street, environment, retail and leisure offer in order to maintain its position with Stirling and Dundee. The Council consider that collaborative work via the *Scottish Cities Alliance* and investment via the emergent *TAY Cities Deal* and promotion and management of the City Centre within this context will provide a key role towards achieving this.

5.8 Aberfeldy market

5.8.1 The town centre contains mainly independent retailers with a range of good quality independent shops orientated towards visitors as well as local people. Multiple retailer

[3] Dundee household shopping survey 2015

representation is limited, at 14%. The vacancy rate is 9.3%.

5.8.2 Retail activity in Aberfeldy includes a purpose built Co-operative supermarket opened in 2014 (on the site of Girvans of Aberfeldy who relocated to Breadalbane Terrace). The Co-op relocated from its store on The Square, which remains vacant. The former P&J Haggarts tweed shop has re-opened as the Three Lemons bar/restaurant, and further along Dunkeld Street Haggarts 1801 opened as a boutique tweed store. In 2015 The Townhouse hotel opened. The Bank of Scotland on The Square closed in April 2016.

5.8.3 There are two retail units available to rent in the town centre totalling 299 sq.m. with asking rents of £8- £11 per sq.ft., and the former 713 sq.m. Co-op food store on The Square is available to purchase. Yields are 9%-10%.

5.9 Auchterarder market

5.9.1 Auchterarder town centre contains mainly independent retailers with a range of good quality independent shops serving mainly local people. Multiple retailer representation is limited, at 15%. The vacancy rate is low at 4.7%.

5.9.2 A branch of the Clydesdale Bank closed in 2014 in Auchterarder. Child after Child closed (and relocated to Crieff) and jeweller Alame Fraser opened in its place. Following Lloyds Pharmacy's relocation and the closure of Mona Liza clothing store, Synergy, a bike shop and café has opened. There are two retail properties available Auchterarder totalling 166 sq.m.. Current asking rents range £11-£19 per sq.ft. Additionally a retail development opportunity is available to purchase (former cinema), which could include residential uses. Yields are 9%-10%.

5.10 Blairgowrie market

5.10.1 The town centre contains mainly independent retailers with a range of independent shops serving a mix of local people and visitors. Multiple retailer representation is fairly good for a town of this size, at 24%. The vacancy rate is low at 6.3%.

5.10.2 In Blairgowrie Sainsbury's has opened a Local store on the High Street. Store Twenty-One opened in 2014 but following administration, the shop is due to close and the Scottish Hydro Electric shop has also closed.

5.10.3 Two retail buildings are currently available (1,144 sq.m.) and being formally marketed in Blairgowrie. Rents range £5-£14 per sq.ft. Yields are 9%-10%.

5.11 Crieff market

5.11.1 Crieff town centre contains a high proportion of independent retailers, strongly orientated towards serving the tourist market, as the town is a popular destination for day visitors, including coach parties- see Table 6.7B Multiple retailer representation is limited, at 13%. The vacancy rate is relatively high at 15.3%. Key multiple retailers include Boots, RS McColl, Co-operative Food and Subway.

5.11.2 Recent store openings in Crieff comprise only local independent stores and include Child After Child (which relocated from Auchterarder), Occasions Cards and Gifts, Wishing Well, and Wee Beasties Vintage Home and Gifts. Closures in Crieff include Scottish Hydro Electric, An Cnoc, Little Stars, Oriental Rug Room and Flowerbox Gallery.

5.11.3 Since 2010 there have been 38 retail deals in Crieff totalling 4,395 sq.m., indicating a comparatively active market averaging around 6 deals per annum. There are 11 retail units in Crieff currently marketed for lease or for sale totalling 995 sq.m. Current asking rents range £6-£30 per sq.ft. and yields are 9%-10%.

5.11.4 The only known retail requirement for Crieff is for an Aldi supermarket. An application to accommodate this retailer and another unit, at Brioch Road was refused in 2015 (15/01354). The recent consent for two foodstores at Duchlage Farm represents an alternative opportunity.

5.11.5 The Monzie Hotel (former Old South Church) is being converted into a 9-bedroom 5-star exclusive use venue and is due to open in 2016.

5.12 Kinross market

5.12.1 Kinross town centre does not have many shops, as indicated in Tables 5.5 and 5.4. These are mostly independent operators, mainly serving the local population. Multiple retailer representation is good for a town of this size, at 29%. The vacancy rate is relatively high at 14.3%.

5.12.2 Key multiple retailers are Co-operative Food, Baynes the Bakers, Rowlands Pharmacy and Scotbet. A Sainsbury's supermarket lies out of centre at a junction on the M90. An M & S Simply Food outlet has opened at Moto Service station on the M90 motorway.

5.12.3 Closures in Kinross include Clydesdale Bank and The Gallery. Jeweller Winski's of Kinross relocated from a shop on the High Street to Kinross Business Centre. New stores include yarn store Skeins and Bobbins which opened in 2015 and Alphavet who opened a veterinary surgery in the former Clydesdale Bank branch in July 2016. The High Street has undergone improvement works, with an upgrade to its streetscape and the creation of shared space outside the former town hall.

5.12.4 Since 2010 there have been five recorded retail transactions in Kinross totalling 136 sq.m., or approximately one small deal each year. Only two retail units are formally on the market in Kinross, totalling 104 sq.m. Rents are in the region of £7-£12 per sq.ft. Yields are 9%-10%.

5.12.5 Outside of the town centre (and across the M90 motorway), proposals exist for redevelopment of the motorway services at Junction 6 of the M90, including eight retail units of 279 sq.m. each.

5.13 Pitlochry market

5.13.1 Pitlochry town centre is heavily orientated towards visitor spending, and it is a major destination for tourists generally, including coach parties. Most of the shops are independent operators, with significant numbers of gift shops, arts/crafts, clothing and accessory shops. Multiple retailer representation is good at 27%. The vacancy rate is fairly low at 7.5%. These proportions indicate successful trading.

5.13.2 Pitlochry saw multiple retailer Mountain Warehouse open a store in 2014, the same year in which Melt Gallery opened. Davidson's Chemist relocated and Morton's Coffee Lounge opened in its former store. The Scottish Hydro Electric shop has closed.

5.13.3 There are four retail units available totalling 375 sq.m. Current asking rents range £16-£19 per sq.ft. One additional property is available for sale as an investment which could yield 7.5%. A recent investment sale yielded 9.6%.

6 Interview surveys

6.1 Introduction

6.1.1 The Study includes two different interview surveys:

- A household telephone interview survey covering each of the five sub areas (sample total 1,100); and
- A business occupiers survey in Perth City Centre (104), and in the town centres of Crieff (30) and Kinross (19)- sample total 153.

6.1.2 This section summarises the findings of the surveys, which provide valuable data on shopping patterns, perceptions of the quality of shopping in the town centres and the views of local retailers/ businesses.

6.1.3 At the end of this section, reference is made to two other recent interview surveys in Perth which were separate from this report.

6.2 Household survey

6.2.1 The telephone interview survey was undertaken in the Council area by NEMS Market Research in June 2016. It was divided into quotas by sub area-see Appendix 2). The survey sought to identify shopping patterns and also perceptions of the main town centres and the list of questions is provided in Appendix 3.

6.2.2 The output tables produced by NEMS Market Research, showing the questions and responses, are provided in a separate document to accompany this report.

6.3 Shopping patterns

6.3.1 Analysis of the survey findings, are provided in section 7 for convenience retailing and section 9 for comparison retailing.

6.4 Use and perceptions of the town centres- general

6.4.1 Questions on the use and perceptions of the following town centres were included:

- Perth City Centre
- Aberfeldy
- Auchterarder
- Blairgowrie
- Crieff
- Kinross
- Pitlochry

6.4.2 In the case of Perth, Kinross and Blairgowrie, the town centre related questions (Q16-29) were addressed to respondents from Zones 1, 2 and 7 respectively. For Crieff and Auchterarder, the questions were addressed to respondents from Zone 3a and Zone 3b respectively. Similarly, for Aberfeldy and Pitlochry, the questions related to those from Zones 4a and 4b respectively. Thus, the findings form and important contribution to the health checks for each of these seven town centres.

6.5 Frequency of visit to the town centres

6.5.1 Table 6.1 shows the reported frequency of visits to each of the town centres. Weekly visits featured strongly in Perth City Centre compared to the other town centres, where the proportions of daily visits were much higher. In addition, all the respondents in the Council area were asked how often they visited Perth City Centre. The results were: *daily 7%, 2-6 times a week 16%, weekly 21%, 2-3 times a month 16%, once a month 17%, less often 13% and never 10%*. The distribution indicates less frequent visits compared to visits by respondents from Perth, which is not surprising because of the wider hinterland.

6.6 Mode of travel

6.6.1 The normal mode of travel to each of the town centres is shown in Table 6.1. It reveals the primacy of the car, but the proportion of those walking featured strongly among the smaller towns.

6.7 Dwell time in the town centres

6.7.1 In Perth and Pitlochry, high proportions reported staying for between one and two hours. In general, low proportions stayed up to one hour in Perth City Centre compared to the other town centres, as indicated in Table 6.1.

Table 6.1
Frequency of visit to the town centre, mode of travel and dwell time

Frequency of visit	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgow rie TC
Daily	11%	25%	35%	32%	41%	27%	19%
Between 2 and 6 times a week	22%	8%	7%	30%	17%	3%	6%
Weekly	25%	19%	11%	8%	19%	16%	9%
2-3 times a month	13%	20%	10%	16%	11%	25%	26%
Once a month	12%	8%	8%	3%	12%	7%	8%
Less frequently than once a month	9%	9%	7%	1%	0%	2%	8%
Normal mode of travel to the town centre	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgow rie TC
Car / van (driver)	54%	62%	42%	50%	42%	58%	69%
Car / van (passenger)	6%	0%	2%	2%	0%	4%	4%
Walk	13%	38%	37%	37%	57%	33%	21%
Bus	21%	0%	19%	0%	1%	3%	6%
Don't know/varies	6%	0%	0%	10%	0%	1%	1%
Dwell time in the town centre	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgow rie TC
Less than 30 minutes	5%	40%	21%	38%	35%	11%	11%
30 minutes - 59 minutes	15%	36%	36%	26%	12%	17%	26%
1 hour – 1 hour 59 minutes	33%	16%	14%	22%	21%	50%	28%
2 hours – 2 hours 59 minutes	31%	3%	13%	0%	10%	5%	12%
3 hours – 3 hours 59 minutes	5%	0%	7%	3%	10%	1%	4%
4 hours or more	4%	1%	6%	1%	2%	10%	6%
(Don't know / varies)	6%	4%	2%	9%	10%	5%	14%
from:	zone1	zone2	zone3a	zone3b	zone 4a	zone 4b	zone 5

Table 6.2
Main reasons for visiting the town centre- 5 most frequently mentioned.

multiple response question	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgow rie TC
Food shopping		36%	22%	47%	73%	39%	25%
Non-food shopping	16%	16%	17%	13%	32%	20%	
Shopping generally	43%	31%	51%	29%	20%	18%	50%
Visit other services (hairdressers etc)		15%	14%				
Visit financial / professional services	11%	20%			17%		
Visit restaurants / cafés	27%						11%
Walk around / browse	24%			10%		19%	12%
Work / study			19%			20%	12%
Meet family and friends				13%			
Visit pubs					17%		
from:	zone1	zone2	zone3a	zone3b	zone 4a	zone 4b	zone 5

6.8 Main reasons for visiting the town centre

6.8.1 Table 6.2 shows the most frequently stated reasons for visiting the town centres. Shopping generally and non-food shopping features more frequently for Perth City Centre and for Crieff town centre compared to the other town centres. Food shopping was among the most important reasons for visiting the town centres, apart from Perth City Centre.

6.9 Likes and dislikes about the town centres

6.9.1 The respondents were asked to identify what they most liked and disliked about the town centres. The most frequent responses are shown in Table 6.3. *Close to home* featured strongly among the likes for each town centre, and *attractive environment* in the case of Aberfeldy and Pitlochry. *Shopping* was not prominently represented.

6.9.2 Among the dislikes, *limited parking* was a common complaint in Auchterarder. In Perth and Crieff, the *number of vacant shops* featured strongly, as did the *range of shops* in Perth City Centre and in Kinross.

6.10 Rating the town centres

6.10.1 The respondents were asked to rate their town centre as *good/ average/ poor* on shopping, environment, parking and as a pleasant place to visit. The findings are shown Table 6.4. The *range and choice of shops* and *quality of shops* did not feature particularly strongly in Perth City Centre, compared to some of the small towns. The environment of some of the smaller towns was rated *good*; more strongly so than for Perth City Centre.

6.10.2 Parking *availability* was generally an issue, but not especially the *cost of parking*, except in Perth. The town centres were generally rated *good* as places to visit.

Table 6.3
Like *most* and dislike *most* about the town centre for visiting and shopping- 5 most frequently mentioned

Like most about town centre *multiple response question*	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgowrie TC
Attractive environment generally	7%	5%	15%	8%	52%	24%	10%
Close to home / convenient	22%	37%	26%	45%	18%	20%	43%
Friendly / community atmosphere			14%	11%	17%	15%	11%
Quality / range of cafes & restaurants	8%						
Quality of independent shops				11%			
Quality of shops						6%	
Range / choice of shops generally					11%		
Range of independent shops		6%	12%				
Central location		8%					
Compact layout	8%						7%
Don't like or dislike	34%	39%	22%	19%	13%	30%	19%
Dislike most about town centre *multiple response question*	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgowrie TC
Inconvenient parking				7%			
Lack / limited leisure facilities				8%			
Limited parking	7%	7%	11%	40%	11%		12%
Numbers of vacant shops	23%	9%	27%		10%		
Quality of shops generally							4%
Quality / choice of food shops					9%		
Range of clothes shops					6%		
Range of shops generally	26%	36%	19%	3%		9%	7%
Traffic congestion						5%	
Unattractive environment generally	7%						
The one-way system							3%
Too many coffee shops						6%	
Needs zebra crossing on High St		7%					
Annoying parking meters			5%				
Too many tourists / tourist shops						6%	
Don't like or dislike	22%	26%	19%	33%	54%	49%	59%
from:	zone1	zone2	zone3a	zone3b	zone 4a	zone 4b	zone 5

Table 6.4
How the respondents rated their town centre: shops, environment, parking and pleasant to visit

Range and choice of shops	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgowrie TC
Good	12%	8%	8%	43%	45%	32%	15%
Average	44%	33%	42%	32%	34%	34%	50%
Poor	43%	58%	50%	24%	21%	29%	33%
(Don't know)	2%	1%	0%	1%	0%	4%	2%
Quality of shops	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgowrie TC
Good	28%	25%	25%	67%	64%	39%	35%
Average	47%	44%	65%	20%	35%	44%	47%
Poor	23%	31%	9%	12%	1%	14%	17%
(Don't know)	2%	1%	0%	1%	0%	3%	1%
Town centre environment	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgowrie TC
Good	37%	42%	18%	52%	62%	58%	53%
Average	38%	34%	52%	37%	30%	28%	38%
Poor	23%	24%	30%	10%	8%	10%	8%
(Don't know)	2%	1%	0%	1%	0%	4%	1%
Parking - ease of availability of spaces	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgowrie TC
Good	24%	18%	14%	23%	26%	21%	29%
Average	25%	33%	29%	7%	19%	24%	34%
Poor	36%	44%	38%	69%	23%	40%	25%
(Don't know)	15%	4%	18%	1%	31%	14%	12%
Cost of parking	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgowrie TC
Good	16%	65%	20%	79%	59%	50%	38%
Average	31%	7%	17%	4%	1%	18%	29%
Poor	32%	13%	24%	1%	3%	10%	14%
(Don't know)	21%	15%	39%	16%	38%	22%	18%
As a pleasant place to visit	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgowrie TC
Good	53%	61%	45%	68%	83%	77%	65%
Average	34%	28%	34%	25%	17%	16%	31%
Poor	12%	11%	21%	6%	0%	4%	2%
(Don't know)	1%	1%	0%	1%	0%	3%	1%
from:	zone1	zone2	zone3a	zone3b	zone 4a	zone 4b	zone 5

6.11 Town centre improvements

6.11.1 The respondents were asked to say what improvements to their town centre would make them visit more often. As indicated in Table 6.5, better shops and parking were common desires.

6.12 Frequency of visit compared to the past

6.12.1 Table 6.6 reveals that most people visited their town centre at much the same frequency as they did two years ago, except in Perth, where a high proportion stated that they visited the City Centre less often now.

Table 6.5
What improvements to the town centre would make you visit more often- most frequently mentioned

multiple response question	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgowrie TC
Cleaner streets			11%				
Improve the environment generally	10%	7%	10%				
More larger stores	6%					6%	4%
More / better clothes & fashion stores	12%	9%			2%		
More / better food shops generally	5%		13%		5%		8%
More / better restaurants / cafés			8%				
More / cheaper parking	15%	23%	17%	44%	13%	10%	13%
More / better shops generally	40%	40%	43%	4%	11%	28%	22%
More leisure facilities	3%			8%			
More pedestrianised streets						5%	
More specialist / independent shops	10%	7%					
New / better supermarket				11%			
More street markets					9%		
Nothing / no change	12%	20%	13%	21%	47%	33%	40%
from:	zone1	zone2	zone3a	zone3b	zone 4a	zone 4b	zone 5

Table 6.6
Frequency of visit to the town centre now, compared to two years ago, and contribution of the internet to reduced visits

Compared to two years ago, how frequently do you visit the TC now?	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgowrie TC
More often than before	7%	5%	18%	9%	19%	5%	12%
About the same as before	50%	85%	57%	86%	80%	73%	78%
Less often than before	40%	9%	24%	5%	1%	15%	9%
(Don't know)	2%	1%	1%	0%	0%	8%	1%
Has internet shopping contributed to your reduced visits to the TC?	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgowrie TC
Yes	40%	47%	9%	0%	0%	4%	12%
No	40%	53%	86%	61%	100%	83%	65%
(Not relevant / don't do Internet shop	20%	0%	5%	39%	0%	13%	23%
from:	zone1	zone2	zone3a	zone3b	zone 4a	zone 4b	zone 5

6.13 Internet and reduced town centre visits

6.13.1 As shown in Table 6.6, high proportions of the respondents stated that the internet has contributed to reduced visits to Perth City Centre and to Kinross town centre.

6.14 Frequency of town centre visits in the evenings

6.14.1 The respondents were asked how often they visited their town centre in the evening. Table 6.7 shows that substantial proportions never visited in the evening, and significant proportions visited less frequently than once a month.

6.15 Leisure activities in the town centres-evenings

6.15.1 Table 6.8 shows that eating and drinking were the most common activities undertaken, with a wider variety of other activities in Perth City Centre, where there is a wider range of offer compared to the small towns. Table 6.9 indicates that rather few respondents could identify things that would make them visit more often in the evenings.

Table 6.7
Frequency of visit to the town centre in the evenings, after 6pm

	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgowrie TC
Daily	0%	0%	0%	4%	0%	1%	1%
Every 2 days	0%	0%	1%	12%	0%	7%	5%
Between 3 times and 6 times a week	2%	4%	7%	3%	8%	1%	5%
Weekly	7%	9%	9%	5%	33%	22%	13%
2-3 times a month	7%	14%	11%	6%	8%	4%	6%
Once a month	12%	9%	13%	11%	11%	9%	12%
Less frequently than once a month	23%	10%	19%	7%	12%	19%	12%
Never	46%	51%	40%	45%	25%	32%	47%
(Don't know / varies)	3%	4%	0%	6%	3%	5%	1%
from:	zone1	zone2	zone3a	zone3b	zone 4a	zone 4b	zone 5

Table 6.8
Leisure-related activities undertaken when visiting the town centre in the evenings- most frequently mentioned

multiple response question from read- out list	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgowrie TC
Visit restaurants or cafés	58%	61%	63%	39%	39%	33%	58%
Buy take-aways	8%	9%	16%				
Visit pubs / wine bars	32%	21%	26%	20%	41%	31%	42%
Visit community cinema or theatre	34%					10%	
Walking about / strolling	4%	7%	10%	16%	53%	14%	7%
Use sports halls or gyms	10%	8%		10%		13%	
Community hall activities / meetings	4%	8%	7%				
Late shopping (when open)	4%			20%	12%		13%
Attending events, including live music	21%		13%		7%		12%
Visit friends / family	1%		10%			9%	
from:	zone1	zone2	zone3a	zone3b	zone 4a	zone 4b	zone 5

Table 6.9
What would make you visit the town centre more often in the evenings-most frequently mentioned

multiple response question	Perth City Centre	Kinross TC	Crieff TC	Auchterarder TC	Aberfeldy TC	Pitlochry TC	Blairgowrie TC
Improved town centre security	2%				3%		
Longer / later opening hours	4%						
More / better pubs	4%		7%			7%	
More / better restaurants	5%	6%	9%	7%		3%	12%
More evening events	3%						5%
More family orientated facilities	1%						
More leisure facilities	4%			12%			5%
Music / arts / performances / concerts	6%	4%					6%
Shops open later	4%		4%				
Cinema / better cinema	1%		10%				
Nothing	60%	81%	60%	71%	91%	82%	61%
from:	zone1	zone2	zone3a	zone3b	zone 4a	zone 4b	zone 5

6.16 Use of the internet for shopping

6.16.1 All the respondents from the Council area were asked how often they used the internet for shopping (Q12). The responses were: *frequently* 22%, quite *often* 28%, *occasionally* 27%, and *never* 22%.

6.16.2 Asked what they liked most about using the internet for non-food shopping (Q13), the most frequently mentioned reasons were: *convenient* 54%, *wide range and choice of goods* 19%, *rapid delivery to home* 11%, and *cheaper prices generally* 11%.

6.16.3 Among those who did not use the internet for shopping(Q14), the main reasons for not using it were: *no access to a computer* 27%, *don't like using computers* 16%, *don't know how to use computers* 13%, and *can't examine products* 11%.

6.16.4 All the respondents were asked how frequently they intended to use the internet for non-food shopping in the future (Q15). The responses were: *more often* 18%, *about the same* 60%, *less often* 3%, and 15% *never*.

6.16.5 Online retailing is growing and many retailers adopt a multi-channel approach to selling, based on advertising online and from their shop floorspace, as explained in section 4 of this report. There is some overlap between non-store sales and store-related internet sales, which means that the reported proportions using the internet for purchases from the survey will be less, once the store-related sales are deducted. An estimated reduction has been applied in this study, as set out in the footnote to Table 10.1. Research quoted by a Google spokesperson also indicates that once a customer clicks on a retailer's website, they are more likely to convert it to a purchase rather than on other, rival sites.

6.17 Business occupiers survey

6.17.1 The telephone interview survey of just over 150 businesses was undertaken in the Council area by NEMS Market Research in June 2016, as explained at the beginning of this section. A list of the questions is provided in Appendix 4.

6.17.2 The output tables produced by NEMS Market Research, showing the questions and responses, are provided in a separate document to accompany this report.

6.18 Profile of businesses

6.18.1 Table 6.1B shows the range of different businesses interviewed in the three town centres, of which non-food retailers featured highly. In Kinross, the higher proportion of trades and industry related businesses reflects the balance of business types there.

6.18.2 In Perth, 66% of the respondents were independent businesses, with around 90% in each of Kinross and Crieff (Q2). The rest were multiples and regional chains.

6.18.3 Table 6.2B shows the various reasons why the respondents chose the location of their premises. *Living nearby, high footfall and attractiveness of location* featured more highly in Perth compared to respondents from the other towns, where a broader range of reasons were given.

6.18.4 Table 6.3B shows that most of the businesses have been operating in their current premises for more than ten years. The great majority employ up to five people full-time and the same part-time, as shown in Table 6.4B and 6.5B. This suggests that, generally, that most property requirements will be for small premises.

6.19 Staff parking

6.19.1 The pattern of parking by staff of the businesses (off-street/ on-street) is shown in Table 6.6B. Use of public car parks and on-street parking features quite strongly on all three town centres, with company car parks featuring strongly in Kinross, which probably reflects the more industrial/ commercial type of respondent.

6.20 Customer base

Table 6.7B reveals where the respondents said their customers came from, which is a mix of mainly local people and visitors. The contribution of visitors to the turnover of the businesses is generally important, as indicated by the respondents in the same table. However, in Kinross, half the respondents considered that visitor spending contributed less than 15% of turnover.

Table 6.1B
Q1 Type of business interviewed

	Perth	Kinross	Crieff
Food retail	7%	11%	10%
Non-food retail	52%	21%	30%
Restaurants/ cafes/ pubs/ take-aways	5%	0%	17%
Other services- hairdresser, travel agents,beauty salon etc	9%	16%	10%
Banks, B societies, financial services, accounts	3%	5%	3%
Property, offices, professional services, charity	5%	0%	3%
Industry/ trades/haulage/construction	6%	37%	13%
Leisure & recreation	5%	5%	3%
Hotel and accommodation	3%	5%	10%
Medical	7%	0%	0%
Total	100%	100%	100%
Sample size (number of businsses)	104	19	30

Table 6.2B
Q3 Main reason for chosing current premises- most frequently mentioned

	Perth	Kinross	Crieff
Live nearby / owner lives nearby	11%	16%	27%
Attractiveness of location	18%	0%	7%
High footfall to location	12%	5%	7%
A going concern	8%	11%	10%
Affordability (e.g. rent/ rates)	7%	11%	3%
Availability of premises	2%	11%	7%
Size of premises	6%	5%	3%
Condition / quality of premises	2%	5%	7%
No reason in particular	25%	32%	10%
Others	11%	5%	20%
Total	100%	100%	100%

Table 6.3B
Q4 How long has the business been operating from existing premises

	Perth	Kinross	Crieff
Up to one year	7%	0%	13%
More than 1 year, but no more than 5 years	20%	26%	23%
More than 5 years, but no more than 10 years	15%	16%	13%
More than 10 years	58%	58%	50%
Total	100%	100%	100%

Table 6.4B
Q5A How many full-time staff, including working partners/owners/directors

	Perth	Kinross	Crieff
0-5	85%	74%	87%
6-10	10%	5%	13%
11-15	3%	5%	
16-60	1%	11%	
61-100	1%	5%	
101+			
Don't know	1%		
Total	100%	100%	100%

Table 6.5B
Q5B How many part-time staff, including working partners/owners/directors

	Perth	Kinross	Crieff
0-5	83%	89%	87%
6-10	8%	0%	10%
11-15	4%	5%	
16-60	3%	0%	
61-100	0%	5%	
101+	1%		
Don't know	2%		3%
Total	100%	100%	100%

The respondents also considered that their customers came from all age groups, but substantially from the 30-59 age group.

6.21 Competitor towns/ internet

Table 6.8B reveals where the respondents believed the main competition came from. Among the respondents from Perth, one third identified Dundee; for Kinross it was Perth and Dunfermline and for Crieff is was Perth. Many of the respondents could not identify their main competitor town

6.22 Own or rent

6.22.1 Among the respondents from Perth, 33% owned their property and 63% rented it (Q11). In Kinross, the corresponding proportions were 74% and 26% respectively. In Crieff, the proportions were 63% owners and 33% renting. There were a few refusals to answer.

6.23 Investment in premises

6.23.1 The respondents were asked how much they had spent on their existing premises over the last five years. The findings are shown in Table 6.9B. Most had invested varying amounts in the exterior and interior of their properties, and shopfronts, with minimal levels being mentioned most frequently.

6.24 Property and business performance

6.24.1 The respondents were asked about how a range of different property-related issues might impact on their business performance and on the likely level of impact- see Table 6.10B. The responses under each issue are self-explanatory, with an overall interpretation that most operators are not really considering need for much change to their properties. In general, lease terms were perceived to have less impact than physical property matters.

Table 6.6B
Q6 Where staff usually park

	Perth	Kinross	Crieff
Company car park	13%	42%	10%
Other private car park	12%	5%	3%
Public car park	29%	21%	20%
Private garage	1%	0%	3%
On-street	19%	16%	23%
Other	0%	0%	0%
Perth Park & Ride, Broxden	1%	0%	0%
(No staff arrive to work by car)	21%	5%	33%
(Don't know / varies)	4%	11%	7%
Total	100%	100%	100%

Table 6.7B
Q7-Q9 Customer profile

	Perth	Kinross	Crieff
Q7 Where do customers mainly come from			
Mostly local people (from Perth & Kinross)	56%	58%	57%
Mostly visitors from outside Perth & Kinross	1%	11%	20%
Mostly a mix of local people with a significant level of visitors	42%	32%	23%
(Difficult to say / don’t know)	1%	0%	0%
Total	100%	100%	100%
Q8 Proportion of turnover relating to visitors from outside Perth & Kinross			
Up to 15%	11%	50%	0%
More than 15%, but no more than 25%	13%	13%	8%
More than 25%, but no more than 50%	42%	0%	15%
More than 50%	16%	38%	69%
(Don't know / varies)	18%	0%	8%
Total	100%	100%	100%
Q9 Estimated age range of most common customers			
Mostly up to 30 years	7%	0%	3%
Mostly 30-59 years	36%	42%	50%
Mostly 60 and over	13%	0%	0%
All age groups	44%	58%	47%
Other	0%	0%	0%
(Difficult to say / don't know)	0%	0%	0%
Total	100%	100%	100%

6.25 Trading outlook

6.25.1 The respondents were asked about their expected sales performance over the next two years, (*lower sales/ no change/ increasing sales*- see Table 6.11. Increasing sales was the most frequently mentioned expectation.

6.25.2 Table 6.11 also shows the main reasons given by the respondents for their expectations. Main reasons for lower sales expectations included competition from the internet, the economic climate, reduced spending and less visitors. The main reasons for increased sales expectations were more associated with pro-active decisions to improve their own businesses.

Table 6.8B
Q10 Which other town (or internet) offers the main competition to the business

	Perth	Kinross	Crieff
Perth	15%	26%	37%
Dundee	33%	0%	0%
Edinburgh	6%	5%	0%
Internet	13%	0%	7%
Auchterarder	0%	0%	7%
Dumfermline	0%	16%	0%
Don't know	23%	32%	33%
None/ nowhere else	5%	16%	7%
Various other towns	5%	5%	10%
Total	100%	100%	100%

Table 6.9B
Q12 Level of investment in premises over the last five years

	Perth	Kinross	Crieff
Internal building (walls, floors, wiring, drainage etc.)			
Considerable investment (above £15,000)	13%	11%	20%
Moderate investment (£3,000-£15,000)	15%	21%	23%
Modest investment (up to £3,000)	13%	5%	13%
Minimal investment/ no investment	42%	63%	37%
Required investment not viable or finance not available	4%	0%	3%
(Don't know)	13%	0%	3%
Total	100%	100%	100%
Building – external structure (walls, roof, gutters etc.)			
Considerable investment (above £15,000)	8%	11%	10%
Moderate investment (£3,000-£15,000)	12%	5%	30%
Modest investment (up to £3,000)	9%	5%	13%
Minimal investment/ no investment	52%	79%	33%
Required investment not viable or finance not available	4%	0%	7%
(Don't know)	16%	0%	7%
Total	100%	100%	100%
Shopfronts - displays / advertisement / fittings			
Considerable investment (above £15,000)	6%	5%	3%
Moderate investment (£3,000-£15,000)	10%	21%	3%
Modest investment (up to £3,000)	28%	16%	47%
Minimal investment/ no investment	38%	58%	37%
Required investment not viable or finance not available	2%	0%	3%
(Don't know)	16%	0%	7%
Total	100%	100%	100%

6.26 Proposed changes

6.26.1 The respondents were asked whether they were actively considering certain changes to their business practices and premises (from a list) in the future. The findings are shown in Table 6.12, where most interest related to marketing improvements, followed by property improvements. Significant proportions were not considering any changes.

6.26.2 Among those looking for suitable alternative units, experience was split, with some reported difficulties and no difficulties-

Table 6.10B
Q13 Property related issues- likely impacts on business performance

	Perth	Kinross	Crieff
Relocation of my business to high street / main street in town centre with higher footfall			
Considerable impact	37%	16%	17%
Moderate impact	19%	26%	10%
No impact	32%	47%	37%
(Don't know)	13%	11%	37%
Total	100%	100%	100%
Change in the mix of other types of businesses nearby			
Considerable impact	21%	26%	17%
Moderate impact	33%	11%	20%
No impact	39%	58%	50%
(Don't know)	7%	5%	13%
Total	100%	100%	100%
Reduction in number of vacant units in town centre			
Considerable impact	40%	32%	37%
Moderate impact	26%	5%	23%
No impact	28%	53%	37%
(Don't know)	6%	11%	3%
Total	100%	100%	100%
Change in the size of my unit - larger			
Considerable impact	19%	11%	10%
Moderate impact	20%	16%	13%
No impact	55%	63%	57%
(Don't know)	6%	11%	20%
Total	100%	100%	100%
Change in the size of my unit - smaller			
Considerable impact	30%	26%	7%
Moderate impact	13%	11%	7%
No impact	52%	53%	67%
(Don't know)	6%	11%	20%
Total	100%	100%	100%
Change in the layout of my unit			
Considerable impact	15%	5%	13%
Moderate impact	17%	11%	23%
No impact	58%	63%	50%
(Don't know)	10%	21%	13%
Total	100%	100%	100%
Improvements to the physical condition of my unit			
Considerable impact	13%	5%	17%
Moderate impact	24%	11%	20%
No impact	59%	74%	57%
(Don't know)	5%	11%	7%
Total	100%	100%	100%
Improvement to the fittings and decor			
Considerable impact	14%	5%	13%
Moderate impact	26%	21%	13%
No impact	52%	63%	67%
(Don't know)	8%	11%	7%
Total	100%	100%	100%
Change to the terms of my lease - longer			
Considerable impact	2%	0%	0%
Moderate impact	4%	5%	7%
No impact	68%	79%	77%
(Don't know)	26%	16%	17%
Total	100%	100%	100%
Change to the terms of my lease - shorter			
Considerable impact	7%	5%	3%
Moderate impact	9%	0%	3%
No impact	57%	79%	77%
(Don't know)	28%	16%	17%
Total	100%	100%	100%
More flexible lease terms			
Considerable impact	9%	0%	3%
Moderate impact	11%	5%	3%
No impact	54%	79%	77%
(Don't know)	27%	16%	17%
Total	100%	100%	100%

Table 6.11B
Q14-Q15 Forecast sales performance

	Perth	Kinross	Crieff
Q14 Likely sales performance over the next two years			
Lower sales	25%	16%	20%
No change in sales	25%	32%	37%
Increasing sales	40%	37%	30%
(Don't know / not relevant)	10%	16%	13%
Total	100%	100%	100%
Q15A Main three reasons for expected lower sales			
(selection of most frequent responses)			
Economic climate	38%	33%	17%
Competition from Internet	35%	33%	17%
Lack of footfall	19%	0%	17%
Competition from other shops	12%	33%	0%
Parking facilities	0%	0%	50%
Fewer tourists / visitors	19%	0%	17%
Q15B Main three reasons for expected no change in sales			
(selection of most frequent responses)			
Economic climate	27%	17%	18%
Specialist business	12%	33%	9%
Stable business / always busy	12%	0%	0%
Lack of finance to improve business	0%	17%	9%
Town has a strong customer base	8%	0%	9%
Q15C Main three reasons for expected increase in sales			
(selection of most frequent responses)			
My business has an attractive range / quality of goods	26%	0%	11%
Better advertising / marketing / promotion	12%	43%	22%
Improvements / expansion of business	14%	0%	22%
Now online as well	2%	14%	0%
Economic climate	5%	14%	11%
Specialist business	7%	0%	22%
Reputation is building	7%	0%	22%

Table 6.12B
Q16 Is the business actively considering the following over the next 5 years

multiple responses	Perth	Kinross	Crieff
Adding to the range of merchandise, pricing and sales promotion	38%	21%	23%
Improvements to existing premises	31%	26%	27%
Move to larger premises	11%	11%	3%
Looking for smaller premises	3%	0%	3%
Relocation within the local area	13%	5%	3%
Leaving the area	11%	0%	7%
Closure	12%	16%	10%
No change	30%	37%	30%
Other	0%	0%	0%
Move business to an online site only	1%	0%	0%
Selling the business	0%	0%	13%
(Don't know)	8%	5%	7%

Table 6.13B
Q17-Q18 Search for premises and size (for those looking to relocate in Q16)

	Perth	Kinross	Crieff
Q17 Any difficulty in finding suitable units			
Difficult to find suitable available units	35%	0%	50%
No difficulty in finding suitable available units	35%	100%	50%
Other-(difficult to answer)	30%		
Q18 What size of unit is being sought			
Up to 40 sq. m gross (430 sq. ft.)	6%	50%	50%
Up to 80 sq. m gross (860 sq. ft.)	18%	0%	0%
Up to 120 sq. m gross (1,290 sq. ft.)	12%	50%	0%
More than 120 sq. m gross	0%	0%	0%
(Don't know / haven't decided yet)	65%	0%	50%
Total	100%	100%	100%

Table 6.14B
Q19 Long term vacant units in the town centre- main obstacles to being taken up

multiple responses- selection of most frequent	Perth	Kinross	Crieff
Unaffordable rents / rates	65%	16%	50%
Lack of footfall	17%	21%	27%
Lack of / expensive parking	7%	11%	20%
Lack of quality businesses locally	4%	11%	7%
Competition from larger businesses	4%	16%	0%
Their condition	4%	5%	3%
Unsuitable size	6%	5%	0%
Competition from the Internet	6%	0%	3%
Don't know	15%	21%	17%

see Table 6.13, which also shows the size of premises sought.

6.27 Take-up of long term vacant units

6.27.1 Finally, the respondents were asked what they considered to be the main obstacles to the take-up of current longer-term vacant units in their town. The responses are shown in Table 6.14. The predominant reason was that they were perceived as unaffordable in terms of rates and rents, although their condition and lack of footfall was mentioned.

6.28 Other interview surveys

6.28.1 The *Better Perth Shopper Satisfaction Survey 2016* was undertaken by a volunteer group this summer. It was an online survey which reported several hundred responses, with invitations to respond marketed through the Better Perth Facebook page. The main findings were as follows:

- Good cafes, bars and restaurants were by far the most popular attribute of shopping in Perth City Centre;
- Good independent shops and a pleasant environment were rated as the second and third most popular attribute;
- Eating/ drinking out, clothing and fashion, grocery and culture and entertainment account for the highest number of visits to the City Centre;
- Dundee is the most popular alternative shopping destination to Perth, followed by Edinburgh and Glasgow;

- Most respondents would like to see fewer empty shops in the City Centre;
- Those under 45 years old would like more large retailers and those over 45 would like more independent retailers;
- A significant number of respondents would like better parking and also felt that the City Centre to be kept in better order;
- A significant number would like to see a more regular fresh produce market; and
- A significant number of those under 45 years old would like to see shops open later and more shops open on Sundays.

6.28.2 Another interview survey document by *Scotpulse* was prepared in September 2016. It collected views on the City Centre by local people and visitors from elsewhere in Scotland by sending an online survey questionnaire which achieved a reported 1,171 responses. In addition, a link to the survey was promoted on social media sites, attracting 300 respondents. The stated purpose of the research was to 'inform the key drivers to Perth as a destination'. The main findings were as follows:

- Visitors to the City Centre within the last three months mostly came from the Central Belt: postal areas KK, DD, FK, with some from IV and AB areas, as well as PH;
- Visits tended to be less than once a month;
- The main reasons for visiting were 'a day out' and 'shopping';
- For visitors within the last three months, the top reason was shopping, followed by eating out. For those coming less often, the top reason was 'a day out'.
- On overall impressions of the City Centre, many visitors expressed very positive views, compared residents, many of whom thought it was tired and run-down;
- Residents like the ease of getting around and the variety of cafes, bars and restaurants. In addition, visitors liked the variety of shops and the pleasant environment;
- On suggested improvements to the City Centre, 'a greater variety of shops' and 'more parking spaces' were the most frequently mentioned priorities. Some wanted more shops open in the evenings;
- Markets were popular with residents and visitors alike. Popular large events with visitors included the Game Fair, Perth Races and the Perth Show. The report also refers to the potential to encourage more visitors with special events;
- Costs of parking was an issue with local people and that provision of more spaces is desirable. Signage for parking was generally thought to be good;

7 Town centre health checks

7.1 Introduction

7.1.1 This section contains health check assessments of *Perth City Centre* and the town centres of *Crieff, Kinross, Crieff, Auchterarder, Aberfeldy, Pitlochry and Blairgowrie* (in the order of their zones). It draws heavily on the survey information provided in previous sections. There is a short explanation of the key performance indicators, followed by the health checks for each town centre as distinct sub sections in a single column format to assist presentation.

7.1.2 The selection of indicators and level of detail is the same as that applied to Perth City Centre and the town centres of Kinross and Crieff in the 2014 Retail Study, as set out in the tender response to the current brief.

7.2 Key indicators

7.2.1 The key performance indicators are based on a selection of those in the USP *(Understanding Scottish Places*) Town Audit 2015 and the current SPP. The level of detail in the USP is well beyond the scope of this report, so the selected key indicators are at varying levels of detail, which in most cases is at a brief summary level. The applied key performance indicators include:

- Pedestrian flow counts
- Diversity of uses
- Quality of built environment
- Recent/ proposed investment
- Accessibility
- Attitudes and perceptions
- Retailer representation and market demand
- Retail rents and commercial yields
- Vacancy rates
- Leisure and cultural facilities, including the evening economy
- Events
- Crime and Safety
- Sense of place

Pedestrian footfall- is a basic indicator of the vitality of town centres. Pedestrian counts were undertaken at selected points in Perth City Centre and in the town centres of Kinross and Crieff, by NEMS Market Research, supplemented by electronic pedestrian counts in the St John's Shopping Centre.

7.2.2 **Diversity of uses**- information on the mix of land uses in the town centres is provided in section 5. Simple summary descriptions are provided in the health checks, based on the following range: *wide variety, medium variety and limited variety.*

7.2.3 **Quality of the built environment**- This indicator is applied in the form of a brief written description for each town centre, based on key physical features and perceptions from the interview surveys.

7.2.4 **Recent and proposed investment-** contains a brief description of significant development projects and regeneration initiatives.

7.2.5 **Accessibility-** would indicate the ease with which the public can visit the three town centres and the key issues. It includes evidence on the levels of accessibility for each town centre to include car parking, bus services and rail services, together with public perceptions from the interview surveys.

7.2.6 **Attitudes and perceptions-** on the town centres is drawn from the interview survey findings in section 6. This provides valuable information on what the public see as key issues for the town centres.

7.2.7 **Retailer representation and demand-** is an indicator of the strength of the retail offer and demand in the three town centres. The information is drawn from section 5. Multiple retailer representation is expressed as: *nos. of multiple retailers/ (nos. of convenience + comparison retailers*) in this study. Multiple retailers include those with nine or more outlets (Experian). We have not included charity shops. Also, non-retail service multiples have not been included.

7.2.8 **Retail rents and commercial yields-** are measures of the market demand and the overall value of town centre premises as investments. For the smaller towns, commercial yields will be similar and the estimated range is shown for each town in this section.

7.2.9 **Vacancy rates-** are also an indicator of the market demand for town centre properties and a visible indicator of performance. Information is provided in section 5 for each of the town centres. For the health checks, vacancy rates are expressed as: *vacant units/ (retail units+non-retail units and vacant units)*. The unit based approach allows comparison with national data.

7.2.10 **Cultural and social events-** are indicators which contribute towards the sense of identity associated with town centres, including community involvement. The main events associated with each town centre are listed.

7.2.11 **Leisure and cultural facilities, including the evening economy-** contribute to the range of land uses and vitality of the town centres. The main facilities are summarised, together with information on use and perceptions from the interview surveys.

7.2.12 **Crime and safety-** mainly draws on the findings of the household survey on peoples' perceptions on general street safety.

7.2.13 **Sense of place-** is a subjectively expressed combination of the results of applying the other indicators, with an emphasis on the quality of environment, diversity of offer and social, historical and cultural associations. It is intended to distil the defining characteristics of any town centre into a few words or images.

7.2.14 **SWOT analysis**- is provided in a table at the end, for each of the town centres. The aim is to highlight the main strengths, weaknesses, opportunities and threats.

7.3 Perth City Centre health check

7.3.1 **Population-** around 48,000

7.3.2 **Pedestrian flow counts-** were undertaken by NEMS Market Research in Perth City Centre for this study. Counts were made over two days (Friday 15th and Saturday 16th July) and the figures grossed-up to provide weekly counts (a standard method). In Perth, 9 count points were included, reduced from 30 in the 2014 Study to achieve a much greater accuracy per point. The busiest points were outside Marks & Spencer, New Look and Gap, all on High Street, as shown in Table 7.1. The lowest count was outside White Stuff in St John Street. These counts are higher than those recorded in 2014, but the differences should be treated with caution because of the more intensive recording in the current survey. More detail is provided in the NEMS data spreadsheets, which have been provided to the Council, including a map showing the survey points

7.3.3 In addition, the *total* electronic daily counts within the St John's Centre were provided by the Council, as shown in Table 7.1. The data indicates a small decrease (-1.8%) compared to the same time last year in the St John's Centre. Market researchers 'Springboard' also undertake electronic pedestrian counts in the High Street for the City Centre Management. Their counters recorded footfall of 77,772 during the week beginning 4th July 2016. Springboard report that footfall is 6% up for the year to date, compared to a recorded decline of 7.6% over the same period last year.

Table 7.1
Perth City Centre: pedestrian flow counts at selected locations 2016

	Suvey counts by NEMS Market Research	**Friday 15th July** Average per day 10am-4pm	**Saturday 16th July** Average per day 10am-4pm	**Week** Mon-Sat. Average
No.				
1	White Stuff, 3 St John Street	1,325	3,730	11,893
2	Marks & Spencer, 75-85 High Street	9,230	12,240	50,520
3	Premier Inn, Mill Street pavement (opp M&S)	3,254	4,248	17,653
4	New Look, 111-119 High Street	6,624	9,014	36,797
5	GAP, 174 High Street	6,898	8,726	36,763
6	Bothy Bar, Mill Street side only (not Kinoull St side)	3,830	1,627	12,842
7	Nationwide Building Society, 204-206 High Street	4,090	5,760	23,176
8	Royal Bank of Scotland, 131 South Street	5,414	4,349	22,973
9	Tesco Metro, 122-134 South Street	6,379	5,731	28,496
	Average	**5,227**	**6,158**	**26,790**
	Electronic flow counts: Centre Management	All day	All day	
	ShopperTrak- electronic Mon 4th -Sat 10th July	multipoint totals	multipoint totals	multipoint totals
	St John's Centre- totals for all recording points	**15,507**	**15,591**	**91,038**

Note:
Detail on the NEMS flow counts is available in a separate document, together w ith a map show ing the locations. The average counts per hour by NEMS have been grossed-up to daily average counts for Friday and Saturday. The w eekly average derives from grossing-up of the counts for Friday and Saturday by a factor of 2.353, based on the method used by specialist footfall researchers PMRS. Pedestrian flow counts run continously in the St John's Centre every day of the w eek. The above data w as supplied by the Centre Management, w ith the Sunday count removed, for increased compatibility w ith the NEMS surveys.

7.3.4 **Distribution of floorspace-** is shown in detail in section 5 for Perth City Centre in Table 5.1 and the accompanying graphs which show the proportions by type of floorspace. The high proportion of floorspace devoted to comparison floorspace reflects the role of Perth as the sub-regional shopping centre (Tier 1) for the Council area (Proposed TAYplan 2015), although the proportion has declined since 2011. The proportion relating to convenience floorspace is limited, as most provision is out of centre. Other occupied floorspace accounts for about half the floorspace in the City Centre, and this too has declined slightly since 2011. Much of this is accounted-for by restaurants, cafes, leisure related and community uses and Council/ public services uses- see Table 5.2. This is assisted by promotion of the Café Quarter and the Cultural Quarter. Overall, Perth City Centre has a wide variety of uses which is a positive attribute.

7.3.5 **Quality of the built environment-** in general, the quality of environment is high in the City Centre, with its Conservation Area and large numbers of listed buildings, but there are a number of negative factors mentioned in the *Perth Conservation Area Appraisal 2008*. Significant improvements have been made to the condition of properties through investment in the public realm and support for repair, improvement and conversion, but further improvements in the public ream are required and some important buildings remain at risk (St Paul's Church). The City Centre environment was rated reasonably well in the household survey, with 37% saying that the town centre environment was *good* (Table 6.4), but the rating is lower compared to the 2014 Study (52%). The environment did not feature strongly among the likes and dislikes of the City Centre (Table 6.3), although 10% considered that, if the environment is improved, they would visit more often (Table 6.5).

7.3.6 **Recent and proposed investment –** the Perth City Plan 2015-35 (by the Perth City Development Board) is a vision document which sets out the priorities for investment in the future of Perth. These include roads and transport infrastructure, cultural investment, public realm, inward investment services, support for business, education and skills. Further detail is provided at the end of section 3 in this report. Funding allocations of around £0.5 billon in the Council's Capital Budget for 2016-22 have been allocated towards these projects which support growth of the City Centre and its economy. Investment is needed to support this growth and provide improved connectivity with local, regional and national markets.

7.3.7 **Accessibility-** Perth is a transport nodal point within the Scottish road and rail network, which provides good accessibility to the City Centre from the Central Belt and the North/ North East of Scotland. Linkages with Dundee are very strong. Within Perth, road access to the City Centre is fairly direct, with the main roads radiating out from the centre. The City Centre itself has pedestrianised street sections. Pedestrian friendly access came out quite strongly in the business survey (section 5). There is a mix of off-street and on-street parking. The Council's current car park guide identifies 23 car parks relating to the City Centre. Recent information provided by the Council for this study identifies 2,256 off-street public parking spaces and 1,665 off-street private parking spaces. There are 1,188 on-street parking spaces. In the household survey, 36% rated the availability of parking in the City Centre as *poor*, compared to 24% rating it as *good* (Table 6.4). On the cost of parking, 32% rated the cost as *poor*. Perth is served by 17 bus services *(14,15A, 16A, 16B, 17, 23, 27,34A, 34B, 35A, 36A, 53B, 56A, 56B, 57, 333 and 823).* Train services are provided by Scotrail.

7.3.8 **Attitudes and perceptions of the City Centre**- were recorded by the household and business occupier surveys and summarised in section 6. The household survey indicated strongly that the main reason for visiting the City Centre by far, was for shopping (43%). Other significant reasons included visiting restaurants/ cafes (27%) and browsing (24%)-see Table 6.2. The survey also revealed that substantial proportions of people (34%) do not have hold strong opinions on the City Centre (i.e no particular likes/ dislikes). However, 26% did not like the range of shops and 23% did not like the level of vacant shops (Table 6.3). The *range and choice of shops* and *quality of shops* were not rated particularly strongly in the City Centre (Table 6.4). More/ better shops emerged as the main reason that people mentioned would attract them to visit the centre more often, plus other shopping-related improvements (Table 6.5). Some 40% of respondents to the household survey stated that they now visit the City Centre less often compared to two years ago and also, increased internet spending had contributed to this change (Table 6.6). Over 50% felt that the City Centre was a pleasant place to visit (Table 6.4). Attitudes to other aspects of the City Centre appear under other headings in this section.

7.3.9 Some 56% of respondents to the business occupiers survey estimated that most of their customers were local and another 42% estimated that their customers were a mix of locals and visitors (Table 6.7B). The contribution of tourism to their turnover was mostly thought to be considerable with the most frequent response citing between 25%-50% of turnover, which reflects the attraction of the City

Centre to visitors. This table also shows the estimated age range of their customers. Asked about competitor towns to their business, 33% of the respondents mentioned Dundee, 15% mentioned Perth and 13% mentioned the internet, with few other towns mentioned.

7.3.10 **Retailer representation and demand-** multiple retailer representation is 31% in the City Centre (excluding charity shops), which is a good level for a traditional historic City Centre of this scale- see Table 5.4. However, the strength of Perth is its range of quality of independent retailers, including specialists. This feature distinguished it from Dundee, which has a much higher proportion of multiples (60%). The City Centre retail property market has continued to attract regular investment to its portfolio of shop premises and the supply of available premises is in excess of demand. As with other cities and towns across the country there have been numerous store closures in Perth. The highest profile loss was the closure of McEwans of Perth department store. A full review of the City Centre retail and leisure market is provided in section 5. The survey findings indicate pressures from competition, especially internet shopping. Maintaining and improving the City Centre and continuing to support use of digital and click and collect services and connectivity will be essential to support the shopping, especially 'destination' shopping trips from beyond the Council area.

7.3.11 **Retail rents and yields-** current Zone A retail rents are around £65 per sq ft in the City Centre, which compares with around £100 per sq ft in Dundee and £115 per sq ft in Stirling. Ryden is aware of individual lettings at £75 to £77 per sq ft, indicating latent growth. Commercial yields are estimated to be around 7%-7.5%.

7.3.12 **Vacancy rates-** the vacancy rate (units) in the City Centre is 11.8%, which is slightly higher than 11.1% recorded in the 2014 Study, compared to the average for town centres in Scotland of 11.7%- see Table 5.3. This also compares with 17% for Dundee.

7.3.13 **Cultural and social events-** Perth has a wide range of events. These include arts festivals (Perth Festival of the Arts), kilt run, winter festival and sporting events. Currently, there is a major display of ceramic poppies (Poppies Weeping Window). There is a farmers' market, a continental market and craft markets in the City Centre. Perth also has an agricultural show, Highland Games and Perth horse races. Perth has an active live music scene, which adds to the evening economy. Perth has launched a bid to become the UK's City of Culture in 2021. If successful, the status would add potential to attract more visitors and related expenditure. See also reference to proposals under consideration to create a cultural centre at the City Hall under 'Recent and proposed investment'.

7.3.14 **Leisure and cultural facilities, including the evening economy-** as shown in section 4, Perth has a good variety of facilities and venues. The principal facilities include the Concert Hall, Perth Museum and Art Gallery, Art Deco Playhouse Cinema (IMAX), AK Bell Library, and various halls and other galleries, restaurants, cafes, bars, betting/ amusements and City Centre walks. The Horsecross Theatre is closed for refurbishment and scheduled to re-open in 2017. There are sports and leisure facilities nearby at North and South Inch, including the Perth Leisure Pool and Dewar's Ice Rink.

7.3.15 Results of the household survey (Table 6.7), show that the frequency of visits to the City Centre in the evenings was limited: 7% weekly, 23% less frequently than once a month and 46% stating that they never visit in the evenings. These figures suggest potential scope for increased attraction, although Table 6.8 reveals a wide range of leisure related activities undertaken in the City Centre in the evenings, including dining, drinks, theatre, cinema, events and sports. Asked what would make them visit more often in the evenings, 60% of the respondents said *nothing*, with various other attractions mentioned, but all less than 6% each (see Table 6.9). *Better Perth* and *Scotpulse* surveys suggest that there is demand for late opening and more events and cultural activities to support enhanced turnover through growth of the evening economy.

7.3.16 **Crime and safety-** security issues barely featured as a concern in the household survey findings.

7.3.17 **Sense of place-** Perth has a very strong identity and it is a significant visitor destination, as recognised in the STEAM/ VisitScotland data. The combination of historic buildings/ streets, historic role, attractive environment and mix of town centre uses is very positive.

7.3.18 SWOT summary

Strengths	Weaknesses
• Sub regional centre with a wide variety of town centre uses	• Difficulties in sustaining major property investment and redevelopments
• Extensive defined catchment area, plus a visitor destination	• Limited new multiple retailer requirements currently
• Good retail offer with a strong, distinctive independent sector	• Issues of mismatch between modern property requirements and historic centre properties
• Good range of non-retail services and leisure-related facilities, café quarter etc	• High costs of improvements and building maintenance in historic centre
• Fairly stable level of retail demand and supply	• Evidence that locals want improvement to the range and choice of shops generally
• Attractive setting, including historic street environment	
• Mostly good accessibility	
• Strong sense of place	
Opportunities	**Threats**
• Potential to increase the attraction to Perth as a destination	• Uncertainty over future economic climate may affect spending/ town centre investment
• Improve range/ choice of shops	• Increasing competition from Dundee and Stirling for shopping and leisure
• Invest further on the strength of the independent retail sector	• The growing scaleof internet spending is a major challenge
• Host more events/ promotions	• Any reduction in effort to improve the commercial offer and environmental quality

7.4 Aberfeldy Town Centre health check

7.4.1 **Population-** around 2,000

7.4.2 **Pedestrian flow counts-** no survey information.

7.4.3 **Distribution of floorspace-** is shown in detail in section 5 for Aberfeldy town centre in Table 5.1 and the accompanying graphs which show the proportions by type of floorspace. There has been a slight fall in the level of retail floorspace since 2011. It is defined as a *smaller town centre* (Tier 3) within the hierarchy of centres in the Proposed TAYplan 2015. There is a fairly balanced distribution of floorspace between retail and other occupied floorspace. While the proportion of vacant floorspace is quite high, it is not high when assessed on a unit basis. Restaurants, cafes, take-aways and pubs comprise nearly half of the other occupied floorspace (Table 5.2), which reflects it popularity with visitors. Overall, the variety is limited, but good for a town of this size

7.4.4 **Quality of the built environment-** the town centre has a strong architectural and architectural character which demonstrates its evolution and creates a unique, high quality environment *(Aberfeldy Conservation Area Appraisal 2014*). This character is important to the economic health of the town. The buildings are mainly Victorian and Edwardian and strong features of the town centre include The Square, with its Fountain, together with surrounding formal spaces near the town centre, including a putting green, golf course and parkland. There are some negative factors identified in the Appraisal, which include the parking and service are behind the Palace Hotel, aspects of the filling station at Dunkeld Street and various other spaces, such as by the Birks cinema and building frontages in the town. The street furniture is generally good, but rather standardised. There are no buildings at risk identified in the Appraisal. The attractive town centre environment was identified by over half the respondents in the household survey as an aspect they most liked about Aberfeldy-see Table 6.3. This proportion was much higher than that for any other town centre in the survey. Similarly, Aberfeldy town centre environment was also rated very highly by the respondents -see Table 6.4

7.4.5 **Recent and proposed investment-** the Birks Cinema was refurbished and made operational about three years ago.

7.4.6 **Accessibility-** situated on the A827 between the A9 to the east and Loch Tay to the west, Aberfeldy is fairly remote from other towns in the area and it is about 50 minutes' drive to Perth. There is moderate through traffic, which increases considerably in the tourist season. There are car parks at Moness Terrace and at Chapel Street, plus parking on the hard-standing areas in The Square. There are some 77 on-street parking spaces. In the household survey, a majority rated the availability of parking as good/average (Table 6.4), although there were some complaints of limited parking (Table 6.3). Aberfeldy has nine bus services: *23D,83,91,823,826,892,893,895,896*.

7.4.7 **Attitudes and perceptions of the town centre**- were recorded by the household survey and summarised in section 6. The household survey indicated that the main reason for visiting the town centre was for food shopping (73%), followed by non-food shopping (32%) and shopping generally (20%)-see Table 6.2. Aside from the town centre environment, a substantial proportion of people (54%) do not have hold strong opinions on the town centre in terms of likes/ dislikes-see Table 6.3. The range, choice and quality of shops was generally rated *good*-see Table 6.4. Nearly 20% of respondents to the household survey stated that they now visit the town centre more often compared to two years ago, with the balance visiting much the same- see Table 6.6. Some 83% felt that the town centre was a pleasant place to visit (Table 6.4). Attitudes to other aspects of the town centre appear under other headings in this section.

7.4.8 **Retailer representation and demand-** multiple retailer representation is 14% in the town centre, which is a limited level. However, Aberfeldy has a range of good quality independent shops orientated towards visitors as well as local people. There is a slow churn of local shops and services, some involving relocations-see section 5.

7.4.9 **Retail rents and yields-** current Zone A retail rents are around £8- £11 per sq.ft, based on asking rents for existing available units. Yields are 9%-10%.

7.4.10 **Vacancy rate-** in the town centre is 9.3%, which is fair compared to the other study towns- see Table 5.3. There were some complaints about the level of vacant shops in the household survey findings (Table 6.3).

7.4.11 **Cultural and social events-** Aberfeldy has an arts & crafts market and a farmers' market. Exhibitions, readings and concerts are held at the Aberfeldy Watermill, regular Celtic music sessions at the Birks Cinema, the Caledonian Dream Music Festival, events at the nearby Crannog Centre, whisky and food events at Dewar's Distillery and the Aberfedly Show and Games.

7.4.12 **Leisure and cultural facilities, including the evening economy-** there is the Breadalbane Community Campus nearby, including a sports hall, swimming pool, studio, lecture theatre and the Birks Cinema, plus putting green and golf course on the edge of town. It is a base for exploring the Loch Tay area and surrounds, including walking biking and fishing. Results of the household survey (Table 6.7), show that the just over half the respondents visited the town centre in the evenings within the range between weekly and once a month. The most popular evening activities in the town centre were visiting restaurants/cafes, drinking and strolling about (Table 6.8). The survey also revealed that over 90% of the respondents did not think that anything in particular would induce them to visit the town centre more often in the evenings.

7.4.13 **Crime and safety-** security issues did not feature as a concern in the household survey findings.

7.4.14 **Sense of place-** Aberfeldy has a strong historic and architectural character and attractive environment, which are all positive features.

7.4.15 **SWOT summary**

Strengths	Weaknesses
• Historic town	• Limited multiple retailer representation
• Visitor destination and a pleasant place to visit generally.	• Decline in comparison floorspace since 2011
• Attractive town centre environment	• No other significant weaknesses
• Good range of quality independent shops	
• Community sports facilities/ cinema	
• Strong sense of place	
Opportunities	**Threats**
• Potential to increase the attraction to Aberfeldy as a destination, including marketing initiatives	• Uncertainty over future economic climate may affect spending/ town centre investment
• Potential to boost the evening economy by attracting more people into the centre	• Increasing competition from other centres, including visitor attractions
• Maintain quality of shops	• Increasing growth in internet spending
	• Any reduction in effort to improve the commercial offer and environmental quality

7.5 Auchterarder Town Centre health check

7.5.1 **Population-** around 4,200

7.5.2 **Pedestrian flow counts-** were undertaken in 2013 for the Council by PMRS. There are no updated flow counts, so the findings of the 2013 data is re-iterated here. The counts were made at ten locations on High Street on Friday 8th February and Saturday 9th February 2013, and the results grossed-up to weekly totals by application of an industry standard factor. The findings are shown in Table 7.2 below, where the counts are shown in '000's. The highest count appeared outside the Co-op at 4,920 per week, with the other busiest locations outside 'Sugar & Spice' (3,650 per week) and at the Star Hotel (3,530 per week). The lowest recordings were by the 'Design Floor Studio (1,620 per week) and by McCallums butcher at the western end of the town centre (1,740 per week).

Table 7.2 Auchterarder pedestrian flow counts in 2013

NO	OCCUPIER	STREET & ADDRESS	NOTE	FRIDAY COUNT	FRIDAY INDEX	SATURDAY COUNT	SATURDAY INDEX	WEEK COUNT	WEEK INDEX
1	JAMES URQUART IRONMONGER	66 High Street		0.45	89	0.58	84	2.42	86
2	SUGAR & SPICE CONFECTIONERY	96 High Street		0.78	154	0.77	112	3.65	130
3	THE HERALD NEWSAGENT	95 High Street		0.46	91	0.55	80	2.38	85
4	STAR HOTEL	113 High Street		0.56	111	0.94	137	3.53	126
5	CO-OPERATIVE SUPERMARKET	124 High Street		0.83	164	1.26	183	4.92	175
6	HAIR PLUS HAIR	134 High Street		0.34	67	0.52	76	2.02	72
7	THE OLD TUDOR CAFÉ	149 High Street		0.50	99	0.73	106	2.89	103
8	DESIGN FLOOR STUDIO	162 High Street		0.33	65	0.36	52	1.62	58
9	LLOYDS PHARMACY	171 High Street		0.54	107	0.70	102	2.92	104
10	MCCALLUMS BUTCHER	201 High Street		0.27	53	0.47	68	1.74	62
	AVERAGE			0.51	100	0.69	100	2.81	100

7.5.3 **Distribution of floorspace-** is shown in detail in section 5 for Auchterarder town centre in Table 5.1 and the accompanying graphs which show the proportions by type of floorspace. There has been a slight fall in the level of retail floorspace since 2011, but a significant increase in other floorspace. It is defined as a *smaller town centre* (Tier 3) within the hierarchy of centres in the Proposed TAYplan 2015. The proportion of non-retail floorspace is quite high, but this is common in small towns. The proportion of convenience retail floorspace is limited and there is no substantial supermarket aside from the Co-op. Restaurants, cafes, take-aways and pubs comprise 43% of the other occupied floorspace, which is part of a good mix of non-retail services for a town of this size (Table 5.2). Other personal services, such as hairdressers, beauty etc account for 19% of the other occupied floorspace.

7.5.4 **Quality of the built environment-** the town centre has a linear form, with all the shops and services are concentrated in the High Street, which extends for about 450 metres within the centre. The buildings are mainly traditional 19th century, stone built units of about two storeys. The properties are generally in good order and town centre is attractive. The town centre environment was rated *good* by over half the respondents in the household survey and 37% rated it as *average* (Table 6.4)

7.5.5 **Recent and proposed investment-** the Council reports that there is on-going discussion to establish a BID in Auchterarder.

7.5.6 **Accessibility-** situated on the A824, just off the A9 between Perth and Dunblane, Auchterarder plays an important part in the employment and provision of housing land in the Strathearn area. The High Street is part of the busy A824 which passes through the town centre. Although there is on-street parking, it can be difficult to stop in front of the shops because of congestion and passing traffic. Perceived difficulties in parking/stopping are identified within the household survey, with 40% of respondents identifying the issue as one of their *most dislikes* about the town centre (Table 6.3). The availability of parking in the town centre was rated as poor by 69% of the respondents (Table 6.4), with 44% stating that more parking would encourage them to visit more often (Table 6.5). There are no off-street car parks apart from beside the Co-op. Auchterarder has eight bus services: *17,18, 18A/B,19A,20/20A, 613, 618.*

7.5.7 **Attitudes and perceptions of the town centre**- were recorded by the household survey and summarised in section 6. The household survey indicated that the main reason for visiting the town centre was for food shopping (47%), followed by shopping generally (29%)-see Table 6.2. Among the *most likes* about the town centre, 45% of the respondents said close to home/ convenient (Table 6.3).The range, choice and quality of shops was generally rated *good*-see Table 6.4. About 86% of respondents to the household survey stated that they visit the town centre much the same as two years ago, with 9% saying more often (Table 6.6). Some 68% felt that the town centre was a pleasant place to visit (Table 6.4). Attitudes to other aspects of the town centre appear under other headings in this section.

7.5.8 **Retailer representation and demand-** multiple retailer representation is 15% in the town centre, which is a limited level, similar to Aberfeldy. However, there is a range of good quality independent shops serving mainly local residents. There is a slow churn of local shops and services, with some recent additions-see section 5. As identified in the Auchterarder Retail Study in 2013, there is no mainstream supermarket, apart from the Co-op, and a high outflow of retail expenditure.

7.5.9 **Retail rents and yields-** current Zone A retail rents are around £11- £19 per sq.ft, based on asking rents for existing available units. Yields are 9%-10%.

7.5.10 **Vacancy rate-** in the town centre is 4.7%, which is low compared to the other study towns-see Table 5.3. The level of vacant floorspace has decreased considerably since 2011 (Table 5.1).

7.5.11 **Cultural and social events-** Auchterarder has very few events, but it is a base for events in the surrounding area, including the Gleneagles Spring Hunter Trials and the Braco Show.

7.5.12 **Leisure and cultural facilities, including the evening economy-** there is a community school facility *(Live Active Auchterarder*) with an indoor sports hall and outdoor pitches. A wider range of indoor sports facilities is available to Auchterarder residents at the Strathearn Community Campus in Crieff. There is also the Community Church Centre offering a multi-purpose hall and meeting rooms. Auchterarder also has a library and a golf course nearby. Results of the household survey (Table 6.7), show that most of the respondents did not visit the town centre frequently in the evenings, with 45% saying that the never visited in the evenings. The most popular evening activities in the town centre were visiting restaurants/cafes (39%), visiting pubs/bars (20%) and late shopping when open – see Table 6.8. The survey also revealed that over 71% of the respondents did not think that anything in particular would induce them to visit the town centre more often in the evenings.

7.5.13 **Crime and safety-** security issues did not feature as a concern in the household survey findings.

7.5.14 **Sense of place-** Auchterarder town centre has a well maintained, pleasant environment, but a less strong sense of place compared to most of the other small town centres in this study, which is partly the consequence of its linear form, through traffic and limited level of historic buildings and features.

7.5.15 **SWOT summary**

Strengths	Weaknesses
• Good range and quality of independent retailers	• No substantial mainstream supermarket operator
• Attractive environment/setting, including street environment	• Limited multiple retailer representation
• Readily defined primary catchment	• Limited retailer demand
• Fairly balanced level of retail demand and supply with low vacancy levels	• Difficulties with parking/difficult to stop
• Good range of non-retail services	• High outflow of shopping expenditure
Opportunities	**Threats**
• Potential to recapture expenditure leakage with a new supermarket	• Uncertainty over future economic climate may affect spending/ town centre investment
• Scope for improved parking provision and management	• Growing level of internet spending
	• Increasing competition from the cities and superstores elsewhere

7.6 Blairgowrie Town Centre health check

7.6.1 **Population-** around 9,400

7.6.2 **Pedestrian flow counts-** no survey information.

7.6.3 **Distribution of floorspace-** is shown in detail in section 5 for Blairgowrie town centre in Table 5.1 and the accompanying graphs which show the proportions by type of floorspace. There has been a slight increase in the level of retail floorspace since 2011, and a substantial increase in other floorspace. It is defined as a *smaller town centre* (Tier 2) within the hierarchy of centres in the Proposed TAYplan 2015. There is a fairly balanced distribution of floorspace between retail and other occupied floorspace, with the presence of the Tesco supermarket ensuring a good proportion of convenience floorspace in the town centre. Restaurants, cafes, take-aways and pubs comprise 30% of the other occupied floorspace (Table 5.2), with various miscellaneous commercial and public sector uses accounting for 27% of the other floorspace. There is a wide variety of uses of a nature which reflects Blairgowrie's role as the main local service centre for Strathmore, including provision for winter visitors to Glenshee.

7.6.4 **Quality of the built environment-** the triangular shaped Wellmeadow is the traditional public space and core of the town. There is no concentration of public buildings, but scattered points of interest across the town *(Blairgowrie Conservation Area Appraisal 2014*). Inns and hotels have a strong presence and many of these are clustered around the Wellmeadow. The remaining central townscape consists of two and three storey stone terraces, typical of the 19th Century. The buildings are densely built up to the edge of the footway. A grid pattern of streets leads off from Wellmeadow. The wooded banks of the River Ericht make a strong contribution to the setting of the town. There are a number of listed buildings, some of which are at risk, including Quinn's Picture House. Street furniture is generally of a standardised type. There is a certain amount of visual clutter. The town centre environment was rated *good* by 53% of the respondents in the household survey and 38% rated it as *average* (Table 6.4)

7.6.5 **Recent and proposed investment-** there is provision in the Council's Capital Budget for £150,000 towards development of a new recreation centre in Blairgowrie.

7.6.6 **Accessibility-** main roads from Coupar Angus and Dundee (A923) and from Perth (A93) converge northwards at Blairgowrie, with the A93 continuing north to Braemar. The resulting traffic in the town centre funnelled through the Wellmeadow can cause congestion at peak times. There are car parks at Ericht Lane, Croft Land and Leslie Lane, plus parking at Wellmeadow. Tesco also has its own car park for customers. In the household survey, a majority rated the availability of parking as good/average (Table 6.4). Blairgowrie has 11 bus services: *34A/B,57, 58, 59, 60, 63, 71, 501,862, 874,57A/B.*

7.6.7 **Attitudes and perceptions of the town centre**- were recorded by the household survey and summarised in section 6. The household survey indicated that the main reason for visiting the town centre was for shopping generally (50%), followed by food shopping (25%) -see Table 6.2. Among the factors that people most liked about the town centre was that it is close to home and convenient (43%), but a substantial proportion of people (59%) do not have hold strong opinions on the town centre in terms of likes/ dislikes-see Table 6.3. The range, choice and quality of shops was predominantly rated *average*-see Table 6.4. Allied to this opinion, 22% of the respondents said that *better shops* would encourage them to visit the town centre more often (Table 6.5). Some 78% of respondents to the household survey stated that they visit the town centre much the same compared to two years ago, with 12% visiting more often- see Table 6.6. Some 65% felt that the town centre was a pleasant place to visit (Table 6.4). Attitudes to other aspects of the town centre appear under other headings in this section.

7.6.8 **Retailer representation and demand-** multiple retailer representation is 24% in the town centre, which is a good level. Blairgowrie also has a range of independent shops orientated mainly towards local people, but for visitors as well. There is a slow churn of local shops and services, some involving relocations-see section 5.

7.6.9 **Retail rents and yields-** current Zone A retail rents are around £5- £14 per sq.ft, based on asking rents for existing available units. Yields are 9%-10%.

7.6.10 **Vacancy rate-** in the town centre is 6.3%, which is low compared to most of the other study towns- see Table 5.3.

7.6.11 **Cultural and social events-** include the Rattray Art Festival and the Braemar Day, which is set in the Wellmeadow (stalls, dancers, singers, pipe band), the Community Market, Tribute Nights at the Angus Hotel, the Blairgowrie & East Perthshire Walking Festival and the nearby Glenisla Highland Games. Also, Blairgowrie is included in the Perthshire Open Studios event, along with artists' studios in other towns. There is a monthly craft club meeting in Blairgowrie.

7.6.12 **Leisure and cultural facilities, including the evening economy-** the Blairgowrie Community Campus has a sports hall, dance studios and outdoor pitches. Live Active Blairgowrie offers a swimming pool, gym and sports hall. The town also has a community cinema and nearby golf course. It is an important base for skiers on route to Glenshee in winter and serves as a base of walkers and visitors to the area. Results of the household survey (Table 6.7), show that 42% of the respondents visited the town centre in the evenings within the range between daily and once a month. Nearly half never visit it in the evenings. The most popular evening activities in the town centre were visiting restaurants/cafes (58%) and visiting bars and pubs (42%)- see Table 6.8). The survey also revealed that 61% of the respondents did not think that anything in particular would induce them to visit the town centre more often in the evenings, but 12% commented that more/better restaurants would encourage more visits.

7.6.13 **Crime and safety-** security issues did not feature as a concern in the household survey findings.

7.6.14 **Sense of place-** Blairgowrie has a strong historic and architectural character and attractive environment, which are all positive features.

7.6.15 **SWOT summary**

Strengths	Weaknesses
• Good multiple retailer representation for the size of town	• Choice and quality of shops could be improved
• Attractive environment/setting, including street environment	• Scope for more/ improved restaurants
• Readily defined primary catchment	• Few other significant weaknesses
• Low vacancy levels	
• Wide range of non-retail services	
Opportunities	**Threats**
• Potential to capture more visitor expenditure	• Uncertainty over future economic climate may affect spending/ town centre investment
• Scope for holding more events	• Growing level of internet spending
	• Increasing competition from the cities and superstores elsewhere

7.7 Crieff Town Centre health check

7.7.1 **Population-** around 7,400

7.7.2 **Pedestrian flow counts-** were undertaken by NEMS Market Research in Crieff Town Centre for this study. Counts were made over two days (Friday 15th and Saturday 16th July) and the figures grossed-up to provide weekly counts (a standard method). In Crieff, 6 count points were included, reduced from 18 in the 2014 Study to achieve a much greater accuracy per point. The busiest points were outside Lloyds TSB and Subway and the lowest counts outside Jas Computers. These counts are higher than those recorded in 2014, except outside Jas Computers and the Memorial, but the differences should be treated with caution because of the more intensive recording in the current survey. More detail is provided in the NEMS data spreadsheets, which have been provided to the Council, including a map showing the survey points.

Table 7.3
Crieff Town Centre: pedestrian flow counts at selected locations 2016

Suvey counts by NEMS Market Research		**Friday 15th July** Average per day 10am-4pm	**Saturday 16th July** Average per day 10am-4pm	**Week** Mon-Sat. Average
No.				
1	Post Office, 45 High Street	1,389	1,049	5,736
2	Subway, 19-21 High Street	2,119	1,471	8,447
3	Strathearn Memorials, 10 King Street	802	237	2,444
4	Memorial, James Square	1,378	977	5,542
5	Jas Computers & Mobiles, 20 West High Street	751	648	3,292
6	Lloyds TSB Scotland, 22 High Street	2,314	1,718	9,487
	Average	**1,459**	**1,017**	**5,825**

Note:
Detail on the NEMS flow counts is available in a separate document, together with a map showing the locations. The average counts per hour by NEMS have been grossed-up to daily average counts for Friday and Saturday. The weekly average derives from grossing-up of the counts for Friday and Saturday by a factor of 2.353, based on the method used by specialist footfall researchers PMRS.

7.7.3 **Distribution of floorspace-** is shown in section 5 for Crieff town centre in Table 5.1, together with the accompanying graphs. It is defined as a *smaller town centre* (Tier 2) within the hierarchy of centres in the Proposed TAYplan 2015. The proportions of convenience and comparison floorspace have declined since 2011, and the proportion of other occupied uses has increased. Restaurants, cafes, pubs and take-aways account for 30% of the other occupied floorspace and other personal services account for 24%, as shown in Table 5.2. Overall, the variety is medium for a town of this size and it has proven sufficient to continue to attract visitors over the years.

7.7.4 **Quality of the built environment-** in general, the quality of environment is fair, although parts of the town centre suffer from busy through traffic along the A85. Crieff has a conservation area designation and there are a number of listed buildings. Most of the buildings in the town centre are 19th Century. There is a rich diversity in the townscape (*Crieff Conservation Area Appraisal 2014).* The building frontages and streetscapes appear generally of fair quality. The Appraisal identifies a number of building facades and ill-defined spaces in need of improvement. The town centre environment was rated as average by just over half the respondents in the household survey, but rated as good by 30% (Table 6.4). The number of vacant shops was a feature that 27% of respondents identified as something they most disliked about Crieff town centre (Table 6.3).

7.7.5 **Recent and proposed investment-** the ‘Crieff Succeeds’ BID has funding of £158,000 over five years to support local events and local businesses and assist promotion of Crieff as a visitor destination. It supports enhanced marketing, signage and waste recycling facilities.

7.7.6 **Accessibility-** Crieff is situated on the A85 with ready access to Perth and the A9. This road also links with the Loch Earn, Loch Tay and Callander tourist areas. Its rural location means that it is not quickly accessible from the major conurbations, except Perth. With the A85 passing straight through the town, it does not have a particularly pedestrian friendly access. There is a mix of off-street and on-street parking, with 3 car parks providing 128 spaces plus 109 on-street spaces. Parking availability was rated mostly poor/average in the household survey (Table 6.4). Crieff has 10 bus services (*15A, 18A, 18B, 45, 46, 47A, 155, 601, 602 and, 603).* Overall, accessibility could be described as moderate quality generally.

7.7.7 **Attitudes and perceptions of the town centre-** were recorded by the household survey and summarised in section 6. The household survey indicated that the main reason for visiting the town centre was for shopping generally (51%), followed by food shopping (22%) and non-food shopping (17%)-see Table 6.2. Among the features most liked about the town centre, 26% of respondents identified *close to home/ convenient*, otherwise there were few other ‘most likes’. Aside from the number of vacant shops, the numbers of vacant shops were identified as a ‘dislike’ by 19% of the respondents-see Table 6.3. The range, choice and quality of shops was mostly rated *average*-see Table 6.4. Nearly 60% of respondents to the household survey stated that they visit the town centre much the same as two years ago, with 18% more often and 24% less often- see Table 6.6. Some 45% felt that the town centre was a pleasant place to visit (Table 6.4). Attitudes to other aspects of the town centre appear under other headings in this section. Overall, attitudes suggest scope for improvement over a range of issues.

7.7.8 **Retailer representation and demand-** multiple retailer representation is 13% in the town centre, which is quite low. Crieff relies heavily on its range of independent retailers, which also cater for visitors, so the low multiple representation is not necessarily a weakness. There is a reasonably active retail market in terms of a churn of local shops and services-see section 5. The business occupiers survey indicated that half the respondents had been operating in the town centre for more than ten years (Table 6.3B). The great majority of all respondents employed up to five people full-time (Table 6.4B). Nearly 70% of the respondents estimated that more than 50% of their turnover related to visitor spending (Table 6.7B). Looking to the future, 37% of the respondents anticipated no change in the level of their sales, whereas 30% anticipated higher sales and 20% anticipated lower sales (Table 6.11B).

7.7.9 **Retail rents and yields-** current Zone A retail rents are in the range £6 to £30 per sq m. Commercial yields are estimated to be around. Yields are 9%-10%.

7.7.10 **Vacancy rates-** the vacancy rate in the town centre is 15.3%, which is higher than average-Table 5.3. As referenced earlier in the Crieff health check, the level of vacant units was identified as a concern by respondents to the household survey, and also in the business occupiers survey (Table 6.10B). Also, half of the respondents to the business occupiers survey considered that the cost of rents rates was the main obstacle to these units being taken up, followed by lack of footfall and parking issues (Table 6.14B).

7.7.11 **Cultural and social events-** includes the Crieff & Strathearn Drovers’ Tryst Walking Festival, the Crieff Arts Festival and various music performers at Crieff Artspace and the major T in the Park rock festival nearby in its new location at Strathallan Estate, plus the Crieff Highland Gathering. The town also has a monthly farmers’ market, featuring foods and crafts.

7.7.12 **Leisure and cultural facilities, including the evening economy-** Crieff is well provided-for in terms of the community and sports facilities at the Strathearn Community Campus, located close to the town centre. It has sports halls, studios, a gym, swimming pool and other facilities including a library and conference facilities. Leisure uses in the town centre itself are limited to halls and betting. Crieff also has a visitor centre, which includes Caithness Glass. Otherwise, Crieff is a base for exploring numerous visitor attractions in the wider area (museums, wildlife parks etc) and it is a visitor destination.

Results of the household survey (Table 6.7), show that 41% of the respondents visited the town centre in the evenings within the range between daily and once a month. Some 40% never visit it in the evenings. The most popular evening activities in the town centre were visiting restaurants/cafes (63%) and visiting bars and pubs (26%)- see Table 6.8). The survey also revealed that 60% of the respondents did not think that anything in particular would induce them to visit the town centre more often in the evenings, but 9% commented that more/better restaurants would encourage more visits. With a relatively narrow range of evening attractions, the potential for increasing the evening economy will probably relate mostly to improving the quality of offer, as the town is too small a market to support major facilities.

7.7.13 **Crime and safety-** security issues did not feature in the household survey findings.

7.7.14 **Sense of place-** Crieff has a strong identity and it is a significant visitor destination, as recognised in the STEAM visitor data and in the findings of the business survey. The town is attractive, but requires continued efforts to improve its environmental quality and range of shops, especially for marketing to visitors. Among its strengths is its setting in the attractions of the Strathearn countryside.

7.7.15 **SWOT summary**

Strengths	**Weaknesses**
• Historic town	• Improvement to building frontages and street environment needed
• Visitor destination and a pleasant place to visit generally. Has a visitor centre	• Limited range and choice of shops, with *average* rating by the household survey
• Good base for visiting the Strathearn countryside, plus Crieff Hydro	• Surveys indicate the need for Improved parking
• Good sports and leisure facilities in the Strathearn Community Centre	• More facilities for visitors in the town centre itself are needed
	• Trunk road through the town
	• Decline in comparison floorspace since 2011
• Strong sense of place	• Quite high vacancy rate
Opportunities	**Threats**
• Potential to increase the attraction to Crieff town centre as a destination, including marketing initiatives	• Uncertainty over future economic climate may affect spending/ town centre investment
• Potential to boost the evening economy by attracting more people into the centre	• Increasing competition from other centres, including visitor attractions
• Food retail development consent at Duchlage Farm, with potential to claw back expenditure leakage	• Increasing growth in internet spending
• Improve range of shops focussed on visitors	• Any reduction in effort to improve the commercial offer and environmental quality
• Reduce vacancy levels	
• BID initiative with funding	

7.8 Kinross Town Centre health check

7.8.1 **Population-** around 6,900 (with Milnathort)

7.8.2 **Pedestrian flow counts-** were undertaken by NEMS Market Research in Kinross town centre for this study. Counts were made over two days (Friday 15th and Saturday 16th July) and the figures grossed-up to provide weekly counts (a standard method). In Kinross, 4 count points were included, reduced from 10 in the 2014 Study to achieve a much greater accuracy per point. The busiest point was outside the Co-op, and the lowest counts outside RBS, but the count range was not especially wide between all the points. These counts are higher than those recorded in 2014, but the differences should be treated with caution because of the more intensive recording in the current survey. More detail is provided in the NEMS data spreadsheets, which have been provided to the Council, including a map showing the survey points.

Table 7.2
Kinross Town Centre: pedestrian flow counts at selected locations 2016

No.	***Suvey counts by NEMS Market Research***	**Friday 15th July** Average per day 10am-4pm	**Saturday 16th July** Average per day 10am-4pm	**Week** Mon-Sat. Average
1	Hunters Butchers, 104 High Street	958	1,502	5,787
2	Co-op, 52 High Street	1,116	1,625	6,450
3	Royal Bank of Scotland, 55 High Street	864	1,224	4,913
4	Bayne's Bakers, 101 High Street	1,109	1,409	5,925
	Average	**1,012**	**1,440**	**5,769**

Note:
Detail on the NEMS flow counts is available in a separate document, together with a map showing the locations. The average counts per hour by NEMS have been grossed-up to daily average counts for Friday and Saturday. The weekly average derives from grossing-up of the counts for Friday and Saturday by a factor of 2.353, based on the method used by specialist footfall researchers PMRS.

7.8.3 **Distribution of floorspace-** is shown in detail in section 5 for Kinross town centre in Table 5.1 and the accompanying graphs which show the proportions by type of floorspace. It is defined as a *smaller town centre* (Tier 2) within the hierarchy of centres in the Proposed TAYplan 2015. Kinross town centre has the lowest proportion of floorspace devoted to comparison floorspace among the smaller town centre in this study. The proportion of floorspace for convenience retailing is also low in the town centre, but it excludes the out of centre Sainsbury's supermarket, which is a good provision for the town. Nearly 60% of the floorspace comprises services including, restaurants, cafes, take-aways, personal services, banks, professional/ property service, post office sorting, and medical- see Table 5.2. Overall, the variety is limited.

7.8.4 **Quality of the built environment-** in general, the quality of environment in the town centre is moderate, but it is an historic town with a number of listed buildings. The town centre is included within a conservation area, of which key features include the landscaped gardens at Kinross House and the formal gardens at Sandport, as mentioned in the *Kinross Conservation Area Appraisal 2014*.. Parts of the town centre have attractive historic frontages, but there is also a mix of less attractive, poor quality modern properties, and older buildings with unattractive paintwork/ window conversions. Recent public realm works, including streetscape improvements have lifted the town centre. However, the town centre environment was rated as mainly good/average by the respondents in the household survey-see Table 6.4.

Recent and proposed investment- some £1.2 million spent on recent streetscape improvements and restoration of the Town Hall is also underway/completed. The town centre has recently benefitted from investment in the public realm, in conjunction with broader road improvements and investment in adjacent buildings, to create a shared surface space to allow occupation for alfresco use and events.

7.8.5 **Accessibility- Kinross** is close to the M90, giving it excellent accessibility to Perth, Dunfermline and via connecting roads to Glenrothes and Kirkcaldy. It is closely linked to the neighbouring town of Milnathort. Kinross has a large commuter population. The minor B996 passes through the town centre, which gives the High Street a narrow feel in places, reinforced by the narrow pavements. Kinross does not have a particularly pedestrian friendly access and some respondents to the household survey commented that a zebra crossing is needed in the High Street-see Table 6.3. The Kinross Conservation Area Appraisal refers to opportunities for enhancement of the pedestrian path network in the town.

7.8.6 There are car parks at Curate Wynd, School Wynd and The Causeway with a total of 74 spaces. In addition, there is a park and ride facility by the M90 access with 126 spaces. Parking availability was rated mostly poor/average in the household survey-see Table 6.4. Some 23% of respondents stated that the provision of more parking would encourage them to visit the town centre more often Kinross has 13 bus services, plus City Link (*23, 31, 56, 56A, 56B, 66, 201, 202, 203, 204, 205, 622, 624, & City Link*) Overall, accessibility could be described as good generally.

7.8.7 **Attitudes and perceptions of the town centre**- were recorded by the household and business surveys and summarised in section 6. The household survey indicated strongly that the main reason for visiting the town centre was for food shopping, shopping generally and visiting financial services (it is assumed that the respondents meant Sainsbury's, although it is out of the centre- see Table 6.2. Among the respondents, 37% liked the town centre because it was near home, with few other 'likes' mentioned. Also, 36% did not like the range of shops generally (Table 6.3) and nearly 60% rated the range and choice of shops as *poor*- see Table 6.4. Around 40% stated that that *more/ better shops* would encourage them to visit the town centre more often-see Table 6.5. The great majority of respondents indicated that they visit the town centre as regularly as two years ago (Table 6.6). Over 60% of the respondents considered that Kinross Town Centre was a pleasant place to visit

7.8.8 **Retailer representation and demand-** multiple retailer representation is 29% in the town centre (excluding charity shops), which is a good level- see Table 5.4. Kinross does not really have many shops and there have been limited transactions over the years- see section 5. The business occupiers survey indicated that nearly 60% of the respondents had been operating in the town centre for more than ten years (Table 6.3B). The great majority of all respondents employed up to five people full-time (Table 6.4B). Some 50% of the respondents estimated that up to 15% of their turnover related to visitor spending (Table 6.7B) and a further 38% estimated that it accounted for more than 50% of their turnover, thus revealing considerable differences in outlook. Looking to the future, 32% of the respondents anticipated no change in the level of their sales, whereas 37% anticipated higher sales and 16% anticipated lower sales (Table 6.11B).

7.8.9 **Retail rents and yields-** current Zone A retail rents are around £7-12 per sq ft. Commercial yields are 9%-10%.

7.8.10 **Vacancy rates-** the vacancy rate in the town centre is 14.3%, compared to the average for town centres in Scotland-see Table 5.3.

7.8.11 **Cultural and social events-** Kinross has an annual road cycling event ' Sportive Kinross'. There are various clubs, guided specialist nature walks at Loch Leven, bands/ music at the Green Hotel, an antique fair and a Sunday market. The T in the Park rock festival has relocated to Strathallan.

7.8.12 **Leisure and cultural facilities, including the evening economy-** Kinross is well provided-for in terms of the community and sports facilities at the nearby Lochleven Community Campus. It has sports halls, dance studio, a gym, assembly hall, lecture theatre, drama studio and conference facilities. The town is also served by the Live Active Loch Leven fitness facilities, including a swimming pool, gym and squash courts. Leisure uses in the town centre itself are limited. The proximity to Loch Leven provides opportunities for visitors to enjoy wildlife experiences, while provide a context for the town. There is a path network around the Loch.

7.8.13 Results of the household survey (Table 6.7), show that the frequency of visits to the town centre in the evenings was limited. Some 42% of the respondents visited within the range weekly to less frequently than once a month, with 51% stating that they never visit in the evenings. These figures suggest potential for creating increased attraction. Table 5.3 shows that the predominant reasons for visiting the town centre were to visit restaurants/ cafés (61%) and visiting pubs/bars (21%). With a relatively narrow range of evening attractions in the town centre itself, the potential for increasing the evening economy will probably relate mostly to improving the quality of offer.

7.8.14 **Crime and safety-** security issues did not feature in the household survey results.

7.8.15 **Sense of place-** Loch Leven and the surrounding countryside mainly give Kinross its sense of place. The town centre has a pleasant, but not particularly distinctive character when compared to many other small towns. There are limited places of interest for people to wander about in the town centre. Its location on a minor road, close to the M90, gives it a backwater feeling. Environmental improvements, increased linkages with Loch Leven and improved marketing (as suggested by the business survey findings), would all assist in giving the town a higher profile and create a greater sense of place to attract people. The town is essentially commuter- orientated and it may prove harder to attract greatly increased visitor numbers compared with the other small towns.

7.8.16 **SWOT summary**

Strengths	Weaknesses
• Historic town	
• Proximity to Loch Leven and countryside	• Limited range and choice of non- food shops
• Good accessibility	• Little for visitors to do in the town centre
• Good sports and leisure facilities in the Loch Leven Community Centre	• Very limited profile in a quiet location off the M90
• Good supermarket provision nearby	• Greater sense of place needs to be generated
• Secure commuter population- fair prosperity combined with a degree of captive local market by geography	• Quite high vacancy rate
Opportunities	**Threats**
• Some potential to increase the attraction to Kinross town centre as a destination, including marketing initiatves	• Uncertainty over future economic climate may affect spending/ town centre investment
• Potential to boost the evening economy by attracting more people into the centre	• Any reduction in effort to improve the commercial offer and environmental quality
• Funding for public realm improvements approved	• Any failure to increase marketing of the town

7.9 Pitlochry Town Centre health check

7.9.1 **Population-** around 2,900

7.9.2 **Pedestrian flow counts-** no survey information.

7.9.3 **Distribution of floorspace-** is shown in detail in section 5 for Pitlochry town centre in Table 5.1 and the accompanying graphs which show the proportions by type of floorspace. There has been a decrease in the level of retail floorspace since 2011, and an increase in other floorspace. It is defined as a *smaller town centre* (Tier 3) within the hierarchy of centres in the Proposed TAYplan 2015. There is a low proportion of convenience floorspace and a high proportion of other occupied floorspace, which reflects the high level of visitor attraction to Pitlochry. Restaurants, cafes, take-aways and pubs comprise 40% of the other occupied floorspace (Table 5.2), with leisure sector uses, which includes visitor accommodation, accounting for 36% of the other floorspace.

7.9.4 **Quality of the built environment-** the majority of buildings in the town centre are traditional stone-built vernacular and mostly two storeys *(Pitlochry Conservation Area Appraisal 2014*. The buildings are predominantly 19th Century. More substantial buildings include the Fishers Hotel. There are listed buildings of all grades and some ancient monuments. Commercial activity, including shops, hotels, guest houses and restaurants, are concentrated on the Atholl Road, running through the centre. Pitlochry has a substantial level of good quality civic spaces and its tree lined approaches all contribute to a high level of amenity, with the backdrop to the River Tummel and the fish ladder adding interest. The Appraisal refers to some negative features, most of which relate to unsympathetic modern building extensions and infill developments. There are no historic buildings at risk. Most of the original street arcade ironwork has disappeared and the street furniture is generally of a standardised type. Street signage is cluttered and there is a lack of good quality hard landscaping in the town centre. The town centre environment was rated *good* by 58% of the respondents in the household survey and 28% rated it as *average* (Table 6.4)

7.9.5 **Recent and proposed investment-** there is no major recent/planned investment in the town centre from the Council's records.

7.9.6 **Accessibility-** located between Dunkeld and Blair Atholl, just off the A9, Pitlochry enjoys good accessibility to Perth and north to Inverness. The main street is Atholl Road (A924), which forms the spine of the town and gets busy and congested in the summer months with visitor traffic, including coaches. There are car parks at West Moulin Road, Station Road, Rie-Achen Road, Atholl Road, and Ferry Road, together with on-street parking. The availability of parking was rated poor by 40% of the respondents in the household survey, with 21% rating it as good (Table 6.4). Pitlochry has seven bus services: *23,24,27,82,83,87,887* plus various CityLink services. The main railway line from Perth to Inverness runs through the town.

7.9.7 **Attitudes and perceptions of the town centre**- were recorded by the household survey and summarised in section 6. The household survey indicated that the main reason for visiting the town centre was for food shopping (39%), followed by non-food shopping (20%) and shopping generally (18%)-see Table 6.2. Among the factors that people most liked about the town centre was the attractive environment (24%) and that it is close to home and convenient (20%), but a substantial proportion of people (49%) do not have hold strong opinions on the town centre in terms of likes/ dislikes-see Table 6.3. The range, choice and quality of shops was predominantly rated *good/average*-see Table 6.4. However, 28% of the respondents said that *better shops* would encourage them to visit the town centre more often (Table 6.5). Some 73% of respondents to the household survey stated that they visit the town centre much the same compared to two years ago, with 5% visiting more often- see Table 6.6. Some 77% felt that the town centre was a pleasant place to visit (Table 6.4). Attitudes to other aspects of the town centre appear under other headings in this section.

7.9.8 **Retailer representation and demand-** multiple retailer representation is 27% in the town centre, which is a good level. Pitlochry also has a range of independent shops orientated mainly towards visitors. There is a slow churn of local shops and services-see section 5. The town lacks a modern supermarket, following stalling of development of the Sainsbury's consent (see section 8)

7.9.9 **Retail rents and yields-** current Zone A retail rents are around £16- £19 per sq.ft, based on asking rents for existing available units. Commercial yields are around 9.6%, based on recent investments.

7.9.10 **Vacancy rate-** in the town centre is 7.5%, which toward the lower end of the range compared to most of the other study towns- see Table 5.3.

7.9.11 **Cultural and social events-** include the Highland Night with pipe bands, the 81 mile Etape cycle event, ladies and men's open golf tournament, the Pitlochry Market, Highland Games, Music Festival, Enchanted Forest light display, Winter Words Festival, country dancing, Christmas Festival and other events.

7.9.12 **Leisure and cultural facilities, including the evening economy-** includes the Pitlochry Festival Theatre; Live Active Atholl at Pitlochry has a sports hall and gym; the Hotel & Leisure Club with swimming pool, putting green and golf course; Pitlochry library and various halls. Pitlochry also has the famous Fish Ladder on River Tummel which is an important visitor attraction. It is an important base for visitors to the southern Highlands. Results of the household survey (Table 6.7), show that 54% of the respondents visited the town centre in the evenings within the range between weekly, and less frequently than once a month. About one third never visit it in the evenings. The most popular evening activities in the town centre were visiting restaurants/cafes (33%) and visiting bars and pubs (31%)- see Table 6.8). The survey also revealed that 82% of the respondents did not think that anything in particular would induce them to visit the town centre more often in the evenings.

7.9.13 **Crime and safety-** security issues did not feature as a concern in the household survey findings.

7.9.14 **Sense of place-** Pitlochry has a strong historic and architectural character and attractive environment, which are all positive features

7.9.15 **SWOT summary**

Strengths	Weaknesses
• Good multiple retailer representation for the size of town	• Choice and quality of shops could be improved
• Attractive environment/setting, including street environment	• Can become congested in summer
• Has plenty of accommodation, catering and attractions for visitors	• Few other significant weaknesses
• Low vacancy levels	• Low proportion of convenience floorspace
• Good access from A9	• No modern supermarket
Opportunities	**Threats**
• Potential to capture more visitor expenditure	• Uncertainty over future economic climate may affect spending/ town centre investment
• Scope for holding more events	
	• Increasing competition from the cities and superstores elsewhere

8 Convenience expenditure and turnover

8.1 Introduction

8.1.1 This section of the report examines the convenience expenditure and turnover relationships in Perth & Kinross, taking account of the current shopping patterns based on the household survey for this report. The analysis covers each of the five sub areas, and the Council area as a whole. Thus, the total turnover in each sub area derives from the residents' expenditure potential, plus inflows, less outflows.

8.1.2 The distribution of the turnover among the various centres and supermarkets is then controlled to the total deduced turnover for each catchment area from the shopping patterns.

8.2 Convenience goods-definition

8.2.1 Convenience goods include:

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

8.2.2 This definition is provided in Pitney Bowes' *Retail Expenditure Guide 2015-16*, based on Central Government survey classifications.

8.3 Convenience expenditure potential

8.3.1 Table 8.1 shows the forecast expenditure per capita data for Perth & Kinross, based on data commissioned from Pitney Bowes for this study, which shows a slight decline up to 2021, before rising again.

Special forms of trading (SFT), including internet shopping, are removed from the expenditure per capita data, so that it relates to conventional shop floorspace, as shown in Table 8.1. The proportion of SFT, or non-store sales, is projected to increase up to 2026. It should be noted that the proportions of SFT shown in this table do not include internet home delivery coming from existing supermarket shelves, which is a much higher proportion, though dependent on store floorspace. The national proportions are applied in Table 8.1, which include a small technical adjustment by Pitney Bowes.

8.3.2 Forecasts of the total convenience expenditure potential of the residents of each sub area are shown in Table 8.2. The growth rate to 2026 for each sub area is the result of combining projected population growth, taking account of the distribution of planned housing completions, (see section 2.2 and Appendix 2) with the forecast growth in expenditure per capita, where the rise is driven by the forecast population increases.

8.4 Convenience shopping patterns-market shares

8.4.1 For convenience shopping, the respondents were asked *where they last visited for their main food shopping*, *and the time before tha*t. They were also asked *where they last visited for their top-up shopping*. The findings were combined to provide estimates of all convenience shopping patterns relating to each of the primary catchments, as shown in Table 8.3. The supporting information is provided in Appendix 5.

8.4.2 Market shares refer to the proportions of expenditure from residents of a defined area which are spent in that area and in other areas. Table 8.3 shows the convenience market shares for each sub area, based on the shopping patterns identified from the household survey.

8.4.3 More detail on the specific stores/ centres visited is shown in the graphs overleaf. Internet/ delivery shopping accounted for just over 5% of the responses overall, with the following reported delivery shares: Tesco 46%, ASDA 38% and Sainsbury's 15%.

8.4.4 Table 8.3 reveals that 89% of convenience shopping by Perth residents is done locally, with the balance mainly in locations outside the Council area. In Kinross, 49% of convenience shopping is done locally, with a substantial proportion outside the Council

Table 8.1
Perth & Kinross residents' convenience expenditure per capita per annum (in 2015 prices)

2015 £	2016 £	**2020** £	2021 £	**2025** £	**2026** £
2,384	2,367	2,300	2,303	2,315	2,316
**Excluding special forms of trading (SFT)*					
2,315	2,298	2,226	2,229	2,238	2,237

Sources;
Figures in bold are from the Pitney Bow es' projected expenditure data commissioned for the study area. Figures for the other years are interpolations/ extrapolations.
The figure for 2015 from Pitney Bow es is in 2015 prices. For the other years, Pitney Bow es provided forecasts in 2014 prices. These have been adjusted to 2015 prices by a factor of 0.99080 from the *Retail Expenditure* Guide 2015/16 by Pitney Bow es.
Deductions require to be made to allow for special forms of trading (SFT- internet expenditure ,mail order etc), w hich do not relate to conventional floorspace. On page 39 (Table 3.5) of the *Retail Expenditure Guide 2015/16* by Pitney Bow es, the follow ing estimates of convenience SFT are made in relation to non store sales.

2015	2016	2020	2021	2025	2026
2.9%	2.9%	3.2%	3.2%	3.3%	3.4%

Excludes deliveries picked off supermarket shelves, for example.

Table 8.2
Perth & Kinross residents' convenience expenditure potential (in 2015 prices)

Sub area	2016 £ million	2021 £ million	2026 £ million
Perth	199.2	202.0	214.4
Kinross	29.0	29.5	30.8
Strathearn	49.2	50.2	51.5
Highland	28.1	28.4	29.4
Strathmore & The Glens	45.6	46.2	48.3
Total Perth & Kinross	**351.0**	**356.3**	**374.4**

Note
From Tables 2.1 and 8.1. Excludes special forms of retailing (SFT- internet. Mail order etc)

Table 8.3
Perth & Kinross Council area residents- all convenience shopping patterns

	Origin Zone 1 Perth	Zone 2 Kinross	Zone 3 Strathearn	Zone 4 Highland	Zone 5 Strathmore	Total
Destination						
Zone 1	89%	16%	53%	43%	14%	66%
Zone 2	1%	49%	0%	0%	0%	4%
Zone 3	0%	0%	35%	0%	0%	5%
Zone 4	1%	0%	0%	54%	0%	5%
Zone 5	1%	0%	0%	1%	74%	9%
Outside study area	9%	35%	12%	1%	11%	11%
Total	100%	100%	100%	100%	100%	100%

Note
From Q1-Q3 combined. The w eighting assiumes 80%:20% main food: top shopping. See Appendix 5

area (mainly Fife). In Strathearn, 35% of the convenience shopping is done locally and most of the rest done in Perth.

8.4.5 In the Highland sub area, 54% of convenience shopping is undertaken locally and 43% in Perth, with most of the balance in Highland. In Strathmore & The Glens, three quarters of convenience shopping is done locally. Overall, the leakage of convenience expenditure from the Council area as a whole is 11%, which has fallen from 20% in the 2014 Retail Study.

8.4.6 Among the sub areas, the market share of Perth for convenience shopping has increased from 60% in the Council area in 2014, to 66% currently. Higher proportions are coming to Perth from Strathearn, but lower proportions from elsewhere. Increased inflows from Strathearn probably reflects the lack of mainstream supermarket operators, including discount foodstores, in Crieff and Aucherarder.

8.4.7 Figure 8.1 provides graphs showing the most visited stores for main food shopping by the survey respondents from each zone.

8.5 Convenience expenditure and turnover by sub area

8.5.1 The relationship between total expenditure and turnover in each sub area is defined simply as: *residents' expenditure potential plus inflows, less outflows equals total turnover*.

8.5.2 Appendix 6 shows the estimates of expenditure inflows to each sub area in detail, based on the household survey (Table 8.3) visitor spending (Visit Scotland and STEAM data) and estimated inflows from neighbouring local authority areas. Total estimated convenience expenditure inflows to Perth & Kinross amount to around £28 million, of which just under half goes to Perth. The expenditure outflows derive from Appendix 5 and Table 8.3.

8.5.3 Tables 8.4 to 8.9 show the survey based convenience expenditure and turnover relationships for each sub area and for Perth & Kinross in 2016, 2021 and 2026.

8.5.4 While Perth attracts most convenience expenditure inflows, visitor spending is a significant proportion of the totals in the Strathearn and Highland sub areas, owing to the attractions of Crieff, Pitlochry and the House of Bruar.

8.6 Convenience floorspace and turnover 2016

8.6.1 The current distribution of convenience floorspace in Perth & Kinross and in the five sub areas is shown in Table 8.10, based on the latest data provided by Goad (2015) and other sources, including Council data for most of the out of centre main supermarkets.

8.6.2 The current total of some 56,500 sq m gross compares to the total of 54,500 sq m gross in the 2014 Capacity Study. The main additions are the Aldi at Inveralmond and the Sainsbury's Local at Blairgowrie, plus other minor changes.

8.6.3 Average company turnover/ floorspace ratios from the Retail Rankings 2016 are applied to the main supermarkets and discount foodstores, with adjustments to include VAT and remove petrol/ non-retail sales, expressed in 2015 prices. These ratios also embrace recent research published by Mintel on the split of convenience and comparison floorspace among the various operators and the associated division of turnover.

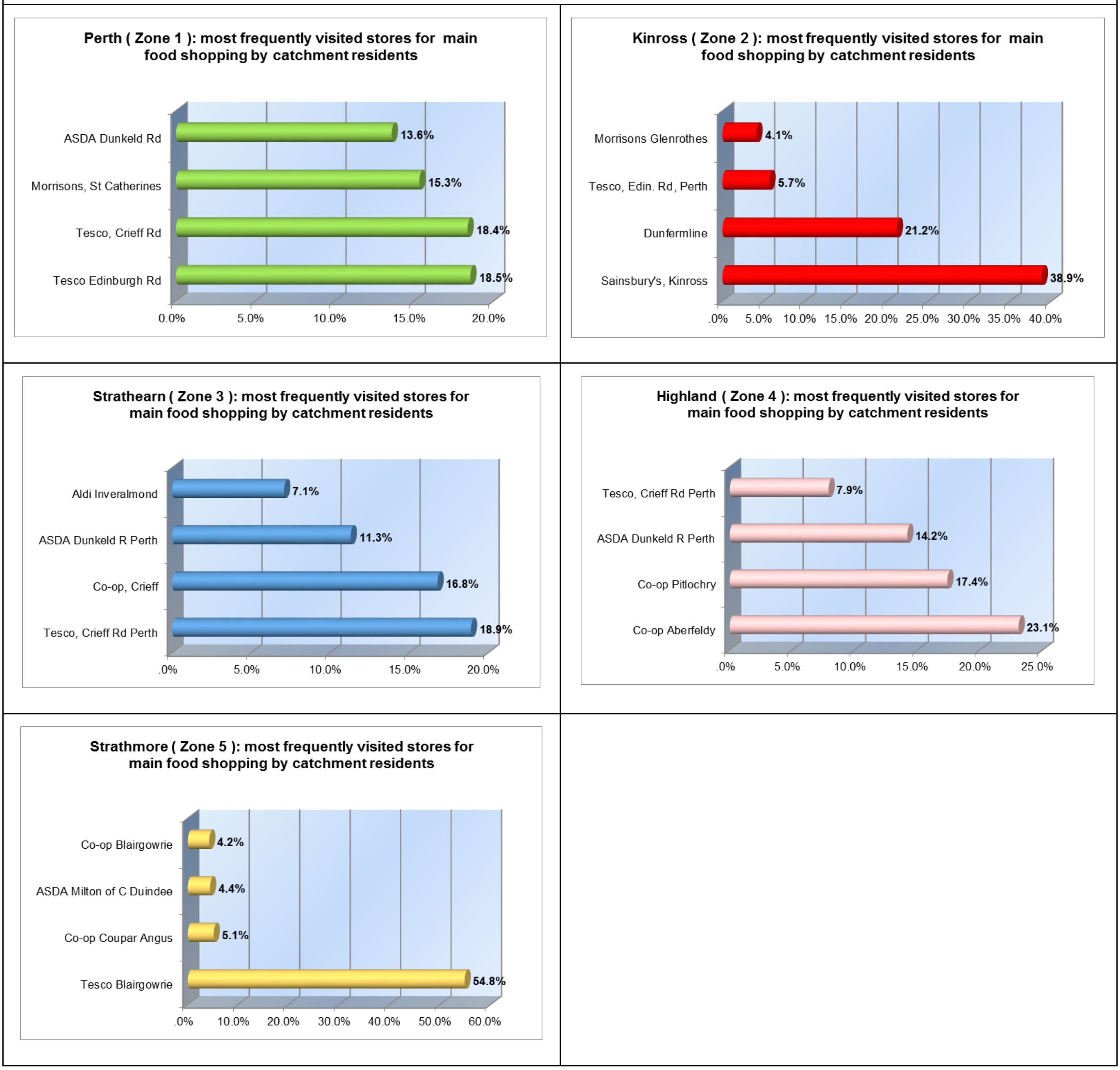
8.6.4 Estimated average ratios applied to other shops. The turnover ratios for Aldi and Lidl, based on Mintel's research are well up from previous years, which is unsurprising given that they have taken some market share from the main supermarkets. Table 8.10 shows the total average turnover in each sub area at average levels, based on this method.

8.6.5 Comparison with the survey based totals (actual turnover) is included for each area in Table 8.10, to indicate where there is any over or under-trading. From the table, the total over-trading in Perth & Kinross is low at 9%.

8.6.6 However, there are significant variations in trading among the five sub areas. Over-trading in the Perth sub area is 15% and very high at 74% in the Highland sub area There is substantial under-trading in the Kinross and Strathmore sub area, mostly because of the high level of convenience expenditure outflow. Under-trading is also evident in Strathmore.

Figure 8.1 Main food shopping patterns- most frequently visited stores (household survey)

Q1 & Q2 combined, excluding don't knows, varies, internet



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

Table 8.4
Perth catchment (Zone 1): convenience expenditure and turnover
(in 2015 prices)

	%	2016 £million	2021 £million	2026 £million
Main catchment residents' expenditure potential		199.2	202.0	214.4
Add: inflows from rest of Perth & Kinross	25%	49.8	50.5	53.6
inflows from outside Perth & Kinross	6%	12.2	12.3	13.1
Less: outflows	-11%	-21.9	-22.2	-23.6
Retained expenditure (turnover)		239.3	242.6	257.5

Note
Inflows and outflows from Appendix 6

Table 8.5
Kinross catchment (Zone 2): convenience expenditure and turnover
(in 2015 prices)

	%	2016 £million	2021 £million	2026 £million
Main catchment residents' expenditure potential		29.0	29.5	30.8
Add: inflows from rest of Perth & Kinross	5%	1.6	1.6	1.7
inflows from outside Perth & Kinross	1%	0.4	0.4	0.4
Less: outflows	-51%	-14.9	-15.1	-15.8
Retained expenditure (turnover)		16.1	16.4	17.1

Note
Inflows and outflows from Appendix 6

Table 8.6
Strathearn catchment (Zone 3): convenience expenditure and turnover
(in 2015 prices)

	%	2016 £million	2021 £million	2026 £million
Main catchment residents' expenditure potential		49.2	50.2	51.5
Add: inflows from rest of Perth & Kinross	0%	0.2	0.2	0.2
inflows from outside Perth & Kinross	9%	4.6	4.7	4.9
Less: outflows	-65%	-32.2	-32.8	-33.7
Retained expenditure (turnover)		21.8	22.2	22.8

Note
Inflows and outflows from Appendix 6

Table 8.7
Highland catchment (Zone 4): convenience expenditure and turnover
(in 2015 prices)

	%	2016 £million	2021 £million	2026 £million
Main catchment residents' expenditure potential		28.1	28.4	29.4
Add: inflows from rest of Perth & Kinross	5%	1.4	1.4	1.4
inflows from outside Perth & Kinross	29%	8.1	8.2	8.4
Less: outflows	-46%	-12.9	-13.0	-13.5
Retained expenditure (turnover)		24.6	24.9	25.8

Note
Inflows and outflows from Appendix 6

Table 8.8
Strathmore & The Glens catchment (Zone 5): convenience expenditure and turnover
(in 2015 prices)

	%	2016 £million	2021 £million	2026 £million
Main catchment residents' expenditure potential		45.6	46.2	48.3
Add: inflows from rest of Perth & Kinross	4%	2.0	2.0	2.1
inflows from outside Perth & Kinross	7%	3.0	3.1	3.2
Less: outflows	-26%	-11.8	-12.0	-12.5
Retained expenditure (turnover)		38.8	39.3	41.1

Note
Inflows and outflows from Appendix 6

Table 8.9
Perth & Kinross: convenience expenditure and turnover
(in 2015 prices)

	%	2016 £million	2021 £million	2026 £million
Main catchment residents' expenditure potential		351.0	356.3	374.4
Add:				
inflows from outside Perth & Kinross	8%	28.3	28.7	30.2
Less: outflows	-11%	-38.6	-39.2	-41.2
Retained expenditure (turnover)		340.6	345.4	364.3

Note
Inflows and outflows from Appendix 6

8.7 Online food shopping

8.7.1 Among those who bought their groceries on the internet in Perth & Kinross, the household survey indicates that, for main food shopping (Q1&Q2), 49% used Tesco, 31% used ASDA, and 17% used Sainsbury's.

8.8 Convenience planning consents & opportunities

8.8.1 Table 8.11 shows the current convenience retail planning consents and opportunities in Perth & Kinross. These include recent consents for a two store development on the former Tesco site at Duchlage Farm, Crieff and consent for use of Unit 5 (extended) in St Catherine's Retail Park for food retailing. These consents will be treated as deductions from the forecast spare capacity in this study under the usual convention. Note that Aldi is currently appealing against refusal of planning consent for a similar two store development close-by in Crieff (15/01354).

8.8.2 There are a number of other existing convenience retail consents in Table 8.11 which we have not included as deductions from the forecast spare capacity, for the reasons indicated in the table. The reasons mostly relate to our estimate that these supermarket-related consents show no sign of progressing towards operational stores in the current market, which is difficult, within the timescale of our capacity forecasts. It is accepted that the position with any of the consents could change though, for example if applications for new formats are proposed on the sites. More detailed comments on these consents are made in section 9.

8.8.3 If they were included at present, the forecast spare capacity would be understated, which would be an unreasonable basis for assessment of any other, new applications which may emerge in the future.

8.8.4 There remains an opportunity for a new supermarket in Auchterarder, which has been the subject of a separate Council appraisal of capacity. There is no planning consent or commitment beyond Council recognition of the opportunity.

Table 8.10
Perth & Kinross: convenience floorspace and turnover, 2016 (in 2015 prices)

	Floorspace sqm gross	Floorspace sqm net	Turnover ratio £/sq m	Turnover at average level £million
PERTH				
(1) **Perth City Centre total**	**7,607**	**5,077**		**42.0**
Tesco Metro, South Street	1,990	1,393	10,920	15.2
Marks & Spencer foodhall	1,077	700	10,023	7.0
Sainsbury's Local	330	248	15,571	3.9
Rest of City Centre	4,210	2,737	5,800	15.9
(2) **Perth out of centre stores- total**	**26,123**	**15,747**		**166.9**
ASDA (7,833 sq m gross)-60% conv	4,700	2,820	14,900	42.0
Morrison (4,965 sq m gross)-90% conv	4,469	2,234	10,409	23.3
Tesco, Edinburgh Rd (5,300 sq m gross)-75% conv	3,975	2,385	10,920	26.0
Tesco, Crieff Rd (7,863 sq m gross)-65% conv	5,111	3,067	10,920	33.5
Lidl, Riggs Road 1,407 sq m gross- 85% conv	1,196	897	7,450	6.7
Aldi, Glasgow Rd 1,160 sq m gross- 85% conv	986	740	11,226	8.3
Aldi, Inveralmond 1,563 sq m gross, 967 sq m net-80% conv	1,250	774	11,226	8.7
M&S Simply Food, Inveralmond-unit 7b	1,687	1,181	10,023	11.8
(3) Other Perth	2,750	1,650	4,000	6.6
Total at average levels	33,730	20,824		**208.9**
Over-trading			*15%*	*30.4*
Total from survey (actual levels)				**239.3**
KINROSS				
(1) Sainsbury's (out of centre) 2,900 sq m gross- 90% conv	2,610	1,566	11,124	17.4
(1) Other shops	950	618	4,000	2.5
Total at average levels	3,850	2,184		**19.9**
Under-trading			*-19%*	*-3.8*
Total from survey (actual levels)				**16.1**
STRATHEARN				
(1) **Crieff**				
Co-op	1,450	943	8,174	7.7
Other shops	1,400	910	4,000	3.6
(1) **Auchterarder**				
Co-op	780	507	8,174	4.1
Other Auchterarder shops	850	553	3,800	2.1
Blackford & Dunning	303	182	3,800	0.7
Total at average levels	4,783	3,094		**17.6**
Over-trading			*24%*	*4.2*
Total from survey (actual levels)				**21.8**
HIGHLAND				
(4) **Aberfeldy**	1,680	1,008	4,000	4.0
(1) **Pitlochry**				
Co-op	1,150	748	8,174	6.1
Other Pitlochry shops	1,180	767	4,000	3.1
(5) Dunkeld	400	240	4,000	1.0
Total at average levels	4,410	2,763		**14.2**
Over-trading			*74%*	*10.5*
Total from survey (actual levels)				**24.6**
STRATHMORE & THE GLENS				
(1) **Blairgowrie**				
Tesco total 4,480 sq m gross- 85% conv	3,808	2,285	10,920	25.0
Co-op	1,060	689	8,174	5.6
Sainsbury's Local	1,020	765	15,571	11.9
Other shops	1,380	897	4,000	3.6
(4) **Alyth** 9 units	1,350	810	4,000	3.2
(6) **Coupar Angus**	458	275	4,000	1.1
Co-op -out of centre (est.size)	500	300	6,500	2.0
Total at average levels	9,576	6,021		**52.4**
Under-trading			*-26%*	*-13.6*
Total from survey (actual levels)				**38.8**
Total Perth & Kinross at average levels	**56,349**	**34,884**		**312.9**
Overtrading			*9%*	*27.7*
Total Perth & Kinross at actual levels (from survey)				**340.6**

Note: Estimated net/ gross floorspace ratios vary between store types, Goad data and other sources, as indicated.
Average supermarket turnover ratios based on the Retail Ranking 2016 and other Mintel research on supermaket operator floorspace, adjusted to remove petrol sales, plus an allowance for VAT added.
(1) Goad 2015 for town centres, except for M&S Foodhall in Perth (estimate), and excludes 60% of WH Smith (comparison goods)
(2) Council based gross floorspace from previous retail studies, except for 'Other Perth'
(3) Estimate based on 11 neighbourhood Co-ops and Spars identified in Perth/ Scone/Erroll/ Stanley.
(4) Updated from Assessor's records on floorspace, cross referenced with online data on shop names/ types.
(5) Co-op 198 sq m - Assessor, plus 3 others- estimated total
(6) based on Assessor- Ryden 2016

Table 8.11
Convenience floorspace in Perth & Kinross: consents and opportunities 2016 (in 2015 prices)

This table is a list of the major convenience retail planning consents and relevant opportunities, interpreted for inclusion in this study as deductions from forecast spare capacity from 2016-21. Comments in the study do not affect the status of the applications in any way.

	Floorspace sq m gross	Floorspace sq m net	Turnover ratio £/sq m	Turnover £million
Consents included in the capacity study				
Two store development at Duchlage Farm, Crieff (former Tesco site) 16/00349/FULL				
Discount foodstore (1,870 sq m gross- est 80% conv.	1,496	1,122	11,226	12.6
High end food retailer (1,475 sq m gross)	1,475	1,033	10,023	10.3
Total convenience turnover	2,971	2,155		**22.9**
Unit 5 St Catherine's Retail Park- consent for food retailing 16/00018/MPO. Also separate application to extend Unit 5: 15/0225, which is currrently occupied by Tile Giant. Proposed operator - Iceland	1,000	750	7,367	**5.5**
Consents not included in the capacity study				
Sainsbury's superstore, Huntingtower, Perth - 09/02126/FLM & renewal application 16/00696 FLM Gross floorspace 9,533 sq m. Estimate unlikely to be developed in period of the capacity study.				
Sainsbury's supermarket, Bridge Rd, Pitlochry- 10/00666/FLM. Gross floorspace 2,417 sq m Some siteworks undertaken, but nothing since. Estimate unlikely to be developed in period of the capacity study				
Supermarket, David Douglas Ave, Scone (A&J Stephen Ltd)- 09/01311/FLM & time extension 12/02018/FLM Gross floorspace 3,500 sq m. No known operator. Estimate unlikely to be developed in period of the capacity study.				
Food retail floorspace consent, St Catherine's Retail Park (north side)- gross floorspace 3,350 sq m. This is a variation to the Section 75 Agreement to allow a single unit of 3,350 sq m foor food retailing. It would require reconfiguration of existing units and substitution from existing non-food retail floorspace, most likey within existing terrance of units. Not aware of proposals to progress this.				
Opportunities-no commitment				
Auchterarder- potential for a new supermarket of around 1,200 sq m net convenience floorspace (Auchterarder Retail Study 2013)				
Note Gross floorspace from the Council. Estimated turnover based on company averages from the 2016 Retail Rankings				

Table 8.12
Estimated pattern of trade diversion to the selected convenience planning consents (in 2015 prices)

	Duchlage Farm, Crieff		St Catherines' R Park, Unit 5	
Trade diversion from:	%	£million	%	£million
Zone1 Perth	70%	16.1	100%	5.5
Zone 2 Kinross				
Zone 3 Strathearn	17%	3.9		
Zone 4 Highland				
Zone 5 Strathmore & The Glens				
Stores outside Perth & Kinross	13%	3.0		
Total	100%	22.9	100%	5.5

Note
Total turnover from previous table. The patterns of trade diversion are broad brush estimates.
Account is taken of the NEMS survey based shopping patterns in this report, and the distribution of existing supermarkets

8.8.5 Table 8.12 provides broad guidance on the likely pattern of trade diversion to the two relevant consents in Crieff and St Catherine's Retail Park, as shown in the previous table. The recent NEMS household survey shows that most food shopping in Strathearn is undertaken in Perth, and the assumed pattern of trade diversion in Table 8.12 reflects the findings of the survey. So the consent will be mainly serviced by clawback of current leakage to stores in Perth.

8.8.6 The consent relating to Unit 5 in St Catherine's Retail Park is estimated to be serviced by trade diversion from all the surrounding concentration of foodstores and superstores in Perth.

9 Convenience expenditure capacity

9.1 Introduction

9.1.1 This section provides estimates of the spare convenience retail expenditure capacity that could service new retail floorspace in Perth & Kinross, including each of the five sub areas. The forecasts of spare capacity are for the periods 2016-21, 2021-26 and for the total ten-year period 2016-26, after allowing for the existing planning commitments.

9.2 Definition

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

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

9.2.2 A range of spare capacity can be prepared from these components, showing a low and high estimate, *after deducting planning commitments*. The **low estimate** includes any over-trading and the forecast growth in expenditure in the sub areas over the target periods. The **high estimate** also includes the potential to claw back leakage and attract new trade into the sub areas. Provision of a range of spare capacity normally reduces the need for sensitivity tests. However, the high estimate is really only relevant to Perth, as explained in the following paragraphs.

9.2.3 'Acceptable' levels of retail impact refer to the situation where new developments would not threaten the vitality and viability of established centres. By convention, this aspect is not usually embraced into capacity studies, because it is normally addressed by retail impact assessments in support of specific retail planning applications. The Council would then assess whether the retail impacts are 'acceptable' in terms of their effects on the vitality and viability of town centres. Perth offers the most potential to service additional convenience floorspace in this way, because of the concentration of supermarkets and superstores in the area, from which to divert draw trade.

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

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

9.3 Spare convenience expenditure capacity

9.3.1 **Low estimates**- Tables 9.1 to 9.6 show the forecast spare convenience expenditure for each of the five sub areas and for the Council area in total, at the low end of the range.

9.3.2 Assuming the current selected consents shown in Tables 8.11 and 8.12 are developed, there is predicted negative capacity in Kinross and Strathmore & The Glens, with minimal capacity in Strathearn, assuming after development of the consent at Duchlage Farm, Crieff.

9.3.3 In the Highland sub area, there is a predicted spare capacity of nearly £11 million by 2021 under the low estimate, rising to nearly £12 million by 2026, if there is no new store development.

9.3.4 In Perth, under the low estimate, there is about £12 million spare capacity, rising to some £27 million over the next ten years, if there is no new store development. This also allows for clawback of leakage from Strathearn to Perth if the two store consent in Crieff is developed. We are not aware of market interest in developing a foodstore in Auchterarder at present.

9.3.5 **High estimate**- For estimates at the high end of the range to apply, there would have to be potential to accommodate a supermarket which would be capable of reducing leakage and attracting new trade. In today's retail market, this could also typically include a discount foodstore, sometimes in combination with another type of store. Previously, it would have required a superstore, but this type of development is no longer commonly of interest to the market, as the popular formats have changed to smaller stores.

9.3.6 Apart from Perth and Highland sub areas, none of the others have sufficient capacity for the high forecast to be relevant. However, there may be scope for accommodating very minor additions to the convenience floorspace in these other sub areas where it would be supported by trade diversion from existing shops.

9.3.7 In the Highland sub area, we have allowed for up to 50% clawback of leakage from the Highland sub area, given its remoteness from the concentration of supermarkets in Perth. This adds to the low estimate to provide over £17 million spare capacity by 2021, rising to over £18 million by 2026.

9.3.8 With progress on development of the Pitlochry Sainsbury consent at a standstill, our view is that the capacity now represents potential support for alternative supermarket development opportunities which may emerge in the future. If no alternative foodstore developments arise in Pitlochry, part of the capacity would revert back to Perth.

9.3.9 Perth sub area offers the most capacity to support additional convenience floorspace over the next ten years under the high forecast, with £14 million by 2021, rising to £30 million by 2026. This could service an additional mid-size supermarket or discount foodstore developments and other small store developments or extensions to the existing stores.

9.3.10 The ability to claw back leakage from the sub area will be limited by the fact that there is already substantial supermarket representation in Perth. Also, the probability of attracting significant new trade into Perth will be limited by geography and also the scale of existing representation.

9.3.11 However, it is important to recognise that more convenience floorspace could possibly be accommodated in Perth when account is taken of the potential to part-service it by trade diversion from the existing supermarkets in Perth. Proposals would have to be justified by a retail impact assessment.

9.3.12 In terms of the distribution of potential opportunities for new store development in the Perth sub area, it is reasonable to consider that Scone is a possible location for new store development to serve the local population. For example, there would be capacity to support the existing supermarket consent at Scone, or an alternative proposal, such as a discount foodstore.

9.3.13 The consent to allow food retailing in part of St Catherine's Retail Park in a single unit represents an opportunity, but would depend on complex reconfiguration and substitution with some of the existing comparison retailers there. Until any development interest emerges in public, there is too much uncertainty to predict a claim on the forecast spare convenience capacity at present.

9.3.14 The proposed Sainsbury's 9,533 sq m gross superstore at Huntingtower has not been included as a deduction from the forecast spare capacity. In 2014, newspapers reported that Sainsbury's had withdrawn interest in developing the proposed store. There is a current renewal application for the site by a party described as being in administration in application. We also comment that construction of superstores of this scale in Scotland by any of the operators has virtually ceased with changing market conditions. Our interpretation of the circumstances is solely for the purpose of current retail capacity assessment, and independent of the Council's determination of the renewal application.

9.3.15 Table 9.6 provides a summary of the spare convenience retail capacity in the Council area, which is concentrated in the Perth and Highland sub areas.

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

Table 9.1
Perth catchment (Zone 1) : forecast spare convenience expenditure capacity (in 2015 prices)

	2016-21 £million	2021-26 £million	2016-26 £million
(a) Current over-trading (Table 8.10)	30.4		30.4
(b) Growth in retained expenditure (turnover)- Table 8.4	3.3	14.9	18.2
(c) Less planning commitments: (selected consents- Table 8.11)			
70% of conv turnover of Duchlage Farm consent and 100% turnover of Unit 5 consent at St Catherine's Retail Park-Table 8.4	-21.6		-21.6
Low estimate (a+b-c)	**12.1**	**14.9**	**27.0**
(d) Add: potential to reduce outflow *2021* *2026*			
Outflow £million- Table 8.4 -22.2 -23.6			
Outflows to centres outside Perth & Kinross-Table 8.3 -17.6 -18.7			
Potential to claw back up to 50% of leakage to centres outside P&K	8.8	0.5	9.4
Deduct allowance for potential Highland sub area claw back (Table 8.4)	-6.5	-0.2	-6.7
(e) Add:potential to increase inflow- Table 8.4 *2021* *2026*			
Assume negligible			
High estimate (a+b-c+d+e)	**14.4**	**15.2**	**29.7**
Equivalent convenience floorspace	£ per sq m	£ per sq m	
* Turnover/ floorspace ratio	12,006	12,744	
	sq m net	sq m net	sq m net
Low	*1,000*	*1,200*	2,200
High	*1,200*	*1,200*	2,400

Note
Gross equivalent floorspace estimates have not been shown, as net /gross formats vary widely. *Figures are rounded.*
* The turnover ratio derives from the 2016 Retail Rankings for the average of Sainsbury's, Tesco, Morrisons and ASDA, at £11,838 per sq m. The ratio is increased to relate to 2021 and 2026, based on % turnover growth in Perth & Kinross -Table 8.9

Table 9.2
Kinross catchment (Zone 2): forecast spare convenience expenditure capacity (in 2015 prices)

	2016-21 £million	2021-26 £million	2016-26 £million
(a) Current under-trading (Table 8.10)	-3.8		-3.8
(b) Growth in retained expenditure (turnover)- Table 8.5	0.3	0.7	1.0
(c) Less planning commitments: (none)			
Total spare capacity (a+b-c)	**-3.5**	**0.7**	**-2.8**

The current under-trading does not suggest a strong platform for introducing additional floorspace through clawback of some leakage, so there is no 'high estimate'

Table 9.3
Strathearn catchment (Zone 3) : forecast spare convenience expenditure capacity (in 2015 prices)

	2016-21 £million	2021-26 £million	2016-26 £million
(a) Current over-trading (Table 8.10)	4.2		4.2
(b) Growth in retained expenditure (turnover)- Table 8.6	0.4	0.6	1.0
(c) Less planning commitments: (Table 8.11)			
17% of conv turnover of Duchlage Farm consent	-3.9		-3.9
Total spare capacity (a+b-c)	**0.8**	**0.6**	**1.3**

Spare capacity under the high estimage will be minimal if the Duchlage Farm consent is developed

Table 9.4
Highland catchment (Zone 4) : forecast spare convenience expenditure capacity (in 2015 prices)

			2016-21 £million	2021-26 £million	2016-26 £million
(a) Current over-trading (Table 8.10)			10.5		10.5
(b) Growth in retained expenditure (turnover)- Table 8.7			0.3	0.9	1.2
(c) Less planning commitments: (none included)					
Low estimate	(a+b-c)		**10.7**	**0.9**	**11.6**
(d) Add: potential to reduce outflow	*2021*	*2026*			
Outflow £million- Table 8.6	-13.0	-13.5			
Potential to claw back up to 50% of leakage assumed			6.5	0.2	6.7
(e) Add:potential to increase inflow- Table 8.4	*2021*	*2026*			
Assume negligible					
High estimate	(a+b-c+d+e)		**17.2**	**1.1**	**18.4**
Equivalent convenience floorspace			£ per sq m	£ per sq m	
*Turnover/ floorspace ratio			12,006	12,744	
			sq m net	sq m net	sq m net
Low			*900*	*100*	1,000
High			*1,400*	*100*	1,500

Note
Gross equivalent floorspace estimates have not been shown, as net /gross formats vary widely. *Figures are rounded.*
* The turnover ratio derives from the 2016 Retail Rankings for the average of Sainsbury's, Tesco, Morrisons and ASDA, at £11,838 per sq m. The ratio is increased to relate to 2021 and 2026, based on % turnover growth in Perth & Kinross -Table 8.9

Table 9.5
Strathmore & The Glens catchment (Zone 5) : forecast spare convenience expenditure capacity (in 2015 prices)

		2016-21 £million	2021-26 £million	2016-26 £million
(a) Current under-trading (Table 8.10)		-13.6		-13.6
(b) Growth in retained expenditure (turnover)- Table 8.8		0.5	1.8	2.3
(c) Less planning commitments: (none included)				
Total spare capacity	(a+b-c)	**-13.0**	**1.8**	**-11.3**

The current under-trading does not suggest a strong platform for introducing additional floorspace through clawback of some leakage, so there is no 'high estimate'

Table 9.6
Perth & Kinross total : forecast spare convenience expenditure capacity (in 2015 prices)

	2016-21 £million	2021-26 £million	2016-26 £million
Low forecast			
Perth (Zone 1)	12.1	14.9	27.0
Highland (Zone 4)	10.7	0.9	11.6
Total	22.9	15.8	38.7
	sq m net	sq m net	sq m net
Equivalent supermarket floorspace	*1,900*	*1,300*	*3,200*
High forecast			
Perth (Zone 1)	14.4	15.2	29.7
Highland (Zone 4)	17.2	1.1	18.4
Total	31.7	16.3	48.0
Equivalent supermarket floorspace	*2,600*	*1,300*	*3,900*

Note
Only Perth and Highland sub areas have spare capacity. Among the others, it is insignificant or negative. The high forecasts assume claw back of some leakage from Highland to Perth, if a supermarket is developed in the Highland sub area.

and viability of the City Centre and other established centres. In Perth, the proportion of convenience floorspace in the City Centre is not high, but it is of key importance in support of the large non-food shopping and service sectors in terms of retaining footfall.

10 Comparison expenditure and turnover

10.1 Introduction

10.1.1 This section sets out the comparison expenditure and turnover relationships for Perth & Kinross and provides forecasts of spare capacity from 2016-21, 2021-26 and the ten-year period 2016 - 2026. The analysis covers each of the five sub areas, and the Council area as a whole. Thus, the total turnover in each sub area derives from the residents' expenditure potential, plus inflows, less outflows.

10.1.2 The distribution of the turnover among the various towns and retail parks is controlled to the total deduced turnover for of the five sub areas from the shopping patterns.

10.2 Comparison goods- definition

10.2.1 Comparison goods include:

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

10.2.2 This definition is provided in Pitney Bowes' *Retail Expenditure Guide 2015-16*, based on Central Government survey classifications.

10.3 Comparison expenditure potential and the internet

10.3.1 Table 10.1 shows the forecast expenditure per capita data for Perth & Kinross, based on data commissioned from Pitney Bowes for this study. The average annual forecast compound growth rate is 2.8% from 2016-26 from that data, which also relates to the socio economic structure in the Council area.

10.3.2 As explained in section 8, special forms of trading (SFT), which is mostly internet shopping, but includes mail order, are removed from the expenditure per capita data, so that it relates to conventional shop floorspace. The proportion of SFT, or non-store sales, is projected to increase up to 2026.

10.3.3 For comparison expenditure, the proportions of SFT are based on the findings of the household survey which reveals use of the internet for shopping by Perth & Kinross residents is higher than the UK average, at an average of nearly 27%, compared to the current UK proportion of 19% from Pitney Bowes- see Appendix 7. This is no surprise at all, because of the rural nature of Perth & Kinross.

10.3.4 The increases in proportions of current SFT in the survey to 2026 in Table 10.1, are based on the forecast increases for the UK from Pitney Bowes. The rate of increase in the proportions of SFT in the UK in Table 10.1 is forecast to slow down considerably after 2021.

10.3.5 The findings of the household survey (Q15) are broadly consistent with the direction of this national forecast, as about 60% of respondents indicated that they would continue to use the internet much as at present, with a minority (18%) indicating increased usage in the future (see section 6).

10.3.6 Forecasts of the total comparison expenditure potential of the residents of each sub area are shown in Table 10.2. The growth rate to 2026 is the result of combining projected population growth with the forecast growth in expenditure per capita.

10.4 Comparison shopping patterns- market shares

10.4.1 Information on comparison shopping patterns by sub area was collected by the household survey. The method is explained in section 8, which is the same as for convenience shopping.

10.4.2 The list of questions is provided in Appendix 3. For each of the five categories of comparison goods in the questionnaire, the respondents were asked to *identify where they*

Table 10.1
Perth & Kinross residents' comparison expenditure per capita per annum (in 2015 prices)

2015 £	2016 £	**2020** £	2021 £	**2025** £	**2026** £
3,769	3,886	4,352	4,601	4,974	5,107
**Excluding special forms of trading (SFT)*					
	2,997		3,388		3,681

Sources;
Figures in bold are from the Pitney Bowes' projected expenditure data commissioned for the study area. Figures for the other years are interpolations/ extrapolations.
The figure for 2015 from Pitney Bowes is in 2015 prices. For the other years, Pitney Bowes provided forecasts in 2014 prices. These have been adjusted to 2015 prices by a factor of 0.99398 from the *Retail Expenditure* Guide 2015/16 by Pitney Bowes.

Deductions require to be made to allow for special forms of trading (SFT- internet expenditure ,mail order etc), which do not relate to conventional floorspace. On page 38 (Table 3.4) of the *Retail Expenditure Guide 2015/16* by Pitney Bowes, the following estimates of comparison SFT are made in relation to non- store sales.

2015	2016	2020	2021	2025	2026
18.1%	19.0%	21.4%	21.9%	23.0%	23.2%

The proportion from the household survey is higher than the national average for 2016. For this study, the survey based proportion is applied for 2016, with the rate of increase to 2020 and 2025 based on the national average.
***Applied proportions: 26.9% in 2016** from the survey, reduced by 15% (R MacLean estimate) as explained below.

	22.9%		**26.4%**		**27.9%**

Note that there is some overlap between non-store sales and store-related internet sales, so the proportions will be a bit lower than indicated from the survey and the UK data. However, Pitney Bowes point out that there is no evidence of what the lower level might be. A reduction of 15% has been applied above in acknowledgement of the issue.

Table 10.2
Perth & Kinross residents' conmparison expenditure potential (in 2015 prices)

Sub area	2016 £ million	2021 £ million	2026 £ million
Perth	259.8	307.0	352.8
Kinross	37.8	44.9	50.7
Strathearn	64.2	76.3	84.8
Highland	36.6	43.1	48.3
Strathmore & The Glens	59.4	70.2	79.4
Total Perth & Kinross	**457.7**	**541.5**	**616.2**

Note
From Tables 2.1 and 10.1. Excludes special forms of retailing (SFT- internet. Mail order etc)

visited most often to buy these goods (Q7-Q11). Respondents could identify up to two destinations (or internet) for each category. The results were weighted and combined to reveal the shopping patterns for all comparison goods shown in Table 10.3 with the supporting information in Appendix 8.

10.4.3 Note that the proportions in Table 10.3 exclude SFT (internet/ mail order), in order to show physical destinations only and to achieve compatibility with the expenditure per capita data, which excludes SFT. Thus, Table 10.3 highlights the shopping patterns between the sub areas and with centres outside Perth & Kinross.

10.4.4 Table 10.3 reveals that the main destinations for comparison shopping are Perth and centres outside Perth & Kinross, with limited retention in the small towns. More detail on specific stores and centres is provided in the

Table 10.3
Perth & Kinross Council area residents- all comparison shopping patterns

	Origin Zone 1 Perth	Zone 2 Kinross	Zone 3 Strathearn	Zone 4 Highland	Zone 5 Strathmore	Total
Destination						
Zone 1	74%	44%	55%	57%	35%	61%
Zone 2	0%	1%	0%	1%	0%	0%
Zone 3	0%	0%	9%	0%	0%	1%
Zone 4	0%	0%	0%	15%	0%	1%
Zone 5	0%	0%	0%	1%	18%	3%
Outside study area	25%	55%	36%	27%	46%	33%
Total	100%	100%	100%	100%	100%	100%

Note: Figures are rounded
The above data relates to the w eighted survey data and filtered to remove don't know s, varies, internet and mail order-Appendix 8

graphs in Figure 10.1, including reported internet/mail order spending.

10.4.5 In Perth, 74% of comparison shopping by Perth residents is done locally, with the balance in locations outside the Council area. In Kinross, 44% of comparison shopping is done in Perth and 55% outside the Council area. In Strathearn, only 9% is retained, with 55% in Perth and 36% done outside the Council area.

10.4.6 In the Highland sub area, 57% of comparison shopping is undertaken in Perth, and 15% retained locally, with 27% done outside the Council area. In Strathmore & The Glens, 18% of comparison shopping is done locally, with most of the rest in Perth (35%) and in locations outside the Council area (46%).

10.4.7 Overall, the leakage of comparison expenditure from the Council area as a whole is 33%, which has changed little since the 2014 Retail Study (34%). Among the sub areas, Perth has retained its share of comparison shopping trips at much the same level, but with some differences in the distribution among other sub areas. Apart from respondents from Strathearn, lower proportions are visiting Perth for comparison shopping compared to 2014.

10.5 Comparison expenditure and turnover by sub area

10.5.1 Similar to the analysis in section 8, the relationship between total expenditure and turnover in each sub area is defined simply as: *residents' expenditure potential plus inflows, less outflows equals total turnover*.

10.5.2 Appendix 9 shows the estimates of comparison expenditure inflows to each sub area in detail, based on the household survey, visitor spending (VisitScotland and STEAM data) and estimated inflows from neighbouring local authority areas. Total estimated comparison expenditure inflows to Perth & Kinross amount to just over £72 million, of which 59% goes to Perth. The expenditure outflows in Appendix 9 also derive from the household survey.

10.5.3 Tables 10.4 to 10.9 show the survey based comparison expenditure and turnover relationships for each sub area and for Perth & Kinross in 2016, 2021 and 2026.

10.5.4 Similar to the situation for convenience shopping, Perth attracts most comparison expenditure inflows, but visitor spending is a significant proportion of the totals in the Strathearn and Highland sub areas (the latter includes The House of Bruar).

10.6 Comparison floorspace and turnover 2016

10.6.1 The current distribution of comparison floorspace in Perth & Kinross and in the five sub areas is shown in Table 10.10, based on the latest data provided by Goad (2015) and other sources, including Council

Figure 10.1 Comparison shopping- most frequently visited destinations (including internet): Perth & Kinross overall- household survey

Goods categories graphs exclude *don't knows, don't buy, varies*

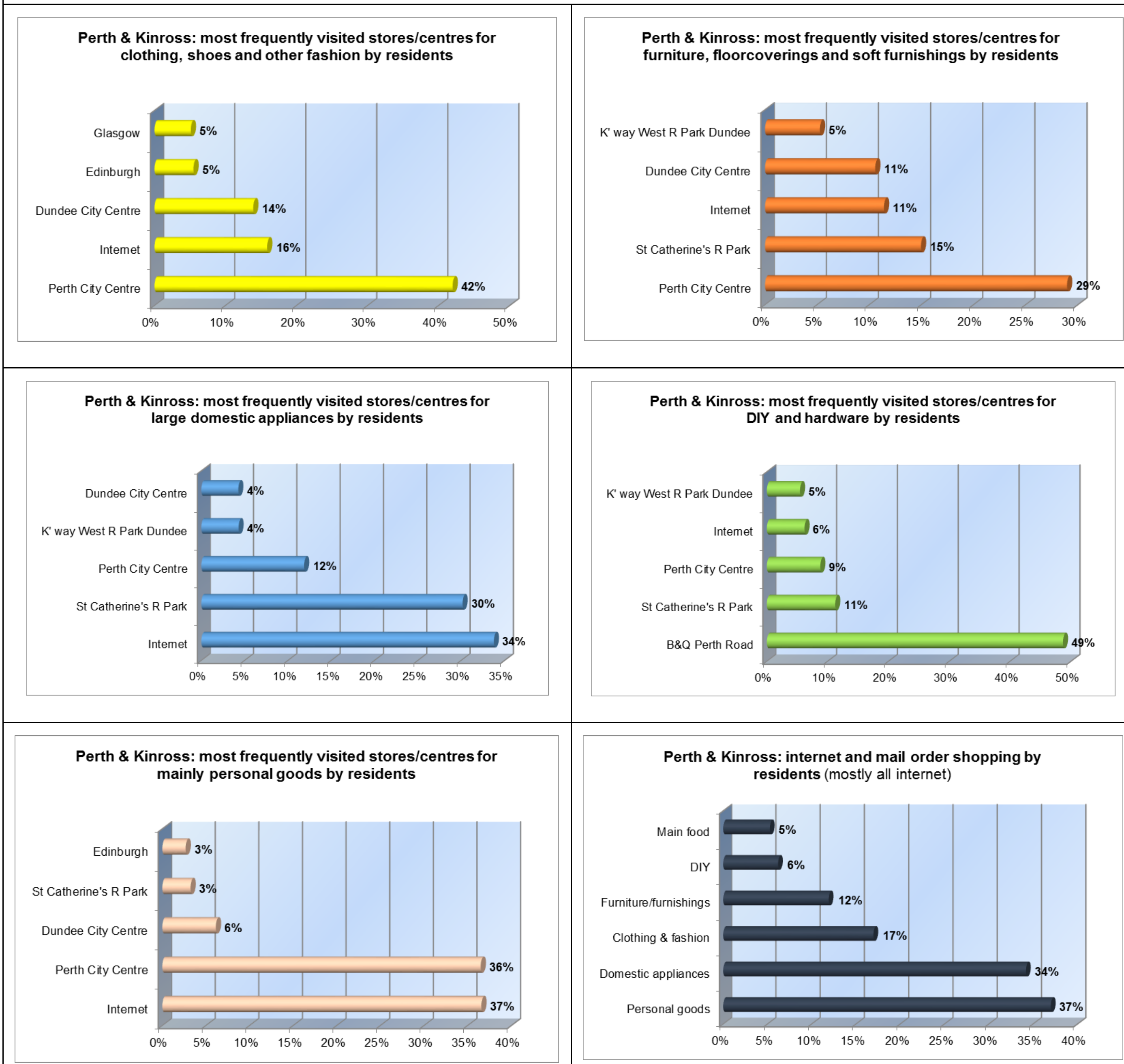


Table 10.4
Perth catchment (Zone 1): comparison expenditure and turnover
(in 2015 prices)

	%	2016 £million	2021 £million	2026 £million
Main catchment residents' expenditure potential		259.8	307.0	352.8
Add: inflows from rest of Perth & Kinross	36%	93.5	110.5	126.9
inflows from outside Perth & Kinross	16%	42.5	50.2	57.7
Less: outflows	-26%	-67.2	-79.4	-91.3
Retained expenditure (turnover)		328.5	388.2	446.2

Note
Inflows and outflows from Appendix 9

Table 10.5
Kinross catchment (Zone 2): comparison expenditure and turnover
(in 2015 prices)

	%	2016 £million	2021 £million	2026 £million
Main catchment residents' expenditure potential		37.8	44.9	50.7
Add: inflows from rest of Perth & Kinross	2%	0.6	0.7	0.8
inflows from outside Perth & Kinross	2%	0.7	0.9	1.0
Less: outflows	-99%	-37.3	-44.3	-50.1
Retained expenditure (turnover)		1.8	2.2	2.5

Note
Inflows and outflows from Appendix 9

Table 10.6
Strathearn catchment (Zone 3): comparison expenditure and turnover
(in 2015 prices)

	%	2016 £million	2021 £million	2026 £million
Main catchment residents' expenditure potential		64.2	76.3	84.8
Add: inflows from rest of Perth & Kinross	1%	0.3	0.4	0.4
inflows from outside Perth & Kinross	13%	8.6	10.2	11.4
Less: outflows	-91%	-58.1	-69.1	-76.8
Retained expenditure (turnover)		15.0	17.8	19.8

Note
Inflows and outflows from Appendix 9

Table 10.7
Highland catchment (Zone 4): comparison expenditure and turnover
(in 2015 prices)

	%	2016 £million	2021 £million	2026 £million
Main catchment residents' expenditure potential		36.6	43.1	48.3
Add: inflows from rest of Perth & Kinross	0%	0.0	0.0	0.0
inflows from outside Perth & Kinross	41%	15.0	17.7	19.8
Less: outflows	-85%	-31.0	-36.5	-40.9
Retained expenditure (turnover)		20.6	24.3	27.2

Note
Inflows and outflows from Appendix 9

Table 10.8 Strathmore & The Glens catchment (Zone 5): comparison expenditure and turnover (in 2015 prices)				
	%	2016 £million	2021 £million	2026 £million
Main catchment residents' expenditure potential		59.4	70.2	79.4
Add: inflows from rest of Perth & Kinross	2%	1.2	1.5	1.6
inflows from outside Perth & Kinross	9%	5.6	6.6	7.5
Less: outflows	-82%	-48.5	-57.3	-64.8
Retained expenditure (turnover)		17.8	21.0	23.8
Note Inflows and outflows from Appendix 9				

Table 10.9 Perth & Kinross: comparison expenditure and turnover (in 2015 prices)				
	%	2016 £million	2021 £million	2026 £million
Main catchment residents' expenditure potential		457.7	541.5	616.2
inflows from outside Perth & Kinross	16%	72.4	85.7	97.5
Less: outflows	-33%	-151.4	-179.1	-203.8
Retained expenditure (turnover)		383.8	453.6	519.5
Note Inflows and outflows from Appendix 9				

data for most of the out of centre main supermarkets.

10.6.2 The current total of some 128,800 sq m gross compares to the total of 134,500 sq m gross in the 2014 Capacity Study. The main reason for the change is the reduced level of comparison floorspace in Perth City Centre. However, turnover levels in the City Centre and in St Catherine's Retail Park are now higher compared to those in 2014, based on the household survey findings and additional operators in the Retail Park- see Appendix 10.

10.6.3 Unlike convenience retailing, comparison retailing is not dominated by a few participants, so the concept of over/ under-trading has limited application for comparison retailing.

10.7 Planning consents

10.7.1 There are no outstanding major planning consents for comparison retail floorspace in Perth & Kinross.

Table 10.10
Perth & Kinross comparison retail floorspace and turnover 2016 (in 2015 prices)

	Floorspace sq m		Turnover	Turnover
	Gross	Net	£ per sq m	levels £million
PERTH				
City Centre	55,163	35,856	6,140	220.2
St Catherine's Retail Park	21,903	17,522	3,389	59.4
*Comparison floorspace in o/c supermarkets	8,404	5,057	5,941	30.0
B&Q Crieff Road	5,806	4,645	1,747	8.1
** Other Perth out of centre	5,040	3,528	3,070	10.8
Total	96,316	66,608		328.5
KINROSS				
Sainsbury's total 2,900 sq m gross, 10% comp	290	174		
Town Centre shops	860	559		
Total	1,150	733	2,501	1.8
STRATHEARN				
Crieff	5,200	3,380		
Auchterarder	3,030	1,970		
Other Auchterarder (Gleneagles Furniture)	460	368		
Total	8,690	5,718	2,622	15.0
HIGHLAND				
Pitlochry	5,230	3,400		
Aberfeldy	2,507	1,504		
House of Bruar total 5,723 sq m gross-70% comp	4,006	2,804		
Dunkeld 6 units	600	360		
Total	12,343	8,068	2,553	20.6
STRATHMORE & THE GLENS				
Blairgowrie	8,830	5,740		
Tesco total 4,480 sq m gross- 15% comp	672	403		
Coupar Angus	417	250		
Alyth 7 units	700	420		
Total	10,619	6,813	2,610	17.8
Total Perth & Kinross	**129,119**	**87,939**		**383.8**

Note
Retail floorspace derives from the same sources as convenience retailing (mostly Goad)
* this refers to the comparison floorspace in the Perth supermarkets- see calculations below (R Rankings & P Bowes research)

ASDA, Dunkeld Road (7,833 sq m gross)-40% comp	3,133	1,880	5,811	10.9
Morrison, St C R Park (4,965 sq m gross)-10% comp	497	248	3,418	0.8
Tesco, Edinburgh Road (5,300 sq m gross)-25% comp	1,325	795	6,381	5.1
Tesco, Crieff Road (7,863 sq m gross)-35% comp	2,752	1,651	6,381	10.5
Lidl, Riggs Road total 1,407 sq m gross- 15% comp	211	158	4,444	0.7
Aldi, Glasgow Rd total 1,160 sq m gross- 15% comp	174	131	6,039	0.8
Aldi, Inveralmond 1,563 sq m gross -20% comp	313	193	6,039	1.2
Total	8,404	5,057		30.0

** Other out of centre includes Highland Gateway Retail Park unit 1 (Tiso- 1,437 sq m) and unit 4 (Nevada Bobs- 603 sq m) and Christian Bookshop, Riggs Road 1,350 sq m gross
Plus nominal allowance for other comparison floorspace in Perth, outside the city centre (3,000 sq m gross)

11 Comparison expenditure capacity

11.1 Introduction

11.1.1 As explained at the beginning of section 9, the planning context for defining spare capacity is the level of new retail development that can be accommodated without threatening the vitality and viability of established town centres. Spare retail capacity can exist in the following forms, as previously explained:

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

11.1.2 A forecast range of estimated capacity is provided for comparison expenditure in this section, with a high and a low estimate, on a similar principal of providing a range, as for forecasts of convenience capacity.

11.1.3 As Perth is the only major shopping centre in the Council area, forecasts of spare comparison expenditure relate to the whole of Perth & Kinross up to 2026. There is limited comparison expenditure retention in the smaller towns and trends in retail market demand show increasing concentration in the largest centres only.

11.1.4 So separate forecasts of spare comparison expenditure are not presented for each of the sub areas in this 2016 Study, as these will be very small and market demand will be the main driver affecting the distribution of new retail development, which mainly relates to Perth. While the forecast spare comparison expenditure capacity would support additional comparison floorspace in the small towns as well as in Perth, market demand to locate in the small towns is likely to be limited.

11.2 Spare comparison expenditure capacity

11.2.1 Over-trading above average levels is generally less of an issue in comparison retailing, because the sector is not dominated by a few major players, such as in the convenience sector. Enhancing turnover within existing businesses will help sustain a continuing presence in the City Centre and reduce potential need for support via business rates relief.

11.2.2 Forecast growth in retained expenditure (turnover) in Perth & Kinross is very substantial to 2026 (Table 10.9), and it offers the principal source of spare capacity to support additional comparison retail floorspace. In fact, the forecast growth, based on UK averages, yields levels of spare capacity in Perth & Kinross which are more than local retail market demand in this predominantly rural area.

11.2.3 With increased concentration of multiple retailer demand and investment in the largest cities and malls in Scotland, much of the forecast expenditure growth in rural areas like Perth & Kinross will probably materialise as increased leakage to these major centres in the future, together with further increases in online retailing.

11.2.4 So the approach adopted to calculate spare convenience capacity in section 9 is better modified to bring the comparison expenditure capacity forecasts for Perth & Kinross closer to the direction of the retail development market.

11.2.5 Forecasts beyond 2021 should be viewed with caution, because of the greater uncertainties.

11.2.6 For the **high estimate**, the forecast expenditure growth alone is assumed, as there is little relevance in adding potential claw back of leakage when the forecast growth is in excess of likely market demand for new retail development in the Council area. That is not to say that new development would not claw back some leakage, but more likely that it would simply slow down the rate of leakage. The geographic location of Perth means that the potential to attract significant additional inflows of comparison expenditure will be low.

11.2.7 For the **low estimate**, two factors are applied which reduce the level of forecast capacity. First, we have applied a slightly higher

Table 11.1 **Perth & Kinross: spare comparison expenditure capacity up to 2026 (in 2015 prices)**			
	2016-21 £million	2021-26 £million	2016-26 £million
High estimate (a) Growth in retained expenditure (turnover)- Table 10.9 (b) Less planning commitments (none)	69.8	65.9	135.7
High estimate (a-b)	**69.8**	**65.9**	**135.7**
Low estimate (c) Growth in retained expenditure (turnover)- Appendix11 (b) Less planning commitments (none)	47.4	59.0	
Low estimate (c-b)	**47.4**	**59.0**	**106.3**
Equivalent comparison floorspace			
	£ per sq m	£ per sq m	
Turnover/ floorspace ratio- under high estimate	7,257	8,312	
Turnover/ floorspace ratio- under low estimate	6,898	7,841	
	sq m net	sq m net	sq m net
High	*9,600*	*7,900*	17,500
Low	*6,900*	*7,500*	14,400

Note
Gross equivalent floorspace estimates have not been shown, as net /gross formats vary widely. Figures are rounded
* The turnover ratio derives from the current comparison turnover ratio for Perth town centre £6,140 per sq m
increased by the turnover growth to 2021 and 2026 for Perth & Kinross (Table 10.9)- high and Appendix 11- low

rate of growth in the proportion of SFT (mainly internet spending) than provided by Pitney Bowes, which is quite conservative in the period, especially beyond five years ahead.

11.2.8 Second, we have applied a small increase in the proportion of leakage from Perth & Kinross to centres outside the area, most likely to Dundee, Edinburgh and Glasgow. Consideration of both factors relate to the trends in retail market demand, but are subjective assessments.

11.3 Capacity forecasts- high estimate

11.3.1 The forecast spare comparison capacity for Perth & Kinross at the high end of the range is some £136 million up to 2026, from Table 11.1. The notional equivalent City Centre floorspace equates to an additional 17,500 sq m net.

11.4 Capacity forecasts- low estimate

11.4.1 The forecast spare comparison capacity at the low end of the range is based on Tables A, B and C in Appendix 11.

11.4.2 In Table A, the higher level of SFT (mainly internet expenditure) has been raised to 30% in 2021, instead of 26.4% in the high estimate. By 2026, it is raised to 32% instead of 27.9% under the high estimate. Table B shows the lower comparison expenditure potential of residents of the Council area consequently.

11.4.3 In Table C, the proportion of leakage from Perth & Kinross is assumed to increase by 5% from 2016-21 and by a further 5% from 2021-26. The forecast spare comparison capacity for Perth & Kinross at the low end of the range is some £106 million up to 2026, from Table 11.1. The notional equivalent City Centre floorspace equates to an additional 14,400 sq m net.

11.5 Interpretation

11.5.1 As with convenience retail capacity, more weight should be given to the value of the forecast spare capacity, which is substantial in Table 11.1, rather than to the equivalent net retail floorspace. Where new retail developments are not in Perth City Centre, the equivalent floorspace will be greater than the levels shown in Table 11.1. Also, retailer formats vary widely, so the equivalent floorspace is for broad-brush guidance.

11.5.2 Under both the high and low estimates, the forecast spare comparison capacity would readily support the current potential retail market interest in Perth and the small towns, with considerable additions.

11.5.3 However, if the range and quality of the comparison retail offer is not continuously improved, there is a risk that more expenditure will be lost to increased internet shopping and increased leakage of expenditure from Perth & Kinross.

11.5.4 As for convenience retailing, there will be some additional comparison expenditure capacity associated with 'acceptable' levels of retail impact on existing centres, associated with new development proposals.

12 Conclusions

12.1 Retail market trends

12.1.1 The Scottish and UK economies have slowed down and future prospects now face greater uncertainty. In Scotland, weak economic growth may turn to recession. These uncertainties affect investment as the market holds back on decisions, including property investment in retailing and town centres. Retailer demand, shop vacancy rates and retail rents have generally stabilised since 2014, but in some locations, this stabilisation is at a much lower level of business, with fewer national retailers, lower rents, shorter leases and higher vacancies, than they historically enjoyed.

12.1.2 Aside from the economic uncertainties, there are two main trends which are affecting retailing in town centres in general, and are predicted to continue.

12.1.3 *First*, there is increasing concentration of demand by multiple retailers to locate mainly in the largest centres, especially in the largest city centres and largest shopping malls. This trend is having a considerable effect on the smaller town centres (and the smaller cities), where some dis-investment by multiple retailers is taking place in favour of concentration in the largest centres. There is also an associated trend with multiples taking purpose-built units, including within retail parks, rather than traditional town centre units.

12.1.4 Retailing remains a crucial economic component of town centre activities. Therefore, success for smaller towns and cities will depend heavily on independent operators in the future, combined with what is on offer. Much will depend on the range and quality of retail offer, in combination with the attractions of individual town centres as destinations for shopping and leisure.

12.1.5 *Second*, the growth in internet retail expenditure is predicted to continue and it already accounts for a high proportion of expenditure on comparison goods, on which town centres are especially reliant. Many successful retailers apply multi-channel sales methods (selling from shops and websites together).

12.1.6 The effects are to greatly increase competition between retailers and also reduce the demand for retail floorspace generally, compared to the past. In relation to this second effect, the risk of increased vacancies is heightened in combination with the trend towards concentration of multiple retailer demand in the largest centres. Greatly increased competition in the market has also resulted in closures of major stores, of which McEwens of Perth is a prominent example.

12.1.7 Therefore, it is essential for town centres to try and differentiate themselves to attract people into them for shopping, services, leisure and cultural activities and support investment in these uses, and in transport and environmental improvements, City Centre management initiatives and destination marketing. A vibrant town centre is much more likely to attract the necessary investment to remain competitive. *Active promotion of the attractions of individual town centres as a whole is of key importance*, to generate footfall and develop a focus on the town centres as distinct destinations.

12.1.8 The implications of these market trends for the emerging second LDP is that there would be benefit in giving added emphasis to concentrating the retail offer in town centres *in prime pitches*, with monitoring of changes, including any trend in vacancies. The concentration of retailing in this way will give enhance the impact of the offer.

12.1.9 Market interest in retail parks in general has picked-up, but this is mostly in the form of developers and operators seeking relaxation of restrictions on the ranges of goods that can be sold and reconfiguration of existing space; not demand for additional retail parks. The critical planning issue is always to guard the town centres under the sequential test when considering such proposals.

12.1.10 In the convenience retail sector, the market has changed very substantially. There is little or no demand for new large supermarkets or superstores. Instead, the market interest is centred on developing small convenience stores and discount food stores and other types of smaller store such as M&S Simply Food, often in purpose built units. In some cases, new retail applications include discount foodstores and budget mixed goods retail units.

12.2 Towns

12.2.1 **Perth-** Longer term analysis demonstrates that the City Centre retail property market has attracted regular investment to its portfolio of shop premises. However, the trend is towards lower demand. Closures and some dis-investments are evident and there has been no recent new retail property development. Among the main priorities will be to 'fill the gaps' left by these departures with other, quality retailing.

12.2.2 While Perth City Centre has a strong and distinctive independent retail offer, the finding of this study suggest scope for improvement in today's competitive market. It has a wide range of leisure-related offer, making it an attractive destination in combination with the high quality of the City Centre environment. As indicated in the previous paragraphs, there is forecast spare retail capacity in Perth to support significant additions to the retail offer or further enhancement of turnover within existing businesses.

12.2.3 As in the 2014 Retail Study, there is nothing that suggests the need for any radical change of planning policy for the City Centre, but we suggest more emphasis on maintaining the strength of the prime retail pitches in the emerging new LDP. Otherwise, the main issues include: sustaining investment to maintaining and improve accessibility and the quality of environment, promoting the profile of the City Centre as a destination, encouraging developments which support additional quality retailing, leisure and cultural facilities, support for digital services and collection and encouraging further development of the evening economy. All these actions would be consistent with the planning policies which support new retail and leisure development in the City Centre as a priority over other locations.

12.2.4 The development of improved linkages to St Catherine's Retail Park remains important. Further relaxations on restrictions on the range of goods for sale need to be considered with stringency, in order to focus new development in the City Centre as the priority and replace recent losses.

12.2.5 **Aberfeldy-** the main requirement is to maintain the high quality town centre environment and the good range of quality independent shops and non-retail services. There is no obvious requirement for significantly more retail floorspace. There is negligible spare convenience expenditure capacity.

12.2.6 **Auchterarder-** requires no specific actions beyond maintaining the existing retail offer and the town centre environment, other than consideration of improved parking facilities. There has been little/no positive interest in developing a new supermarket. There is negligible spare convenience expenditure capacity.

12.2.7 **Blairgowrie-** serves as an important service centre for the local population and as a base for the surrounding Strathmore area. The main issue is to retain the existing retail and service offer and maintain the quality of the town centre environment. Some improvements to the choice and quality of the shops is needed, based on our study findings. There is no requirement for significantly more retail floorspace. There is negligible spare convenience expenditure capacity.

12.2.8 **Crieff-** serves as an important service centre for the local population and also as an important visitor destination, mainly for the surrounding attractions in Strathearn. There is a general need to continue with environmental improvements in the town centre, including improved parking. The vacancy rate is an issue. There is negligible spare convenience expenditure capacity beyond the existing consent at Duchlage Farm.

12.2.9 Primarily though, the priority is to promote the town centre strongly as a visitor destination, including improvements to the range of retail offer, plus opportunities for increasing the evening economy. The nearby Crieff Hydro is a supportive opportunity for promoting Crieff, with potentially more spin off benefits to the town centre. Development of the Duchlage Farm site for occupation by a discount foodstore and high end food retailer will greatly improve the convenience retail offer in Crieff.

12.2.10 **Kinross-** will continue to serve as a commuter town because of its good accessibility. There is a need to continue to promote improvements to the town centre environment. The shopping is limited and that is likely to remain the case in view of its role. There is negligible spare convenience expenditure capacity.

12.2.11 Also, the vacancy rate is an issue. Convenience shopping is good, because of Sainsbury's nearby. Increased marketing would assist with raising the profile of Kinross for visitors and assist with boosting the evening economy.

12.2.12 **Pitlochry-** is an important visitor destination with an attractive town centre and plenty of accommodation and attractions for visitors. It has good multiple retailer representation for its size, although the range and quality of the shops in general could be improved. There is a low proportion of convenience floorspace and little evidence that development of the existing supermarket consent will progress further during the period of this study. There is forecast spare convenience capacity in the circumstances.

12.3 Spare retail capacity

12.3.1 The forecasts of spare retail expenditure capacity over the next five and ten years are supportive of additional floorspace, mostly in Perth.

12.3.2 For convenience retailing, the forecasts of spare capacity in this study contain assumptions that some existing supermarket consents are unlikely to be developed, as shown in Table 8.11. For the emerging new LDP, we suggest that the Council give consideration of how some of the existing consents should be recognised in policy terms.

12.3.3 Perth sub area offers the most capacity to support additional convenience floorspace over the next ten years, ranging between £27 million to £30 million. This could service an additional mid-size supermarket or discount foodstore developments and other small store developments or extensions to the existing stores.

12.3.4 In the Highland sub area, there is forecast spare convenience capacity of between £12 million and £18 million over the next ten years, assuming the consent for a Sainsbury's supermarket is not developed.

12.3.5 Apart from Perth and Highland sub areas, none of the others have sufficient convenience capacity to support significant additions to the convenience floorspace.

12.3.6 For comparison retailing, the forecast spare capacity is presented for the whole of Perth & Kinross, with the expectation that Perth offers the most potential to draw it from all over the Council area. The forecast spare capacity ranges from £106 million to £136 million, which could potentially support up to 17,500 sq m net of comparison retail floorspace. This would readily support the current potential retail market interest in Perth and the small towns, with considerable additions.

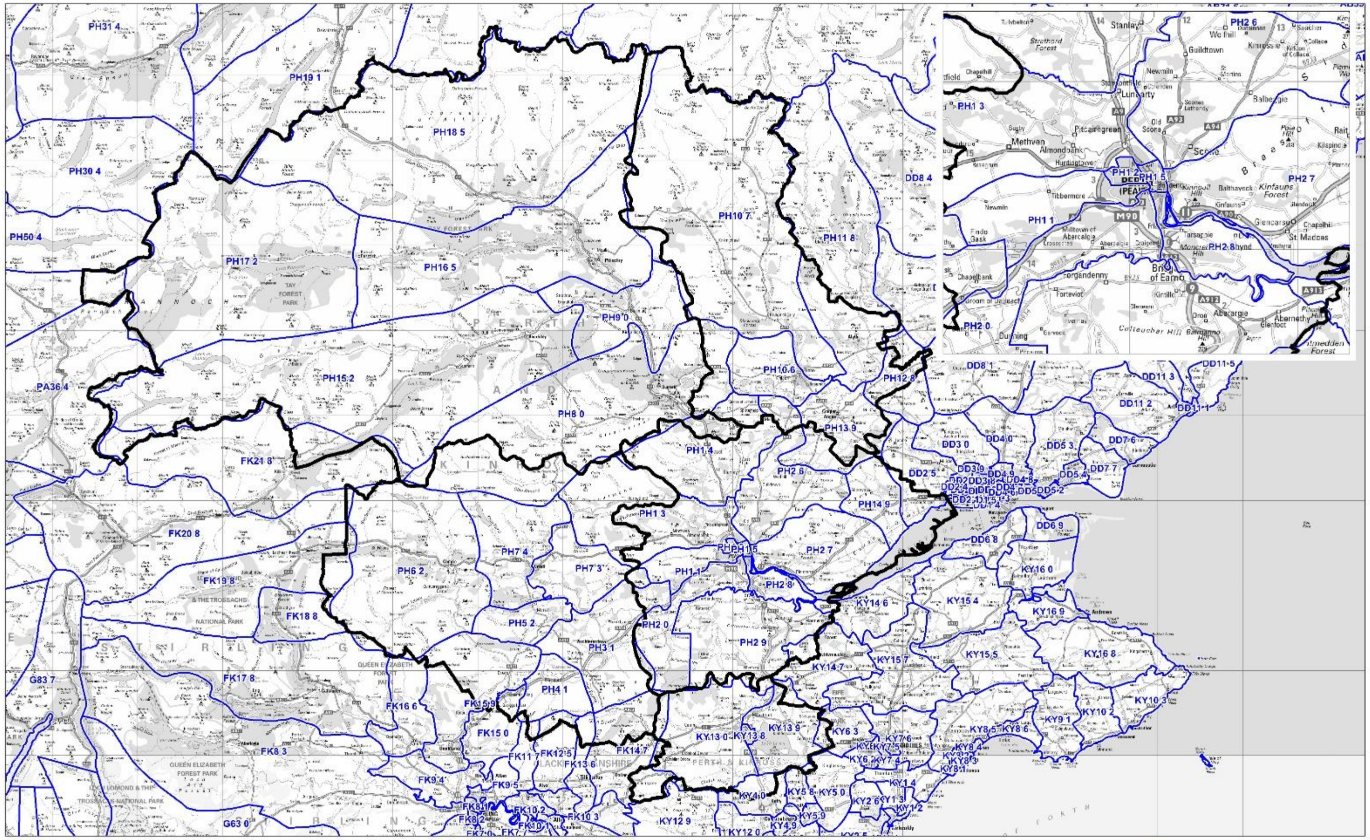
12.3.7 It is important to recognise that capture of this forecast spare expenditure will be highly dependent on the retail market. The 'potential' nature of the capacity forecasts cannot be over-stressed. Under the retail trends identified in this study, Perth City Centre in particular, will need to remain highly competitive to retain a good/ reasonable market share of the forecast growth in comparison expenditure. If the range and quality of the comparison retail offer is not maintained, there is a risk that more expenditure will be lost to increased internet shopping and increased leakage of expenditure from Perth & Kinross.

Appendix 1

Sub area catchment postcode sectors

Perth & Kinross sub areas- postcode sectors and 2011 populations			
Sub area	**Main town catchments**	**Postcode Sector**	**Population 2011 Census**
Perth Area	Perth		
Zone 1		DD2-5	
		PH1-1	
		PH1-2	
		PH1-3	
		PH1-4	
		PH1-5	
		PH14-9	
		PH2-0	
		PH2-6	
		PH2-7	
		PH2-8	
		PH2-9	
Total			**83,783**
Kinross Area	Kinross	KY13-0	
Zone 2		KY13-7	
		KY13-8	
		KY13-9	
		KY4-0	
		KY5-0	
		KY6-3	
		KY14-6	
		KY14-7	
Total			**11,940**
Strathearn Area			
Zone 3			
Zone 3a	Crieff	PH6-2	
Zone 3a	Crieff	PH7-3	
Zone 3a	Crieff	PH7-4	
Zone 3a	Crieff	PH5-2	
Zone 3a	Crieff	FK15-9	
Zone 3a	Crieff	FK21-8	
Zone 3a	Crieff	FK19-8	
Zone 3a	*Sub total Crieff*		*13,378*
Zone 3b	Auchterarder	FK15-0	*314*
Zone 3b	Auchterarder	PH3-1	*5,726*
Zone 3b	Auchterarder	PH4-1	*820*
Zone 3b	*Sub total Auchterarder*		*6,860*
Total			**20,238**
Highland Area			
Zone 4			
Zone 4a	Aberfeldy	PH15-2	*3,502*
Zone 4b	Pitlochry	PH16-5	
Zone 4b	Pitlochry	PH17-2	
Zone 4b	Pitlochry	PH18-5	
Zone 4b	Pitlochry	PH8-0	
Zone 4b	Pitlochry	PH9-0	
Zone 4b	*Sub total Pitlochry*		*8,014*
Total			**11,516**
Strathmore	Blairgowrie	PH10-6	
and the Glens	Blairgowrie	PH10-7	
Zone 5	Blairgowrie	PH11-8	
	Blairgowrie	PH13-9	
	Blairgowrie	PH12-8	
	Blairgowrie	DD8-1	
Total			**19,175**
Total Perth & Kinross Council area			**146,652**

Source:
Scotland's Census 2011 online- usually resident population by postcode and postcode sector geography
Note that,in some cases, the post code sectors in this table extend into other local authority areas, but only the population in the part w ithin Perth & Kinross Council area is included in the above figures.
The sample sizes have been selected to enhance representation in the smallest sub areas



Perth & Kinross Council Area (inc. Postal Sectors)

24/02/2011 Ordnance Survey

Pitney Bowes Business Insight

Victoria Street, Windsor, Berkshire

Appendix 2

Sub area population forecasts and NEMS household survey quotas

Recent and programmed housing completions in Perth & Kinross

Zone		(1) Completions 2011-2015		(2) Completions 2015-16		(3) Programmed completions 2016-21		(4) Programmed completions 2021-2026	
		nos.	%	nos.	%	nos.	%	nos.	%
1	Perth (incl. Longforgon area)	882	**46%**	343	**55%**	2,936	**55%**	3,550	**69%**
2	Kinross	206	**11%**	77	**12%**	475	**9%**	364	**7%**
3	Strathearn	353	**18%**	140	**22%**	831	**16%**	354	**7%**
3a	*Crieff*	*233*	***12%***	*93*	**15%**	*549*	**10%**	*234*	***5%***
3b	*Auchterarder*	*120*	***6%***	*47*	**8%**	*282*	**5%**	*120*	***2%***
4	Highland	268	**14%**	23	**4%**	389	**7%**	276	**5%**
4a	*Aberfeldy*	*81*	***4%***	*7*	**1%**	*118*	**2%**	*84*	***2%***
4b	*Pitlochry*	*187*	***10%***	*16*	**3%**	*271*	**5%**	*192*	***4%***
5	Strathmore & the Glens	226	**12%**	45	**7%**	674	**13%**	575	**11%**
Total Perth & Kinross		**1,935**	**100%**	**628**	**100%**	**5,305**	**100%**	**5,119**	**100%**

Note: The proportions show n in the table are applied to the projected population grow th in the Council area fromn the RG 2012 based projections

(1) 2015 Housing Audit 2015, page 34 all completions, including small sites
(2) First count, all completions 2015-16, table provided by P&K Council
(3) 2015 Housing Audit 2015, page vii programmed completions 2016-21
(4) 2015 Housing Audit 2015, page vii programmed completions 2021-22 and 2022-26 apportioned from the 2022-27 programme

Perth & Kinross Council area: population projections with apportionment to the zones in 2015, 2016, 2021 and 2026 based on programmed housing completions. Controlled to RG 2012 based projections for Perth & Kinross

Zone		Census 2011	2015	2016	2021	2026
1	Perth	83,783	85,939	86,674	90,606	95,838
2	Kinross	11,940	12,444	12,609	13,245	13,782
3	Strathearn	20,238	21,101	21,401	22,514	23,035
3a	*Crieff*	*13,378*	*13,948*	*14,147*	*14,882*	*15,227*
3b	*Auchterarder*	*6,860*	*7,152*	*7,254*	*7,631*	*7,808*
4	Highland	11,516	12,171	12,220	12,741	13,148
4a	*Aberfeldy*	*3,502*	*3,701*	*3,716*	*3,875*	*3,998*
4b	*Pitlochry*	*8,014*	*8,470*	*8,504*	*8,867*	*9,149*
5	Strathmore & the Glens	19,175	19,727	19,824	20,727	21,575
Total Perth & Kinross Council area		**146,652**	**151,382**	**152,728**	**159,833**	**167,377**
Population growth in Council area from previous column			4,730	1,346	7,105	7,544

Note
(1) The Council area totals are based on the RG 2012 based population projections for Perth & Kinross
Apportionment to sub zone levels, show n in red italics, are based on the housing completions by zone, w ith the ratio of the 2011 Census populations applied. There is insufficient detail in the 2015 Housing Audit to divide up landw ard areas for this study.

Recent and programmed housing completions in Perth & Kinross

Zone		(1) Completions 2011-2015		(2) Completions 2015-16		(3) Programmed completions 2016-21		(4) Programmed completions 2021-2026	
		nos.	%	nos.	%	nos.	%	nos.	%
1	Perth (incl. Longforgon area)	882	**46%**	343	**55%**	2,936	**55%**	3,550	**69%**
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Total Perth & Kinross		**1,935**	**100%**	**628**	**100%**	**5,305**	**100%**	**5,119**	**100%**

Note: The proportions show n in the table are applied to the projected population grow th in the Council area fromn the RG 2012 based projections

(1) 2015 Housing Audit 2015, page 34 all completions, including small sites
(2) First count, all completions 2015-16, table provided by P&K Council
(3) 2015 Housing Audit 2015, page vii programmed completions 2016-21
(4) 2015 Housing Audit 2015, page vii programmed completions 2021-22 and 2022-26 apportioned from the 2022-27 programme

Appendix 3

Household survey- list of questions

Q01	Where did you last do your MAIN FOOD shopping for the household?
Q01A	Which internet retailer did you use for your main food shopping (Q01)?
Q02	Where did you last go the time before that to do your MAIN FOOD shopping?
Q02A	Which internet retailer did you use for your main food shopping, the time before last (Q02)?
Q03	Where did you last go to do small, day-to-day TOP-UP food shopping?
Q03A	Which internet retailer did you use for your top- up shopping (Q03)?
Q04	On average, how often do you do your MAIN food shopping?
Q05	On average, how often do you do your TOP UP food shopping?
Q06	Could you tell me what other things you usually combine with doing your MAIN food shopping? [MR]
Q07	Moving on to NON-FOOD shopping, where do you most often buy clothes, shoes and other fashion items? You can mention up to two answers. [MR]
Q08	Where do you most often buy furniture, floor coverings and soft furnishings? You can mention up to two answers. [MR]
Q09	Where do you most often buy large domestic electrical appliances (such as fridges, washing machines, vacuum cleaners etc.)? You can mention up to two answers. [MR]
Q10	Where do you most often buy DIY and hardware goods? You can mention up to two answers. [MR]
Q11	Where do you most often buy other items of a mainly personal nature, such as sports goods, jewellery, books, toys, computers, mobiles, cameras, electronic games etc.? You can mention up to two answers. [MR]
Q12	How often do you use the Internet for buying non-food goods such as personal itmes and household goods?
Q13	Thinking about Internet shopping for non-food items such as personal items and household goods, what do you like most about shopping on the Internet? [MR] *Those who use the Internet for non-food shopping in Q12*
Q14	What is the main reason why do you never do non-food shopping via the Internet? [MR] *Those who never use the Internet for non-food shopping at Q12:*
Q15	Looking to the future, how frequently do you intend to use the Internet for non-food shopping? [PR]
Q16	How often do you visit Perth City Centre, on average?
	The respondents were asked about the main town centre in the catchment in which they live : *Perth City Centre, Kinross TC, Crieff TC, Auchterader TC, Aberfeldy TC, Pitlochry TC, Blairgowrie TC*
Q17	Thinking about ……… Town Centre, how often do you visit it, on average?
Q18	How do you normally travel to …….. Town Centre?
Q19	What typically, are your main reasons for visiting ……… Town Centre - i.e. what range of things do you do when you get there? (MR)
Q20	On average, how long do you normally spend in ………. Town Centre when you visit?
Q21	What do you LIKE MOST about …….. Town Centre for shopping and as a place to visit generally? [MR]
Q22	What do you DISLIKE MOST about …….. Town Centre for shopping and as a place to visit generally? [MR]
Q23	Overall, how do you rate ………. Town Centre on the following aspects as 'Good', 'Average' or 'Poor'? [MR/PR] *Range and choice of shops* *Quality of shops* *Town centre environment* *Parking availability* *As a pleasant place to visit*
Q24	What improvements to ….Town Centre would make you visit there more often?
Q25	Compared to two years ago, how frequently do you visit ………. Town Centre now? [PR] *More often/ about the same/ less often/ don't know*
Q26	Has your internet shopping contributed towards your reduced visits to Dumfries Town Centre Town Centre?
Q27	On average, how often do you visit ……… Town Centre in the evenings - i.e. after 6pm?
Q28	Do you undertake any of the following leisure related activities when you visit …….. Town Centre in the evenings? [MR/PR] *Visit restaurants or cafés* *Buy take-aways* *Visit pubs / wine bars* *Visit community cinema or theatre* *Walking about / strolling* *Use sports halls or gyms* *Swimming* *Community hall activities / meetings* *Late shopping (when open)* *Indoor bowling* *Attending events* *Attending exhibitions* *Other*
Q29	What would make you visit ………. Town Centre more often in the evenings? [MR]
GEN	Gender of respondent.
AGE	Which of the following age ranges do you fall in to?
PC	Postcode sector of home address
Note:	*MR means multiple responses allowed. PR means prepared response (choice form specified options)*

Appendix 4

Business occupiers survey- list of questions

Q01	Which industry (the main one) is your business in?
Q02	Is your business an independent trader or a chain / multiple? *Independent trader* *Chain / multiple* *Other* *(Don't know)*
Q03	What is the MAIN reason why you chose your current premises for your business?
Q04	How long has your business been operating from these premises?
Q05A	Including working partners / directors / owners, how many FULL-TIME employees does your business have at this location?
Q05B	Including working partners / directors / owners, how many PART-TIME employees does your business have at this location?
Q06	Where do most of your staff usually park?
Q07	Where do your customers mainly come from? [PR]
Q08	Please could you indicate the approximate proportion of your turnover which relates to spending by visitors? [PR]
Q09	Very roughly, what do you estimate to be the most common age group of your customers? [PR]
Q10	Which other town do you think offers the main competition to your business (you can also mention the internet)?
Q11	Do you own or rent your business premises?
Q12	Thinking about the maintenance of your business premises, what level of financial investment have you made during the past five years? [PR]
Q13	Thinking about property related issues affecting your premises, could you please tell me the level of impact that the following changes could make to your business performance…? [PR] *List of various aspects read out for respondent to address*
Q14	Generally speaking, what is your feeling about the likely sales performance of your business over the next two years? [PR] *Lower sales* *No change in sales* *Increasing sales* *Don't know / no answer / not relevant*
Q15A	What are the main THREE reasons why you are expecting lower sales over the next 2 years? [MR] Those who are expecting lower sales in the next 2 years at Q14:
Q15B	What are the main THREE reasons why you are expecting no change in sales over the next 2 years? [MR] Those who are expecting no change in sales in the next 2 years at Q14:
Q15C	What are the main THREE reasons why you are expecting an increase in sales over the next 2 years? [MR] Those who are expecting an increase in sales in the next 2 years at Q14:
Q16	Is your business actively considering any of the following over the next 5 years? [MR/PR] *Adding to the range of merchandise, pricing and sales promotion* *Improvements to existing premises* *Move to larger premises* *Looking for smaller premises* *Relocation within the local area* *Leaving the area* *Closure* *No change* *Other* *Opening extra premises in other areas of Scotland, as well as existing one*
Q17	Have you had any difficulty finding suitable available units? Those who are considering relocating premises at Q16:
Q18	What size of unit are you seeking? Those who are considering relocating premises at Q16:
Q19	Thinking of some of the shop units in the town centre that have remained vacant for a long time (more than three years), what do you consider are the main obstacles to these units being taken up by businesses like yours? [MR]

Appendix 5

Convenience shopping patterns from the household survey

Main food shopping destinations- based on last visited store/centre and the one prior to that
Combined Q1 & Q2 from the questionaire

	Origin Zone 1 Perth	Zone 2 Kinross	Zone 3 Strathearn	Zone 4 Highland	Zone 5 Strathmore	Total
Destination						
Zone 1	90%	18%	64%	51%	17%	69%
Zone 2	1%	41%	0%	0%	0%	4%
Zone 3	0%	0%	23%	0%	0%	3%
Zone 4	0%	0%	0%	46%	0%	3%
Zone 5	1%	0%	0%	1%	70%	8%
Outside study area	8%	41%	13%	1%	14%	12%
Total	100%	100%	100%	100%	100%	100%

Note
The above data relates to the w eighted survey data and filtered to remove don't know s, varies, internet and mail order

Top-up food shopping destinations- based on last visited store/centre and the one prior to that
Q3 from the questionaire

	Origin Zone 1 Perth	Zone 2 Kinross	Zone 3 Strathearn	Zone 4 Highland	Zone 5 Strathmore	Total
Destination						
Zone 1	84%	11%	12%	12%	5%	51%
Zone 2	1%	79%	0%	0%	0%	7%
Zone 3	0%	0%	81%	0%	0%	12%
Zone 4	3%	0%	0%	87%	1%	9%
Zone 5	2%	0%	0%	0%	92%	14%
Outside study area	10%	10%	7%	0%	2%	7%
Total	100%	100%	100%	100%	100%	100%

Note
The above data relates to the w eighted survey data and filtered to remove don't know s, varies, internet and mail order

Perth & Kinross Council area residents- all convenience shopping patterns (Q1-Q3 combined)

	Origin Zone 1 Perth	Zone 2 Kinross	Zone 3 Strathearn	Zone 4 Highland	Zone 5 Strathmore	Total
Destination						
Zone 1	89%	16%	53%	43%	14%	66%
Zone 2	1%	49%	0%	0%	0%	4%
Zone 3	0%	0%	35%	0%	0%	5%
Zone 4	1%	0%	0%	54%	0%	5%
Zone 5	1%	0%	0%	1%	74%	9%
Outside study area	9%	35%	12%	1%	11%	11%
Total	100%	100%	100%	100%	100%	100%

Note
The w eighting assiumes 80%:20% main food: top shopping

Appendix 6

Convenience expenditure inflows and outflows, including visitor spending

Convenience and comparison expenditure inflows from outside Perth & Kinross

	from visitors £million	from Dundee £million	from Fife £million	from Stirling £million	Total £million
	Convenience				
Perth	4.0	1.0	6.1	1.0	12.2
Kinross	0.4				0.4
Strathearn	4.6				4.6
Highland	8.1				8.1
Strathmore & The Glens	3.0				3.0
Total	20.2	1.0	6.1	1.0	28.3
	Comparison				
Perth	7.5	1.2	28.8	5.0	42.5
Kinross	0.7				0.7
Strathearn	8.6				8.6
Highland	15.0				15.0
Strathmore & The Glens	5.6				5.6
Total	37.4	1.2	28.8	5.0	72.4

Sources:
Visitors- Perth & Kinross STEAM report 2015, with sub area proportions from 2012 report
Dundee Retail & Town Centres Study 2015- including hh survey
Fife Retail Capacity Study 2015
Stirling- no recent data. Notional estimates from adjustments to 2009 Stirling Retail Study

Convenience expenditure flows

	Zone 1	**Zone 2**	**Zone 3**	**Zone 4**	**Zone 5**		
Residents' expenditure potential by Zone 2016	£ million 199.2	£ million 29.0	£ million 49.2	£ million 28.1	£ million 45.6		
	Origin- inflows from:					Total inflow	
Destination	**Zone 1**	**Zone 2**	**Zone 3**	**Zone 4**	**Zone 5**	from rest of P & K £ million	from outside P& K £ million
Perth		16%	53%	43%	14%	49.8	12.2
Kinross	1%		0%	0%	0%	1.6	0.4
Strathearn	0%	0%		0%	0%	0.2	4.6
Highland	1%	0%	0%		0%	1.4	8.1
Strathmore & The Glens	1%	0%	0%	1%		2.0	3.0
From outside Perth & Kinross							28.3

Convenience expenditure outflows

		Origin				
	Zone 1	**Zone 2**	**Zone 3**	**Zone 4**	**Zone 5**	**Total P & K**
Retained expenditure by zone	89%	49%	35%	54%	74%	89%
Total outflows	11%	51%	65%	46%	26%	11%
Outflows to centres outside P&K	8.7%		12.0%			

Appendix 7

Internet and mail order spending on comparison goods from the household survey

Special forms of trading (SFT)- internet and mail order from the household survey	
Clothing, shoes and fashion	17.0%
Furniture, floorcoverings & furnishings	11.9%
Large domestic appliances	34.2%
DIY and hardware	6.2%
Personal goods	37.0%
All comparison goods	**26.9%**

Weighting- from Pitney Bowes expenditure per capita data for Perth & Kinross 2015 in 2015 prices	
All comparison shopping	
Clothing, shoes and fashion	29.7%
Furniture, floorcoverings & furnishings	11.4%
Large domestic appliances	3.1%
DIY and hardware	4.0%
Personal goods	51.9%
Total comparison expenditure	100.0%
Comparison expenditure per capita	£3,769
Note	
Under the DIY and hardware category, china, glass and cutlery has not been included	

Appendix 8

Comparison shopping patterns from the household survey

Q7: Where do you most often buy clothes, shoes and fashion items?

	Origin Zone 1 Perth	Zone 2 Kinross	Zone 3 Strathearn	Zone 4 Highland	Zone 5 Strathmore	Total
Destination						
Zone 1	59%	47%	51%	63%	36%	54%
Zone 2	0%	1%	0%	0%	0%	0%
Zone 3	0%	0%	8%	0%	0%	1%
Zone 4	0%	0%	0%	5%	0%	0%
Zone 5	0%	0%	0%	1%	14%	2%
Outside study area	40%	52%	41%	31%	50%	42%
Total	100%	100%	100%	100%	100%	100%

Note

The above data relates to the w eighted survey data and filtered to remove don't know s, varies, internet and mail order

Q8: Where do you most often buy furniture, floorcoverings and soft furnishings?

	Origin Zone 1 Perth	Zone 2 Kinross	Zone 3 Strathearn	Zone 4 Highland	Zone 5 Strathmore	Total
Destination						
Zone 1	66%	47%	34%	61%	20%	53%
Zone 2	0%	0%	0%	0%	0%	0%
Zone 3	0%	1%	15%	0%	0%	2%
Zone 4	0%	0%	0%	7%	0%	0%
Zone 5	0%	0%	0%	0%	17%	2%
Outside study area	34%	52%	52%	32%	63%	42%
Total	100%	100%	100%	100%	100%	100%

Note

The above data relates to the w eighted survey data and filtered to remove don't know s, varies, internet and mail order

Q9: Where do you most often buy large domestic appliances, such as fridges, washing machines and vaccum cleaners?

	Origin Zone 1 Perth	Zone 2 Kinross	Zone 3 Strathearn	Zone 4 Highland	Zone 5 Strathmore	Total
Destination						
Zone 1	80%	34%	68%	78%	39%	67%
Zone 2	0%	8%	0%	0%	0%	1%
Zone 3	0%	0%	7%	0%	0%	1%
Zone 4	0%	0%	0%	7%	0%	0%
Zone 5	1%	0%	0%	1%	16%	3%
Outside study area	20%	58%	25%	14%	45%	28%
Total	100%	100%	100%	100%	100%	100%

Note

The above data relates to the w eighted survey data and filtered to remove don't know s, varies, internet and mail order

Q10: Where do you most often buy DIY and hardware?

	Origin Zone 1 Perth	Zone 2 Kinross	Zone 3 Strathearn	Zone 4 Highland	Zone 5 Strathmore	Total
Destination						
Zone 1	91%	47%	62%	81%	40%	74%
Zone 2	0%	6%	0%	0%	0%	1%
Zone 3	0%	0%	21%	0%	0%	3%
Zone 4	0%	0%	0%	14%	0%	1%
Zone 5	0%	0%	0%	0%	24%	4%
Outside study area	8%	46%	17%	5%	36%	17%
Total	100%	100%	100%	100%	100%	100%

Note

The above data relates to the w eighted survey data and filtered to remove don't know s, varies, internet and mail order

Q11: Where do you most often buy other items of a mainly personal nature?

	Origin Zone 1 Perth	Zone 2 Kinross	Zone 3 Strathearn	Zone 4 Highland	Zone 5 Strathmore	Total
Destination						
Zone 1	83%	42%	60%	49%	37%	65%
Zone 2	0%	1%	0%	1%	0%	0%
Zone 3	0%	0%	8%	0%	0%	1%
Zone 4	0%	0%	0%	24%	0%	2%
Zone 5	0%	0%	0%	1%	21%	4%
Outside study area	16%	57%	32%	26%	42%	28%
Total	100%	100%	100%	100%	100%	100%

Note

The above data relates to the w eighted survey data and filtered to remove don't know s, varies, internet and mail order

Q7-Q11 combined: Shopping patterns for all comparison goods by Perth & Kinross residents
(Weighting applied by category as shown in the previous Appendix)

	Origin Zone 1 Perth	Zone 2 Kinross	Zone 3 Strathearn	Zone 4 Highland	Zone 5 Strathmore	Total
Destination						
Zone 1	74%	44%	55%	57%	35%	61%
Zone 2	0%	1%	0%	1%	0%	0%
Zone 3	0%	0%	9%	0%	0%	1%
Zone 4	0%	0%	0%	15%	0%	1%
Zone 5	0%	0%	0%	1%	18%	3%
Outside study area	25%	55%	36%	27%	46%	33%
Total	100%	100%	100%	100%	100%	100%

Note

The above data relates to the w eighted survey data and filtered to remove don't know s, varies, internet and mail order

Appendix 9

Comparison expenditure inflows and outflows, including visitor spending

Convenience and comparison expenditure inflows from outside Perth & Kinross					
	from visitors £million	from Dundee £million	from Fife £million	from Stirling £million	Total £million
	Convenience				
Perth	4.0	1.0	6.1	1.0	12.2
Kinross	0.4				0.4
Strathearn	4.6				4.6
Highland	8.1				8.1
Strathmore & The Glens	3.0				3.0
Total	20.2	1.0	6.1	1.0	28.3
	Comparison				
Perth	7.5	1.2	28.8	5.0	42.5
Kinross	0.7				0.7
Strathearn	8.6				8.6
Highland	15.0				15.0
Strathmore & The Glens	5.6				5.6
Total	37.4	1.2	28.8	5.0	72.4

Sources:
Visitors- Perth & Kinross STEAM report 2015, with sub area proportions from 2012 report
Dundee Retail & Town Centres Study 2015- including hh survey
Fife Retail Capacity Study 2015
Stirling- no recent data. Notional estimates from adjustments to 2009 Stirling Retail Study

(above table also shown in Appendix 6)

Comparison expenditure flows							
	Zone 1	**Zone 2**	**Zone 3**	**Zone 4**	**Zone 5**		
Residents' expenditure potential by Zone 2014	£ million 259.8	£ million 37.8	£ million 64.2	£ million 36.6	£ million 59.4		
	Origin- inflows from:					Total inflow	
Destination	**Zone 1**	**Zone 2**	**Zone 3**	**Zone 4**	**Zone 5**	from rest of P & K £ million	from outside P& K £ million
Perth		44%	55%	57%	35%	93.5	42.5
Kinross	0%		0%	1%	0%	0.6	0.7
Strathearn	0%	0%		0%	0%	0.3	8.6
Highland	0%	0%	0%		0%	0.0	15.0
Strathmore & The Glens	0%	0%	0%	1%		1.2	5.6
From outside Perth & Kinross							72.4

Comparison expenditure outflows						
		Origin				
	Zone 1	**Zone 2**	**Zone 3**	**Zone 4**	**Zone 5**	**Total P & K**
Retained expenditure by zone	74%	1%	9%	15%	18%	67%
Outflows	26%	99%	91%	85%	82%	33%

Appendix 10

St Catherine’s Retail Park- list of retailers

St Catherine's Retail Park- list of operating comparison goods retailers				
	Floorspace sq m		Turnover	Turnover
	gross	net	ratio £/sq m	£million
Tile Giant	580	464	1,185	0.6
Wickes	2,190	1,752	2,258	4.0
B&M Bargains	910	728	3,432	2.5
Pets At Home	1,070	856	2,691	2.3
PC World	1,490	1,192	5,643	6.7
Dunelm Mill	2,870	2,296	2,631	6.0
Carpetright	950	760	1,258	1.0
The Range	3,497	2,798	2,536	7.1
Maplin	464	371	3,615	1.3
Bensons Beds	464	371	2,164	0.8
Pagazzi Lighting	929	743	2,100	1.6
Home Bargains	1,393	1,114	8,738	9.7
Sports Direct	1,207	966	5,464	5.3
Brantano shoes	929	743	1,443	1.1
Currys	970	776	5,643	4.4
T K Maxx	1,990	1,592	3,198	5.1
Halfords (non retail)				
Total	21,903	17,522		59.4

Sources:
Goad Survey 2015 w ith updates
Company average turnover ratios applied, based on 2016 Retail Rankings

Appendix 11

Comparison capacity forecasts- low estimate

Table A
Perth & Kinross residents' comparison expenditure per capita per annum (in 2015 prices)

2015 £	2016 £	**2020** £	2021 £	**2025** £	**2026** £
3,769	3,886	4,352	4,601	4,974	5,107
**Excluding special forms of trading (SFT)*					
	2,997		3,220		3,473

Sources;
Figures in bold are from the Pitney Bow es' projected expenditure data commissioned for the study area. Figures for the other years are interpolations/ extrapolations.
The figure for 2015 from Pitney Bow es is in 2015 prices. For the other years, Pitney Bow es provided forecasts in 2014 prices. These have been adjusted to 2015 prices by a factor of 0.99398 from the *Retail Expenditure* Guide 2015/16 by Pitney Bow es.

Deductions require to be made to allow for special forms of trading (SFT- internet expenditure ,mail order etc), w hich do not relate to conventional floorspace. On page 38 (Table 3.4) of the *Retail Expenditure Guide 2015/16* by Pitney Bow es, the follow ing estimates of comparison SFT are made in relation to non- store sales.

2015	2016	2020	2021	2025	2026
18.1%	19.0%	21.4%	21.9%	23.0%	23.2%

The proportion from the household survey is higher than the national average for 2016. For this study, the survey based proportion is applied for 2016, w ith the rate of increase to 2020 and 2025 based on the national average.
***Applied proportions: 26.9% in 2016** from the survey, reduced by 15% (R MacLean estimate) as explained below .

	2016		2021		2026
	22.9%		**30.0%**		**32.0%**

Note that there is some overlap betw een non-store sales and store-related internet sales, so the proportions w ill be a bit low er than indicated from the survey and the UK data. How ever, Pitney Bow es point out that there is no evidence of w hat the low er level might be. A reduction of 15% has been applied above in acknow ledgement of the issue.

Table B
Perth & Kinross residents' conmparison expenditure potential (in 2015 prices)

Sub area	2016 £ million	2021 £ million	2026 £ million
Perth	259.8	291.8	332.8
Kinross	37.8	42.7	47.9
Strathearn	64.1	72.5	80.0
Highland	36.6	41.0	45.7
Strathmore & The Glens	59.4	66.7	74.9
Total Perth & Kinross	**457.7**	**514.7**	**581.3**

Note
From Tables 2.1 and 10.1. Excludes special forms of retailing (SFT- internet. Mail order etc)

Table C
Perth & Kinross: comparison expenditure and turnover
(in 2015 prices)

	%	2016 £million	2021 £million	2026 £million
Main catchment residents' expenditure potential		457.7	514.7	581.3
inflows from outside Perth & Kinross	16%	72.4	81.4	92.0
Less: outflows	-33%	-151.4	-178.8	-212.0
Retained expenditure (turnover)		383.8	431.1	490.1

Note
Inflow s and outflow s from Appendix 9