

ITEM No ...5.....

REPORT TO: FAIR WORK, ECONOMIC GROWTH AND INFRASTRUCTURE COMMITTEE – 25 SEPTEMBER 2023

REPORT ON: RETAIL STUDY 2023

REPORT BY: EXECUTIVE DIRECTOR OF CITY DEVELOPMENT

REPORT NO: 252-2023

1 PURPOSE OF REPORT

1.1 This report provides an overview of the key outcomes from the Review of Retailing in Dundee 2023 which is contained in Appendix 1. The review was conducted by external consultants (Roderick MacLean Associates, and Ryden) to gain an up-to-date understanding of the retail landscape within the city's network of centres and to form part of the evidence gathering stage of the review of the Local Development Plan.

2 RECOMMENDATION

2.1 It is recommended that the Committee:

- a notes the key outcomes of the retail review and their implications for the city's network of centres and the next Local Development Plan; and
- b approve the Retail Study 2023 as a material planning consideration.

3 FINANCIAL IMPLICATIONS

3.1 There are no financial implications associated with the retail review.

4 BACKGROUND

4.1 Town centres, defined in Dundee as the city centre and the five district centres of Perth Road, Lochee, Hilltown, Albert Street and Broughty Ferry are the heart of our communities and a key driver of the local and regional economy. They are centres of employment and provide a diverse range of services including retail, leisure, culture and commercial activities. Despite the challenges facing the retail sector, retail uses are still fundamental to attracting people into town centres, and supporting concentrations of other activities and uses. Town centres sit within the Local Development Plan's wider "network of centres", which covers the entire hierarchy of retail offerings, including commercial centres, freestanding food stores, retail warehouses, and the small shopping parades that serve local communities.

4.2 Traditionally, retailing was the underlying core of town centre activity. However, this is a dynamic and changing situation. Since the initial shock of the 2007 economic downturn, increasing online sales, the intensifying effects of the Covid19 pandemic, and the current energy and cost of living crisis, the retail sector continues to contract. The number of vacant premises continues to increase as some businesses cease trading and many others seek to reduce their property portfolios in terms of size, location and format. The role of our town centres, at all scales, is fundamentally challenged and changing.

4.3 National Planning Framework 4 and the Dundee Local Development Plan 2019 together form the Development Plan against that guide planning decisions. These documents contain policies that shape the retail landscape of the city. It is essential that these policies are relevant to the retail conditions and to the local conditions of Dundee.

- 4.4 The Council’s planning team is currently undertaking preparatory research work for the review of the Local Development Plan 2019. As part of this, a retail review was commissioned in early 2023. The key purpose of this commission was to review both our current policy approach to retail and the actual physical offer, capacity, and success of retail within the city’s “network of centres”, with a particular focus on our City Centre, District Centres and Commercial Centres.
- 4.5 Roderick MacLean Associates, working in partnership with Ryden, were appointed in February 2023 to carry out this review. Through a range of policy, trends and data analysis, the retail review identified the challenges, strengths and opportunities that exist within the Dundee context. The key outcomes of the report are set out below.
- 4.6 The review found that existing provision of convenience goods floorspace (supermarkets) in Dundee is greater than the forecast expenditure to support it. As such, there is current under-trading of some stores below average company levels and there is no capacity for additional convenience floorspace. The next LDP should only support quality upgrades and refurbishment of some convenience floorspace in the City Centre and District Centres or limited new neighbourhood shops in 20-minute catchment areas where a particular need is identified.
- 4.7 In terms of comparison goods, the review indicates only a limited requirement for additional floorspace over the next ten years. The main reason is the high proportion of existing internet spending on comparison goods, with further increases anticipated up to 2033. In addition, there is greater uncertainty over the link between projected expenditure growth and equivalent retail floorspace, compared to the past. Market trends in demand for comparison retail floorspace have been downward, fuelled by changes in the way customers are shopping and advances in retail technology. The next LDP should provide for only limited new comparison floorspace, mostly associated with mixed-use re-redevelopment areas in the city centre over the next ten years.
- 4.8 The review also considers how the findings relate to policies within the existing development plan and matters that the forthcoming review of the Dundee Local Development Plan should consider.

a NPF4 Policy 28 Retail

Retail Policy 28 reinforces the “town centre first” principle which supports retail proposals in existing city, town and local centres. Apart from small neighbourhood retail provision, retail proposals in out-of-centre locations will be contrary to policy, unless they are proposed in edge-of-centre areas or commercial centres allocated as sites suitable for new retail development in the LDP. This places more onus on LDPs to identify suitable sites.

The retail review does not consider that there is a need to identify additional edge of city centre, district centre, or commercial centre sites for new retail development. Furthermore, it does not consider it appropriate to retain the Gallagher Retail Park extension site identified in the current LDP (LDP Policy 25 Gallagher Retail Park Extension). There has been no material market interest in developing the site for retail development and the limited forecast retail expenditure capacity would be best directed to within the city centre.

Mixed-use project areas in the City Centre Strategic Investment Plan 2050 are a source of guidance on where most new retail development opportunities may best support the vitality and viability of the city centre. The document represents the current vision for the city centre, including the Waterfront area, which is also identified in NPF4 as a national development.

b NPF4 Policy 27 City, Town, Local and Commercial Centres

NPF4 Policy 27 requires that LDPs should be informed by evidence on where clustering of specific non-retail uses (e.g., hot food takeaways and betting offices) may be adversely impacting on the wellbeing of communities, and, where appropriate, identify any areas where drive-through facilities may be acceptable where they would not negatively impact on the principles of local living or sustainable travel.

The retail review found that there are higher concentrations of betting offices and hot food takeaways in certain district centres, although it acknowledges that attempts to limit these uses within established centres could prove difficult.

The majority of existing drive-thrus in Dundee are sited at established locations such as superstores or commercial centres which already attract customer expenditure and private car traffic. The distribution of drive-thrus forms a ring around the city, and there is no obvious gap in provision geographically. The review considers that Dundee is well provided for in terms of the number of drive-thru restaurants and their distribution, and there is unlikely to be a need to allocate new sites in the next LDP.

c National Planning Legislation Reform

LDP “Policy 22 City Centre Retail Frontages” and “Policy 23 District Centre Retail Frontages” regulate which uses are acceptable in these areas, particularly around “Class 1 Shops”, “Class 2 Financial and Professional Services” and “Class 3 Food and Drink”. These policies will need to be reviewed following changes to the Use Classes Order (UCO) and the General Permitted Development Order (GPDO).

Through amendments to the UCO, former use Class 1 and Class 2 are now combined into a single “Class 1A Shops, Financial, Professional and Other Services”. To help diversify town centre uses and to allow more freedom to change uses, provided that specific conditions are met, GPDO amendments now provide more permitted development rights to change between Class 1A, Class 3, and Class 4 Business uses.

LDP “Policy 24: Goods Range and Unit Size Restrictions” place restrictions on the city’s commercial centres and convenience food stores. Findings from consultations with other local authorities showed a majority in favour of retaining restrictions on the range of goods in commercial centres to protect town and city centres. The review concludes that restrictions on the range of goods under LDP Policy 24 should be retained to avoid losing control and enabling trade diversion from the city centre and district centres. Similarly, restrictions on unit sizes in the commercial centres should be retained to reduce the risk of retailer relocations from the city centre and district centres.

5 POLICY IMPLICATIONS

- 5.1 This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate Senior Manager has reviewed and agreed with this assessment.

6 CONSULTATIONS

- 6.1 The Council Leadership Team were consulted in the preparation of this report.

7 BACKGROUND PAPERS

7.1 None.

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Review of Retailing in Dundee 2023

Final report

6th July 2023

Roderick MacLean Associates Ltd

In association with Ryden

Executive Summary

Consultancy brief

1. The key purpose of the study is to inform the research phase of the next Dundee Local Development Plan (LDP) on retailing. The requirement is to review the Council's current policies on retailing against the existing provision and opportunities within the network of centres including the City Centre, District Centres and Commercial Centres.

Dundee retail catchment areas and population

2. The primary catchment includes the Dundee and Angus Council areas. The secondary catchment includes East Fife, Perth City and its hinterland, plus Strathmore and the Glens (Blairgowrie and Coupar Angus). The combined catchment area population is currently around 433,000 and projected to decline slightly to some 430,000 by 2033.

Policy analysis-National

3. Our research includes a review of key national strategy documents by the Scottish Government leading to the approval and adoption of NPF4 in February. This national policy document strongly upholds the 'town centre first' principle. It also introduces the principle of 20-minute neighbourhoods and a requirement for LDPs to identify where clusters of non-retail uses are adversely impacting on the community. There has been a recent change to the Use Classes Order (merger of former Classes 1 and 2) and associated permitted development rights.

Policy analysis-Dundee

4. The Dundee Local Development Plan was adopted in February 2019. It requires updating to accommodate recent changes in national policy and changing market conditions. *LDP Policy 21* (Town Centre First Principle)- changes: support for new retail development proposals on edge of centre sites and in commercial centres will now depend on allocation for retailing in the LDP. Out of centre locations will be contrary to policy except for new, small neighbourhood retail proposals. Assessment of the convenience retail sector indicates no material quantitative requirements for additional floorspace in Dundee over the next ten years as there is no forecast surplus expenditure. Assessment of the comparison retail sector indicates low quantitative requirements for additional floorspace in Dundee in total over the next ten years.

5. *LDP Policy 22* (City Centre Retail Frontages) needs to be reviewed following changes to the Use Classes Order and permitted development rights. Allocations for retail expansion at the Overgate and Wellgate Centres need to be deleted and replaced with a new policy supporting mixed used development reflecting the emerging City Centre Strategic Investment Plan. *LDP Policy 23* (District Centre Retail Frontages) needs to be reviewed to accommodate changes to the Use Classes.

6. A specific part of the consultancy brief was to review the need for restrictions on the range of goods for sale in commercial centres (*LDP Policy 24*) and also unit size restrictions. Our research findings suggest that it is safer to retain these restrictions. Policy 24 also restricts the proportion of comparison floorspace in foodstores to no more than 30%

of the total. Our research suggests that no change to this policy requirement is needed. LDP Policy 25 (Gallaher Retail Park Extension)- removing the allocation for retail warehousing would be a good option and replacement with mixed uses supportive of the City Centre instead. The consultative draft City Centre Strategic Investment Plan 2050 was published in November 2022. It sets out a long- term vision for the City Centre, which is among the requirements of NPF4.

National trends in retailing

7. From March 2022 to March 2023 retail sales in Scotland rose by 8.8% compared with March 2022, however this apparent growth masks a stagnant market as the growth is due to price inflation rather than higher sales volumes. Total food sales increased by a substantial 14.3% and non-food sales by a much lower 4.1% (3.4% when adjusted for the estimated effect of online sales), as consumers focused on groceries and other essential purchases rather than discretionary expenditure. Scottish footfall increased by 7.7% year-on-year in April. Compared to pre-pandemic 2019 levels however, total Scottish footfall was still 15.8% lower. a monitoring index published in 2022 by the Centre for Cities placed Dundee 4th-highest among UK cities for footfall recovery. The Scottish retail vacancy rate has been steady at 15.7% for the past year (Scottish Retail Consortium/Local Data Company).

8. Growth in online shopping continues, especially for comparison goods. The forecast online market share in this review is 40% and, while views will inevitably differ, very limited activity in the physical market for development and occupation of new shops would suggest that there may be an expectation that the proportion could rise still further. Although the physical retail market has continued to contract, store closures by multiple retailers have slowed. Over the ultra-long term – four or five decades – the UK’s multiple retailers have concentrated into the largest centres. This happened as increasing affluent and mobile shoppers sought a wider choice of goods and services which could only be provided at increasingly larger destinations.

9. Grocery-led shopping remains a leading part of the market. The major trends in recent years have been the growth of new-build neighbourhood centres, and the growth of discounters Aldi and Lidl to take 20% of all UK convenience shopping expenditure driven by continual new store openings and recently aided by the current cost-of-living crisis affecting consumers.

10. Leisure uses can bring additional expenditure to centres and extend customer dwell-time there. In recent years they have also been more active in filling vacant units than retailers have been.

Trends in retailing in Dundee

11. In the City Centre, the level of comparison retail floorspace has declined significantly since 2014 (24%) , but with little change in convenience retail floorspace. The core City Centre retail pitch extends from the Overgate Centre (42,000 sq m floorspace) in the west, along the High Street and Murraygate and adjacent streets, to the Wellgate Centre (28,000 sq m floorspace) in the east. Around 35% of the floorspace in the Wellgate is vacant and its future is uncertain. The Keiller Centre is predominantly shuttered-down.

12. The five District Centres contain a mix of shops and services which primarily serve their local suburban catchment areas. Among the District Centres combined, there has been a 56% decline in comparison floorspace since 2014, much of which is the result of

reclassification of units at The Stack and a fire at the Hilltown Indoor Market. A small decline in convenience floorspace (7%) occurred. There was minimal overall change in non-retail floorspace among the District Centres over the period.

13. No up-to-date information on corner shops is readily available. There has been a small decline in retail warehouse floorspace since 2014, and an increase in retail supermarket floorspace with addition of Aldi at The Stack and convenience floorspace in Home Bargains, also at The Stack. The average vacancy rate in the City Centre is 17%. Among the District Centres it ranges between 6% (Albert Street) and 19% (Lochee). Dundee is in 7th equal place in Scotland in terms of prime retail rental values. Prime rents in Dundee City Centre are around £100 per sq.ft. Zone A and this has remained unchanged since 2011.

14. The consultancy brief sought evidence on whether there is clustering of non-retail uses affecting the wellbeing of communities in Dundee, notably in take-away outlets and betting shops. We noted that Hilltown had twice the number of take-aways of the other District Centres. The brief also asked for research on the number and distribution of drive-thrus in Dundee. The distribution of drive-thrus forms a ring around the city, so there is no obvious gap in provision geographically. They are mostly on retail parks and on other out of centre sites, so will compete to some extent with fast food restaurants in the City Centre and District Centres. Therefore, the Council may wish to consider not allocating additional sites for drive-thrus in the next LDP as a matter of prudence in our opinion.

Qualitative assessment of the shopping centres in Dundee

15. Dundee has witnessed major investment in recent years, particularly around the Waterfront regeneration project and wider City Centre, as identified in this study. Residential, office, leisure and visitor accommodation have been provided and further projects are planned. There is a wide diversity of uses in the City Centre and the quality of environment is good. However, there is no up to date survey information on public perceptions of Dundee, which is an information gap.

16. In the City Centre there is evidence that footfall is recovering with 'green shoots' of retailer interest, including new food & beverage outlets as well as smaller, independent outlets. The purchase of the Overgate Centre by Frasers Group is seen as a positive investment which may also bring associated brands to that centre. More widely, the creation of the V&A, a wide range of programmed sports, cultural and business events, the forthcoming Eden Project, office investments by SSSA and BT, potential for an e-sports arena and completion of the remaining Waterfront sites augur well for the City Centre and for retail and leisure activity. The multiple retailer representation is 48%. The vacancy rate in the City Centre is higher than the Scottish average (15.7%).

17. Among the five District Centres, the quality is variable with high quality in some cases, but mostly the centres are functional, serving their localities. Consideration of 20-minute neighbourhoods is most relevant to large, new planned residential areas in the current LDP. Prominent in this respect is the Western Gateway expansion which is partly developed but upon completion could have around 1,000 homes, taking account of the surrounding residential locations such as Liff. In the eastern suburbs, the cluster of new housing sites should be assessed for small convenience store provision.

18. The large retail parks at Kingsway East and Kingsway West offer a wide range of mainly bulky goods and are very accessible to Dundee residents. Gallagher Retail Park

offers a different range, with an emphasis on clothing. There is a very good range of supermarkets, including non-food discounters.

Quantitative assessment of convenience floorspace in Dundee to 2033

19. The study provides a detailed analysis of the convenience retail expenditure, floorspace and turnover in Dundee, including expenditure patterns into and out of the Council area. The total convenience turnover of stores in the Dundee Council area at *average* company levels is currently £550.9 million and the *actual* total turnover is £468.3 million based on expenditure patterns. The difference represents a moderate level of 15% under-trading against average levels in Dundee. There is no forecast growth in convenience expenditure capacity to 2033.

20. This means that new convenience retail development proposals will have to be serviced entirely by trade diversion from existing centres and stores. The current level of under-trading in Dundee will heighten the retail impact of new store proposals. The added trade diversion to below-average performance of existing floorspace will pose more risk to the viability of those stores and centres. It does not mean that no new convenience floorspace could be supported, just not very much.

Quantitative assessment of comparison floorspace in Dundee to 2033

21. The study provides a detailed analysis of the comparison retail expenditure, floorspace and turnover in Dundee, including expenditure patterns into and out of the Council area. The total comparison turnover of stores in the Dundee Council area is £633 million based on residents' expenditure, plus inflows, minus outflows. It is forecast to rise to nearly £672 million by 2033, because of forecast growth in comparison expenditure per capita.

22. The research indicates rather limited requirements for additional comparison floorspace over the next ten years based on expenditure forecasts. Notionally, the expenditure growth could support around 4,300 sq m net of additional comparison floorspace. The main reason is the high proportion of existing internet spending on comparison goods generally and in Dundee, with further increases in the proportion up to 2033. Accompanying the forecast is greater uncertainty over the link between projected expenditure growth and equivalent retail floorspace (because of online spending), compared to the past. So, the forecast is indicative only.

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Appendix 1 Restrictions on types of goods and unit sizes in retail parks- consultations with other local authorities

Appendix 2 Drive-thru planning applications in Dundee

Appendix 3 Convenience expenditure from Angus to Dundee

Appendix 4 Convenience expenditure from Perth and Strathmore to Dundee

Appendix 5 Convenience expenditure from East Fife to Dundee

Appendix 6 Visitor retail spending in Dundee

Appendix 7 Comparison expenditure from Angus to Dundee

Appendix 8 Comparison expenditure from Perth and Strathmore to Dundee

Appendix 9 Comparison expenditure from East Fife to Dundee

Appendix 10 Drive-thru restaurants in Dundee and proposals

1 Introduction

1.1 Study brief

1.1.1 **Roderick MacLean Associates Ltd**, in association with **Ryden** was commissioned by Dundee City Council on 20th February 2023 to prepare this study.

1.1.2 The key purpose of the study is to inform the research phase of the next Dundee Local Development Plan (LDP) on retailing. The requirement is to review the Council's current policies on retailing against the existing provision and opportunities within the network of centres including the City Centre, District Centres and Commercial Centres.

1.1.3 The review covers the following four objectives:

- Policy Analysis
- Trend Analysis
- Data Analysis
- Outcomes and Outputs

1.1.4 Under *Policy Analysis*, the brief requires a review of five national, strategy documents by the Scottish Government relating to town centres and retailing, leading up to the adopted National Planning Framework 4 (NPF4). The documents are listed on page 4 of the brief. Review of the Permitted Development Rights consultation paper was required, but this has been superseded by recent publication of the Statutory Instrument (see sub section 3.7).

1.1.5 Review of the NPF4 policies on retail and town centres is required, showing the implications for emerging policies in the next Dundee LDP. It includes identification of quantitative and qualitative retail deficiencies in the Council area, and the need for neighbourhood shopping in new housing developments.

1.1.6 Assessment of the network of centres in Dundee (City, District and Commercial Centres) is required by the brief. It includes the current LDP retail and town centre policies LDP 21 to LDP 25.

1.1.7 The level of out of centre supermarkets and local shops also requires assessment. There is a need to embrace the principle of the 20-minute neighbourhood and the town centre vision into policy.

1.1.8 Consideration should be given to any evidence of where clustering of non-retail uses is adversely affecting communities within Dundee. Identification of potential areas for drive-thru facilities, where appropriate is required.

1.1.9 The brief also requires review of specific policy matters in the LDP. These include the future of the Gallagher Retail Park Extension (LDP Policy 25), Goods range and unit size restrictions in retail parks (LDP Policy 24) and the cumulative impact of out of centre retail development on the City and District Centres.

1.1.10 Under *Trend Analysis*, the review covers national retail and commercial trends, trends in public perceptions of town centres and footfall trends, although recent data on perceptions and footfall in Dundee is very limited.

1.1.11 Under *Data Analysis*, the review includes a comprehensive assessment of the distribution of retail floorspace by type (convenience, comparison, non-retail and vacant). Assessment of the retail expenditure and turnover in Dundee is included, with forecasts from 2023-33. Indicative advice on the amount of retail floorspace that can be supported in the future is included, and how best it can support the network of centres.

1.1.12 Review of the quality of retailing in Dundee is included, with reference to the City Centre, District Centres and Commercial Centres, together with measures to improve their competitiveness.

1.1.13 *Outcomes and Outputs*- the brief states that the outcome of the review should provide the Council with an understanding of the role, challenges, strengths and opportunities for the City centre, District centres, and Commercial centres within the context of the city's 'network of centres'. It seeks a solid evidence base to help shape and justify the LDP's position on retail policy that will address the challenges faced. It focuses mainly on retailing.

1.1.14 The findings will indicate the extent to which retail opportunities are likely to remain in the shopping centres, including the Overgate, Wellgate and Keiller centres. They do not include detailed site assessments.

1.1.15 In accordance with the brief, the review must identify gaps and inconsistencies in data sources and, where appropriate, resolve any issues, or, if that is not possible, make recommendations on how they might be addressed.

2 Dundee catchment area and population

2.1 Introduction

2.1.1 This section shows the extent of the primary and secondary retail catchment areas of Dundee, together with their current and projected populations to 2033.

2.2 Catchment definition

2.2.1 The retail catchment areas of Dundee were defined in the Dundee Retail Study 2015, based on household shopping interview surveys. These included a NEMS household interview survey covering the Dundee and Angus Council areas commissioned for that study. Since then, more recent NEMS household shopping surveys were undertaken for retail studies in Fife and in Perth & Kinross Council areas, both in 2016.

2.2.2 The *primary catchment* remains unchanged since 2015. It includes the Dundee and Angus Council areas. Evidence from the 2016 studies indicates that the extent of the *secondary catchment* area of Dundee also remains unchanged. It covers East Fife, Perth City and its hinterland, plus Strathmore and the Glens (Blairgowrie and Coupar Angus).

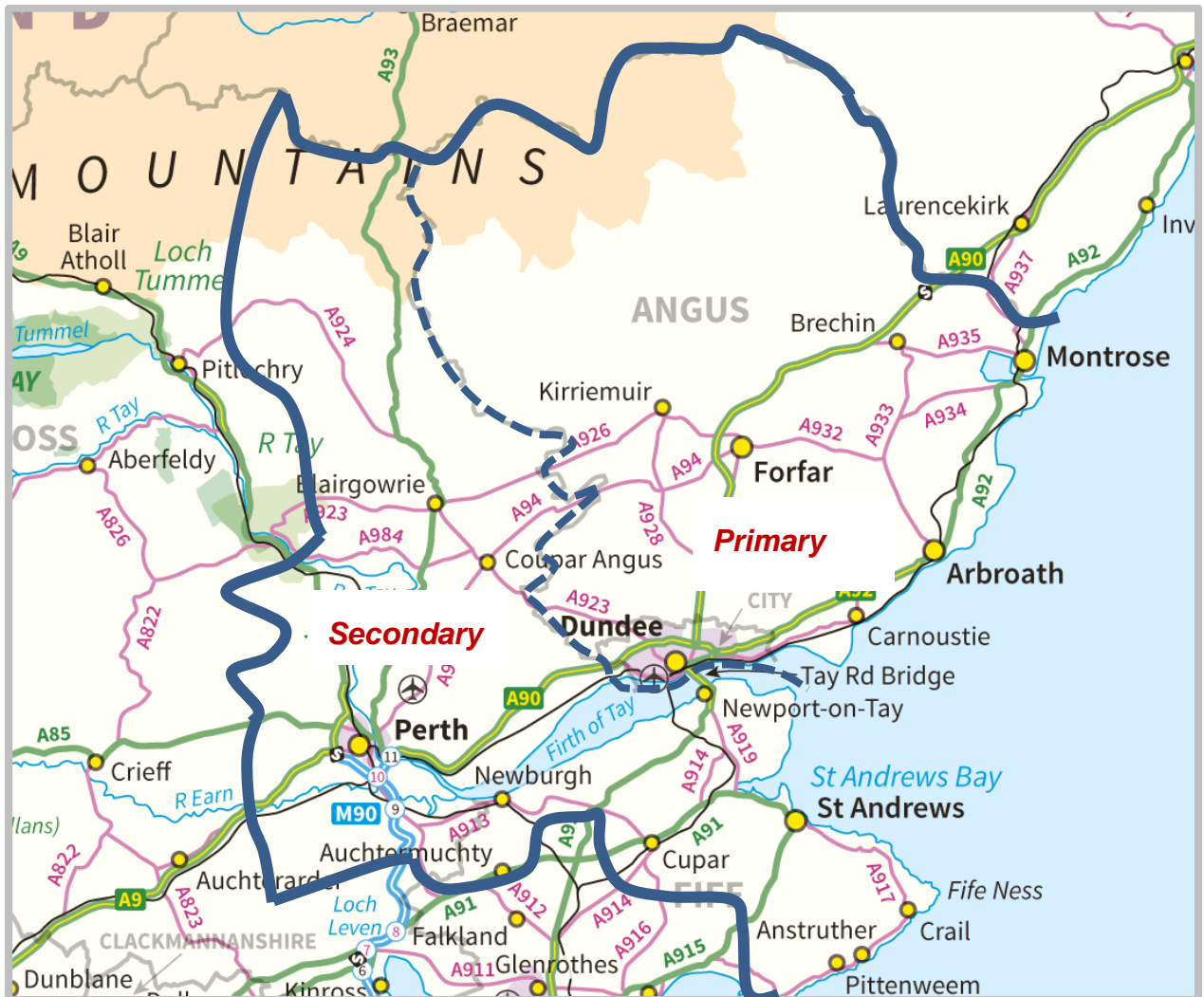
2.2.3 Map 2.1 illustrates the extent of the Dundee catchment areas.

2.3 Population

2.3.1 Table 2.1 shows the current and projected populations of the primary and secondary catchment areas up to 2033. The projections are based on the NRS mid- year population estimates for the Council areas and the NRS 2018 population projections (still the latest available at sub national level).

Table 2.1 Dundee City Centre-primary and secondary catchment area populations					
	2011 Census	mid year 2021	2023	2028	2033
Primary catchment					
Dundee City Council area	147,268	147,720	148,309	148,350	148,599
Angus Council area	115,978	116,120	115,816	115,138	114,122
Sub total	263,246	263,840	264,125	263,488	262,721
Secondary catchment					
Perth & Kinross- part					
<i>Perth- City & hinterland</i>	83,783	87,872	87,234	87,283	86,876
<i>Strathmore & the Glens- Blairgowrie & Coupar Angus</i>	19,175	20,111	19,965	19,976	19,883
East Fife	59,730	61,289	60,819	60,749	60,483
Sub total	162,688	169,272	168,018	168,009	167,241
Total	425,934	433,112	432,143	431,497	429,962
Note					
Sources : 2011 Census and NRS mid year estimates for 2021 and NRS 2018 based population projections for 2023, 2028 and 2033					
<i>Perth-City & hinterland</i> is Zone 1 in the Perth & Kinross Retail Study 2016 and <i>Strathmore & Glens</i> is Zone 5. The 2011 pop. is shown in Table 2.1 of that study.					
The mid year population estimates for 2021 and projections to 2023, 2028 and 2033 are based on those for the Perth & Kinross Council area.					
		mid year			
<i>Perth & Kinross Council area</i>	146,652	153,810	152,692	152,779	152,066
East Fife is derived from the catchment area defined in the <i>Fife Retail Capacity Study 2021</i>					
The mid year population estimates for 2021 and projections to 2023, 2028 and 2033 are based on those for the Fife Council area.					
		mid year			
<i>Fife</i>	365,198	374,730	371,858	371,430	369,799

Map 2.1 Dundee primary and secondary catchment areas by local authority area



Mapbase: Ordnance Survey

3 Policy analysis- National

3.1 Introduction

3.1.1 This section summarises the latest Scottish national planning policies on retailing and town centres, including national strategy documents. Our advisory adjustments to the current Dundee Local Development Plan 2019 policies, to ensure compliancy, follow in the next section.

3.1.2 In this section, description is first given to the national strategy documents published by the Scottish Government leading up to the publication of the adopted version of the National Planning Framework 4.

3.2 At the Heart of Economic Transformation

3.2.1 The above document is the Report of the City Centre Recovery Task Force 2021-22, published in March 2022. The Task Force is an alliance between the Scottish Government and Scotland's seven cities. The cities are identified as fundamental to the vision of achieving a wellbeing economy under the Scottish Government's 10-year National Strategy for Transformation.

3.2.2 The impetus was to achieve post Covid recovery. The document adopts a structure for analysis of cities in the form of 'hubs'. These include Human Capital Hubs (skills and knowledge-based activities), International Hubs (cities as a point of entrance for international investment and tourism) Consumption Hubs (city centre high streets), and Cultural Hubs (cultural institutions, with mention of the V&A in Dundee).

3.2.3 There is a wider reference on measures to improve city centres generally, compared to the focus on retail in the other strategy documents in our review. However, importantly in terms of direction, it states there is a need to reduce the 'over-supply of retail' and the need to increase the cultural offer in city centres.

3.3 Getting the Right Change- A Retail Strategy for Scotland

3.3.1 Published in March 2022, the above document sets out the Scottish Government's vision and strategy for retailing in Scotland. The document is grouped around themes of *Sector, People and Place*, with *Just Transition* focussing on action to achieve the climate target of net zero by 2045. We note that the Council's draft City Centre Strategic Investment Plan 2050 also adopts a similar themed structure, but with different headings.

3.3.2 The document reinforces the continued importance of retailing in town centres. The vision for retailing was agreed between industry, trade unions and the Scottish Government in developing the strategy with a view to working in partnership.

3.3.3 It refers to the rapid changes in digital related technology, which is altering the retail sector, including supply chains and deliver to customers in a world of evolving markets against the background of advancing internet-based retailing. The document sets out broadly how the Scottish Government intend to lend support to the retail industry in terms of training and promoting wellbeing.

3.3.4 Importantly, the document states the principle of the **20-minute neighbourhoods**, where people live within 20 minutes of walking, wheeling, cycling, or using

public transport to reach key amenities like shops, services and green spaces. Strong support is given to promote 'living locally', which for retailing means, local shopping opportunities, local suppliers and promotion of town centres as retail and cultural destinations, including repurposing vacant units.

3.3.5 We comment that the concept has little precision as guidance, because the travel times under the stated modes will be very different generally.

3.3.6 The document sets out a draft Delivery Plan in section 6.3, with various target timescales indicated.

3.4 Town Centre Action Plan Review

3.4.1 Published in April 2022, this document is the Joint response from the Scottish Government and COSLA to the Town Centre Action Plan Review by the Town Centre Action Plan Review Group. The joint response adopts the vision developed by the Review Group that *towns and town centres are for the wellbeing of people, the planet and the economy and that towns are for everyone, and everyone has a role to play in making their own town and town centres successful.*

3.4.2 On retailing, the document reinforces support for the 'town centre first principle' by sharing and promoting best practice and by strengthening guidance in the Scottish Public Finance Manual to better reflect the importance of local needs and opportunities.

3.4.3 Support is given to placing town centres at the core of NPF4 and limiting new out of town development. The document gives support for local living and the 20-minute neighbourhood concept.

3.4.4 The document includes responses to other town centre related issues, which are: taxation, digital towns, creating enterprising communities and vibrant local economies, and climate action.

3.5 Inquiry into Retail and Town Centres in Scotland

3.5.1 Published in November 2022, the document sets out the views of the cross-party Economy and Fair Work Committee on the Inquiry findings.

3.5.2 The Committee welcomed the Scottish Government's retail strategy and confirmed the importance of the sector to the national economy. Recognition was given to the growing role of multi-channel retailing among operators, including independents. They also recognised the increased demand for online retail activities.

3.5.3 The Scottish Government was asked what equalities expertise the Retail Industry Leadership Group possess, and seek assurance that gender-related barriers will be diminished in the sector. They welcomed the Fair Work agreement.

3.5.4 Recognition was given to the individuality of towns and support should be tailored on that basis, led by community groups.

3.5.5 The Committee agreed that the overarching principle should be to rebalance the cost of doing (retail) business in town centres versus out of centre locations. The Committee intends to support the creation of a new general town centre use class.

3.5.6 Attention was drawn to the difficulties of establishing ownership of properties and sites in town centres as an obstacle to redevelopment and bringing properties back to

productive use to benefit the community. Support was given to every town having its own development plan.

3.5.7 The Committee recognised that creation of vibrancy around ‘place’ for every town requires involvement with cultural bodies and organisations.

3.6 National Planning Framework 4

3.6.1 NPF4 is the national spatial strategy for Scotland, which was approved and finally adopted by the Scottish Government in February 2023. On town centres and retailing, it continues the ‘town centre first’ principle from the now superseded SPP (Scottish Planning Policy), but with important changes including new, updated requirements for inclusion in Local Development Plans (LDPs). Pages 81-85 of NPF4 are most relevant to this review.

3.6.2 LDPs should support sustainable futures for the network of centres, including city centres, town centres, local centres, and existing commercial centres where appropriate. A new requirement is to include the principle of 20-minute neighbourhoods, as defined in Appendix F to NPF4. A town centre vision must also be incorporated in the network.

3.6.3 There is a new requirement for LDPs to assess and identify where clusters of non-retail uses are adversely impacting on the community. LDPs should also identify any areas appropriate for additional drive-thru facilities which would not adversely impact on the principles of local living and sustainable travel. Note that proposed drive-thru facilities will only be supported if the location is identified in the LDP.

3.6.4 **NPF4 Policy 27** gives support for development proposals that improve the vitality and viability of city, town, and local centres. Development proposals will be consistent with the ‘town centre first’ approach. These include uses that generate significant footfall, which are: commercial, leisure, offices, community, sport and cultural facilities, public buildings such as libraries, education and healthcare facilities, and public spaces.

3.6.5 Policy 27 does not support development proposals outside city, town, and local centres unless a *town centre first assessment* (page 82 of NPF4) demonstrates that all centre/ edge of centre options have been discounted, the scale of the proposal cannot be reasonably altered to be accommodated in a centre, and the impacts on existing centres have been thoroughly assessed to demonstrate no significant adverse effects on their vitality and viability.

3.6.6 **NPF4 Policy 28** is specific to retailing. LDPs should consider where there may be a need for further retail provision. This may be where a retail study identifies deficiencies in retail provision in terms of quality and quantity in an area; or when allocating sites for housing or the creation of new communities, in terms of the need for neighbourhood shopping, and supporting local living. Also, LDPs should identify areas where proposals for healthy food and drink outlets can be supported.

3.6.7 Under Policy 28 (excluding provisions not relevant to Dundee):

a) Development proposals for retail (including expansions and changes of use) will be consistent with the town centre first principle. This means that new retail proposals:

i. will be supported in existing city, town and local centres, and

ii. will be supported in edge-of-centre areas or in commercial centres if they are allocated as sites suitable for new retail development in the LDP.

iii. will not be supported in out of centre locations (other than those meeting policy 28(c) or 28(d)).

b) Development proposals for retail that are consistent with the sequential approach (set out in a) and click-and-collect locker pick up points, will be supported where the proposed development:

i. is of an appropriate scale for the location;

ii. will have an acceptable impact on the character and amenity of the area; and

iii. is located to best channel footfall and activity, to benefit the place as a whole.

c) Proposals for small new scale neighbourhood retail development will be supported where the proposed development:

i. contributes to local living, including where relevant 20-minute neighbourhoods and/or

ii. can be demonstrated to contribute to the health and wellbeing of the local community.

3.6.8 The main change from the SPP is that the provisions of the sequential test for retail development outside town centres are much more stringent. Retail proposals are only consistent with national policy if they are on edge of centre sites and in commercial centres identified to include retailing. Out of centre locations are now contrary to national policy, except for minor neighbourhood retail proposals.

3.6.9 Now there is no specified requirement for traditional supporting retail impact assessments, nor threshold sizes of proposed new floorspace above which an impact assessment is required. We interpret the need for a retail impact assessment would remain part of the discussion with applicants at the pre-application stage. For example, the circumstances might include ensuring that a proposed development is of an appropriate scale for the location, or where an application in a commercial centre would divert trade from town centres.

3.6.10 The implications of NPF4 are that it is essential that sites for future retail development are identified in LDPs during the preparation consultation process. Once an LDP is adopted, retail site development opportunities will be plan-led, with minimal opportunities to accommodate emerging new, market-led demand retail sites during the LDP lifespan.

3.6.11 **The NPF4 Regional Strategy (Dundee-** page 110)- identifies the Waterfront redevelopment area and associated projects. More on this is provided in section 7 of the review.

3.7 Town and Country Planning (General Permitted Development and Use Classes) (Scotland) Miscellaneous Amendment Order 2023

3.7.1 The Town Centre Review Group set up by the Scottish Government in July 2022, suggested that the Government should consider the desirability of revisions to the Use Classes Order including merged 'town centre' use classes. The Statutory Instrument has now been published. As of 1st April, there is a new Use Class 1A, which combines former Use Classes 1 and 2. There are new permitted development rights for change of use from Class 1A to Classes 3 and 4.

4 Policy analysis- Dundee

4.1 Introduction

4.1.1 The Dundee Local Development Plan was adopted in February 2019. This section examines the changes that will be needed to the retail and town centre policies in the LDP to ensure consistency with NPF4.

4.1.2 The section also examines specific policy matters relating to Dundee in the current LDP which do not derive from NPF4 but are ongoing issues on which the Council seeks advice in the consultancy brief. Evidence is drawn from analysis of the retail sector in Dundee contained in later sections in this report to support future policy development for the next Dundee LDP.

4.1.3 Our review concentrates on section 7 of the LDP (*Town Centres First*) on pages 48-58. References to NPF3, the SPP and the TayPlan need to be removed and replaced by references to NPF4 and appropriate text, drawing on the summaries in section 3 of this report.

4.2 LDP Policy 21: Town Centre First Principle

4.2.1 The summary order of the sequential test on page 52 needs to be amended to reflect the differences in NPF4 Policy 28 for retailing. Support for new retail development proposals on edge of centre sites and in commercial centres now depends on allocation for retailing in the LDP. Out of centre locations will be contrary to policy except for new, small neighbourhood retail proposals. These must be justified under the 20-minute neighbourhood principle and demonstrate contribution to the health and wellbeing of the local community.

4.2.2 **Accommodating future retail development to 2033-** the analysis of market trends and projected requirements in our report provides guidance on what the next LDP should aim to include.

4.2.3 Assessment of the convenience retail sector indicates no material quantitative requirements for additional floorspace in Dundee over the next ten years as there is no forecast surplus expenditure- see Table 8.4. It does not mean no new floorspace, just not very much and it would have to be serviced by trade diversion from existing stores. The position would best support new small-scale scale neighbourhood convenience store developments (meaning smaller than typical food discount stores, which are sometimes described as serving neighbourhoods).

4.2.4 In recent years, market interest in new convenience stores has focussed on additional food discount stores. The provision and distribution of main supermarkets, and food discounters is now good in Dundee (see Table 8.3).

4.2.5 Opportunities for new convenience floorspace in the City Centre and District Centres will remain as a matter of policy, most likely in the form of redevelopment or reconfiguration of units, rather than significant additions. There is little obvious expenditure-based support for significant additional convenience floorspace on edge of centre sites and in the commercial centres.

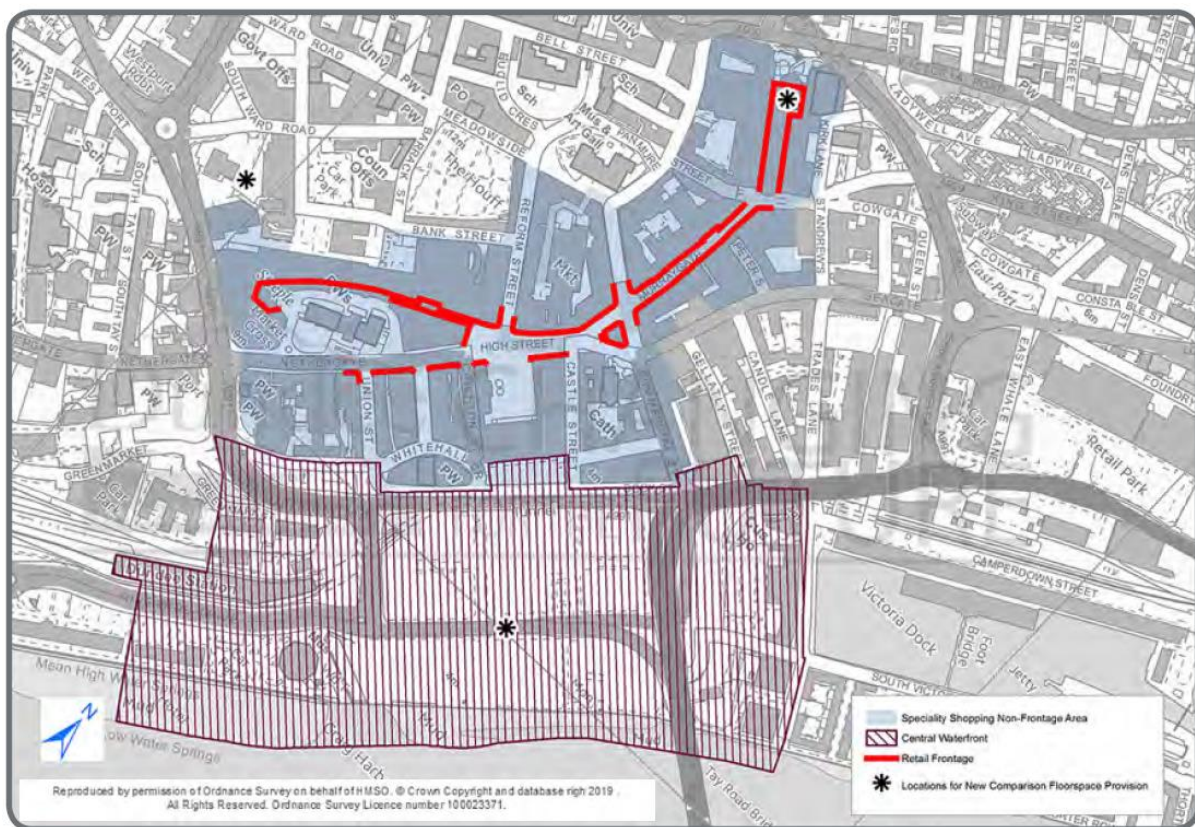
4.2.6 Assessment of the comparison retail sector indicates low quantitative requirements for additional floorspace in Dundee in total over the next ten years- see Table

9.5. Current and forecast proportions of internet comparison expenditure have a major bearing on the conclusion. It is also consistent with the analysis of retail market demand in this report.

4.3 LDP Policy 22: City Centre Retail Frontages

4.3.1 The limited level of forecast quantitative floorspace requirements reinforces the importance of encouraging most of it to be in the City Centre for consistency with the order in the sequential test. The City Centre retail frontages are defined in Appendix 5 of the LDP and illustrated overleaf on Figure 4.1, including the Waterfront area. Within the retail frontage areas, support is given to Class1 retail, with a 'complementary' level of Class 3 uses. Policy 22 requires to be reviewed, following recent changes to the use classes order and permitted development rights.

Figure 4.1 City Centre retail frontages and the Waterfront



4.3.2 Policy 22 (c) identifies the proposed Overgate Extension and extension to the Wellgate as locations for accommodating a major element of upgraded retail floorspace in the City Centre. Based on the analysis in our report, the policy needs to be deleted and replaced with a new policy supporting mixed land uses, including some retailing to reflect the emerging City Centre Strategic Development Plan. Reference to the Keiller Centre should be added. Uncertainty exists over the future of these sites.

4.4 LDP Policy 23: District Centre Retail Frontages

4.4.1 The District Centre retail frontages are defined in Appendix 5 of the LDP and illustrated in Figure 4.2. Use Classes 1, 2 and 3 will be supported within the frontage areas. Outside the frontage areas, proposals which support the role and function of the District Centres will be acceptable. Policy 23 requires to be reviewed, following recent changes to the use classes order and permitted development rights.

4.5 LDP Policy 24 (1)- range of goods restrictions

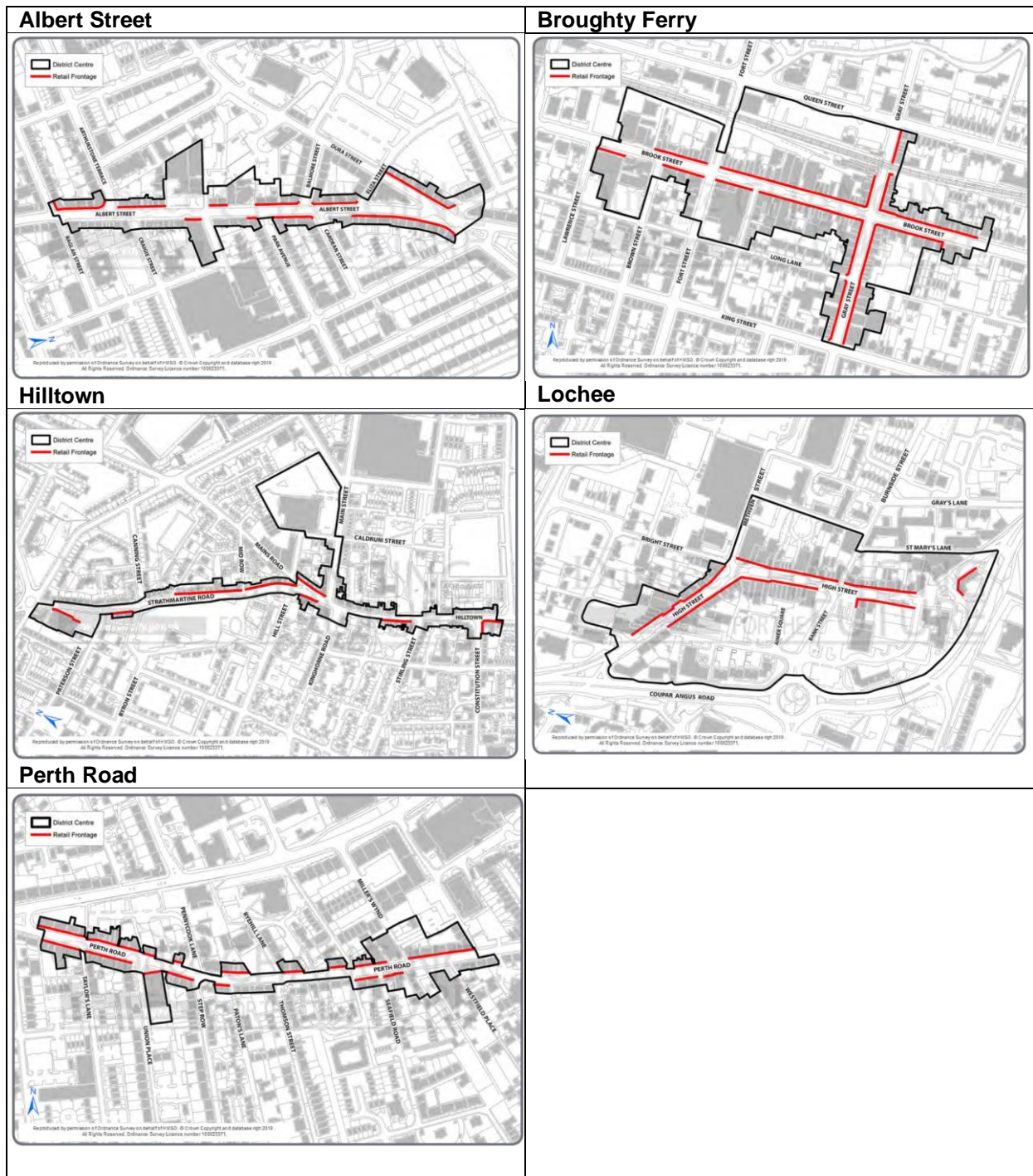
4.5.1 Policy 24 imposes restrictions on the range of goods that can be sold at the commercial centres in Dundee, as identified in Appendix 6 to the LDP. At Kingsway East, Kingsway West and the Gallagher Retail Park Extension site, the sales of *food and groceries, clothing and footwear, jewelry/silverware, watches and clocks, toys and sports goods and electrical goods* are restricted to protect the city centre and district centres. The restricted range is intended to encourage mainly bulky goods and household goods sales in these retail parks, directing the restricted range to the City Centre and District Centres.

4.5.2 At Gallagher Retail Park and The Stack, sales of *DIY and home improvements, carpets, garden goods, motoring products, jewelry/silverware, watches and clocks, furniture and electrical goods* are restricted. The restrictions are intended to encourage a range of goods which will complement the City Centre and Lochee District Centre, rather than compete with them.

4.5.3 Under Policy 24, proposals involving the sale of goods under the restricted goods ranges in the specified retail parks must not adversely affect the LDP strategy for the City Centre and District Centres, nor undermine their vitality and viability. They will need justification in terms of tackling retail deficiencies which cannot be met in, or on the edge of the City Centre and District Centres.

4.5.4 The consultancy brief invited research into whether there is a need for any adjustments to the current restrictions. In response a survey interview questionnaire was sent to five other local authorities to gather planning officers' opinions on the subject and draw on their experience in dealing with it. Four out of five Councils responded: Fife Council, Edinburgh City Council, East Dunbartonshire Council and South Lanarkshire Council. The questionnaire and a summary of the responses is provided in Appendix 1.

Figure 4.2 District Centres and retail frontages



4.5.5 The majority are in favour of retaining restrictions on the range of goods to be sold in retail parks so as not to undermine the promotion of town centres as the primary location for retail development. In the main, consideration of lifting restrictions should be on a case-to-case basis only, where it can be justified and there would be no adverse effect on town centres caused by a planning application. There was no support for embracing relaxation into LDP policy.

4.5.6 It is impossible to conduct a traditional retail impact assessment with any precision to investigate the outcome if the restricted ranges were to be removed, because there are so many unknowns. However, a very broad indication is provided as follows.

4.5.7 The estimated combined comparison turnover of the units in the commercial centres is around £159 million, which equates to a large proportion of the City Centre comparison turnover of £327 million-see Table 9.3. Hypothetically, if removing restrictions on the retail parks resulted in sales of all comparison goods equivalent to 20% of the current total of £159 million, it would represent nearly £32 million potential trade diversion from the City Centre, District Centres and other stores. Such an event would not support the town centre first principle.

4.5.8 Our advice is that it is best to keep the current range of goods restrictions on the retail parks, taking account of further analysis later in our report. The type of occupiers in East and West Kingsway and in Gallagher Retail Park indicate policy success. It is safer to retain restrictions while remaining open to some adaptation, rather than risk losing control and attracting unwanted trade diversion from the City Centre and District Centres if restrictions are removed.

4.5.9 If an applicant seeks to lift the restrictions, then detailed justification must be provided by them, to show no threat to the City and District Centres.

4.6 LDP Policy 24 (2)- unit size restrictions in commercial centres

4.6.1 The policy also imposes unit size restrictions where no units with less than 1,000 sq m gross floorspace are allowed to be developed or created by subdivision of larger units. The reason is to reduce the risk of attracting retailers out of the City Centre and District Centres.

4.6.2 The survey questionnaire that we sent to the consultee local authorities also contained questions on their approach to unit size restrictions in retail parks. A summary of the responses is provided in Appendix 1.

4.6.3 Most respondents reported no application of minimum unit size thresholds and did not consider the issue to be a problem because there was no significant demand in their areas. Most respondents were not aware of examples of retailers relocating to smaller units in retail parks, apart from one example. Some retailers seek representation in town centres and retail parks in any case.

4.6.4 Another issue relating to size emerging from the survey was the potential threat to town centres from the creation of mezzanine floors in retail parks, which increase the retail floorspace available, thereby heightening potential trade diversion.

4.6.5 While taking account of the views of the consultees, the retention of restrictions on unit size would probably reduce the risk of attracting retailers away the City Centre and the District Centres. Therefore, it is safer to retain the policy with that purpose in mind.

4.7 LDP Policy 24 (3)- comparison floorspace in foodstores

4.7.1 The policy restricts the proportion of net floorspace for the sale of comparison goods in foodstores to no more than 30% of the total net floorspace. Within that proportion,

no more than half shall be devoted to any single type of comparison goods from the list in Appendix 6 of the LDP.

4.7.2 Given that nobody is developing superstores these days (which can have higher proportions), the policy is entirely relevant to smaller stores, including discount foodstores for example. Table 9.3 reveals the proportions of comparison floorspace in the main foodstores in Dundee, which are mostly at, or below, the 30% comparison floorspace proportion apart from the superstores. On that basis, we do not consider that the policy needs to be amended.

4.8 LDP Policy 25- Gallagher Retail Park Extension

4.8.1 The Council asked for the relevance this site (bus depot) to be reviewed in our report. To date, we are not aware of any progress towards realising retail warehouse development on the site over the last few years. From the analysis of market demand later in our report, there is no evidence of demand for retail warehousing on the site in the foreseeable future.

4.8.2 Therefore, removal of its allocation for retail warehouse development may be a good option, with a view to increase focus on the City Centre under the town centre first principle. Development for other uses, possibly including an element of retailing would be a consideration.

4.9 City Centre Strategic Investment Plan 2050

4.9.1 The consultative draft City Centre Strategic Investment Plan was published in November 2022. It sets out a long- term *vision* for the City Centre, which is among the requirements of NPF4.

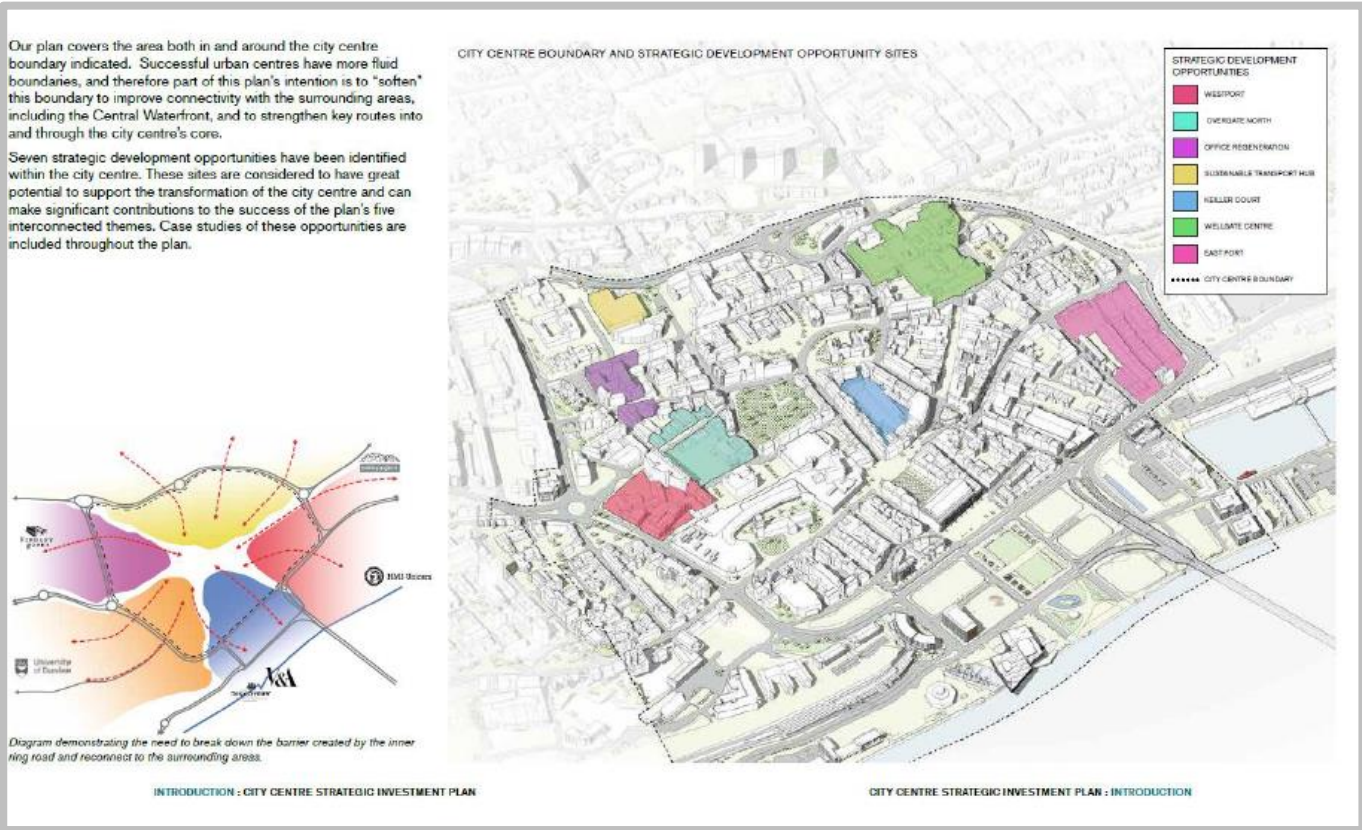
4.9.2 The document is structured around five themes: Living, Working, Visiting, Connectivity and Public Realm. Among the themes, retailing appears most closely related to the first three, with overlaps among the others. The map overleaf shows the City Centre boundary and the development opportunity sites.

4.9.3 In terms of vision, the Plan is heavily orientated towards creating a city centre which is a pleasant place to live and work, incorporating a wide range of work, leisure and cultural activities plus promotion of Dundee as a visitor destination. The importance of shopping is strongly recognised, but more at a level of a key contributing activity to the whole. It acknowledges that changes in how people shop mean that other opportunities need to be developed, including redevelopment of some existing retail space to accommodate other uses such as housing and leisure.

4.9.4 As shown on Figure 4.3, the Plan identifies seven strategic development opportunities. *East Port*- a gateway site which would strengthen links to the City Quay and the proposed Eden Scotland project. The *Wellgate Centre*-faces an uncertain future for continuing as a shopping centre in part or whole, with Council support for increased leisure uses. The new managers of the *Keiller Centre* 'Neon Digital Arts' are promoting the reuse of the centre for local crafts with a retail element

4.9.5 *Westport and Overgate North* offer major redevelopment opportunities to create a western gateway to the City. More information is provided in sections 6 and 7.

Figure 4.3 City Centre Strategic Investment Plan 2050- key project areas



5 National trends in retailing

5.1 The economy

5.1.1 Scotland's economy grew by 5.0% during 2022 as recovery from the pandemic continued. The country's economic output at the end of 2022 was 0.3% below the pre-pandemic level recorded in 2019 (source: Scottish Government). A shallow recession is anticipated during 2023 before economic growth resumes in 2024, although at the time of writing continuing high price inflation is affecting consumption and growth which could prolong any downturn.

5.2 Retail spending

5.2.1 In March 2023 the SRC-KPMG retail sales monitor recorded an 8.8% rise compared with March 2022, however this apparent growth masks a stagnant market as the growth is due to price inflation rather than higher sales volumes.

5.2.2 Total food sales increased by a substantial 14.3% and non-food sales by a much lower 4.1% (3.4% when adjusted for the estimated effect of online sales), as consumers focused on groceries and other essential purchases rather than discretionary expenditure.

5.2.3 Continuing cost pressures are challenging retailers' profit margins, and those operators which are managing to achieve sales growth are largely taking market share from competitors.

5.2.4 Short term expectations for retail sales are that growth will continue, but that will still be due to high inflation rather than increases in sales volumes during 2023. Medium to long term sales growth forecasts for convenience and comparison expenditure are contained in Sections 8 and 9 respectively.

5.3 Footfall

5.3.1 Post-pandemic footfall recovery has continued in Scotland during 2023 to date. Scottish footfall increased by 7.7% year-on-year in April. Compared to pre-pandemic 2019 levels however, total Scottish footfall was still 15.8% lower and the SRC reports that the pace of recovery has slackened, "underlining the protracted nature of the challenges facing much of retail".

5.3.2 It is understood that footfall data for Dundee comes from the Overgate Centre as part of the wider monitoring of performance by the City Centre management team. Current performance was indicated anecdotally to the consultant team during the preparation of this study, but formal data was not provided.

5.3.3 Interestingly, a monitoring index published in 2022 by the Centre for Cities placed Dundee **4th-highest among UK cities for footfall recovery** as the country emerged from the pandemic. The cities footfall benchmarking exercise does not appear to have been repeated in 2023 (to date).

5.4 Occupancy and vacancy

5.4.1 While the Scottish retail vacancy rate has been steady at 15.7% for the past year (SRC/LDC), the rate remains around one-fifth higher than pre-pandemic.

5.4.2 Retail parks have the lowest vacancies (9.8%) compared with High Streets at 14.8% and shopping centres at 20.8%. Retail parks' outperformance may indicate that shopping habits formed during the pandemic are persisting, as consumers favour car-accessible locations with free parking, while some retailers favour larger, purpose-built units. Property market evidence confirms that retail parks with foodstore anchors are performing particularly well at the moment.

5.4.3 Section 6.10 confirms that Dundee's current retail vacancy rates are 17% for the city centre and 13% overall, which is around the prevailing 15.7% (Local Data Company) Scottish national average, and similar to the rates which were recorded by Roderick MacLean Associates and Ryden in 2015.

5.5 Online shopping

5.5.1 Consumer retail expenditure data and forecasts in Section 9 demonstrate the continuing growth of online shopping for comparison goods in particular. Consumer behaviour has emphatically changed towards a higher proportion of shopping transactions being made online, to levels well beyond those which were anticipated in the early 2000s when online shopping began to take hold.

5.5.2 The trend has been continuous over the long term: according to the Centre for Retail Research in 2006 the online share of retail sales was 6.6%, rising to 12.7% by 2013, 19.1% by 2019, and then a sharp rise to 26.5% in 2022 as the pandemic accelerated the share of online versus physical stores (due in part to enforced closures then restrictions on shop opening).

5.5.3 The forecast online market share in Section 9 is 40% and, while views will inevitably differ, very limited activity in the physical market for development and occupation of new shops would suggest that there may be an expectation that the proportion could rise still further.

5.5.4 As a result of this increasing online market share, the physical retail market – ie. shopping floorspace – has continued to contract, as is evident in the extent of store closures in recent years through consolidation or collapse.

5.5.5 In particular, non-food retailers such as department/variety stores and fashion chains have been affected by the steady rise of online comparison shopping and its acceleration during the pandemic, as 'comparison' of potential purchases became online and mobile as well as in-person. Most physical shops are now also multi-channel (most recently including Primark launching a click-and-collect service).

5.5.6 The early signal for the shift to online was, with hindsight, the migration of services such as travel, banks, insurance and estate agencies and steady closure of branches; for example, 300 further financial services branches are expected to close in the UK during 2023.

5.5.7 While on-line shopping has led to a contraction in overall occupied retail floorspace, it has also fuelled a compensatory increase in warehouse floorspace to meet online-only orders and to help stores to service delivery and click-and-collect demand. From the perspective of city centres such as Dundee and its town centres such as Broughty Ferry, however, this retail activity happens in industrial buildings elsewhere on arterial transport routes.

5.5.8 Now that online shopping is major part of the retail landscape, it is also subject to market change. Pure online retailers such as ASOS and Boohoo have issued profits warnings while others such as Missguided entered administration.

5.5.9 While online retailers do not have the same physical infrastructure costs as shops, they still have significant costs and require to invest in marketing to overcome that lack of a High Street presence, while they are of course also subject to the same vagaries of consumer demand including growth and contraction in retail sub-sectors and the effects of the current cost-of-living crisis. Indeed, in order to reach their target markets some purely online retailers are now also opening physical flagship stores, for example Gymshark on London's Regent Street in 2022.

5.6 Openings and closures

5.6.1 Although the physical retail market has continued to contract, store closures by multiple retailers have slowed. Net store closures in Scotland by retailers with more than 5 units are at their lowest rate since 2016 (PWC/ LDC). In 2022, 888 stores closed while 669 shops were opened, a net loss of 219 stores or -1.4%. As noted above, retail parks are the most resilient format, recording a marginal increase in outlets of +0.1% during 2022.

5.6.2 As further context for the current occupational retail market, the Centre for Retail Research reports that 22 multiple retailers failed during 2022. While this is a notable number, it remains well below the 54 failures recorded in 2008 during the Global Financial Crisis and again 54 during the pandemic in 2020.

5.6.3 A review of recent openings and closures in Dundee is provided in Section 6.

5.6.4 Openings and closures are dynamic and for many locations this will increasingly involve independent, and leisure and service uses alongside a lower number of multiple retail brands. That incidentally, will make the occupational market harder to track without local analysis of the type contained in this report. As an indication of market trends, some of the more active national multiple businesses at the moment are highlighted below (UK numbers for 2022 or 2023 are shown where these are available):

- **Expanding:** Domino's (30 delivery, plus restaurants); Lidl (50 in 2022); ALDI (100 over 2 years); Bob & Berts (6 in Scotland for 2023); Footasylum; ASDA Express (300 sought end 2026); B&M; Starbucks; Quiz; Superdrug; Poundland (50); Monsoon; Mango; Primark; Dune; Flannels; WH Smith; and in Scotland Greens Retail and Jollyes are actively expanding. Outside of town centre in the DIY sector B&Q, Wickes and Screwfix are seeking further sites, as is home furnisher IKEA.

- **Closures:** Prezzo; pubs and bars generally (512 lost across the UK in 2022); banks Lloyds (including Halifax and Bank of Scotland), Barclays and NatWest; Argos (while opening further concessions in Sainsbury's); Iceland; M&Co; Paperchase; New Look (specific stores); McColls; Marks and Spencer (specific stores).

5.6.5 These examples suggest that both expansions and closures are evident across the retail and leisure sub-sectors. Perhaps the only notable downward trend is the continuing loss of financial services as online becomes the dominant mode.

5.6.6 It could perhaps be postulated at this time that the largest losses of comparison goods floorspace have already happened. In Dundee this included the losses of BHS, Debenhams, Arcadia brands (Burtons et al) and the projected loss of M&S from Murraygate

(although that is a relocation into the Gallagher Retail Park). As discussed above, further incursion by online shopping may continue but may be less obvious in terms of large losses of brands and floorspace.

5.7 Market concentration

5.7.1 Over the ultra-long term – four or five decades – the UK’s multiple retailers have concentrated into the largest centres. This happened as increasing affluent and mobile shoppers sought a wider choice of goods and services which could only be provided at increasingly larger destinations.

5.7.2 In the 2020s, that much wider offer is provided only in apex centres, such as Dundee, and in destination malls and retail parks, while formerly regionally important town centres have seen a long- term decline in their portfolio of multiples retailers and market performance – for example Kirkcaldy, Ayr and Greenock. While the acceleration of online shopping and loss of major brands has affected all locations, market trends and potential still favour larger shopping and leisure destinations over traditional towns.

5.7.3 The only recent, major new development in Scotland is Edinburgh’s 1.7 million sq.ft. St James Quarter which has attracted a leading range of brands and, notably, is 50% retail floorspace with the balance being mainly leisure uses such as restaurants, a cinema, hotel and recreation. That aside, the recent retail development cycle has tended to skew town and city centres and instead has targeted neighbourhood parades with a standard line-up of food, discount retailers and coffee (eg. Costa) / hot food (eg. Greggs).

5.7.4 One emerging consequence of market concentration, and also online shopping is the need to repurpose shopping malls which were built typically in the 1970s-1990s - when they could enjoy a full complement of department, variety and comparison shops all undercover alongside a food court.

5.7.5 As noted above these now have the highest vacancy rates of any market sector. Proposals to replace Glasgow’s Buchanan Galleries (built 1999) with a street grid signal widespread de-malling and replacement with the optimum units for retail and leisure operators alongside mixed-use development. In Dundee the current consideration of the Keiller Centre and future options for the Wellgate Centre alongside retention of the prime Overgate Centre are market responses to this trend.

5.8 Convenience shopping

5.8.1 The relentless expansion of the UK’s superstores ended almost a decade ago. A further phase of expansion into urban ‘metro’ stores which then took hold has also abated (although, as noted above under expansions, ASDA is now active again in this sector). Some city centre convenience stores which were particularly reliant on office workers have struggled to recover from the shift to hybrid working brought on by the pandemic. In Dundee city centre, Farmfoods on Cowgate has closed.

5.8.2 Grocery-led shopping does however remain a leading part of the market. The major trends in recent years have been the growth of new-build neighbourhood centres as noted above, including in areas of urban regeneration and expansion, and the growth of discounters Aldi and Lidl to take 20% of all UK convenience shopping expenditure driven by continual new store openings and recently aided by the current cost-of-living crisis affecting

consumers. Aldi and Lidl both aim to have over 1,000 stores each by 2024. Aldi's share of the grocery market has overtaken Morrisons.

5.8.3 While these convenience retailers are actively investing in many urban areas, they do tend to prioritise visibility and accessibility at sites with a walk-in catchment and car parking, rather than necessarily preferring town or city centres.

5.9 Leisure uses and diversification

5.9.1 Leisure uses can bring additional expenditure and extend customer dwell-time in shopping locations. In recent years they have also been more active in filling vacant units than retailers have been. Restaurants, bars and cafes often fit well within shop units, and have been increasingly seen in planning policy as interchangeable with shops for many locations (see Section 3 for current Dundee policies and Section 2 references to a national consultation on a single town centre use class).

5.9.2 Larger uses that do not fit into standard shops units such as hotels, cinemas and health clubs may be purpose-built or adapted existing buildings, although of those only the hotels sector is notably active in Dundee City Centre having attracted Malmaison, Sleeperz (new build) and Hotel Indigo.

5.9.3 The food & beverage market is fragile following some over-expansion by casual dining chains, the business costs of pandemic restrictions, and now the cost-of-living crisis adversely affecting customer expenditure.

5.9.4 As noted above, retail services such as banks, building societies, estate agents and travel agents are now much less evident in town and cities centres and in shopping malls as these services have moved online (although post-pandemic and Brexit, it seems that travel agencies have been a little more active again encouraged by resurrected interest in advice rather than just sales).

5.9.5 On the other hand, personal services which cannot easily be delivered over the internet such as beauty and healthcare continue to be prominent on shopping pitches, particularly in town and neighbourhood centres where flexible terms, affordable rents and a local catchment may be available.

5.9.6 The scale of vacancy within some buildings, streets and centres in many towns and cities is now at a level where diversification into other sectors within city centres beyond leisure is emerging. This includes a range of residential types and tenures, recreation and community uses.

5.9.7 Dundee's City Centre Strategic Investment Plan 2050 anticipates these trends in seeking to double the City Centre population and bring an additional 3,000 jobs (some of which are underway at SSSA and BT sites in the City Centre) over the long term, investments which in turn are expected to boost the city centre retail and leisure sectors.

6 Trends in retailing in Dundee

6.1 Introduction

6.1.1 This section is a review of the retail market trends in Dundee. It is followed by section 7, giving a qualitative assessment of the City Centre, District Centres and Commercial Centres individually.

6.2 City Centre retail

6.2.1 The core retail pitch extends from the Overgate Centre in the west, along the High Street and Murraygate and adjacent streets, to the Wellgate Centre in the east. The retail frontages are shown in Figure 4.1. The Central Waterfront area is also shown in Figure 4.1, containing the V&A including other leisure and speciality retailing in the area supported in the LDP.

6.2.2 The two storey **Overgate Centre** has over 42,000 sq m gross of floorspace, of which over 33,000 sq m is occupied by retail floorspace, as shown in Table 6.1. It has two multi-storey car parks. Vacant floorspace accounts for 17% of the total and there are now no plans to extend the centre.

6.2.3 Retailers here are *Primark, H&M, Argos, Boots, Sports Direct, Superdrug, New Look, River Island, Next and many more.*

6.2.4 The three storey **Wellgate Centre** has over 28,000 sq m gross of floorspace, of which 30% is occupied by retail floorspace, as shown in Table 6.1. Vacant floorspace amounts to 35% of the total and the future of the centre is uncertain. Opportunities for redeveloping the centre, or part of it for leisure associated uses are noted in the City Centre Strategic Investment Plan but will depend on the owners.

6.2.5 Retailers here include *B&M Bargains, Poundland, Superdrug, Pavers, British Heart Foundation, Scrapantics and Home Bargains, Iceland* and more. The retail offer is mainly in the budget sector, quite unlike the Overgate. There is also a JD Gym, which will bring added footfall.

6.2.6 The pedestrianised High Street and Murraygate link the two covered shopping malls. Retailers include Marks & Spencer, Boots, Waterstones, Deichmann, Clarks, Bonmarche, WH Smith and many more, including a number of charity shops.

6.2.7 **The Keiller Centre** (c 3,400 sqm in total) was once a busy centre with independent stores and small businesses. A handful of shops still trade and current occupiers include a newsagent, mobile phone/ pc repairs, shoe repair, hairdresser, gift shop, florist, fashion store and charity shop. But many businesses have closed. A new management team have been appointed recently and have secured The Federation art gallery, along with a new tenant, Cake or Dice, who will operate a games café. See also section 7. Nevertheless, the building is low quality, poor format and in our view, unlikely to be capable of accommodating significant retailing in the longer term without redevelopment.

6.2.8 Experian recorded the whole of the Keiller Centre as convenience floorspace which is incorrect. However, they did correctly identify it as a market trading area. It has extensive corridors and booth-like trading units. Most of the units are shuttered down and probably vacant or used for storage. It remains unclear what the total comprises behind the

shutters, and the corridors will probably account for a considerable proportion of the total floorspace. For these reasons, we have not included the Keiller Centre in the floorspace in Table 6.3 but suffice to mention here.

6.2.9 **City Quay** is located at the former Victoria Quay on the waterfront at Camperdown Street close to the City Centre. The complex is mainly occupied by offices, with a few restaurants, a couple of shops, dental surgeries and a gym. It lies adjacent to the Apex City Quay Hotel.

Table 6.1
Overgate and Wellgate Shopping Centres- floorspace 2023

	Overgate Shopping Centre		Wellgate Shopping Centre	
	Floorspace sq m gross	%	Floorspace sq m gross	%
Convenience	540	1%	710	3%
Comparison	32,460	76%	7,520	27%
Non-retail services	2,350	6%	10,080	36%
Vacant	7,170	17%	9,830	35%
	42,520	100%	28,140	100%

Source: Experian Goad survey, May 2022

6.2.10 Further important information on retail trends and investment in the City Centre is provided in section 7 from our consultations.

6.3 District Centres retail

6.3.1 The five District Centres contain a mix of shops and services which primarily serve their local suburban catchment areas. Detail on the range of retail and service occupiers is given in section 7

6.4 Commercial Centres

6.4.1 **Kingsway West Retail Park** lies to the north of the City on the ring road. It contains 24 units and the list of comparison retailers is shown in Table 9.4. Occupancy is high and the vacant former Toys R Us unit will be converted as a bowling and leisure centre, including escape rooms and pool tables. Kingsway Tesco Extra is adjacent to the park.

6.4.2 **Kingsway East Retail Park** lies at the eastern end of the city and the list of retailers include ASDA and the 8 comparison retail warehouse operators shown in Table 9.4. The occupancy rate is high (full at the last survey in 2022).

6.4.3 **Gallagher Retail Park** is located on the eastern edge of the City Centre. This retail park is designed to complement the City Centre retail offer, so it is subject restrictions on the range of goods that can be sold which exclude bulky goods.

6.4.4 There are four comparison retail operators with an emphasis on clothing sales (see Table 9.4). M&S have a food unit in the Park. There are proposals by M&S to occupy the two vacant units and reconfigure their representation- see section 8.

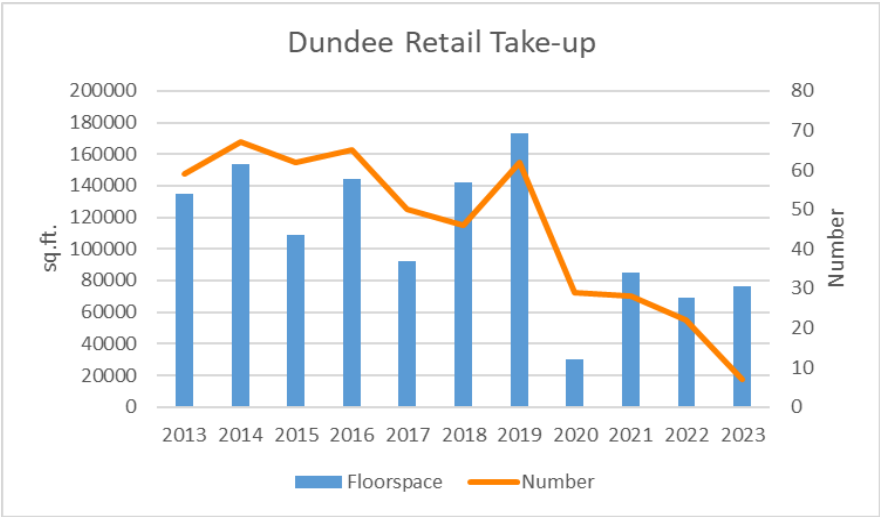
6.4.5 **The Stack Leisure and Retail Park** at Lochee contains a mix of retail and leisure uses. Retailers include *The Range, Aldi and Home Bargains*- see Table 9.4. A drive-thru Greggs is due to open here.

6.5 Dundee supermarkets

6.5.1 The supermarkets throughout Dundee are listed in Table 8.3, showing their location size and turnover. The ‘big four’ operators (*ASDA/ Tesco/ Morrisons and Sainsbury’s*) are present in Dundee, plus M&S Simply Food. There are four Tesco Express stores in the City Centre alone. There are numerous Tesco Extra stores. The discount foodstore operators Aldi and Lidl are well represented in Dundee.

6.6 Dundee retail market activity

6.6.1 The reported annual take-up (lettings and sales for owner occupation) of retail units in Dundee is shown in the graph below. This shows a full 10-years from January 2013, and then the first 4 months of 2023. Total floorspace taken-up is shown on the left axis and totals 1.2 million sq.ft. (112,500 sq.m.) from 2013. The right axis shows the number of units taken-up each year, this totals 497 retail units. The average annual take-up is 113,375 sq.ft. (10,530 sq.m.) in 49 retail units.



Sources Ryden/ CoStar

6.6.2 It can be clearly seen in the chart that the majority of take-up was pre-2020, with 2019 showing the highest take-up of floorspace, and 2014 showing the highest by number of retail units. Floorspace take-up picked up in 2021, and the figure for the first 4-months of 2023 includes the letting of units at Gallagher Retail Park to Marks & Spencer.

6.7 Current retailer demand to locate in Dundee

6.7.1 Table 6.2 shows the current retailer and non-retail service requirements to locate in Dundee by type of business, unit size and location within Dundee. Only 4 of the requirements are by retailers, of which three are convenience stores/ supermarkets, with one a charity. The majority of the demand relates to non-retail services and indeed trades/ DIY.

Table 6.2			
Current retailer and non- retail service requirements to locate in Dundee			
Retail type	Location	Size from (sq.m.)	Size to (sq.m.)
RETAIL			
Discount supermarket	City centre (relocation)	1,670	2,450
Convenience store	Busy areas, close to transport hubs, district centres, schools, hospitals, universities		464
Convenience store	Small parades with high local population level, new build schemes such as Housing Association, good roadside presence	140	325
Charity	Highly visible from main arterial roads, on site parking	325	
NON-RETAIL SERVICES			
Pizza delivery	High street or secondary parade	60	
Sandwich restaurant	In town high traffic locations, Drive thru arterial routes	27	250
Independent pub company	High street, conversions	200	
Cinema operator	High street, character buildings, secondary city catchments, mixed-use commercial & residential schemes, shopping centre extensions	740	1,390
Vehicle repair shop	Roadside or estate	464	929
Flooring	On or within close proximity of busy retail and trade parks.	280	510
Tile specialist	Trading estates, car showrooms, trade/ retail parks	230	740
Kitchens	Main road frontage/high visibility on primary roads or retail parks	740	1,390

6.7.2 While there may be market interest in specific vacant units, there are no listed requirements from typical High Street retailers such as clothing and footwear. A recent requirement by Menkind has not been included as this has been fulfilled with the re-opening of a store in the Overgate Centre in November 2019. These 12 requirements total 5,340 – 9,033 sq.m. (57,480 – 97,200 sq.ft.). Some are for a city centre location, while some seek neighbourhood locations and others out of town retail / trade park locations.

6.7.3 Recent store openings in the City Centre include restaurant Taco Bell; convenience stores Tesco Express on both Murraygate and within the railway station, alongside independents Discovery Beers, Mantuary (barber), KeepSakes (gifts) opening stores.

6.7.4 Recent closures include Farmfoods, Tesco Metro, Paperchase, Manifesto, Wilkies, Game, Patisserie Valerie and financial services outlets HSBC and Natwest.

6.8 Retail Rents and commercial yields

6.8.1 The Ryden retail rent index measures Zone A retail rents in Scotland's top twenty shopping destinations. Based on this index, Dundee is in 7th equal place in Scotland in terms of prime retail rental values. Prime rents in Dundee City Centre are around £100 per sq.ft. Zone A and this has remained unchanged since 2011, which does however indicate decline against retail price inflation.

6.8.2 Retail rents within most cities' prime retail areas are slowly crystallising, although downward pressure still exists and it may take some time for the market to reach the pre-pandemic levels. Estimating prime city centre retail rents is challenging in this changing market context. Market evidence exists but new transactions are sporadic and often case-by-case rather than defining the town, city or mall tone.

6.8.3 Prime Zone A rents have reduced in Glasgow, Edinburgh and Aberdeen City Centres, to £240 per sq.ft. Zone A, £220 per sq.ft. Zone A and £100 per sq.ft. Zone A respectively. In the smaller cities of Stirling, Inverness and Perth, £115 per sq.ft. Zone A, £80 per sq.ft. Zone A, and £75 per sq.ft. Zone A are reported respectively.

6.8.4 While lower rents adversely affect landlord income and the viability of investment, they do reduce occupational costs for businesses both directly and subsequently via reduced non-domestic rates. The greater cost concern in 2023 for many operators is the impact of increased energy costs.

6.8.5 Investor demand for occupied units provides a good indication of market expectations for security of rental income and future growth. In Dundee investor yields are estimated at 7.5% to 8%.

6.8.6 Recent investment transactions in the City Centre include the sale of the Overgate Centre to the Frasers Group; 1-3 Murraygate to Valen Veil for £1.05 million (units are let to Body Shop and Costa Coffee), Marks & Spencer's on Murraygate sold as part of a wider portfolio to Glasshouse Asset Management; and Shoe Zone unit at 66 High Street sold at Auction for £299,000 (13.6%).

6.9 City Centre and District Centres: floorspace trends

6.9.1 Table 6.3 shows the retail and non-retail floorspace and vacant floorspace in the City Centre and in the District Centres and elsewhere. It shows the changes recorded from 2014 to 2023. The data for 2014 derives from the Dundee Retail Study 2015.

6.9.2 Data for the City Centre in 2023 is based on the latest Experian Goad survey data for 2022. Note that we have not included the Keiller Centre floorspace in Table 6.3 for the reasons explained in paragraphs 6.27 and 6.2.8. Information on the District Centres is based on previous Council surveys, including some of their updates in the *District Centres Position Paper 2019*. We have undertaken detailed desk-based updates for unit occupancy in the District Centres in 2023 for this review, referencing the latest Valuation Roll data from the Assessor. While the precision of street surveys cannot be achieved, we have recorded a lot of changes.

6.9.3 **City Centre-** the level of comparison retail floorspace has declined significantly since 2014, but with little change in convenience retail floorspace. The table reveals that the Council based survey in 2014 greatly understated the level of non-retail floorspace compared to the recent Experian survey. So, the difference is not really a trend.

6.9.4 The graph in Figure 6.1 shows that comparison retail floorspace accounts for 28% of the City Centre floorspace, which is consistent with its role as a regional shopping centre. There is a relatively small convenience retail presence (5% of the total). The amount of vacant floorspace has risen substantially since 2014 and stands at 17% of the total in 2023.

6.9.5 Non-retail floorspace accounts for 51% of the total which demonstrates the great significance of these activities to the role and function of the City Centre and is supportive of the outlook in the Council's draft Consultative City Centre Strategic Investment Plan.

6.9.6 Table 6.4 provides a breakdown of the non-retail floorspace into nine groups, based on classification by Experian. It reveals that 44% of the non-retail floorspace in the City Centre relates to the 'hospitality' sector, comprising restaurants, cafés, pubs and take-aways (Leisure Services). The strong representation in this sector is essential to complement the retail offer. Financial/ Business Services combined with General Offices comprises 23% of the total. This also reflects the City Centre's size and regional role.

6.9.7 **District Centres-** Table 6.3 compares the levels of retail, non-retail and vacant floorspace in 2023 with the levels in 2014. The current distribution of proportions by type of floorspace is illustrated by the graphs in Figure 6.1.

6.9.8 Table 6.3 reveals that, in the District Centres combined, the level of comparison retail floorspace declined by 56% since 2014. Much of the change is accounted-for by reclassification of large units from Lochee District Centre to The Stack, and by loss of the large former Market Traders unit to fire in the Hilltown District Centre. Comparison floorspace has also reduced considerably in Broughty Ferry. There was a small increase in comparison retail floorspace in the Perth Road District Centre, bucking the trend.

6.9.9 Table 6.3 shows an overall small decline of 7% in convenience retail floorspace in the District Centres since 2014. Most of the reductions related to the Perth Road District Centre (closure of its main foodstore) and to Lochee. Convenience floorspace increased at Hilltown.

6.9.10 There was minimal overall change in non-retail floorspace among the District Centres over the period (Table 6.3) Figure 6.1 shows how non-retail floorspace predominates in the District Centres, with little change in the levels since 2014.

6.9.11 Vacant floorspace has almost doubled overall in the District Centres from 2014, which indicates adverse market pressure.

6.9.12 **Corner shops-** the Council has no comprehensive survey information on the current level of retail floorspace among the corner shops in Dundee since the last survey in 2014. This is an information gap. Further reference to corner shops appears in the next section under the 20- neighbourhood principle.

6.9.13 The figures for 2023 in Table 6.3 are simply our estimates. We estimated 20% reduction in convenience corner shop floorspace since 2014, broadly based on trends in the District Centres. In addition, we included adjustments where some units formerly classified as corner shops, are now identified separately.

6.9.14 We estimated a 30% reduction in comparison floorspace since 2014, broadly based on trends in the District Centres, while excluding changes that were not due to trends.

6.9.15 For non-retail floorspace and vacant floorspace among the corner shops, we have applied the 2014 data as we have no evidence.

6.9.16 **Retail warehouses and supermarkets**- as shown in Table 6.3, there has been a small decline in retail warehouse floorspace since 2014, and an increase in retail supermarket floorspace with addition of Aldi at The Stack and convenience floorspace in Home Bargains, also at The Stack.

6.10 Significance of the largest changes since 2014 in Table 6.3- summary

- Significant decline in City Centre comparison floorspace- meaning that the shops are less of a draw to the City Centre compared to the past.
- The large increase in non-retail floorspace in the City Centre is mostly the result of under-recording in the past compared to the latest Experian survey.
- Vacant floorspace in the City Centre has increased very substantially, indicating weakening demand.
- Among the District Centres, the steep reduction in comparison floorspace in Hilltown was the consequence of a fire at the former Hilltown Indoor Market. At Lochee, the reduction was the result of reallocation of units formerly in the District Centre to The Stack Leisure and Retail Park. It is not wholly a trend.
- The large increase in vacant floorspace in Broughty Ferry is mostly associated with the closure of M & Co. (a relatively large store). The large increase in the Perth Road Centre is less of a concern because it mainly related to convenience store relocation.

Review of Retailing in Dundee 2023

Table 6.3
Retail and non-retail service floorspace and vacant floorspace in Dundee: trends 2014-2023 (sq m gross)

	Comparison floorspace		% change	Convenience floorspace		% change	Non-retail floorspace		% change	Vacant floorspace		% change
	2014	2023		2014	2023		2014	2023		2014	2023	
Dundee City Centre	77,389	59,130	-24%	9,286	9,963	7%	41,614	107,340	158%	23,395	34,950	49%
District Centres (total)	26,056	11,517	-56%	11,254	10,426	-7%	19,957	20,222	1%	3,236	6,235	93%
Albert Street	1,927	1,441	-25%	2,214	2,074	-6%	2,851	2,711	-5%	434	1,010	133%
Broughty Ferry	8,902	5,819	-35%	3,220	3,131	-3%	5,052	4,979	-1%	101	1,319	1206%
Hilltown	4,777	746	-84%	1,783	2,288	28%	5,800	5,209	-10%	1,053	1,552	47%
*Lochee (2014 included The Range 4,726 sqm)	9,101	2,030	-78%	1,570	1,072	-32%	3,023	3,572	18%	1,576	1,721	9%
Perth Road	1,349	1,481	10%	2,467	1,861	-25%	3,231	3,751	16%	72	633	779%
Corner shops	20,137	14,096	-30%	27,259	17,988	-34%	26,173	26,173		11,084	11,084	
Retail warehouses	66,796	64,136	-4%				6,082	6,050	-1%	5,291	7,900	49%
Supermarkets	18,949	21,142	12%	51,074	53,253	4%						
Dundee total	209,327	170,021	-19%	98,873	91,630	-7%	93,826	159,785	70%	43,006	60,169	40%

Note

Source for 2014: Dundee City Council Retail Booklet 2014- floorspace based on Council surveys

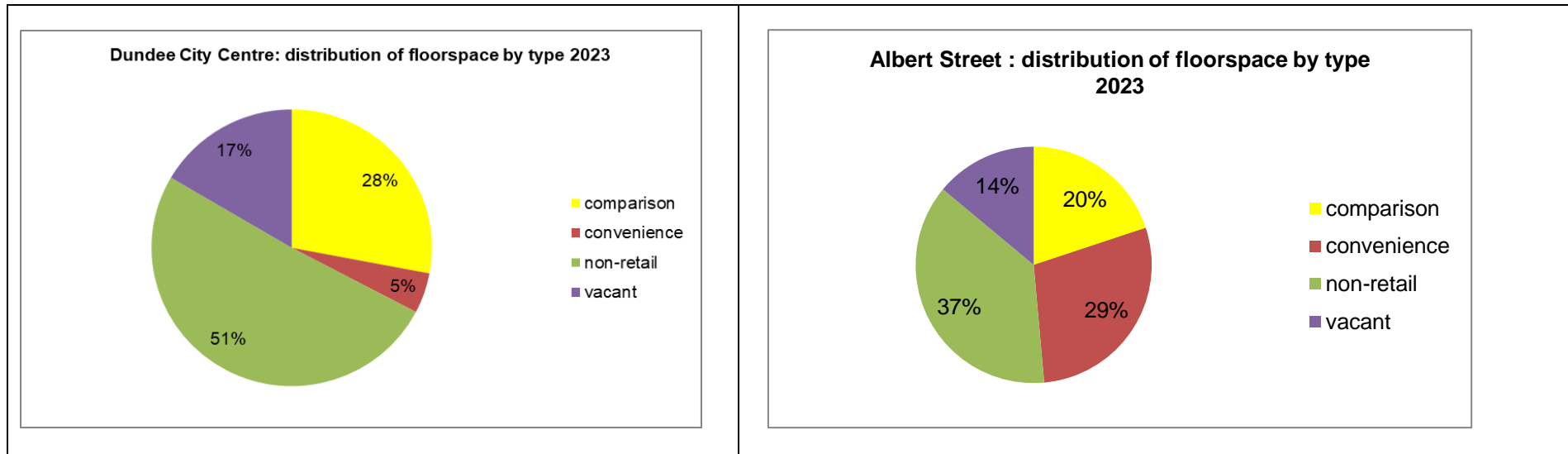
Source for 2023 floorspace data : Experian Goad for the City Centre and retail parks. Dundee City Council surveys updated by us to 2023 from Vall Roll for the District Centres

The split of convenience and comparison floorspace in supermarkets takes account of the proportions in each store, as in Tables 8.3 and 9.3 for 2023

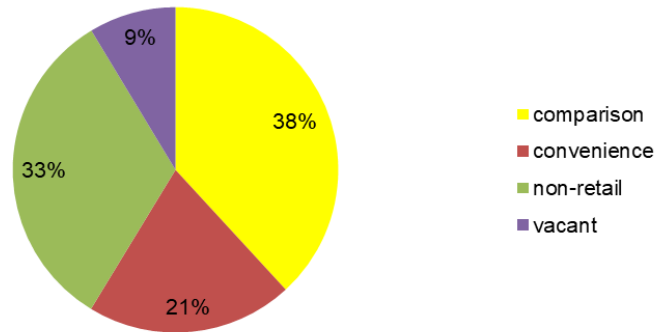
The *retail warehouses and supermarkets* categories refer to out of centre retail developments, including the retail parks

There is no survey data for the Corner shops in 2023, so the 2014 data has been re-applied in the meantime.

Figure 6.1 Distribution of floorspace by type in the town centres



Broughty Ferry : distribution of floorspace by type 2023



Hilltown: distribution of floorspace by type 2023

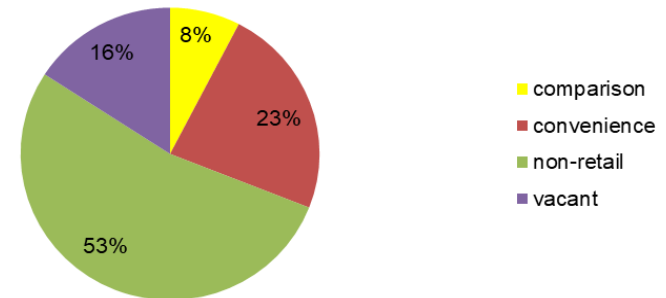


Figure 6.1 cont. Distribution of floorspace by type in the town centres

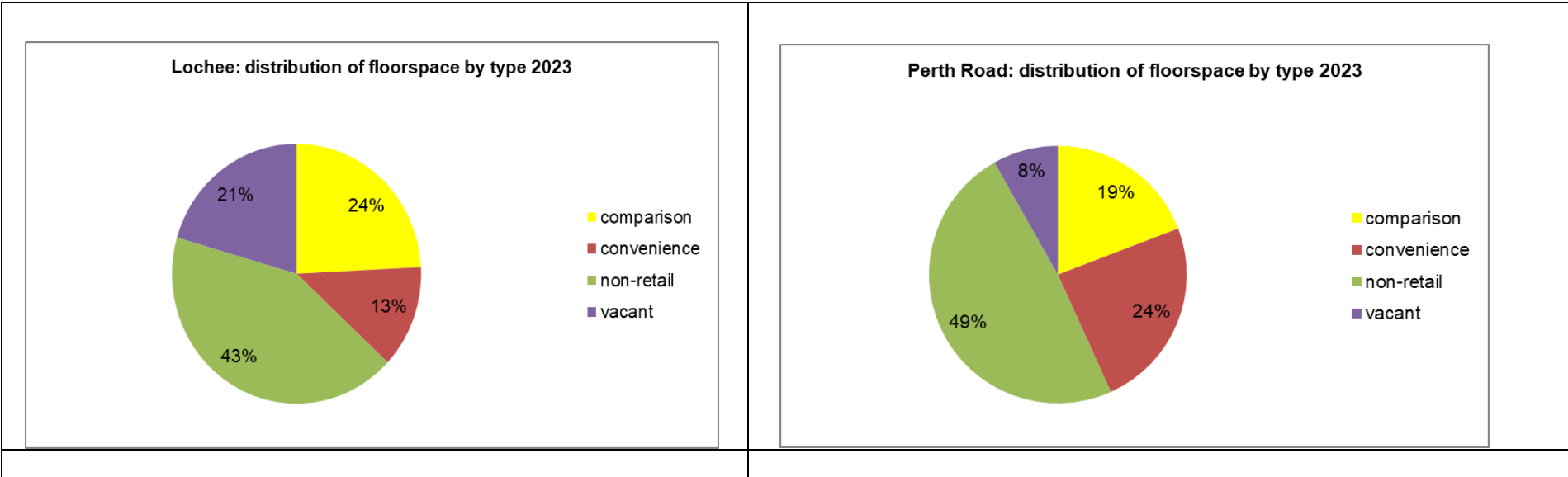


Table 6.4 City Centre non-retail service floorspace- breakdown by type 2023			
Type		Floorspace (sq.m)	%
1	Financial & Business Services	11,070	10%
2	General offices	13,700	13%
3	Health & Medical Services	1,530	1%
4	Industry	3,060	3%
5	Leisure Services (cafes, restaurants, bars etc)	47,470	44%
6	Public services (Council offices, museums, advice centres etc)	15,300	14%
7	Religious services	5,610	5%
8	Retail Services (hairdressers beauty etc)	6,510	6%
9	Unclassified	3,090	3%
	Total	107,340	100%
Source: Experian Goad Survey 2022			

6.11 Vacancy rates

6.11.1 Research by the Scottish Retail Consortium and The Local Data Company indicates that the average shop vacancy rates in Scotland was 15.7% at the end of 2022. It is among the highest vacancy rates in the UK. The volume of empty units is especially high in shopping centres at 20.5%. The GB average was 13.8% at that time and 18.8% in shopping centres (British Retail Consortium).

6.11.2 The Local Data Company report that, in contrast, retail parks continue to outperform other locations. It is perhaps a consequence of a change in shopping habits from the pandemic period, where shoppers prefer the drive-to locations and larger unit formats.

6.11.3 The trends in vacant floorspace in Dundee indicate rising levels among the centres, as summarised in Table 6.3. Considerable variations exist among the centres.

6.11.4 Table 6.5 shows the vacancy rates in Dundee. The City Centre vacancy rate is higher than the Scottish average. The vacancy rate of 35% in the Wellgate Shopping Centre contributes to the high City Centre average.

Table 6.5 Vacancy rates in Dundee, based on floorspace 2023			
	Vacant floorspace sq m gross	Total floorspace (conv. comp, non-retail, vacant) sq m gross	Vacancy rate %
Dundee City Centre	34,950	211,383	17%
District Centres (total)	6,235	56,808	11%
Albert Street	1,010	15,588	6%
Broughty Ferry	1,319	15,248	9%
Hilltown	1,552	9,795	16%
Lochee	1,721	9,240	19%
Perth Road	633	6,937	9%
Corner shops	11,084	53,214	21%
Retail warehouses	7,900	78,086	10%
Dundee total	60,169	438,621	14%

Source- derived from Table 6.3

6.12 Clustering of non-retail uses and ‘wellbeing of communities.

6.12.1 Reference to this subject is made in section 3. We interpret that it is probably most relevant to non-retail uses in the District Centres, where the catchment areas could be termed ‘local communities’ within Dundee.

6.12.2 While the proportion of non-retail floorspace is high in some of the District Centres, that by itself is not necessarily a problem because it reflects the commercial market at that level. Our detailed assessment of the unit occupiers in all five District Centres in Dundee reveals a fair variety on non-retail uses.

6.12.3 The most common occupiers are cafes and restaurants, take-aways, hairdressers, beauty salons, and to a *much lesser* extent, pubs, opticians, travel agents, banks and letting agents for example.

6.12.4 As NPF4 refers to ‘wellbeing’, we interpret that it could include encouraging healthier eating among the public. It hopes to discourage too many take-away establishments and fast-food restaurants selling calorific and sugary food. Where they exist as clusters, the attraction is likely to become stronger, including becoming magnets for children. It may also include gambling establishments, where there has been a lot of adverse publicity recently in the Press.

District Centre	Take-aways	Betting shops
Albert Street	6	1
Broughty Ferry	7	1
Hilltown	13	2
Lochee	5	3
Perth Road	6	0

6.12.5 The above table indicates that around six take-aways is most common in the District Centres, except for Hilltown with 13. So, Hilltown could be a target if the Council is minded to discourage more take-aways. There are not a lot of betting shops represented, except in Lochee with 3.

6.12.6 Although take-aways are a sui generis use, attempts to limit the numbers could prove difficult. If they are refused in the District Centres, they may spring up elsewhere in the suburbs, such as in corner shops within residential areas. They are also generating customer draw in supporting District Centres.

6.13 Drive-thus in Dundee

6.13.1 The majority of existing drive-thrus in Dundee are at established locations such as superstores or commercial centres which already attract customer expenditure and private car traffic. The pipeline of further drive thru is at a mix of existing locations and stand-alone next to main roads.

6.13.2 National planning policy now directs the development plan to identify areas for drive-thrus that will not impact adversely on the principles of local living and sustainable travel. Glasgow for example - which has a reported 39 drive-thrus, suggesting a lower per capita number than is emerging in Dundee - has issued planning guidance to direct any future development to appropriate locations.

Dundee has limited unconsented proposals in the pipeline at the moment (see Appendix 2), but in line with NPF4 should now seek to identify the types of location appropriate for any additional drive-thru facilities. The city has 10 drive-thrus located at locations, and on retail parks, around the Kingsway. All are operated by chains: Starbucks, KFC, McDonald’s, Burger King and Tim Hortons. A further two are located near the city boundary on the A92 at Monifieth. These are listed in Appendix 10, together with a map showing the locations.

6.13.3 Five drive-thrus are proposed for the city, one around the Kingsway, one on a retail park and the other three in a more central location. Three of these are for chain operators, while two are for local businesses (see Appendix 10).

6.13.4 As illustrated on the map, the distribution of drive-thrus forms a ring around the city, so there is no obvious gap in provision geographically. They are mostly on retail parks

and on other out of centre sites, so will compete to some extent with fast food restaurants in the City Centre and District Centres. We don't think the impact could be meaningfully quantified in practice. Therefore, the Council may wish to consider not allocating additional sites for drive-thrus in the next LDP as a matter of prudence.

7 Qualitative assessment of the shopping centres in Dundee

7.1 Introduction

7.1.1 This section contains short qualitative appraisals of the City Centre, the District Centres and Commercial Centres and the range of out of centre supermarkets and superstores. The primary focus is on retailing, so the assessments do not cover all the *Six Qualities of Successful Places* in Annex D to NPF4 and limit the analysis to retailing.

7.1.2 Unlike the 2015 Dundee Retail Study, there is no recent household survey to inform this review in terms of customer perceptions and use of the centres.

7.2 City Centre assessment- consultations

7.2.1 Selected consultations were undertaken with experts active in Dundee City Centre to inform this study. For the avoidance of doubt, no consultations were undertaken for town or commercial centres.

7.2.2 The general view among consultees is that the market is returning following a difficult couple of years. Footfall is recovering although working from home is having a negative impact, and there are 'green shoots' of retailer interest. The City Centre has a large and regular shopper catchment mainly in Dundee and Perth while as a destination centre it also attracts less regular visits from Fife, Angus and Aberdeenshire.

7.2.3 The City Centre is attracting new food & beverage as well as smaller, independent outlets, however, there remain some long-term vacancies. There is reported interest in some of the more notable vacant premises including on Murraygate and it is recognised that the future of the east end of the City Centre lies in diversification, as mooted in the emerging Strategic Investment Plan. Some street furniture improvements have recently been introduced as well as initiatives such as Think Thursday.

7.2.4 The purchase of the Overgate Centre by Frasers Group is seen as a positive investment which may also bring associated brands to that centre. The Keiller Centre is currently appraising a retrofit of the centre to attract complementary maker uses to the city centre including food & beverage and craft retailing.

7.2.5 Reflecting the comparatively young age profile and diversity of the City Centre (due in part to the student population), there is interest in creating a boxpark project offering street food, bars and events. On the flip side of this, it was also suggested though, that the decline of some brands and stores reflects an inevitable generational change for the City Centre.

7.2.6 Beyond these current interests it was suggested that it would be good to attract a cinema to the City Centre as well as further restaurants. Across all sectors, it is reported that the City Centre attracts around one new investment enquiry per week on average.

7.2.7 More widely, the creation of the V&A, a wide range of programmed sports, cultural and business events, the forthcoming Eden Project, office investments by SSSA and BT, potential for an e-sports arena and completion of the remaining Waterfront sites augur well for the City Centre and for retail and leisure activity. Increased city centre living will also be positive in creating investment, activity and footfall but that is seen as a steady, longer-term project rather than an early fix.

7.3 Retailer representation

7.3.1 The multiple retailer representation is 48% (96 out of 200 convenience and comparison retailers), based on the latest Experian survey data. This is a high proportion, which reflects the City Centre's role as a regional centre. However, the proportion has declined since the 2015 Study, when it was 60%.

7.4 City Centre retail rents and commercial yields

7.4.1 See section 6.

7.5 Vacancy rates

7.5.1 At 17%, the vacancy rate in the City Centre is higher than the Scottish average, as addressed in section 6. The level of vacant units indicates a mismatch in supply of suitable units and demand. It would be desirable to reduce the proportion of vacant units. This could be achieved by the projects in the Strategic Investment Plan.

7.6 Major investments in the City Centre

7.6.1 Dundee has witnessed major investment in recent years, particularly around the Waterfront regeneration project and wider city centre. Residential, office, leisure and visitor accommodation have been provided and further projects are planned.

7.6.2 The V&A Dundee Design Museum opened on the Waterfront in 2018, the building was designed by Kengo Kuma and totals c. 90,000 sq.ft. Also on the Waterfront the 60,000 sq.ft. Grade A office at Site 6 / Earl Grey Building was completed in 2021. It is leased to Social Security Scotland and has been re-named Agnes Husband House.

7.6.3 A new building adjacent to Agnes Husband House by Robertson Construction received planning approval in December 2022. This will comprise Grade A office space and two retail units on the ground floor.

7.6.4 The re-developed Dundee train station opened in summer 2019. The five storey curved building incorporates a 120-bedroom Sleeperz Hotel on the upper floors. A Tesco Express opened at the entrance to the station in October 2022.

7.6.5 Dundee Transport Museum was granted planning permission in April 2023 to convert the Grade B-listed Maryfield Tram Depot into its permanent home.

7.6.6 BT's new headquarters at West Marketgait is under construction. The c. 75,000 sq.ft. will provide high quality offices with retail units on the ground floor, with an additional residential building.

7.6.7 Plans to develop the Eden Project Dundee on the former gasworks on East Dock Street are progressing. Work on the restoration of Custom House on Dock Street has begun. The building will be converted into 20 flats, with an additional 29 flats in two new buildings.

7.6.8 The site of a former Jumpin Jaks nightclub on South Ward Road is to be developed into a seven storey 242-bedroom student accommodation.

7.7 Diversity of uses in the City Centre

7.7.1 There is a wide variety including retail and commercial uses, public services, community uses, arts, leisure, halls, museums, conference facilities, tourism and residential. Dundee is also a University town. The City has a good range of cultural and social events.

7.7.2 The quality of the built environment is generally good and will receive a substantial boost as the projects in the Strategic Investment Plan progress.

7.8 Connectivity

7.8.1 Dundee is a gateway between Central Scotland and the North- East, located on the A90 linking Perth and Aberdeen and A92 linking with Fife. Within Dundee, radial roads leading from the City Centre link with the A92 Ring Road. Dundee has good public transport connections and generally good parking provision, although the Council are probably aware of specific issues requiring improvement.

7.9 City Centre overview

7.9.1 The retail sector has been in a period of major adjustment to the trends noted above, particularly the steady growth of online shopping which was then accelerated by the pandemic. In 2023 Dundee's retail sector is affected by this structural change but does show signs of a more balanced market than has been possible over the past few years. Moreover, the City Centre is one of Scotland's largest destinations and is thus potentially investible for most relevant brands, and it also attracts a wide range of supporting investment and activity.

7.10 Local living: District Centres and corner shops

7.10.1 Figure 4.2 shows the locations of the five District Centres. Larger scale maps are provided in Appendix 6 of the Dundee LDP, showing the allocated retail frontages in each centre. The District Centres Position Paper 2019 contains summary assessments of each centre. Our review updates the information to 2023. Table 6.3 shows the changes in floorspace since 2014 and Figure 6.1 shows the distribution of floorspace by type in each centre in 2023.

7.10.2 Note that information on commercial yields has not been included for the District Centres because of the limited comprehensive evidence from recent transactions.

7.11 Albert Street

7.11.1 The District Centre is characterised by traditional tenement buildings with mainly small shops on the ground floor, interspersed with residential use. Albert Street has a rather undistinguished quality.

7.11.2 It has a mix of retail and non-retail uses which includes 29% convenience floorspace and 20% comparison floorspace, where the proportion has declined by 25% since 2014. The main foodstore is *Greens of Dundee*, which replaced the Co-op. Other shops are small units, including a butcher, bakers, Premier and others. The proximity of Lidl in Dura Street limits the scope for additional convenience floorspace.

7.11.3 The range of small comparison shops is good, including two chemists (including *Boots*), clothing shops, mixed goods stores, a bike shop and others. Independent traders greatly predominate.

7.11.4 Non-retail services account for 37% of the floorspace and the occupiers are mainly hairdressers, take-aways, restaurants, and beauty salons, with little change in the proportion since 2014.

7.11.5 Vacant floorspace is currently 14% but the amount it has risen considerably since 2014. There are few obvious site opportunities for expansion.

7.11.6 New shops have been opened by Xtreme Tech, Cage Sportswear, Pretty Little Cakes, Perfect You Hairdressing, Keep it Local, Lavish Beauty Salon, Beauty by Louise, Perrie & Quinn and Clean Close. However there have been closures by Goodfellow and Steven, Just Right for Reptiles, Spiritual Emporium and North Pole Post Box. Retail rents are around £9 - £13 per sq.ft.

7.11.7 **Albert Street SWOT** - the District Centre has a mix of retail and non-retail uses which seem well-matched to serve residents. Probably the main potential threat is further possible increases in vacant floorspace through market trends.

7.12 Broughty Ferry

7.12.1 Broughty Ferry is an attractive, busy shopping centre located along Brook Street, including parts of Gray Street. The District Centre is a mix of two/ three storey Victorian parades, interspersed with more modern single storey units.

7.12.2 The mix of occupied floorspace is 21% convenience, 38% comparison and 33% non-retail services. Since 2014, there has been little change in the proportions of convenience and non-retail service floorspace, but a 35% decline in comparison floorspace.

7.12.3 Main retailers include *M&S Simply Food, Boots, Semi Chem and Tesco Express*. Multiple retailer representation is 12% (8 out of 69 convenience and comparison retailers). The number of multiples in Broughty Ferry has declined since 2014.

7.12.4 The vacancy rate is relatively low for Dundee at 9%, but it has increased substantially from 'minimal' in 2014, which indicates a weakening in market demand.

7.12.5 New shops have been opened by Minick of Broughty Ferry butcher, Rosie Fraser Estate Agents, Gadget Hero, Meraki beauty salon, The Mango Tree café, Bowmans Coffee House,

Smith & Sonder, The Authors Den Antiques, Smarty Pants Childrenswear and Select Wallpaper.

7.12.6 Closures include Baynes the Bakers, Rough & Fraser, M & Co, Goodness Me, Treasure Chest, The Wool Shop, Bridal Boutique, Fine Hair Designs, Reavey & Martin, The Place, Debra, Capability Scotland and Shelter charity shops, Redberry Café and TUI. Retail rents here range £10 to £23 per sq.ft., the highest of all district centres.

7.12.7 An important strength of Broughty Ferry is the high quality of the independent retailers. The range, choice and quality of retailing remains good.

7.12.8 **Broughty Ferry SWOT** - the District Centre has a strong mix of quality retailing and non-retail services. However, the comparison sector has weakened since 2014 and could potentially diminish further in the face of increased internet retail spending. There are few site opportunities for expansion.

7.13 Hilltown

7.13.1 Hilltown District Centre extends along Hilltown, Mains Road and Strathmartine Road. It is characterised by traditional tenement buildings with mainly small shops on the ground floor, interspersed with residential use. The quality is undistinguished.

7.13.2 The mix of occupied floorspace is 23% convenience, 8% comparison and 53% non-retail services. Since 2014, there has been steep decline in comparison floorspace, which was largely accounted for the loss of the Hilltown Market Traders unit by fire in 2018. The site will be redeveloped for housing (c 130 units), which may include space for some retail units.



7.13.3 There has been a considerable increase in convenience floorspace and a decline in non-retail service floorspace since 2014. The food shops are small units, including *Tesco Express*, *Greggs Premier*, *Best One* and others. There is a larger unit- *Family Shopper*. The comparison offer is small, but includes *Boots*, another chemist and two flower shops. Multiple retailer representation is 25% (5 out of 20 convenience and comparison retailers) which is good, but range is limited.

7.13.4 The non-retail services offer is extensive, but not high quality. It includes 13 take-aways, which is twice the average among the other District Centres.

7.13.5 Vacant floorspace is quite high at 16% and the amount it has risen since 2014. Aside from the former Traders site, there are few obvious other site development opportunities.

7.13.6 New shops have been opened by Excellence Hair & Beauty, IFix Gadgets, Front Lounge, Beauty by Bobbi, Tasty Bites, Moonlight Desserts, LNAs Curios and Vent Cleaning Services. Closures include Baltica, Spar, GGs. DEBonaire, Mixdia print shop, Vibe Beauty, Regal Décor, McLeod's Shoe Repair and Vain Lashes & Beauty. Retail rents here range £9 - £14 per sq.ft.

7.13.7 **Hilltown SWOT** – redevelopment of the Market Traders site for extensive housing should help to lift the performance of this rather basic centre.

7.14 Lochee

7.14.1 Lochee District Centre extends along High Street and is bordered to the east by Camperdown Street and St Mary's Lane and also touches the border of The Stack Leisure and Retail Park to the north- east.

7.14.2 It is characterised by a mix of traditional tenement buildings with mainly small shops on the ground floor, together with 1960s/ 1970s style commercial units around the junction with Methven Street.

7.14.3 The mix of occupied floorspace is 13% convenience, 24% comparison and 43% non-retail services. Since 2014, the comparison floorspace in Lochee District Centre has been reduced considerably by the re-designation of The Range to the Stack. The convenience floorspace has reduced too. There has been an increase in non-retail floorspace and a small increase in vacant floorspace.

7.14.4 Main retailers include Farmfoods, *Baynes*, *Boots*, *Poundstretcher*, and *Lloyds Pharmacy*. Multiple retailer representation is good at 25% (5 out of 25 convenience and comparison retailers). However, the overall range and quality of the retail offer is rather low, as is the non-retail offer.

7.14.5 Vacancy floorspace is the highest among the District Centres at 21% of the total. There has been a modest increase in the proportion of vacant floorspace since 2014.

7.14.6 New shops have been opened by Lloyds Pharmacy (relocation), Lochee Turkish Barber, Local Bargains, Lochee Seeds, Dr Juice Dundee, Perfection & Co, Food Plus Dundee and Discovery Dog Grooming. Closures include Lloyds Pharmacy (relocation), Semi-Chem, Smart Kids Dundee, Perfection, The Last Tram, Sootys Bakers and Lloyds TSB. Retail rents here range £6 - £15 per sq.ft.

7.14.7 **Lochee SWOT** – the retail offer is simple but functional, as residents benefit from proximity to retailers at The Stack. Probably the main challenge will be to maintain unit occupancy levels to reduce the risk of further vacant units in the future.

7.15 Perth Road

7.15.1 Perth Road District Centre extends in a linear form. It is characterised by traditional tenement buildings with mainly small shops on the ground floor, interspersed with residential use. The quality of environment is good, but the availability of parking was an issue in the 2015 Study.

7.15.2 The mix of occupied floorspace is 24% convenience, 19% comparison and 49% non-retail services. Since 2014, there has been a decline of 25% in convenience floorspace. The arrival of Sainsbury's has raised the quality though. There has been a small increase in comparison floorspace. The non-retail services floorspace has increased by 16%.

7.15.3 Multiple retailer representation is 15% (4 out of 26 convenience and comparison retailers). These include Sainsbury's, Boots, Spar and Premier. All other units are small and occupied by mostly good quality independent retailers, some with a niche offer. The non-retail sector offers a wide range of restaurants, cafes, hairdressers, and various others, but with relatively few take-aways.

7.15.4 The vacancy rate is relatively low at 8%, but it has increased substantially from 'minimal' in 2014.

7.15.5 New shops have been opened by Sainsburys, Super Snack, Perth Road Laundrette, Kinfolk Barber Shop, CBD Infusions, The Book Attic, Perth Road Mini Market, Maj Masala, FIKA Dundee, Marmaris Kebab House, SookSouk Clothing, Bangkok Thai Takeway, EH9 Espresso, Shax Burger and Mary's Kitchen Tearoom.

7.15.6 Closures include Goodfellow & Stevens, McDermotts Bakery, Art Supplies, Indigo House, This Way Up, The Mango Tree, Diamond Beauty Zone, Flame Tree Café, Sicillia Coffee House, Ladbrokes and Dil'Se. Retail rents here range £9 - £20 per sq.ft.

7.15.7 **Perth Road SWOT** - the District Centre has a strong representation by small specialist retailers, especially in the comparison sector. Probably the main threat in that sector will be trends in internet spending and future investment in retailing in the City Centre. There is also a good range in non-retail services which seems unlikely to come under threat at present.

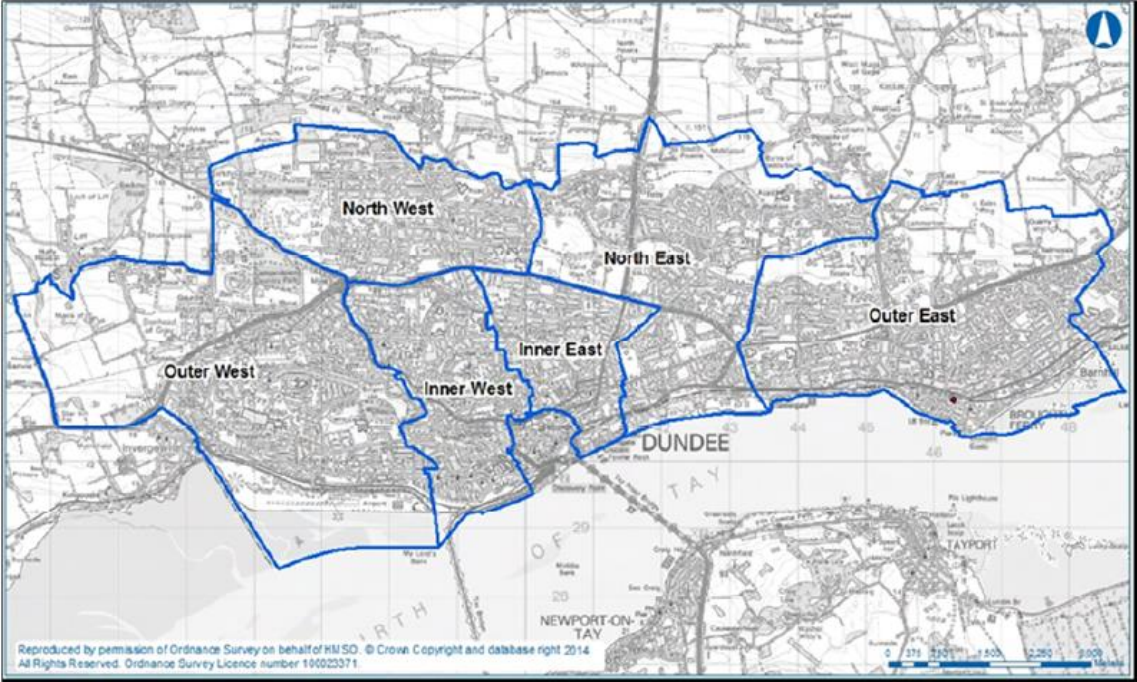
7.16 20-minute Neighbourhood

7.16.1 Under the provisions of NPF4, LDPs must include consideration of 20-minute neighbourhoods within the network of centres, as previously referenced in section 3 of this review.

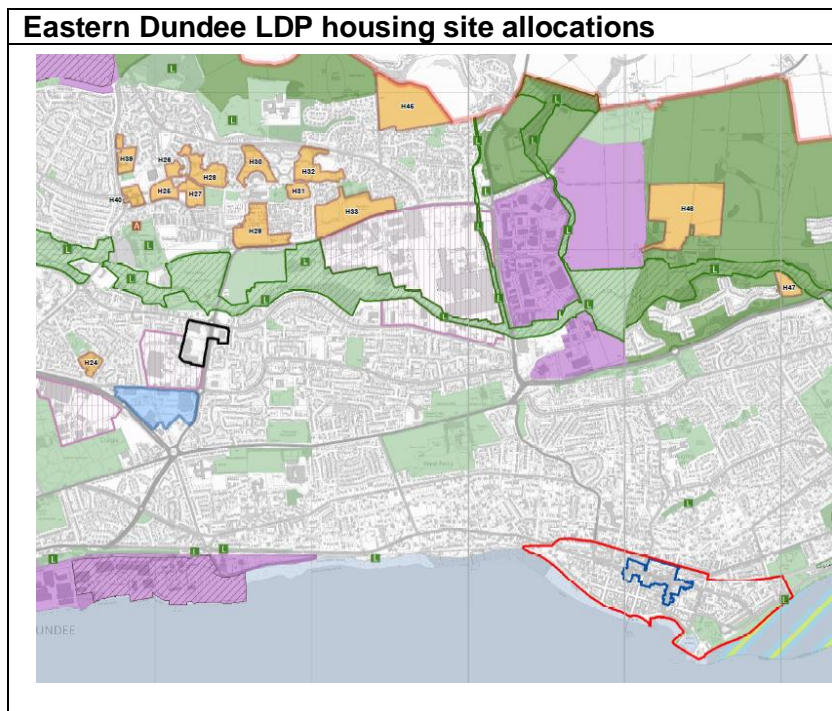
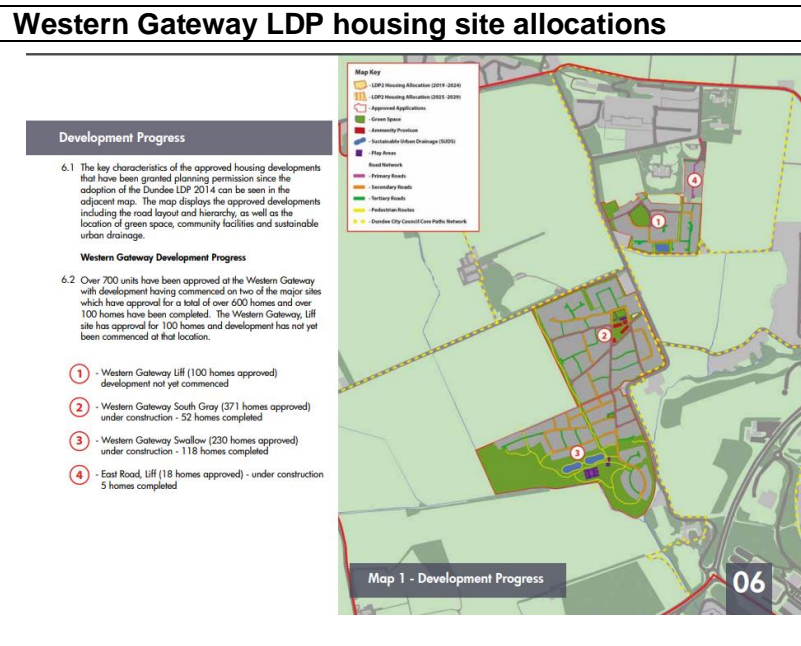
7.16.2 At the time of writing, the Council is assessing 20-minute neighbourhoods in Dundee, mainly in terms of public services with provision for private sector input including local shops yet to be appraised in any detail. The Council’s terminology is *liveable neighbourhoods*.

7.16.3 The definition of neighbourhood shopping areas is vague because it refers to distances covered on foot, on a bike and by bus. For retailing, we consider it helpful to consider the 20-minute catchment mainly in terms of walking from home to the nearest shops. It requires focus on the provision of corner shops in addition to proximity to the City Centre, District Centres and Commercial Centres.

7.16.4 As background, the last survey of corner shops in Dundee appears in the Council’s Retail Booklet 2014. The Council area was divided into six corner shop areas as illustrated on the map extract below (page 7 of the Booklet). The distribution of corner shops by unit and floorspace is also illustrated below, as an extract from page 17 of the Booklet.



Location	Number of Units	Total Floor Space (Sq.m)
Inner West	189	21,313
North West	69	9,133
Outer West	62	6,431
Inner East	195	21,162
North East	116	15,674
Outer East	101	10,940



7.16.5 Not all the floorspace is corner shop provision as it included some larger units. Although the information is very out of date, it usefully indicates that there are a lot of corner shops, although some will have closed since then. Importantly, it shows that outer west and northwest Dundee were the least well served areas.

7.16.6 Bringing matters up to date, consideration of 20-minute neighbourhoods is most relevant to large, new planned residential areas in the current LDP. Prominent in this respect is the Western Gateway expansion which is partly developed but upon completion could have around 1,000 homes taking account of surrounding residential locations such as Liff. The Gateway housing expansions areas are shown on the map overleaf, from the LDP.

7.16.7 The Council advise that the Western Gateway has planned provision for local needs, including commercial (local shops), but at present there is only a small Spar and a Costa Express on site. With further development yet to be completed, we consider that provision for more small shop units could potentially be included in the next LDP, as a 20-minute neighbourhood.

7.16.8 From our consultations with the Council, a less clear picture emerges in the eastern part of Dundee. There is resistance to additional out of centre services by businesses in Broughty Ferry as a potential threat to the District Centre (we interpret).

7.16.9 The LDP includes considerable new housing allocations in the eastern and north-eastern part of Dundee, as illustrated in the extract from the Proposals Map on the previous page. The cluster of housing site areas, and the larger allocations on more separated sites should be assessed for small scale local convenience store provision in the next LDP as they are probably more than 20 minutes' walk time from Broughty Ferry.

7.17 Commercial centres

7.17.1 The list of occupiers in the Dundee retail parks is shown in Table 9.4. Restrictions on the range of goods that can be sold on each park is addressed in section 4. **Kingsway West Retail Park** is the largest, with a very wide range of mainly bulky goods operators, plus *Boots* and the mixed goods retailer *B&M*.

7.17.2 **Kingsway East Retail Park** is smaller, with more of a mix of comparison goods retailers. It includes *Wickes and Harry Corry*, plus *Pets at Home*, *B&M*, *Claire's Accessories*, *Home Bargains* and *Archers Sleepcentre*.

7.17.3 Both the Kingsway Retail Parks are very accessible to Dundee residents and others, by their location on the Kingsway Ring Road. Occupancy levels are high. Conversion of the former large Toys R Us unit at Kingsway West to use for leisure suggests little or no demand for more large units for retailing.

7.17.4 **Gallagher Retail Park** is located close to the City Centre. The occupiers include Matalan, TK Maxx, Next and Cancer Research (mainly clothing), plus M&S. The smaller units probably have drawn trade away from the City Centre, while the larger ones could not have been accommodated there anyway. In addition, there are some significant out of centre retailers, including *B&Q*, *Sterling* and others shown in Table 9.4

7.18 Supermarkets and superstores

7.18.1 A list of the supermarkets and superstores in Dundee is shown on Table 8.3. It reveals a good range of supermarket offer to the extent that under-trading is indicated, meaning that the supply is greater than the supporting expenditure.

8 Quantitative assessment of convenience retail floorspace requirements to 2033

8.1 Introduction

8.1.1 This section contains a quantitative assessment of the spare convenience expenditure capacity to support additional retail floorspace in Dundee up to 2033.

8.1.2 The relationship between expenditure and turnover in any study area can be expressed simply as: *residents' expenditure potential plus inflows, minus outflows = total turnover*. The estimated distribution of turnover by floorspace within a study area must sum to the expenditure-based total for that area.

8.2 Dundee residents' convenience expenditure potential

8.2.1 Table 8.1 shows the forecast convenience expenditure per capita for the Dundee Council area, based on the latest Experian data commissioned for this study. Table 8.2 shows the convenience expenditure potential of residents of the Dundee Council area in the top row based on application of the expenditure per capita data to the projected population of Dundee.

8.2.2 There is a slight projected decline from £370.9 million in 2023 to £366.9 million in 2033, mostly because of a projected increase in the proportion of internet spending.

Table 8.1 Dundee residents' convenience expenditure per capita per annum (in 2021 prices)			
2021 £	2023 £	2028 £	2033 £
2,911	2,649	2,646	2,663
<i>*Excluding special forms of trading (SFT)</i>			
	2,501	2,466	2,469

Sources:
 The figure for 2021 is from the Experian *Area Comparison Report* for the Dundee City Council area, commissioned for this study.
 Figures for 2023, 2028 and 2033 derive from the UK growth rate in convenience expenditure per capita applied to the 2021 figure for Dundee.
 UK expenditure per capita figures are shown in *Experian Retail Planner Briefing Note 20* (Appendix 4a), February 2023

**Deductions require to be made to allow for special forms of trading (SFT- internet expenditure, mail order etc), which do not relate to in-store retail floorspace.
 The proportions deducted derive from *Experian Retail Planner Briefing Note 20*- Appendix 3-(adjusted SFT)*

	2023	2028	2033
	-5.6%	-6.8%	-7.3%

Table 8.2				
Dundee convenience expenditure and turnover (in 2021 prices)				
Excluding special forms of trading				
		2023 £ million	2028 £ million	2033 £ million
Dundee Council area		370.9	365.8	366.9
<i>Add: inflows</i>				
From Angus		66.3	64.9	64.5
From Perth City/ Strathmore		23.5	23.1	23.1
From East Fife		21.5	21.2	21.1
*From visitors		4.7	4.6	4.6
<i>Less: outflows</i>				
From Dundee to other destinations	-5%	-18.5	-18.3	-18.3
Retained expenditure (turnover)		468.3	461.4	461.9
Note				
See Appendices for explanation of expenditure inflows				
* Source: STEAM Report for Dundee 2021 - Dundee City Council. See Appendix 6				

8.3 Convenience expenditure inflows to Dundee

8.3.1 **From Angus-** updated information on the convenience expenditure potential of residents of the Angus Council area (£306.6 million in 2023) is shown in Appendix 3. The household survey underpinning the Dundee Retail Study 2015 indicated that 22% of convenience expenditure by residents of the Angus Council area was made in Dundee stores. It would represent some £66 million in 2023, as shown in Table 8.2.

8.3.2 **From Perth & Kinross-** updated information on the convenience expenditure potential of residents of those parts of Perth & Kinross which are within the secondary catchment area of Dundee (£297.6 million in 2023) is shown in Appendix 4. Based on the household survey underpinning the Perth & Kinross Retail Study 2016, 8% of the total did their convenience shopping in Dundee (£23.5 million), as shown in Table 8.2.

8.3.3 **From East Fife-** updated information on the convenience expenditure potential of residents of East Fife (within the secondary catchment area of Dundee) is £126.7million in 2023, as shown in Appendix 5. Based on the Fife Retail Capacity Study 2021, 17% of the total did their convenience shopping in Dundee (£21.5 million), as shown in Table 8.2.

8.3.4 **From visitors-** information on retail expenditure by visitors to Dundee is published in the latest STEAM report 2021. In Appendix 6, we estimate that convenience expenditure by visitors is quite low at £4.7 million in 2023.

8.4 Convenience expenditure outflows from Dundee

8.4.1 The Dundee Retail Study 2015 indicated that 95% of convenience shopping by residents is made in Dundee, with only 5% leakage to other destinations (£18.5 million in 2023) as shown in Table 8.2.

8.5 Convenience expenditure and turnover in Dundee

8.5.1 Table 8.2 summarises the total convenience expenditure made in Dundee, by residents plus inflows from Angus and the rest of the Dundee catchment, plus visitor spending. The bottom row shows the total turnover in the Dundee Council area in 2023 (£468.3 million), projected to 2033, which includes a small decline.

8.6 Convenience floorspace and turnover in 2023

8.6.1 The current distribution of convenience retail floorspace in Dundee is shown in Table 8.3. It is based on updated information for this study, with details on the data sources set out in the table footnote.

8.6.2 The applied turnover/floorspace ratios for the named stores are based on the average company ratios published in the Retail Rankings 2021, as shown in the table footnote. The published ratios are in fact a single figure for each operator. The split into convenience and comparison turnover/ floorspace derives from other Mintel research. The convenience turnover ratios are applied in Table 8.3.

8.6.3 For collective floorspace among smaller shops, estimated averages are applied, drawing on other studies.

8.6.4 Table 8.3 shows the total convenience turnover of stores in the Dundee Council area at *average* company levels (£550.9 million) and the *actual* total turnover in 2023 based on expenditure patterns (£468.3 million). The difference represents a moderate level of 15% under-trading against average levels in Dundee.

8.7 Convenience retail planning commitments

8.7.1 There is planning consent to configure Units 4 and 5 in Gallagher Retail Park to accommodate 1,500 sq m of floorspace for food/ convenience sales on the ground floor. M&S will be the occupier. M&S propose to vacate their department store in the City Centre and their existing food unit in Gallagher Retail Park. The new floorspace will be less than the combined convenience floorspace of the units to be vacated, so there are no implications for future retail expenditure capacity.

Table 8.3 Dundee convenience retail floorspace and turnover 2023 (in 2021 prices)				
	Floorspace sq m		Av. turnover ratio £/sq m	Turnover £million
	gross	net		
Dundee City Centre	9,963	6,804	8,504	57.9
Tesco Express, Nethergate	186	140	15,450	2.2
Tesco Express, Hawkhill	369	277	15,450	4.3
Tesco Express, Murraygate	434	326	15,450	5.0
Tesco Express, Train Station	487	365	15,450	5.6
M&S - food sales in Murraygate store.	1,818	1,273	9,796	12.5
Lidl, South Ward Road	900	675	8,586	5.8
Other City Centre shops	5,769	3,750	6,000	22.5
District Centres- total	10,426	6,498		40.5
Albert Street				
Co-op	1,443	866	10,300	8.9
Other Albert Street shops	631	379	3,500	1.3
Broughty Ferry				
Tesco Express, Brook St	60	54	15,450	0.8
M&S Simply Food, Broughty Ferry	1,690	1,183	9,796	11.6
Other Broughty Ferry shops	1,381	829	4,000	3.3
Hilltown				
Tesco Express, Strathmaritime Rd	371	278	15,450	4.3
Other Hilltown shops	1,917	1,150	3,500	4.0
Lochee	1,072	643	3,500	2.3
Perth Road	1,861	1,117	3,500	3.9
Corner shops - see footnote	17,988	10,793	3,200	34.5
Out of centre supermarkets -(convenience floorspace elements)	53,253	32,254		418.1
Tesco Extra, Kingsway West- total 10,100 sq m gross- 60% conv	6,060	3,333	13,252	44.2
Tesco, Riverside Drive- total 7,814 sq m gross- 70% conv	5,470	3,282	13,252	43.5
Tesco Extra, South Road- total 8,450 sq m gross- 60% conv	5,070	3,042	13,252	40.3
ASDA, Myrekirk Road- total 8,295 sq m gross- 70% conv	5,807	3,484	15,099	52.6
ASDA, Milton- total 9,067 sq m gross- 60% conv	5,440	3,264	15,099	49.3
ASDA, Derwent Av/Kirkton- total 5,828 sq m gross- 80% conv	4,662	2,797	15,099	42.2
Morrisons, Afton Way- total 8,175 sq gross- 80% conv	6,540	3,270	12,813	41.9
Sainsbury's, Tom Johnston Rd- total 6,448 sq m gross-85% conv	5,481	3,288	12,907	42.4
Aldi, Arbroath Road- total 2,526 sq m gross- 80% conv	2,021	1,516	11,568	17.5
Aldi, The Stack Retail & Leisure Park -total 1,887 sq m gross-80% conv	1,510	1,132	11,568	13.1
Home Bargains, The Stack--total 3,252 sq m gross-35% conv	1,138	854	5,300	4.5
Lidl, South Road- total 1,286 sq m gross- 90% conv	1,157	868	8,586	7.5
Lidl, Dura Street- total 1,063 sq m gross- 90% conv	957	718	8,586	6.2
Lidl, Macapline Rd Road- total 956 sq m gross- 90% conv	860	645	8,586	5.5
M&S Simply Food, Gallagher Retail Park (ground floor- café upstairs)	990	693	9,796	6.8
Premier	90	68	7,737	0.5
Total at average levels	91,630	56,349		550.9
Under-trading			-15%	-82.7
Total Dundee- actual level -from Table 8.2				468.3
Note				
Gross floorspace in the City Centre from Experian Goad survey 2022 commissioned for this study. New Tesco Express stores at Murraygate and Station added later.				
Gross floorspace in the out of centre supermarkets provided by the City Council in the 2015 Retail Study with some additions and adjustments for 2023.				
Gross floorspace in the District Centres provided by the City Council in spreadsheets from the 2017 survey, incorporating their updates to 2019. Further updates to 2023 are included to 2022/23 in this report, where we could identify them from desk- based assessment.				
Corner shop floorspace- based on data in the 2015 Dundee Retail Study (no updated survey available). We have reduced the 2015 total by 20% for 2023 in line with the decline in District centre convenience floorspace since then. Floorpace for Aldi at the Stack and Lidl at Macapline Road is now identified individually in this table.				
The turnover to floorspace ratios are based on company averages published in the Retail Rankings 2021, updated for 2023 in 2021 prices				

8.8 Spare convenience expenditure capacity 2023 to 2033

8.8.1 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

8.8.2 A range of spare capacity can be prepared from these components, showing a low and a high estimate, *after deducting planning commitments*. The **low estimate** includes any over-trading and the forecast growth in retained expenditure (turnover) in Dundee over the target periods. The **high estimate** also includes the potential to claw back leakage and attract new trade into Dundee. Provision of a range of spare capacity normally reduces the need for sensitivity tests.

8.8.3 '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.

8.8.4 Table 8.4 shows that there is no forecast surplus convenience expenditure in Dundee up to 2033, under both the low and high estimates in the range. The negative expenditure capacity is largely the consequence of the under-trading below average levels. Note that the equivalent floorspace is indicative and less important than the forecast expenditure data.

8.8.5 This does not mean that no new convenience floorspace could be supported, just not very much.

8.8.6 No forecast spare capacity means that new convenience retail development proposals will have to be serviced entirely by trade diversion from existing centres and stores. The current level of under-trading in Dundee will heighten the retail impact of new store proposals. The added trade diversion to below-average performance of existing floorspace will pose more risk to the viability of those stores and centres.

Table 8.4			
Dundee: spare convenience expenditure capacity up to 2033 (in 2021 prices)			
	2023-28 £million	2028-33 £million	2023-33 £million
(a) Current under-trading- Table 8.3	-82.7		-82.7
(b) Growth in retained expenditure (turnover)- Table 8.2	-6.8	0.4	-6.4
(c) Less planning commitments (M&S relocation- no effect)	0		
Low estimate (a+b)	-89.5	0.4	-89.1
(d) Add: potential to reduce outflow			
2028 2033			
Outflow £million- Table 8.2	-18.3	-18.3	
Potential to clawback up to 15% of leakage assumed	2.7	0.01	2.8
(e) Add: potential to increase inflow			
2028 2033			
Inflow £million- Table 7.3	113.9	113.3	
Potential to increase inflows by up to nominal 1% assumed	1.1	-0.01	1.1
High estimate	-85.6	0.4	-85.2
High estimate	a+b-c+d+e		
Equivalent supermarket convenience floorspace			
* Turnover/ floorspace ratio	£ per sq m 12,191 sq m net -7,300	£ per sq m 12,201 sq m net 0	sq m net -7,300
Low	-7,300	0	-7,300
High	-7,000	0	-7,000
<p>Note</p> <p>Gross equivalent floorspace estimates have not been shown, as net /gross formats vary widely. Figures are rounded.</p> <p>* The turnover ratio derives from the 2021 Retail Rankings for the average turnover ratio of Sainsbury's, Tesco, Morrisons and ASDA, Aldi and Lidl at £12,371 per sq m. The ratio has been reduced slightly to relate to 2028 and 2033, based on turnover trend in Dundee from Table 8.2</p>			

9 Quantitative assessment of comparison retail floorspace requirements to 2033

9.1 Introduction

9.1.1 This section contains a quantitative assessment of the spare comparison expenditure capacity to support additional retail floorspace in Dundee up to 2033.

9.1.2 The relationship between expenditure and turnover in any study area is set out in section 8. To reiterate, it can be expressed simply as: *residents' expenditure potential plus inflows, minus outflows = total turnover.*

9.2 Dundee residents' comparison expenditure potential

9.2.1 Table 9.1 shows the forecast comparison expenditure per capita for the Dundee Council area. We deduce that the proportions of internet comparison retail spending are much higher than the proportions in the Experian data. If the latter were applied, the comparison turnover/ floorspace ratios in Dundee would be unrealistically very high and inconsistent with study findings in other local authority areas in Scotland.

9.2.2 Nor would very high turnover/ floorspace ratios be consistent with the retail market conditions in Dundee. The location of Dundee may be the main reason for the divergence from the Experian national average proportions of internet spending.

9.2.3 Table 9.2 shows the comparison expenditure potential of residents of the Dundee Council area in the top row based on application of the expenditure per capita data to the projected population of Dundee.

9.2.4 There is a projected increase in resident's expenditure from £302.4 million in 2023 to £323.6 million in 2033, because of the projected comparison expenditure growth rate, rather than population growth.

Table 9.1 Dundee residents' comparison expenditure per capita per annum (in 2021 prices)			
2021 £	2023 £	2028 £	2033 £
3,467	3,399	3,752	4,355
<i>**Excluding special forms of trading (SFT)- see bottom row in this table.</i>			
	2,039	2,076	2,178

Sources:
 The figure for 2021 is from the Experian *Area Comparison Report* for the Dundee City Council area, commissioned for this study.
 Figures for 2023, 2028 and 2033 derive from the UK growth rate in comparison expenditure per capita applied to the 2021 figure for Dundee.
 UK expenditure per capita figures are shown in *Experian Retail Planner Briefing Note 20* (Appendix 4a), February 2023

*Deductions require to be made to allow for special forms of trading (SFT- internet expenditure, mail order etc), which do not relate to in-store retail floorspace.
 The proportions deducted derive from *Experian Retail Planner Briefing Note 20- Appendix 3*-(adjusted SFT)

	2023	2028	2033
	-26.5%	-29.6%	-31.1%

**There is a strong indication that the proportion of internet spending in the Dundee catchment is much higher than the Experian proportions. Therefore, the following proportions are applied:

	2023	2028	2033
	-40%	-45%	-50%

Table 9.2				
Dundee comparison expenditure and turnover (in 2021 prices)				
Excluding special forms of trading				
		2023 £ million	2028 £ million	2033 £ million
Dundee Council area		302.4	307.9	323.6
<i>Add: inflows</i>				
From Angus		185.3	187.5	194.9
From Perth City/ Strathmore		58.6	59.2	61.2
From East Fife		83.0	84.4	88.2
*From visitors		18.8	19.1	20.1
<i>Less: outflows</i>				
From Dundee to other destinations	-5%	-15.1	-15.4	-16.2
Retained expenditure (turnover)		633.0	642.7	671.8
Note				
See Appendices for explanation of expenditure inflows				
* Source: STEAM Report for Dundee 2021 - Dundee City Council. See Appendix 6 in this review.				
in 2014. Assumed split at 25% convenience and 75% comparison goods (R MacLean estimate).				

9.3 Comparison expenditure inflows to Dundee

9.3.1 **From Angus-** updated information on the comparison expenditure potential of residents of the Angus Council area (£257.8 million in 2023) is shown in Appendix 7. The household survey underpinning the Dundee Retail Study 2015 indicated that 72% of comparison expenditure by residents of the Angus Council area was made in Dundee stores. It would represent some £185.3 million in 2023, as shown in Table 9.2.

9.3.2 **From Perth & Kinross-** updated information on the comparison expenditure potential of residents of those parts of Perth & Kinross which are within the secondary catchment area of Dundee (£252.1 million in 2023) is shown in Appendix 8. Based on the household survey underpinning the Perth & Kinross Retail Study 2016, 23% of the total did their comparison shopping in Dundee (£58.6 million), as shown in Table 9.2.

9.3.3 **From East Fife-** updated information on the comparison expenditure potential of residents of East Fife (within the secondary catchment area of Dundee) is £143.1 million in 2023, as shown in Appendix 9. Based on the Fife Retail Capacity Study 2021, 58 % of the total did their comparison shopping in Dundee (£83.0 million), as shown in Table 9.2.

9.3.4 **From visitors-** information on retail expenditure by visitors to Dundee is published in the latest STEAM report 2021. In Appendix 6, we estimate that comparison expenditure by visitors is £18.8 million in 2023 as shown in Table 9.2.

9.4 Comparison expenditure outflows from Dundee

9.4.1 The Dundee Retail Study 2015 indicated that 95% of comparison shopping by residents is made in Dundee, with only 5% leakage to other destinations. Applied to the current data, this is £15.1 million in 2023, as shown in Table 9.2.

9.5 Comparison expenditure and turnover in Dundee

9.5.1 Table 9.2 summarises the total comparison expenditure made in the Dundee Council area, showing the total turnover in the bottom row. It is £633 million in 2023, rising to £671.8 million by 2033, because of forecast growth in comparison expenditure per capita.

9.5.2 The current distribution of comparison retail floorspace in Dundee is shown in Table 9.3. It is based on updated information for this study, with details on the data sources set out in the table footnote.

9.5.3 The total turnover in Dundee is controlled to the survey-based total in Table 9.2. While the turnover/ floorspace ratios of the retail warehouses and supermarkets are assumed at average company levels, the turnover ratios relating to the district centres and corner shops are collectively derived by apportionment from the current estimated City Centre turnover/ floorspace ratio.

Table 9.3 Dundee comparison retail floorspace and turnover 2023 (in 2021 prices)				
	Floorspace sq m		Av. turnover ratio £/sq m	Turnover £million
	gross	net		
Dundee City Centre	59,130	38,435	8,517	327.4
District Centres-total	11,517	6,910		22.5
Albert Street	1,441	865	2,981	2.6
Broughty Ferry	5,819	3,491	3,407	11.9
Hilltown	746	448	2,981	1.3
Lochee	2,030	1,218	2,981	3.6
Perth Road	1,481	889	3,407	3.0
Corner shops	14,096	8,458	2,555	21.6
Retail Parks- see Table 9.4	49,440	39,428		158.6
Other out of centre retail warehouse units	14,696	11,757		21.2
Out of centre supermarkets/ stores-(comparison floorspace)	21,142	12,544		81.8
Tesco Extra, Kingsway West- total 10,100 sq m gross- 40% comp	4,040	2,222	6,940	15.4
Tesco, Riverside Drive- total 7,814 sq m gross- 30% comp	2,344	1,407	6,940	9.8
Tesco Extra, South Road- total 8,450 sq m gross- 40% comp	3,380	2,028	6,940	14.1
ASDA, Myrekirk Road- total 8,295 sq m gross- 30% comp	2,489	1,493	6,014	9.0
ASDA, Milton- total 9,067 sq m gross- 40% comp	3,627	2,176	6,014	13.1
ASDA, Derwent Av/Kirkton- total 5,828 sq m gross- 20% comp	1,166	699	6,014	4.2
Morrisons, Afton Way-total 8,175 sq gross- 20% comp	1,635	818	6,569	5.4
Sainsbury's, Tom Johnston Rd- total 6,448 sq m gross-15% comp	967	580	6,432	3.7
Aldi, Arbroath Road- total 2,526 sq m gross- 20% comp	505	379	7,964	3.0
Lidl, South Road- total 1,286 sq m gross- 10% comp	129	96	5,567	0.5
Lidl, Macapline Rd Road- total 956 sq m gross- 10% comp	860	645	5,567	3.6
Total	170,021	117,530		633.0
Note				
Gross floorspace in the City Centre and in the retail parks from Experian Goad survey 2022 commissioned for this study.				
Gross floorspace in the out of centre supermarkets provided by the City Council in the 2015 Retail Study with some additions and adjustments for 2023.				
Gross floorspace in the District Centres provided by the City Council in spreadsheets from the 2017 survey, incorporating their updates to 2019. Further updates to 2023 are included to 2022/23 in this report, where we could identify them from desk- based assessment.				
Corner shop floorspace- based on data in the 2015 Dundee Retail Study (no updated survey available). We have reduced the 2015 total by 30% for 2023 in line with the decline in District centre comparison floorspace since then. Floorpace for Aldi at the Stack and Lidl at Macalpine Road is now identified individually in this table.				
The turnover to floorspace ratios are based on company averages published in the Retail Rankings 2021, updated for 2023 in 2021 prices				

9.6 Retail warehouse floorspace and turnover

9.6.1 Table 9.4 shows the distribution of retail warehouses in Dundee among the retail parks and other locations.

9.7 Comparison retail planning commitments

9.7.1 There is a proposal to convert the vacant Unit A1 (formerly Toys R Us) to a multi-use leisure activity centre, with an ancillary restaurant and bar (22/00562/MDPO) and (22/00472/FULL). This represents a loss of comparison retail floorspace.

Table 9.4 Retail Parks and other retail warehouses/ stores: comparison retail floorspace and turnover 2023 (in 2021 prices)				
	Floorspace sq m		Turnover ratio £/sq m	Turnover £million
	gross	net		
Kingway West Retail Park- Commercial Centre				
Topps Tiles	730	584	1,273	0.7
Oak Furnitureland	1,270	1,016	4,331	4.4
SCS- furniture	1,060	848	2,792	2.4
Dreams- beds	1,120	896	2,245	2.0
Next Home- home furnishings	910	728	5,789	4.2
Currys & PC World- electrical goods/ computers	2,930	2,344	13,297	31.2
Carpet Monster	730	584	1,348	0.8
Carpet Right	1,080	864	1,348	1.2
Hobbycraft	1,010	808	3,077	2.5
Wren- kitchens & bathrooms	1,010	808	4,950	4.0
DFS- furniture	1,540	1,232	5,601	6.9
M&M Bathroom & Kitchen	570	456	4,000	1.8
Sofology	1,460	1,168	4,719	5.5
Designers	310	248	3,000	0.7
Boots- chemist	600	480	6,891	3.3
Bensons for Beds	560	448	4,303	1.9
Tapi carpets	990	792	1,224	1.0
Dunelm	2,000	1,600	4,931	7.9
B&M Home store 3,880 gross- 65% comp	2,522	2,018	5,352	10.8
Aberfoyle Too- (nursery goods)	300	240	1,000	0.2
Parker Signs	100	80	1,000	0.1
Timpson	20	16	4,000	0.1
Max Spielman	430	344	2,000	0.7
Tayside Furniture (re-use centre)	1,570	1,256	500	0.6
*Halfords				
Total	24,822	19,858		94.9
Kingway East Retail Park- Commercial Centre				
Wickes- DIY & hardware	2,360	1,888	2,561	4.8
Home Bargains- 65% comp	1,372	1,097	5,436	6.0
Pets at Home	980	784	3,422	2.7
Claire's - ladies wear & accessories	110	88	3,500	0.3
Archers Sleepcentre	810	648	2,245	1.5
Harry Corry Interiors- fabrics	1,440	1,152	1,394	1.6
B&M Home and Garden store 3,230 gross- 65% comp	2,100	1,680	5,352	9.0
Timpson (in ASDA)	220	176	4,000	0.7
Total	9,391	7,513		26.5
Gallagher Retail Park- Commercial Centre				
Matalan- clothing	3,810	3,048	2,215	6.8
Cancer Research	950	760	1,000	0.8
TK Maxx- clothing	2,270	1,816	4,075	7.4
Next- clothing	980	784	5,789	4.5
Total	8,010	6,408		19.4
The Stack Leisure & Retail Park- Commercial Centre				
Aldi, The Stack Retail & Leisure Park -total 1,887 sq m gross-20% comp	377	283	7,964	2.3
Home Bargains, The Stack--total 3,252 sq m gross-65% comp	2,114	1,585	5,436	8.6
The Range, The Stack- total 4,726 sq gross	4,726	3,781	1,812	6.9
Total	7,217	5,649	15,212	17.7
Other retail warehouse units/ stores				
B&Q, King's Cross Road	9,540	7,632	1,833	14.0
Poundstretcher, Lochee Road	1,127	902	1,321	1.2
Carpet King Warehouse, Ainslie St, Broughty Ferry	369	295	1,348	0.4
Sterling, South Road, Lochee- furniture	3,660	2,928	1,914	5.6
Total	14,696	11,757		21.2
Total- all Dundee	64,136	51,184		179.8
Note				
Source: Gross floorspace from 2022 Experian survey for East & West Kingsway and Gallagher RP. Rest from the Council				
The turnover/ floorspace ratios are based on the company averages in the Retail Rankings 2021, adjusted to 2023				
* Halfords is classified as predominantly automotive sales, therefore is not included as comparison retailing.				

9.8 Spare comparison expenditure capacity 2023 to 2033

9.8.1 The definition is the same as that for convenience retailing in section 8, except there is no over-trading above average levels in the concept for comparison retailing. The reason is that the comparison retail sector contains a very large number of operators, whereas the convenience sector is dominated by relatively few.

9.8.2 Again, 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:

- Growth in retained expenditure (turnover)
- Potential to claw back expenditure leakage
- Potential to attract new trade into the area
- 'Acceptable' levels of impact- see section 8

9.8.3 Our usual approach in the past was to indicate a range of spare comparison expenditure with a high and a low estimate, as for convenience spare expenditure. However, the market for significant additions to the comparison floorspace in Dundee is not apparent, and provision for a small amount of additional comparison floorspace over the next ten years would probably be adequate.

9.8.4 Table 9.5 shows that there is forecast retained expenditure growth of some £38.8 million in Dundee up to 2033, which could potentially support up to 4,300 sq m net of comparison floorspace. Most of the forecast increase is from 2028-33 where there is much greater uncertainty. Little additional capacity up to 2028 is forecast.

9.9 Conclusions

9.9.1 Our view is that the forecast spare comparison expenditure capacity offers the opportunity to potentially service mixed-use redevelopment areas over the next ten years, especially in the City Centre, as promoted in the City Centre Strategic Investment Plan 2050. While some existing vacant floorspace may attract re-occupation, much of it won't.

9.9.2 The forecast spare comparison expenditure capacity should be treated as indicative because the growth in internet expenditure has made the link with retail floorspace requirements much less clear than in the past.

Table 9.5 Dundee: spare comparison expenditure capacity up to 2033 (in 2021 prices)			
	2023-28 £million	2028-33 £million	2023-33 £million
(a) Growth in retained expenditure (turnover)- Table 9.2	9.6	29.1	38.8
(b) Less planning commitments- none	0		
Estimate (a+b)	9.6	29.1	38.8
Equivalent City Centre comparison floorspace			
* Turnover/ floorspace ratio	£ per sq m 8,647 sq m net	£ per sq m 9,039 sq m net	sq m net
Equivalent floorspace	1,100	3,200	4,300
Note			
Gross equivalent floorspace estimates have not been shown, as net /gross formats vary widely.			
* The turnover ratio derives from the current City Centre turnover ratio (£8,517per sq m). The ratio has been increased to relate to 2028 and 2033, based on turnover growth in Dundee from Table 9.2			

10 Outcomes

10.1 Introduction

10.1.1 This section links the policy analysis in sections 3 and 4 with findings of the quantitative and qualitative review of retailing in Dundee within the networks of centres. It is a re-cap to reinforce our advice on the direction the next LDP should give on future retail land use in the City to 2033.

10.2 Quantitative forecasts of retail floorspace

10.2.1 **Convenience floorspace-** our research indicates very low requirements for additional convenience floorspace over the next ten years, based on expenditure forecasts (section 8). The existing provision is greater than the forecast convenience expenditure to support it, so there is current under-trading below average company levels (negative forecast capacity as shown in Table 8.4).

10.2.2 Under the circumstances, it would be appropriate for the next LDP to support quality upgrades and refurbishment of some convenience floorspace in the City Centre and District Centres, together with support for some additional new neighbourhood shops **in 20-minute catchment areas** where needs are identified.

10.2.3 In subsection 7.16, the review identifies potential locations for additional small scale convenience store provision based on planned housing expansion in Dundee. Sites could be included in the next LDP if justified, to enhance 'local living'.

10.2.4 **Comparison floorspace-** the research indicates rather limited requirements for additional comparison floorspace over the next ten years based on expenditure forecasts (Table 9.5, section 9). The main reason is the high proportion of existing internet spending on comparison goods generally and in Dundee, with further increases in the proportion up to 2033. Accompanying the forecast is greater uncertainty over the link between projected expenditure growth and equivalent retail floorspace, compared to the past. So, the forecast is indicative only.

10.2.5 Market trends in demand for comparison retail floorspace have been downward, fuelled by changes in the way customers are shopping and advances in retail technology.

10.2.6 Therefore, it is reasonable for the next LDP to provide for a limited level of new comparison floorspace, mostly associated with mixed-use re-development areas in the City Centre over the next ten years. While some existing vacant floorspace may attract re-occupation, much of it won't.

10.3 Town Centre First Policy

10.3.1 For consistency with the provisions of NPF4, the next Dundee LDP should focus support for future retail development proposals within the City Centre and the District Centres.

10.3.2 Mixed-use project areas in the City Centre Strategic Investment Plan 2050 are a source of guidance on where most new retail development opportunities may best support the vitality and viability of the City Centre. The document represents the current **vision** for the City Centre. This includes the Waterfront (also identified in NPF4). Currently, details of the schemes are still conceptual in some cases.

10.3.3 Our review does not consider that there is a need to identify additional edge of City centre sites for new retail development under NPF4. Nor is there an advantage in retaining the **Gallagher Retail Park extension site** in the current LDP (LDP Policy 25). There has been no material market interest in developing the site for retail development and the limited forecast retail expenditure capacity would be best directed at fortifying the City Centre.

10.3.4 Appraisal of the five District Centres in the review shows that retail floorspace has diminished in these centres since 2014 (Table 6.3). There are no obvious sites for material new retail development within the District Centre boundaries, as illustrated on the maps in Figure 4.2.

10.3.5 Nor is there a need for the next LDP to identify new edge of District centre sites for retail development. The review indicates no significant demand. Some of the District Centres have retail development close-by, for example Lochee and The Stack, Albert Street and the Dura Street Lidl plus Perth Road and Tesco Riverside.

10.3.6 The analysis in this review does not support expansion of the existing Commercial Centres in Dundee, nor creation of an additional centre in the next LDP. The existing provision appears well balanced in terms of market supply and demand. With limited forecast retail expenditure capacity in Dundee, identification of further sites for retail within the Commercial Centres would not be consistent with the 'town centre first' policy in NPF4.

10.4 LDP Policies 22 and 23 on retail frontages

10.4.1 These policies will have to be reviewed to accommodate recent amendments to the use classes order and permitted development rights.

10.5 Restrictions on the range of goods and unit sizes in the Commercial Centres

10.5.1 The findings of our consultations with other local authorities showed a majority in favour of retaining restrictions on the range of goods in retail parks to protect town centres, as discussed in sub section 4.5 of this review.

10.5.2 We believe that it is safer to retain restrictions on the range of goods under LDP Policy 24 while remaining open to some adaptation, rather than risk losing control and attracting unwanted trade diversion from the City Centre and District Centres if restrictions are removed.

10.5.3 Similar consultations were held with the local authorities on the issue of unit size restrictions in retail parks to reduce the risk of attracting retailers away from the City Centre and District Centres. Unlike restrictions on the range of goods, the majority of respondents did not consider that restrictions on unit size were particularly important in this respect.

10.5.4 As concluded in sub section 4.6 of the review, there is merit in retaining restrictions on unit sizes in the commercial centres to reduce the risk of retailer relocations from the town centres

10.6 Threats from clustering of non-retail uses

10.6.1 Sub section 6.11 of the review explores the potential threats to the wellbeing of communities from clustering of non-retail uses. This was interpreted as primarily meaning risks to health from take-away fast food outlets in the District Centres. Among these, Hilltown

had twice the number of take-aways as any of the other centres. We commented that it might prove difficult to control the number of take-aways in practice.

10.6.2 The threats to wellbeing could include betting shops too, as addiction to gambling is much in the Press as a current problem. There are not that many in the District Centres, with Lochee having the most at three.

10.7 Drive-thrus

10.7.1 We consider that Dundee is well provided-for in terms of the number of drive-thru restaurants and their distribution. We doubt there is a need to allocate new sites in the next LDP.

10.8 Information gaps

10.8.1 Among the principal information gaps is the lack of information on the public's perceptions and uses of the centres in Dundee. The last comprehensive information source was the household survey for the Dundee Retail Study 2015. Nor is there much up to date information on footfall in the centres.

Appendix 1

**Restrictions on types of goods and unit sizes in retail parks-
consultations with other local authorities**

Dundee Retail Study 2023

Questionnaire- Consultations with other local authorities on their views on (a) restrictions on types of goods that can be sold in retail parks and (b) restrictions on subdivision of existing retail units in retail parks.

Date 16th March 2023

As part of the study, consultations were held with senior officers from a few other local authorities to draw on their experience on the above topics. The aim was to add their views to our assessment of the scope for relaxing or modifying restrictions in Dundee. The officers' views are shown collectively to respect interview confidentiality.

The questionnaire was sent to five local authority planning departments and four returned responses. These included Fife Council, Edinburgh City Council, East Dunbartonshire Council and South Lanarkshire Council. The responses are from individuals and do not represent official views from the Councils. More than one officer from each Council responded. We thank them for their assistance. Responses are shown in red.

Questions- topic (a)

- 1 In general, do you consider that there is some scope for relaxing planning restrictions on the range of goods that can be sold in retail parks (typically bulky goods) to protect town centres?

All the respondents supported maintaining restrictions, with limited scope for relaxation so as not to undermine the promotion of town centres for retailing under NPF4. Reference was also made to the risk of contravening policy on sustainable transport, as commercial centres are mostly dependent on access by car.
- 2 If you consider that there may be scope for relaxation in certain retail parks, what sort of circumstances would those be? (for example, difficult market conditions etc).

Opinions ranged from no scope for relaxation to limited scope depending on circumstances on a case-by-case basis, where no material threat to town centres would occur. There was no support for embracing relaxation into LDP policy. There was recognition that increasing vacancies in a retail park, for example, might justify consideration of relaxation, but with a risk that it would be irreversible, potentially diminishing the prospects for retailing in town centres over time. Another circumstance for considering relaxation is where it may support local living, such as planned new residential development.
- 3 From the above question, has your local authority occasionally agreed to modify or relax type of goods restrictions on applications in retail parks in the past?

All the respondents mentioned instances where relaxations were made on a case-by-case approach. Circumstances included where a retail park is close to a town centre and where there no material retail impact on town centres was accepted- a pragmatic approach. There was more resistance to relaxation where retail parks are not close to town centres. One respondent mentioned examples of changes of use from comparison to convenience retailing and diversification to leisure and Class 3 uses. Another respondent mentioned few restrictions imposed on the range of goods for sale anyway, in retail parks within the officer's area.

- 4 In cases where units trading in retail parks which are **not** restricted to bulky goods sales in your area, is there evidence (including perceptions), that they have had an adverse effect on town centres?

Views were mixed. Most respondents considered that adverse effects on town centres were a consequence of relaxation of restrictions, quoting examples. The minority view was no evidence of material adverse effect town centres distinguishable against other negative factors affecting town centres. In one case, the local authority imposes restrictions on the maximum floorspace in retail parks, rather than bulky goods restrictions.

- 5 From the above question, do you think that it is useful to maintain prescriptive restrictions on the range of goods (for example to complement town centres), or better to allow an open Class 1 retail consent?

The great majority of respondents favour maintaining restrictions on the range of goods to be sold in retail parks to protect town centres. A minority view favoured some flexibility on a case-by-case basis.

Questions- topic (b)

- 6 What are your Council's policies on sub-division of units in retail parks into smaller units when such applications are made? (against the increased risk of migration of retailers away from town centres). Is there a minimum size of small unit?

Most respondents reported no minimum unit size thresholds and did not perceive the issue to be a problem. A minority considered minimum unit sizes to be an issue to protect town centres. The incorporation of mezzanine floors in applications was seen to be more of a potential conflict with town centres, because of the added retail floorspace.

- 7 Has your authority experienced significant demand for this in recent years?

The respondents indicated no significant demand.

- 8 Are there any examples in your Council area where retailers have moved from the town centres into subdivided units in retail parks?

Most respondents reported no examples they are aware-of relating to moving to subdivided units. Reference was made to an example of where retail operators had relocated from a town centre. Comment was also made that some retailers seek representation in town centres and retail parks.

- 9 Do you consider that there is scope for more flexibility in permitting unit subdivisions in retail parks, depending on local circumstances?

Most respondents considered that enough flexibility already exists and that the issue is best addressed on a case-by-case approach where assessment of potential for relocation and retail impact on town centres requires assessment.

Appendix 2

Drive-thru planning applications in Dundee

Drive-Thru Planning Applications	Proposal Description	Address	Planning Decision Date	Decision	Appeal
18/00785/FULL	Erection of a Class 1 / Class 3 drive thru' coffee shop (167 sq.m) with car parking, drive thru' lane, hard and soft landscaping, refuse area, and associated works.	Land To South Of 2 Afton Way	Tue 19 Mar 2019	Planning Refused	Appeal Allowed
20/00031/FULL	Development of 2x Class 3 Units, comprising 1x Fast Food Drive Thru and 1x Coffee Drive Thru Unit, with Associated Landscaping and Car Parking, including e-charging spaces.	Land South Of Riverside Avenue	Tue 21 Jul 2020	Planning Refused	Local Review Allowed
21/00830/FULL	Erection of Two Drive-Thru Units (Class 3), associated access, car parking, landscaping and infrastructure (Amendment to 20/00031/FULL)	Land South Of Riverside Avenue	Wed 16 Mar 2022	Approved subject to conditions	n/a
20/00344/FULL	Proposed drive-thru restaurant with associated car parking, landscaping, signage and infrastructure works	20 New Craigie Road New Craigie Retail Park DD4 7FF	Tue 17 Nov 2020	Refused	Appeal Allowed
20/00361/FULL	Erection of a restaurant with a drive-thru lane (sui generis) with associated parking and other ancillary works.	Land In Car Park Of 61 Myrekirk Road	Fri 18 Dec 2020	Withdrawn	n/a
20/00411/FULL	Erection of drive thru coffee unit, circulation road, car parking and associated works.	Land In Car Park And East Of Milton Of Craigie Road North	Fri 18 Dec 2020	Approved subject to conditions	n/a
21/00057/FULL	Change of use from vacant ground to hot food takeaway/drive-thru with associated car parking	Land To East Of Fulton Road And West Of Myrekirk Road	Mon 31 May 2021	Refused	Local Review Allowed
21/00079/FULL	Erection of restaurant with drive-thru lane (Sui Generis) with associated parking and other ancillary works.	Land In Car Park Of 61 Myrekirk Road	Mon 12 Apr 2021	Withdrawn	n/a
21/00489/FULL	Erection of Class 3 drive thru cafe/restaurant, circulation road, car parking and associated works.	Land In Car Park And East Of Milton Of Craigie Road North	Wed 15 Sep 2021	Approved subject to conditions	n/a
21/00859/FULL	Change of use from car wash building to coffee shop with drive-thru, including external alterations to the building	54B East Dock Street DD1 3JX	Fri 28 Jan 2022	Withdrawn	n/a
22/00403/FULL	Change of use from car wash building to coffee shop with drive-thru, including external alterations to the building	54B East Dock Street DD1 3JX	Fri 22 Jul 2022	Withdrawn	n/a
22/00533/FULL	Change of use from car wash building to drive thru coffee shop including external alterations	54B East Dock Street DD1 3JX	Fri 25 Nov 2022	Refused	Appeal Dismissed

Appendix 3

Convenience expenditure- from Angus to Dundee

Table A1			
Angus residents' convenience expenditure per capita per annum (in 2021 prices)			
2021	2023	2028	2033
£	£	£	£
3,079	2,802	2,798	2,817
<i>*Excluding special forms of trading (SFT)</i>			
	2,645	2,608	2,611
Sources:			
The figure for 2021 is from the Experian <i>Area Comparison Report</i> for the Angus Council area, commissioned for this study.			
Figures for 2023, 2028 and 2033 derive from the UK growth rate in convenience expenditure per capita applied to the 2021 figure for the Angus Council area.			
UK expenditure per capita figures are shown in <i>Experian Retail Planner Briefing Note 20</i> (Appendix 4a), February 2023			
<i>*Deductions require to be made to allow for special forms of trading (SFT- internet expenditure,mail order etc), which do not relate to in-store retail floorspace.</i>			
The proportions deducted derive from <i>Experian Retail Planner Briefing Note 20- Appendix 3</i> -(adjusted SFT			
	2023	2028	2033
	-5.6%	-6.8%	-7.3%

Table A2				
Angus residents' convenience expenditure potential (in 2021 prices)				
<i>Excluding special forms of trading</i>				
		2023	2028	2033
		£ million	£ million	£ million
Angus Council area		306.3	300.3	298.0
Outflows to Dundee (rounded)	22%	66.3	64.9	64.5
Note				
Based on Table A1 applied to the population in Table 2.1, with the proportion of outflows to Dundee from 2015 survey				

Appendix 4

Convenience expenditure from Perth and Strathmore to Dundee

Table A1			
Perth & Kinross residents' convenience expenditure per capita per annum (in 2021 prices)			
2021	2023	2028	2033
£	£	£	£
3,232	2,941	2,937	2,957
<i>*Excluding special forms of trading (SFT)</i>			
	2,776	2,738	2,741
Sources:			
The figure for 2021 is from the Experian <i>Area Comparison Report</i> for the Perth & Kinross Council area, commissioned for this study.			
Figures for 2023, 2028 and 2033 derive from the UK growth rate in convenience expenditure per capita applied to the 2021 figure for Perth & Kinross.			
UK expenditure per capita figures are shown in <i>Experian Retail Planner Briefing Note 20</i> (Appendix 4a), February 2023			
*Deductions require to be made to allow for special forms of trading (SFT- internet expenditure,mail order etc), which do not relate to in-store retail floorspace.			
The proportions deducted derive from <i>Experian Retail Planner Briefing Note 20- Appendix 3</i> -(adjusted SFT			
	2023	2028	2033
	-5.6%	-6.8%	-7.3%

A2			
Perth & Kinross residents' convenience expenditure potential- part within Dundee catchment (in 2021 prices)			
<i>(excluding special forms of trading)</i>			
Sub area	2023	2028	2033
	£ million	£ million	£ million
<i>Perth and Kinross</i>	242.2	239.0	238.1
<i>Blairgowrie & Coupar Angus</i>	55.4	54.7	54.5
Total	297.6	293.6	292.7
Note			
Based on Table A1 applied to the population in Table 2.1			

A3				
Perth- City & hinterland : convenience expenditure and outflows to Dundee (in 2021 prices)				
	%	2023	2028	2033
		£million	£million	£million
Zone 1 residents' expenditure potential		242.2	239.0	238.1
Outflows to Dundee (rounded)	7%	17.6	17.3	17.3
Outflows from Zone 1 in the Perth & Kinross Retail Study 2016 based on the supporting household survey				

A4				
Coupar Angus : convenience expenditure and outflows to Dundee (in 2021 prices)				
	%	2023	2028	2033
		£million	£million	£million
Zone 5 residents' expenditure potential		55.4	54.7	54.5
Outflows to Dundee (rounded)	11%	5.9	5.8	5.8
Outflows from Zone 5 in the Perth & Kinross Retail Study 2016 based on the supporting household survey				

A4				
Strathmore & The Glens- Blairgowrie & Coupar Angus : convenience expenditure and outflows to Dundee (in 2021 prices)				
	%	2023	2028	2033
		£million	£million	£million
Zone 5 residents' expenditure potential		55.4	54.7	54.5
Outflows to Dundee (rounded)	11%	5.9	5.8	5.8
Outflows from Zone 5 in the Perth & Kinross Retail Study 2016 based on the supporting household survey				

A5				
Perth (City & hinterland) and Strathmore (Blairgowrie & Coupar Angus) : combined convenience expenditure and outflows to Dundee (in 2021 prices)				
	%	2023	2028	2033
		£million	£million	£million
Perth City & Strathmore residents' expenditure potential		297.6	293.6	292.7
Outflows to Dundee (rounded)	8%	23.5	23.1	23.1
Outflows from Zone 1 and Zone 5 combined in the Perth & Kinross Retail Study 2016 based on the supporting household survey				

Appendix 5

Convenience expenditure from East Fife to Dundee

Table A1			
East Fife residents' convenience expenditure per capita per annum (in 2021 prices)			
2021	2023	2028	2033
£	£	£	£
2,424	2,206	2,203	2,218
<i>*Excluding special forms of trading (SFT)</i>			
	2,083	2,054	2,056
Sources			
Original figure for 2021 was £2,385 in 2020 prices in Table 5.1 in the Fife Retail Capacity Study 2021. The figure is by Precisely in their Geolnsight report 2021. It has been converted to 2021 prices- a factor of 1.0165 from <i>Experian Planner Briefing Note 20- Appendix 4b</i>			
Figures for 2023, 2028 and 2033 derive from the UK growth rate in convenience expenditure per capita applied to the 2021 figure for the East Fife area. UK expenditure per capita figures are shown in <i>Experian Retail Planner Briefing Note 20 (Appendix 4a)</i> , February 2023			
<i>*Deductions require to be made to allow for special forms of trading (SFT- internet expenditure,mail order etc), which do not relate to in-store retail floorspace. The proportions deducted derive from <i>Experian Retail Planner Briefing Note 20- Appendix 3, Figure 5 (adjusted for SFT)</i></i>			
	2023	2028	2033
	-5.6%	-6.8%	-7.3%

Table A2				
East Fife residents' convenience expenditure potential (in 2021 prices)				
<i>Excluding special forms of trading</i>				
		2023	2028	2033
		£ million	£ million	£ million
East Fife area		126.7	124.8	124.4
Outflows to Dundee (rounded)	17%	21.5	21.2	21.1
Note				
Based on Table A1 applied to the population in Table 2.1, with the outflows to Dundee from Appendix 2 in the Fife Retail Capacity Study 2021				

Appendix 6

Visitor retail spending in Dundee

Visitor spending on shopping in Dundee

Based on Dundee STEAM report 2021 (in 2021 prices)

	2021 £million
Total visitor retail expenditure (deduced)	23.49
*Convenience 20% (estimate)	4.70
Comparison 80% (from STEAM data- page 53)	18.79

Note:

In the STEAM report, the 'Shopping' category just includes comparison goods expenditure by visitors. There is no separate data for convenience expenditure, as it is included within the much wider 'Food and Drink category', which embraces restaurants, cafes, pubs, take-aways etc.

* We estimate that the total retail expenditure comprises 20% convenience and 80% comparison expenditure. The STEAM report indicates that most overnight visitors to Dundee stay in serviced accommodation, with a relatively small proportion in unserviced accommodation (where purchases of groceries could be expected).

Appendix 7

Comparison expenditure from Angus to Dundee

Table A1			
Angus residents' comparison expenditure per capita per annum (in 2021 prices)			
2021 £	2023 £	2028 £	2033 £
3,784	3,710	4,095	4,754
<i>**Excluding special forms of trading (SFT)- see botton row in this table.</i>			
	2,226	2,265	2,377
Sources:			
The figure for 2021 is from the Experian <i>Area Comparison Report</i> for the Dundee City Council area, commissioned for this study.			
Figures for 2023, 2028 and 2033 derive from the UK growth rate in comparison expenditure per capita applied to the 2021 figure for Angus.			
UK expenditure per capita figures are shownn in <i>Experian Retail Planner Briefing Note 20</i> (Appendix 4a), February 2023			
*Deductions require to be made to allow for special forms of trading (SFT- internet expenditure,mail order etc), which do not relate to in-store retail floorspace.			
The proportions deducted derive from <i>Experian Retail Planner Briefing Note 20- Appendix 3</i> -(adjusted SFT)			
	2023	2028	2033
	-26.5%	-29.6%	-31.1%
**There is a strong indication that the proportion of internet spending in the Dundee catchment is much higher than the Experian proportions. Therefore, the the following proportions are applied:			
	-40%	-45%	-50%

Table A2				
Angus residents' comparison expenditure potential (in 2021 prices)				
<i>Excluding special forms of trading</i>				
		2023 £ million	2028 £ million	2033 £ million
Angus Council area		257.8	260.8	271.2
Outflows to Dundee	72%	185.3	187.5	194.9
Note				
Based on Table A1 applied to the population in Table 2.1, with the proportion of outflows to Dundee from the 2015 Dundee Retail Study				

Appendix 8

Comparison expenditure from Perth and Strathmore to Dundee

Table A1			
Perth & Kinross residents' comparison expenditure per capita per annum (in 2021 prices)			
2021 £	2023 £	2028 £	2033 £
3,998	3,919	4,327	5,022
<i>**Excluding special forms of trading (SFT)- see bottom row in this table.</i>			
	2,352	2,394	2,511
Sources:			
The figure for 2021 is from the Experian <i>Area Comparison Report</i> for the Dundee City Council area, commissioned for this study.			
Figures for 2023, 2028 and 2033 derive from the UK growth rate in comparison expenditure per capita applied to the 2021 figure for Perth & Kinross.			
UK expenditure per capita figures are shown in <i>Experian Retail Planner Briefing Note 20</i> (Appendix 4a), February 2023			
*Deductions require to be made to allow for special forms of trading (SFT- internet expenditure, mail order etc), which do not relate to in-store retail floorspace.			
The proportions deducted derive from <i>Experian Retail Planner Briefing Note 20- Appendix 3</i> -(adjusted SFT)			
	2023	2028	2033
	-26.5%	-29.6%	-31.1%
**There is a strong indication that the proportion of internet spending in the Dundee catchment is much higher than the Experian proportions. Therefore, the following proportions are applied:			
	-40%	-45%	-50%

Table A2			
Perth & Kinross residents' comparison expenditure potential - part within Dundee catchment			
<i>special forms of trading</i>			
Sub area	2023 £ million	2028 £ million	2033 £ million
	205.1	208.9	218.2
<i>r Angus</i>	46.9	47.8	49.9
Total	252.1	256.7	268.1
Note			
Based on Table A1 applied to the population in Table 2.1			

Table A3				
Perth- City & hinterland: comparison expenditure and outflows to Dundee (in 2021 prices)				
	%	2023 £ million	2028 £ million	2033 £ million
Zone1 residents' expenditure potential		205.1	208.9	218.2
Outflows to Dundee Retail Parks	2%	4.1	4.2	4.4
Outflows to Dundee City Centre	14%	28.7	29.1	30.5
Total outflows to Dundee		32.8	33.2	34.9
Outflows from Zone 1 in the Perth & Kinross Retail Study 2016 based on the supporting household survey				

Table A4				
Strathmore & The Glens- Blairgowrie & Coupar Angus: comparison expenditure and outflows to Dundee (in 2021 prices)				
	%	2023 £ million	2028 £ million	2033 £ million
Zone 5 residents' expenditure potential		46.9	47.1	47.8
Outflows to Dundee Retail Parks	7%	3.3	3.3	3.3
Outflows to Dundee City Centre	48%	22.5	22.6	23.0
Total outflows to Dundee		25.8	25.9	26.3
Outflows from Zone 5 in the Perth & Kinross Retail Study 2016 based on the supporting household survey				

Table A5				
Perth (City & hinterland) and Strathmore (Blairgowrie & Coupar Angus): combined comparison expenditure and outflows to Dundee (in 2021 prices)				
	%	2023 £ million	2028 £ million	2033 £ million
Perth City & Strathmore residents' expenditure potential		252.1	256.0	266.0
Outflows to Dundee Retail Parks	3%	7.4	7.5	7.7
Outflows to Dundee City Centre	20%	51.3	51.7	53.5
Total outflows to Dundee	23%	58.6	59.2	61.2
Outflows from Zones 1 and 5 in the Perth & Kinross Retail Study 2016 based on the supporting household survey				

Appendix 9

Comparison expenditure from East Fife to Dundee

Table A1			
East Fife residents' comparison expenditure per capita per annum (in 2021 prices)			
2021	2023	2028	2033
£	£	£	£
4,001	3,922	4,330	5,026
<i>**Excluding special forms of trading (SFT)- see bottom row in this table.</i>			
	2,353	2,395	2,513
Sources			
Original figure for 2021 was £3,909 in 2020 prices in Table 7.1 in the Fife Retail Capacity Study 2021. The figure is by Precisely in their Geolnsight report 2021. It has been converted to 2021 prices- a factor of 1.0235 from <i>Experian Planner Briefing Note 20- Appendix 4b</i>			
Figures for 2023, 2028 and 2033 derive from the UK growth rate in comparison expenditure per capita applied to the 2021 figure for the East Fife area. UK expenditure per capita figures are shown in <i>Experian Retail Planner Briefing Note 20 (Appendix 4a)</i> , February 2023			
*Deductions require to be made to allow for special forms of trading (SFT- internet expenditure, mail order etc), which do not relate to in-store retail floorspace. The proportions deducted derive from <i>Experian Retail Planner Briefing Note 20- Appendix 3-(adjusted SFT)</i>			
	2023	2028	2033
	-26.5%	-29.6%	-31.1%
**There is a strong indication that the proportion of internet spending in the Dundee catchment is much higher than the Experian proportions. Therefore, the following proportions are applied:			
	-40%	-45%	-50%

Table A2				
East Fife residents' comparison expenditure potential (in 2021 prices)				
<i>Excluding special forms of trading</i>				
		2023	2028	2033
		£ million	£ million	£ million
East Fife area		143.1	145.5	152.0
Outflows to Dundee (rounded)	58%	83.0	84.4	88.2
Note				
Based on Table A1 applied to the population in Table 2.1, with the outflows to Dundee from Appendix 3 in the Fife Retail Capacity Study 2021				

Appendix 10

Drive- thru restaurants in Dundee and proposals

Drive Thru	Location	Map reference
Starbucks	Kingsway West, Fulton Road	1
McDonalds	Camperdown Leisure Park	2
KFC	Camperdown Leisure Park	3
Starbucks	Kinnoull Road, Dunisnane	4
Burger King	Kingsway West Retail Park	5
Starbucks	Afton Way, by Morrisons	6
Tim Hortons	New Craigie Retail Park	7
McDonalds	Kingsway East	8
KFC	Milton of Craigie Road South, Kingsway East	9
KFC	Tom Johnstone Road	10
Nearby		
Costa Coffee	A92, Monifieth	11
McDonalds	A92, Monifieth	12
Proposed		
Clark's Bakery	Fulton Road, off Myrekirk Road roundabout (refused May 2021 but permitted by Local Review Decision October 2022)	13
Greggs	Stack Retail Park	14
Burger King	Riverside Avenue (approved March 2022)	15
Coffee shop	Riverside Avenue (approved March 2022)	16
Henry's Coffee House	East Dock Street (refused November 2022, appealing)	17

Sources: Ryden / operators/ Dundee City Council Planning portal

