Replacement Local Development Plan 2018-2033

Background Paper

September 2018

BP 24: Retail Capacity Study

CONWY
CYNGOR BWRDEISTREF SIROL
COUNTY BOROUGH COUNCIL

Corporate Research and Information Unit

Conwy County Borough Council

Contact us
Strategic Planning and Communities
Conwy County Borough Council
Coed Pella
Conway Road
Colwyn Bay
LL29 7AZ
Email: cdll.ldp@conwy.gov.uk
Phone: (01492) 575461

Contents

Section 1: Introduction

Data sources and methodology

The analysis in this report has been conducted by Corporate Research CCBC, supported by consultancy from Experian plc, based on data provided by Experian plc using their supermarket flow model, Where Britain Shops Model, GOAD and ShopPoint data. The Experian data models have the potential to offer detailed data at a much lower geographic area than using sample survey data.

MOSAIC

Mosaic is Experian's flagship consumer classification providing a deep view of UK consumers' characteristics and lifestyles. Through a combination of Experian proprietary, public and trusted third party sourced data, Mosaic condenses billions of pieces of information to fully understand consumer characteristics and lifestyles.

Comparison and convenience goods

The analysis will break retail down into two categories. These are defined below:

Convenience goods:
Food and non-alcoholic beverages, tobacco, alcoholic beverages, newspapers and periodicals and non-durable household goods.

Comparison goods:
Clothing, shoes, furniture, household appliances, tools, medical goods, games and toys, books and stationery, jewellery and other personal effects.

Supermarket flow model

Experian modelled data, looking at the type of supermarket by brand & size to determine the strength of 'pull' of each supermarket. This is matched with the socio-economic profile of the residents (MOSAIC data) at the small area level (Census Output areas) to model where residents are likely to shop.

Where Britain shops model

Experian modelled data, estimating the 'pull' strength of each retail centre based on the number, size and mix of available brands on offer. This is matched with the socio-economic profile of the residents (MOSAIC data) at the small area level (Census Output areas) to model where residents are likely to shop.

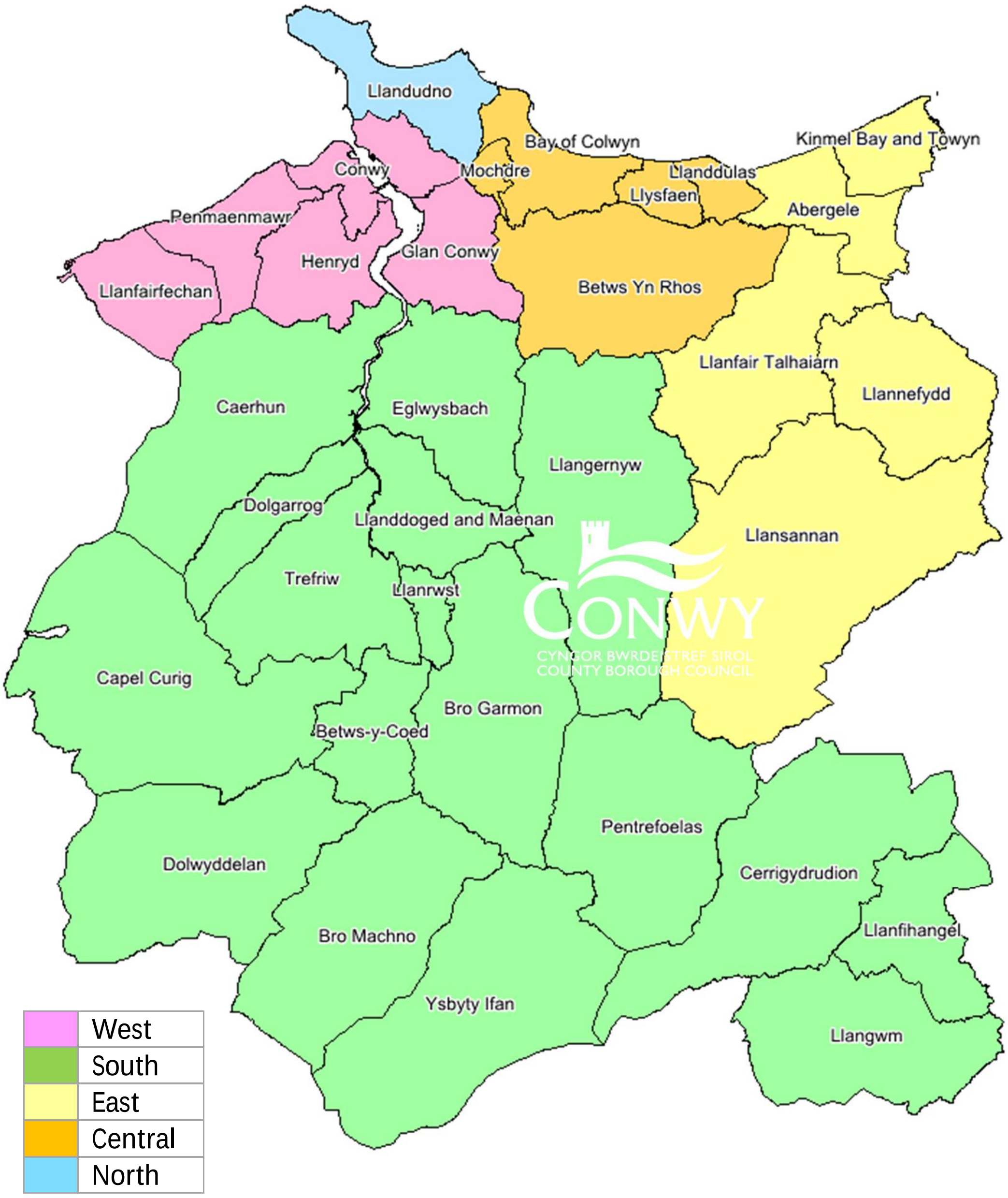
Supply and demand

The report will also break the county into five defined retail zones and explore the retail spend capacity (demand) based on the resident population and tourism for both comparison and convenience goods.

The report will explore the retail supply from three retail centres recognised by GOAD; Llandudno, Colwyn Bay and Abergele. It will identify and assess the primary and secondary catchment areas for each centre and explore the interactions between each centre and their rivals in North Wales and the North West of England.

Map showing how the county of Conwy has been split up into retail sub areas

These have been selected to align with geographies recognised and used for other purposes within Conwy County Borough Council. The map below shows the retail sub areas and Community Council boundaries.



Section 2: The effect of population growth

The population change data in the table below uses the small area estimates produced by the Office for national Statistics (2014) as a starting point and then the level of growth is derived from unit level committed and projected housebuilding activity data taken from the Conwy County Borough Council Joint Housing Land Availability Study. It includes information on proposed phasing of allocated housing sites, as well as dwelling ratios and institutional population data from 2011 Census; household size data from 2011 Census and Welsh Government's official household estimates and projections.

All retail areas are expected to see population growth with significant increase in the East area in particular as a result of the approved housing developments.

Population Change

Retail area	Current	Medium term (5 years)	Long term (10 years)	% Change (10 years)
Conwy Central	32,600	34,000	34,600	6.3%
Conwy East	22,200	23,100	24,200	9.1%
Conwy North	20,000	20,000	20,300	1.2%
Conwy South	13,000	13,000	13,500	4.0%
Conwy West	28,400	29,000	29,400	3.7%
Grand Total	**116,200**	**119,100**	**122,000**	**5.1%**

The impact on this population change on comparison and convenience demand can be seen in the following tables. The convenience demand in Conwy could increase by as much as £12.6 Million per year and the comparison demand by almost £18.3 Million.

Comparison Demand (£M)

Retail area	Current	Medium term (5 years)	Long term (10 years)	% Change (10 years)
Conwy Central	97.5	101.6	102.5	5.1%
Conwy East	62.2	65.3	68.8	10.7%
Conwy North	58.1	57.9	59.1	1.7%
Conwy South	44.6	44.5	45.8	2.6%
Conwy West	81.6	84.4	86.1	5.6%
Grand Total	**344.0**	**353.7**	**362.3**	**5.3%**

Convenience Demand (£M)

Retail area	Current	Medium term (5 years)	Long term (10 years)	% Change (10 years)
Conwy Central	66.1	69.0	69.8	5.5%
Conwy East	44.7	46.8	49.2	10.0%
Conwy North	39.7	39.6	40.2	1.3%
Conwy South	31.1	31.0	32.0	3.0%
Conwy West	55.3	57.3	58.4	5.5%
Grand Total	**236.9**	**243.6**	**249.5**	**5.3%**

Section 3: Retail Area Assessment

East retail area

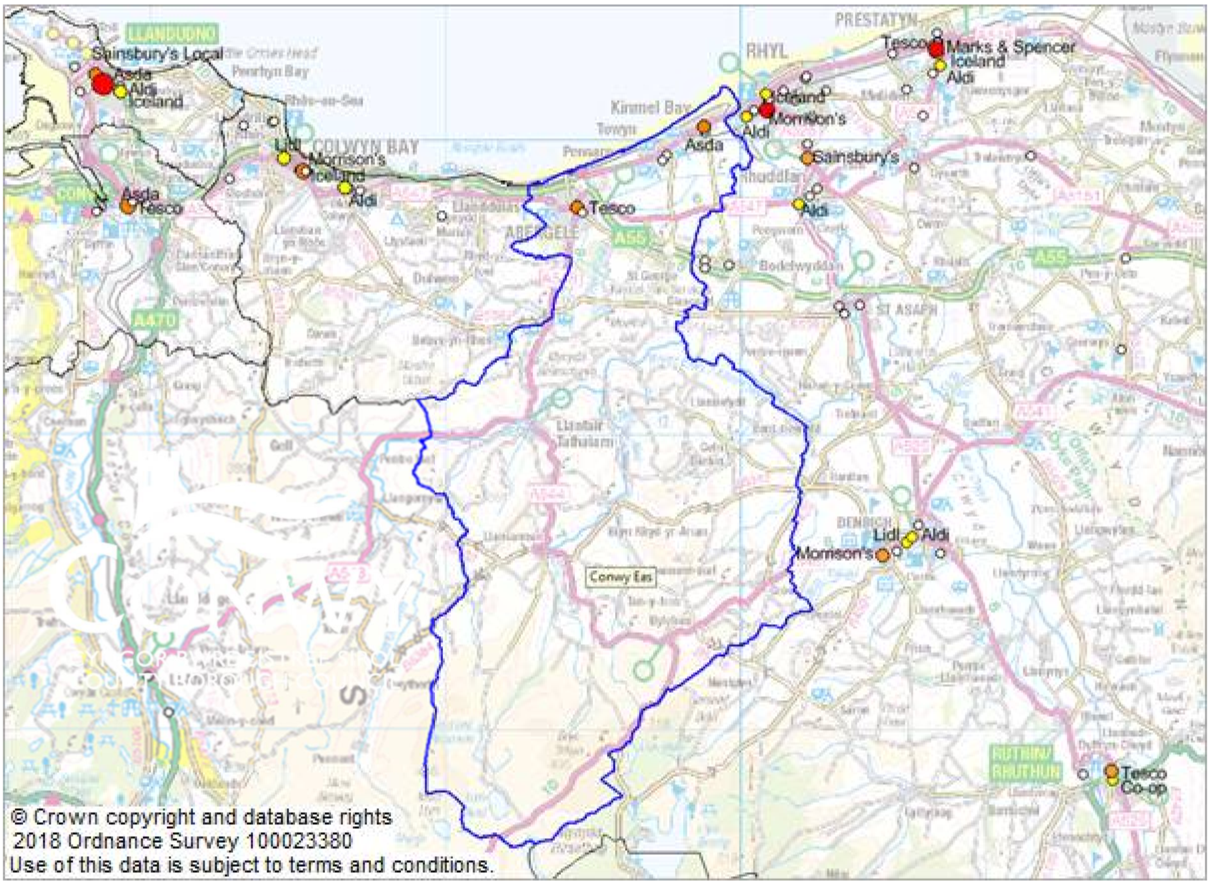
The East retail area covers the communities of Abergele, Kinmel Bay, Towyn, Pensarn (Abergele), Llanfair TH, Llanefydd and Llansannan. The area contains 10,600 dwellings with a total population estimated at 22,250 people. This is expected to increase to 24,200 over the next 10 years, an increase of 9.1%.

The age structure of this area is as follows. The East retail area has an older population structure than the rest of Conwy and a high proportion of households who are pensioners.

Age structure (Office for National Statistics 2016)

	Age 0-15	Age 16-29	Age 30-44	Age 45-64	Age 65+
East	15.5%	12.9%	13.8%	28.0%	29.8%
Conwy	16.2%	14.0%	14.8%	28.1%	27.0%
Wales	18.0%	18.2%	18.0%	26.3%	19.5%

Map showing the East Conwy retail area and the main supermarkets



The retail demand for the East retail area is estimated at £44.8 Million for Convenience goods and £62.2 Million for Comparison Goods. The coastal towns of Abergele, Towyn and Kinmel Bay are serviced by the supermarkets in Abergele, Kinmel Bay, Colwyn Bay and Rhyl. The A55 also provides good access to the stores in Llandudno Junction and Llandudno. The East Conwy retail area includes a number of smaller rural villages such as Llanfair Talhairn and Llansannan. There is reasonable access back to the coast via the A544, but much of this rural area will be serviced by stores in Denbigh.

Based on the Experian model, this demand is being met from the following locations:

Table showing where the convenience demand for the East retail area is being met from

Area	Convenience Spend (£M)	%
Rhyl	10.4	23.2%
Abergele	9.8	21.9%
Kinmel Bay	9.4	20.8%
Colwyn Bay	3.1	7.0%
Prestatyn	2.9	6.5%
Llandudno	2.2	5.0%
Rhuddlan (Aldi)	1.9	4.3%
Denbigh	1.7	3.7%
Flintshire	1.4	3.2%
Other	2.0	4.5%
Grand Total	**44.8**	**100.0%**

Table showing where the comparison demand for the East retail area is being met from

Area	Comparison Spend (£M)	%
Rhyl	28.7	46.1%
Colwyn Bay	9.6	15.4%
Llandudno	9.7	15.6%
Chester	4.6	7.4%
Bangor	2.3	3.7%
Abergele	1.2	1.9%
Prestatyn	1.1	1.8%
Denbigh	0.6	1.0%
Flintshire	2.5	4.0%
Liverpool	0.8	1.3%
Other	1.1	1.8%
Grand Total	**62.2**	**100.0%**

Central retail area

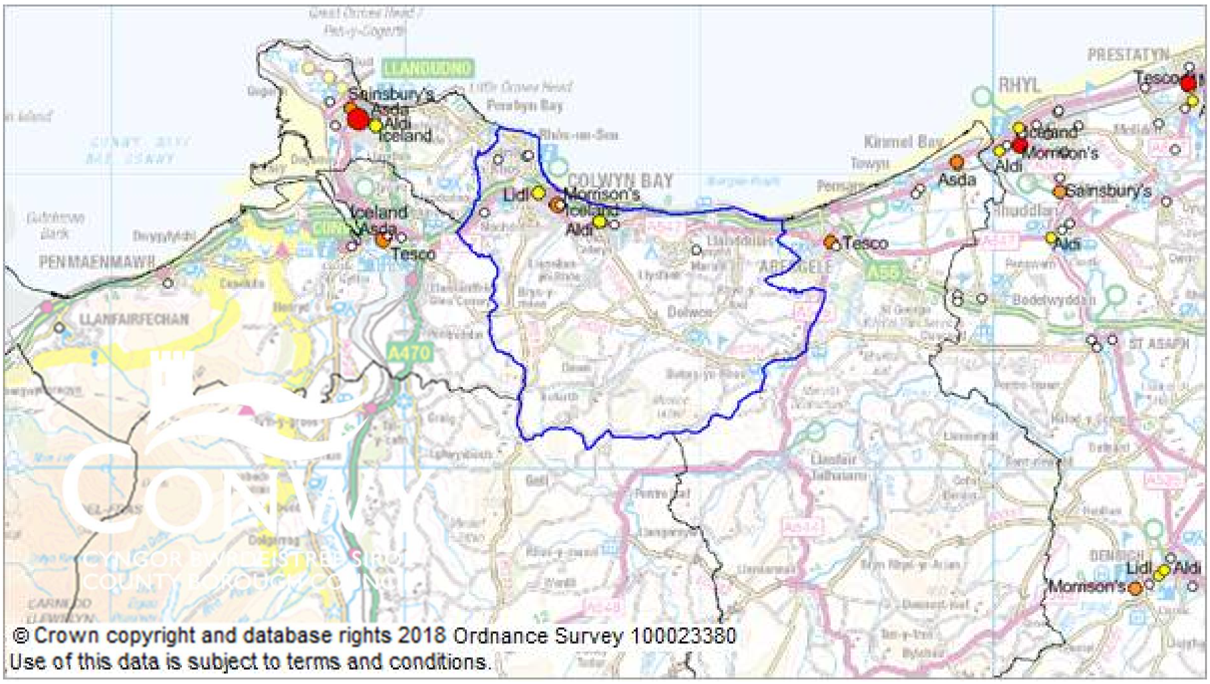
The Central retail area covers the communities of Colwyn Bay, Rhos on Sea, Mochdre, Betws yn Rhos, Llysfaen and Llanddulas. The area contains 16,100 dwellings with a total population estimated at 32,850 people. This is expected to increase to 34,600 over the next 10 years, an increase of 6.3%.

The age structure of this area is as follows. The Central retail area has a younger population structure than the rest of Conwy with a slightly higher proportion of rented properties and pockets of higher deprivation.

Age structure (Office for National Statistics 2016)

	Age 0-15	Age 16-29	Age 30-44	Age 45-64	Age 65+
Central	17.8%	14.2%	15.2%	27.1%	25.7%
Conwy	16.2%	14.0%	14.8%	28.1%	27.0%
Wales	18.0%	18.2%	18.0%	26.3%	19.5%

Map showing the Central Conwy retail area and the main supermarkets



The retail demand for the Central Conwy retail area is estimated at £66.1 Million for Convenience goods and £97.3 Million for Comparison Goods. The area is serviced by Morrison's, Lidl and Aldi in Colwyn Bay / Old Colwyn, which are supported by Iceland and mixed use stores such as Home Bargains. The roads provide good links to stores in Llandudno and Llandudno Junction, while the East of this retail area has access to Abergele, Kinmel Bay and Rhyl.

Based on the Experian model, this demand is being met from the following locations:

Table showing where the convenience demand for the Central retail area is being met from

Area	Convenience Spend (£M)	%
Colwyn Bay	23.8	36.0%
Llandudno	15.6	23.6%
Llandudno Junction	8.3	12.6%
Abergele	5.6	8.5%
Kinmel Bay	4.5	6.8%
Rhyl	4.2	6.4%
Prestatyn	1.7	2.6%
Other	2.4	3.6%
Grand Total	**66.1**	**100.0%**

Table showing where the comparison demand for the Central retail area is being met from

Area	Comparison Spend (£M)	%
Colwyn Bay	35.6	36.6%
Llandudno	39.4	40.5%
Rhyl	9.4	9.7%
Bangor	5.1	5.2%
Chester	2.6	2.7%
Flintshire	0.8	0.8%
Liverpool	0.3	0.3%
Other	4.1	4.2%
Total	**97.3**	**100.0%**

North retail area

The North retail area covers the communities of Llandudno and Penrhyn Bay. The area contains 10,640 dwellings with a total population estimated at 20,000 people. This is only expected to increase to 20,300 over the next 10 years, an increase of just 1.2%.

The age structure of this area is as follows. The North retail area has an older population structure than the rest of Conwy with a high proportion of lone pensioners (19%). There is also a higher proportion of rented properties at 35% compared to 30% across the rest of the county.

Age structure (Office for National Statistics 2016)

	Age 0-15	Age 16-29	Age 30-44	Age 45-64	Age 65+
North	14.8%	14.6%	14.6%	27.3%	28.7%
Conwy	16.2%	14.0%	14.8%	28.1%	27.0%
Wales	18.0%	18.2%	18.0%	26.3%	19.5%

Map showing the North retail area and the main supermarkets

The retail demand for the North retail area is estimated at £39.7 Million for Convenience goods and £58.1 Million for Comparison Goods. The area is well serviced by local stores with a good variety of options for customers in Llandudno, Llandudno Junction and Colwyn Bay.

Based on the Experian model, this demand is being met from the following locations:

Table showing where the convenience demand for the North retail area is being met from

Area	Convenience Spend (£M)	%
Llandudno	28.5	71.8%
Llandudno Junction	4.5	11.3%
Colwyn Bay	3.9	9.8%
Other	2.8	7.1%
Grand Total	**39.7**	**100.0%**

Table showing where the comparison demand for the North retail area is being met from

Area	Comparison Spend (£M)	%
Llandudno	49.6	85.4%
Colwyn bay	5.0	8.6%
Bangor	1.8	3.1%
Rhyl	0.9	1.5%
Chester	0.2	0.3%
Other	0.6	1.0%
Grand Total	**58.1**	**100.0%**

West retail area

The West retail area covers the communities of Conwy, Glan Conwy, Llandudno Junction, Dwygyfylchi, Penmaenmawr and Llanfairfechan. The area contains 13,420 dwellings with a total population estimated at 28,400 people. This is expected to increase to 29,400 over the next 10 years, an increase of 3.7%.

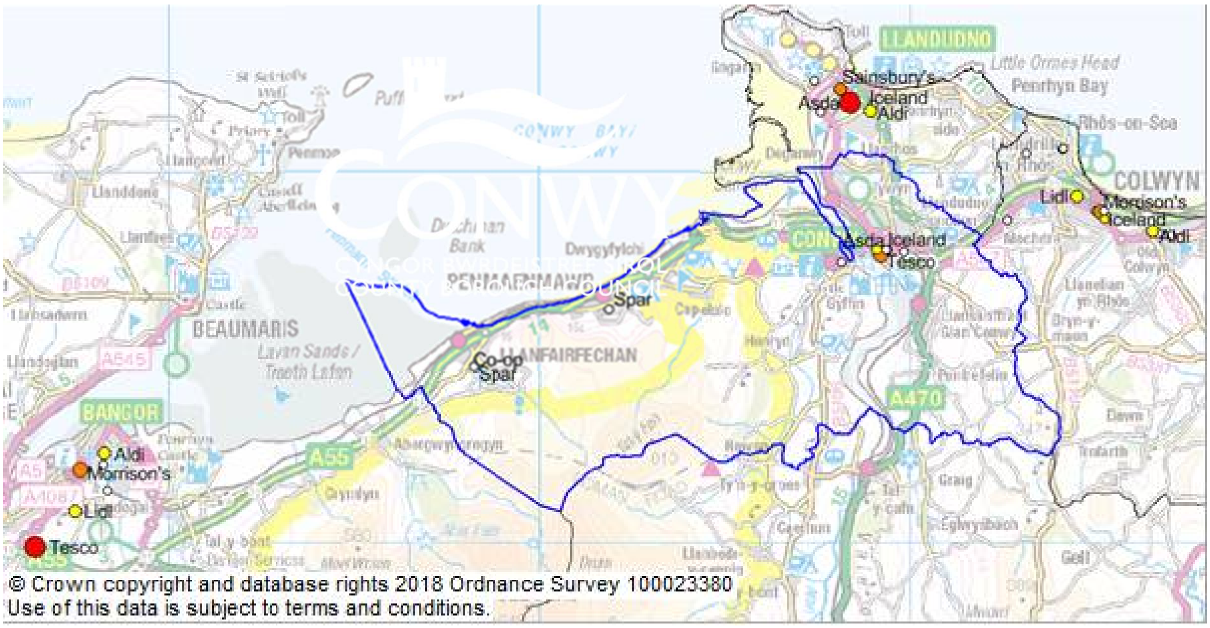
The age structure of this area is as follows. The West has a similar population structure to the rest of Conwy with higher owner occupancy levels.

Age structure (Office for National Statistics 2016)

	Age 0-15	Age 16-29	Age 30-44	Age 45-64	Age 65+
West	16.0%	14.4%	15.3%	28.7%	25.6%
Conwy	16.2%	14.0%	14.8%	28.1%	27.0%
Wales	18.0%	18.2%	18.0%	26.3%	19.5%

The retail demand for the West retail area is estimated at £55.3 Million for Convenience goods and £81.6 Million for Comparison Goods. The eastern part of this retail area is well serviced by stores in Llandudno Junction, Llandudno and Colwyn Bay, while the demand in the west (Llanfairfechan in particular) is being serviced by stores in Bangor as well.

Map showing the West retail area and the main supermarkets



Based on the Experian model, this demand is being met from the following locations:

Table showing where the convenience demand for the West retail area is being met from

Area	Convenience Spend (£M)	%
Llandudno	21.3	38.5%
Llandudno Junction	13.2	23.9%
Gwynedd	7.9	14.3%
Colwyn Bay	6.8	12.3%
Kinmel Bay	1.4	2.5%
Abergele	1.2	2.2%
Conwy	0.8	1.4%
Llanfairfechan	0.6	1.1%
Penmaenmawr	0.4	0.7%
Other	1.7	3.1%
Grand Total	**55.3**	**100.0%**

Table showing where the comparison demand for the West retail area is being met from

Area	Comparison Spend (£M)	%
Llandudno	49.0	60.0%
Colwyn Bay	12.2	15.0%
Gwynedd	16.5	20.2%
Rhyl	2.3	2.8%
Chester	0.6	0.7%
Other	1.0	1.2%
Grand Total	**81.6**	**100.0%**

South retail area

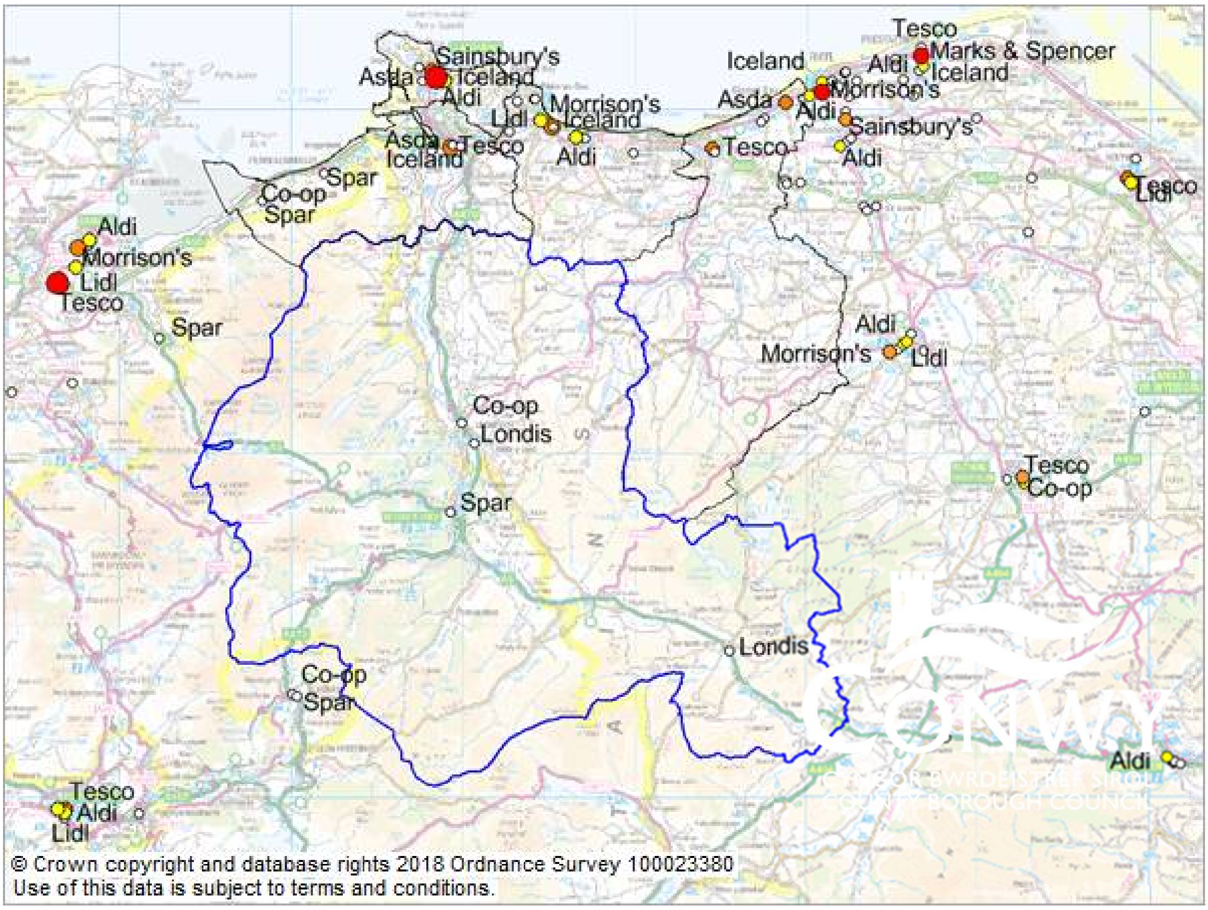
The South retail area covers a large geographical area which includes a large number of small communities and one larger town of Llanrwst. A large proportion of this retail area is also located within the Snowdonia National Park. The area contains 6,140 dwellings with a total population estimated at 13,000 people. This is expected to increase to 13,500 over the next 10 years, an increase of 4%.

The age structure of this area is as follows. The South retail area has a different population structure than the rest of Conwy with a higher proportion in the 45 to 64 years age bracket, but fewer aged over 65 years and fewer aged under 16 years. Unemployment is low and the number claiming benefits is also low.

Age structure (Office for National Statistics 2016)

	Age 0-15	Age 16-29	Age 30-44	Age 45-64	Age 65+
South	15.7%	13.9%	14.5%	30.4%	25.5%
Conwy	16.2%	14.0%	14.8%	28.1%	27.0%
Wales	18.0%	18.2%	18.0%	26.3%	19.5%

Map showing the South retail area and the main supermarkets



The retail demand for the South retail area is estimated at £31.0 Million for Convenience goods and £43.9 Million for Comparison Goods. This large geographic area is for the most part, sparsely populated with small villages serviced by smaller stores such as Co-op, Spar or Londis. Parts of the South retail area have reasonable access via the A5 to the stores on the coast and are serviced by stores in Llandudno Junction, Llandudno and for a small part Colwyn Bay. Those living in the west of this area have easier access through to Bangor and some in the east and the South to Denbigh and possibly Ruthin.

Based on the Experian model, this demand is being met from the following locations:

Table showing where the convenience demand for the South retail area is being met from

Area	Convenience Spend (£M)	%
Llandudno	6.8	21.9%
Llanrwst	6.2	20.0%
Llandudno Junction	3.0	9.7%
Gwynedd	2.8	9.0%
Colwyn Bay	2.6	8.4%
Betws y Coed	2.4	7.7%
Denbigh	1.1	3.5%
Rhyl	1.1	3.5%
Abergele	1.1	3.5%
Kinmel Bay	1.1	3.5%
Corwen	0.6	1.9%
Ruthin	0.5	1.6%
Other	1.7	5.5%
Grand Total	**31.0**	**100.0%**

Table showing where the comparison demand for the South retail area is being met from

Area	Comparison Spend (£M)	%
Llandudno	18.7	42.6%
Gwynedd	10.2	23.2%
Colwyn Bay	6.7	15.3%
Rhyl	2.7	6.2%
Chester	2.0	4.6%
Wrexham	1.1	2.5%
Flintshire	0.6	1.4%
Denbigh	0.5	1.1%
Other	1.4	3.2%
Grand Total	**43.9**	**100.0%**

Section 4: Centre Retail Assessment

This section is based on the catchment for the retail centres and not on the retail areas that were used for the previous sections. Retail catchments cross administrative boundaries and depend upon drive times and the strength of nearby competing centres.

- The Primary catchment is where 50% of the trade comes from
- The Secondary catchment is where 75% of the trade comes from (this includes the primary catchment area at 50% plus an additional 25%)
- The Tertiary catchment is where 90% of the trade comes from (this includes the primary and secondary catchment areas plus an additional 15%).

This does not take account of tourism or workplace based trade.

Llandudno Centre catchment

Llandudno (including Parc Llandudno and Mostyn Champneys) contains 255 retail units with 870,000 square feet of floorspace. The estimated weighted population is just over 65,000 people. This is the number of people within the catchment area who do some of their shopping in Llandudno.

Map showing the Llandudno retail catchment area

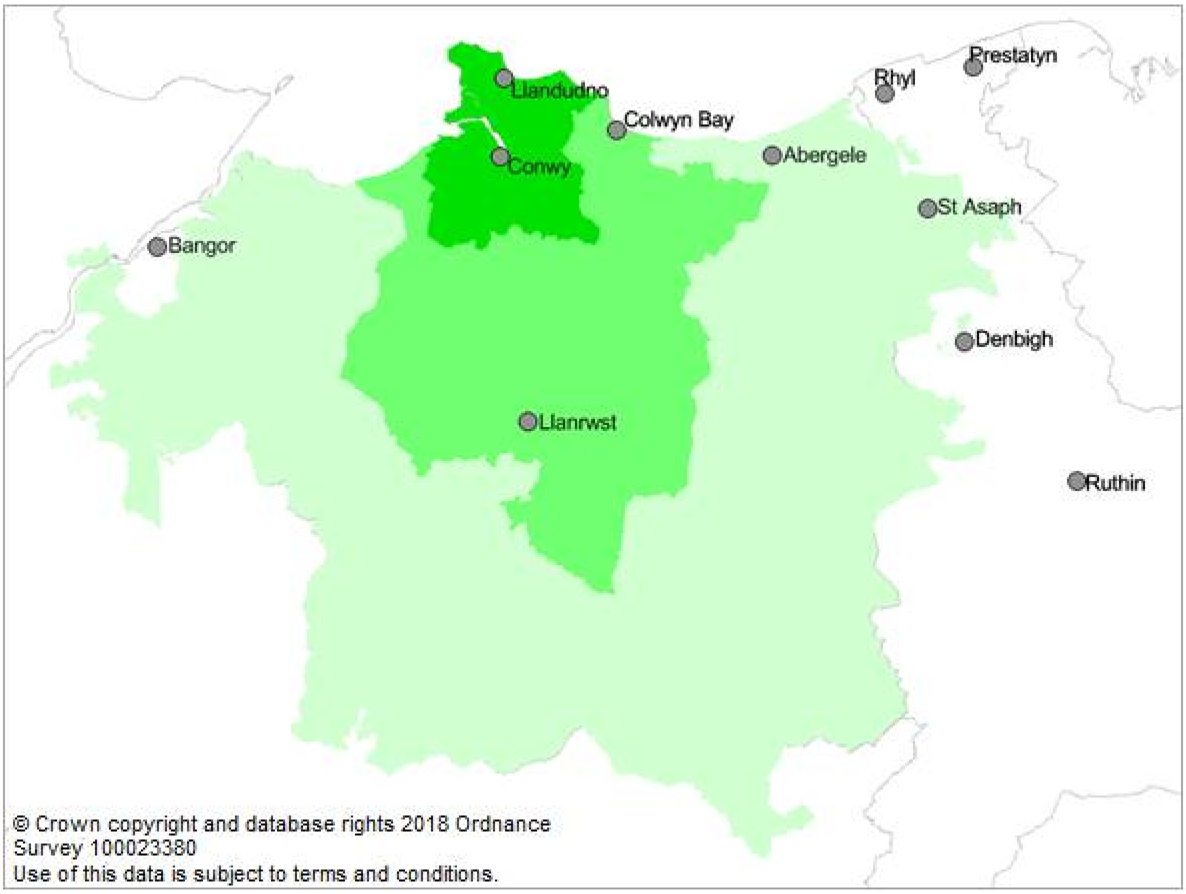


Table showing data about the Catchment areas for Llandudno

Catchment area	Population current	Population 10 year	Comparison Demand (£M)	Weighted Comparison Demand (£M)	%
Primary	43,300	44,400	125.2	93.3	74.5%
Secondary	36,800	38,100	112.6	49.7	44.1%
Tertiary	71,300	79,800	202.7	28.9	14.2%
Total	**151,400**	**162,300**	**440.5**	**171.9**	**39.0%**

The comparison demand within the Primary and Secondary catchment for Llandudno is just under £240 Million. With the current offer in the town, Llandudno could be attracting around £140 Million of this demand or 60.1%. There is therefore still significant potential for expanding the offer within Llandudno to increase this percentage. The population within the Primary catchment is not expected to change much over the next 10 years, however there is significant change expected in the secondary and tertiary catchments which could see an additional 11,000 residents living within the catchment.

Colwyn Bay Centre catchment

Colwyn Bay contains 160 retail units with 322,000 square feet of floorspace. The estimated weighted population is just under 30,000 people. This is the number of people within the catchment area who do some of their shopping in Colwyn Bay.

Map showing the Colwyn Bay retail catchment area

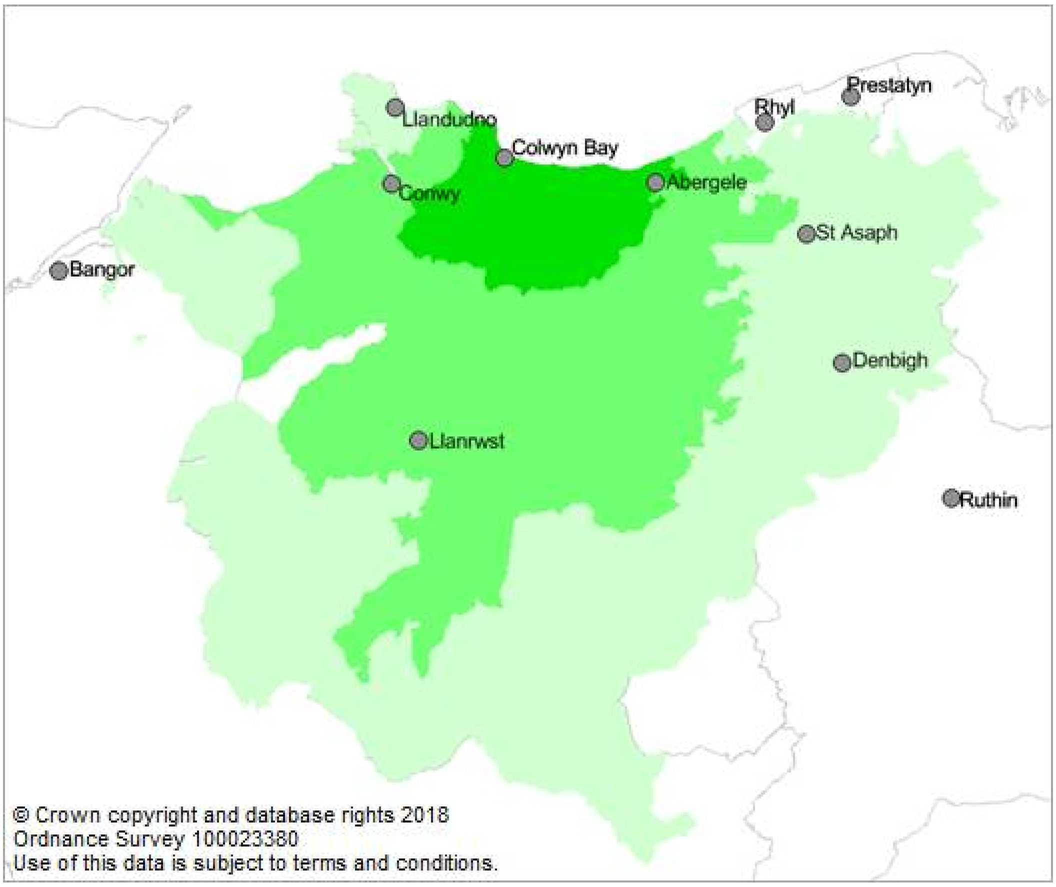


Table showing data about the Catchment areas for Colwyn Bay

Catchment area	Population current	Population 10 year	Comparison Demand (£M)	Weighted Comparison Demand (£M)	%
Primary	41,200	44,100	124.3	40.4	32.5%
Secondary	46,500	53,600	136.8	21.6	15.8%
Tertiary	77,100	79,800	222.1	12.2	5.5%
Total	**164,700**	**177,500**	**483.3**	**74.2**	**15.4%**

The comparison demand within the Primary and Secondary catchment for Colwyn Bay is just over £260 Million. With the current offer in the town, Colwyn Bay could be attracting around £60 Million of this demand or 24%. There is therefore significant potential for expanding the offer within Colwyn Bay to increase this percentage. The population within the Primary and Secondary catchments is expected to increase over the next 10 years by around 10,000 residents.

Abergele Centre catchment

Abergele is a small centre, containing just 55 retail units with 122,000 square feet of floorspace. The estimated weighted population is around 850 people. This is the number of people within the catchment area who do some of their shopping in Abergele.

Map showing the Abergele retail catchment area

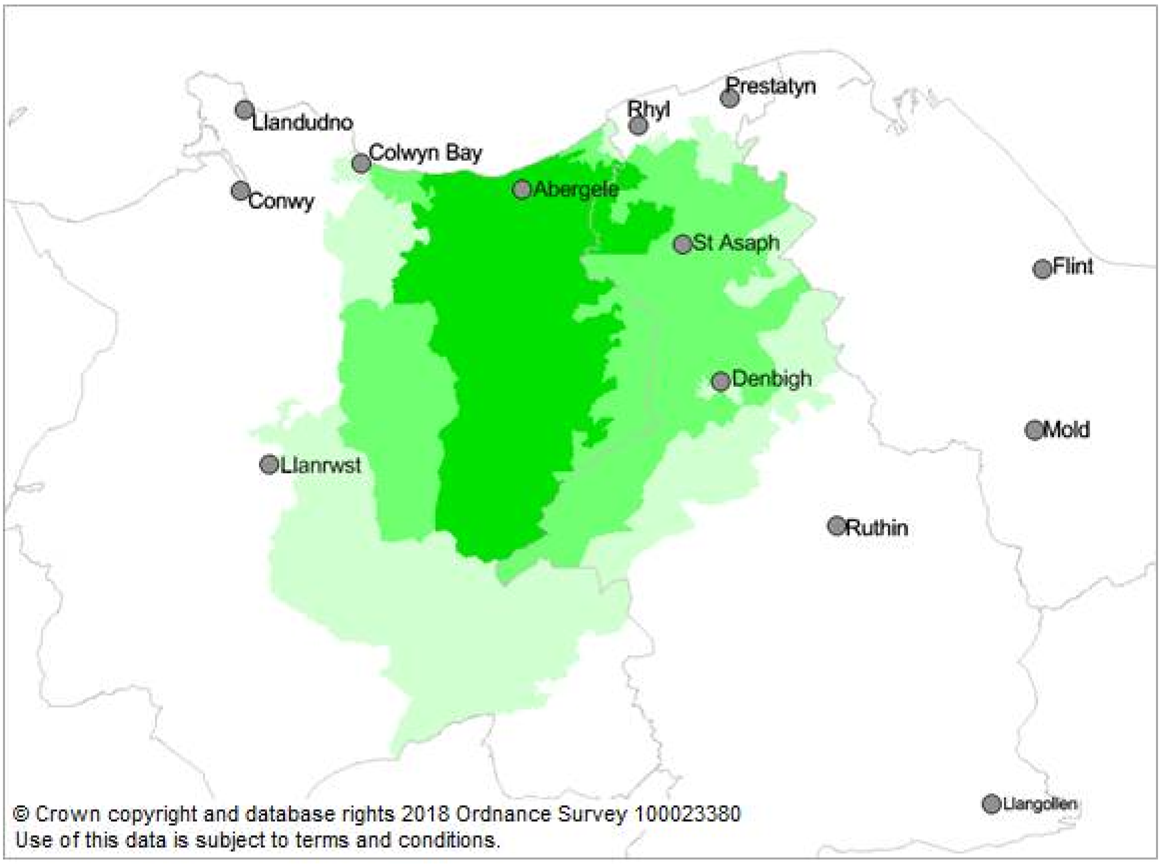


Table showing data about the Catchment areas for Abergele

Catchment area	Population current	Population 10 year	Comparison Demand (£M)	Weighted Comparison Demand (£M)	%
Primary	20,700	27,200	60.7	1.3	2.1%
Secondary	30,000	32,400	89.3	0.6	0.7%
Tertiary	29,800	31,400	86.6	0.4	0.4%
Total	**80,600**	**91,000**	**236.7**	**2.3**	**1.0%**

The comparison demand within the Primary and Secondary catchment for Abergele is around £150 Million. With the limited offer in the town, Abergele will only be attracting £2 Million of this demand or 1.3%.

Llanrwst Centre catchment

Llanrwst contains 97 retail units, but is not part of the Experian GOAD database, so there isn't an estimate for the proportion of people living locally who shop in the centre. The catchment area below is estimated based on the catchment for the Llanrwst convenience stores.

Map showing the Llanrwst retail catchment area

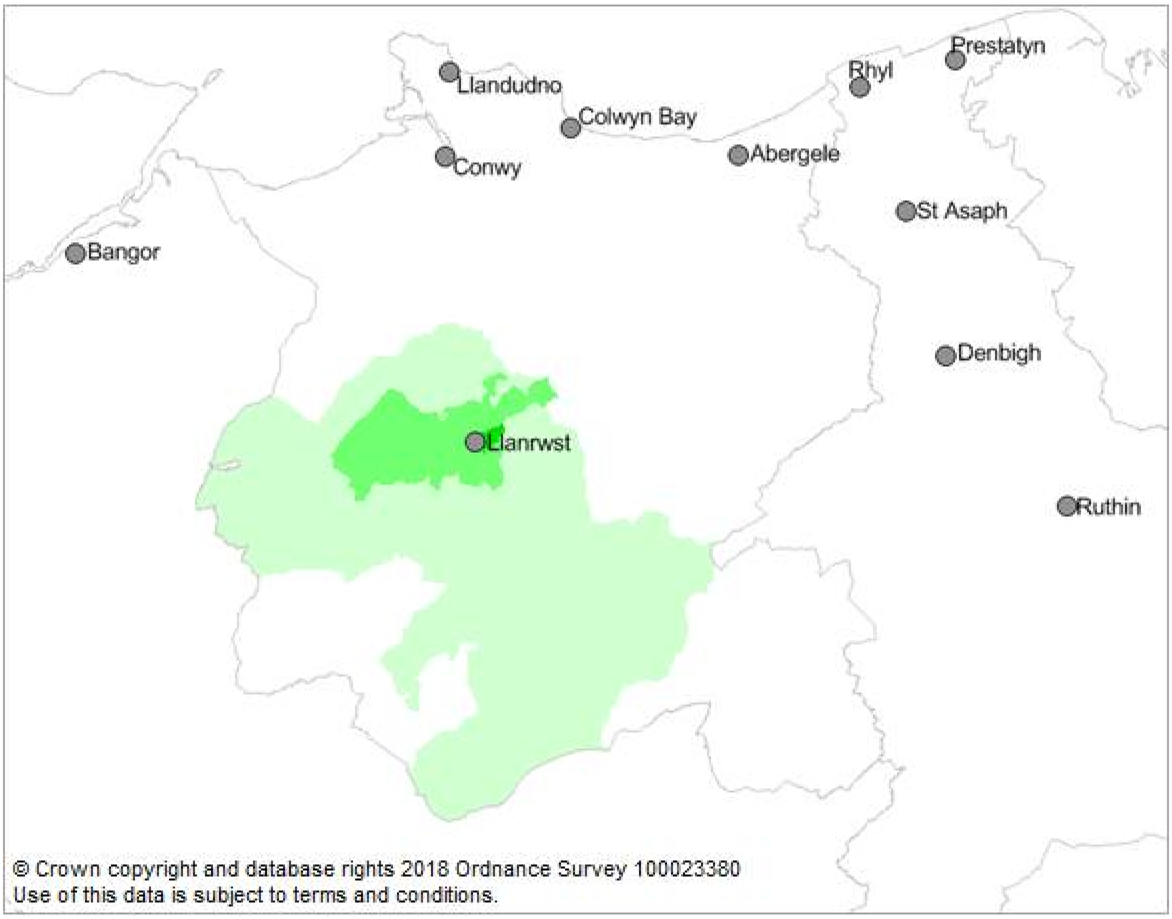


Table showing data about the Catchment areas for Llanrwst

Catchment area	Population current	Population 10 year	Comparison Demand (£M)	Weighted Comparison Demand (£M)	%
Primary	1,800	2,000	4.3	-	-
Secondary	2,300	2,600	7.0	-	-
Tertiary	3,400	3,400	12.8	-	-
Total	**7,500**	**8,000**	**24.1**	**-**	**-**

The comparison demand within the Primary and Secondary catchment for Llanrwst is around £11 Million. Llanrwst is not part of the Experian GOAD database, so there isn't an estimate for the proportion of this that is spent locally in Llanrwst. With the very limited offer in the town, it is likely to be a very small amount.

Section 5: Online sales

Many high street stores are struggling with well-known names such as Debenhams, Marks & Spencer, Tesco, Sainsbury's, Asda, Morrisons, B&Q, New Look, Mothercare and Toys 'R' Us announcing that they are either closing stores or cutting staff. As well as reduced footfall, retailers have been hit with spiralling costs from wage rises, inflation and rate rises. Consumer spending has also been challenged with wage rises failing to keep up with inflation, meaning less money in the pocket for people to spend. The traditional branches continue to be challenged by the rise of the discount retailers such as Aldi, Lidl and B&M Bargains, as well as the competition from online only retailers such as Amazon. Primark for example has seen its market share increase and is investing in more retail space while Lidl has overtaken Waitrose as the 7th largest UK retailer and Aldi has overtaken the Co-Op into 5th place.

Chart showing online retail sales as a proportion of the total retail sales
(Office for National Statistics retail sales bulletin February 2018)

Online retail has seen sustained growth for over 10 years and now accounts for 17% of the total retail sales in Great Britain (2017), peaking before Christmas at almost 20%. While this growth in online sales has slowed in the last year, some in-store retail such as clothing in particular, has seen a decline and experts acknowledge that the growth in online sales is at the expense of in-store retail. This trend in online retail will eventually plateau out, but there is debate as to where that final level will be.

Table showing online sales as a proportion of retailing by broad category
(Office for National Statistics retail sales bulletin February 2018)

Category	Online sales as a proportion of retailing
All retailing	17.2
All food	5.5
All non-food	13.1
Department stores	16.1
Textile, clothing and footwear	15.9
Household goods	12.1
Other	9.3

Despite decline in recent years, the physical stores still play an important role in the retail sector, accounting for 83% of the sales. Stores provide some services that are not available online such as specific advice and the ability to try things on or try them out. They also provide an important supporting role to the online market such as ‘click and collect’ which is convenient for both the consumer and retailer. Many stores sell online and source the goods from regular stores, rather than a warehouse, meaning that the impact of online growth on the physical store can be positive not negative. The ONS reported in December 2017 that stores with a physical presence were the largest contributor to the overall growth in online sales.

Experian suggest that the percentages online will continue to increase, albeit at a slower pace than previous years. For the purpose of this report the future retail spend has been amended as follows:

- **Convenience retail + 10 years = 1.6% decline due to online sales**
- **Comparison retail + 10 years = 2.9% decline due to online sales**

Section 6: Tourism trends

Tourism plays an important role in the economy of Conwy and the spend by visitors has a significant contribution to the retail sector. The tables within this section combine the data produced by STEAM at the county level, and uses the tourism accommodation databases held by Conwy County Borough Council and Visit Wales to apportion the county spend out to smaller geographies.

The total economic impact of tourism to the county is estimated at £838.8 Million of which £43.9 Million is comparison spend and £41.9 Million convenience spend. This is a lower comparison spend than the 2012 Retail Capacity Study after new research showed a much lower spend by ‘day visitors’.

Total Economic Impact (£M)	Comparison Spend (£M)	Convenience Spend (£M)
838.8	60.3	44.4

For the purpose of this analysis, visitors have been separated into two simple categories, those staying overnight and those who are day visitors. ‘Day visitor’ numbers are much higher and primarily centred around Llandudno and Conwy. Although the spend per visitor is low, the higher number of visitors overall mean that the total spend is significant.

Table showing the number and type of visitors to Conwy County
(STEAM 2016)

All visitors (Million)	Staying Visitor (Million)	Day Visitors (Million)
9.35	2.60	6.75

Table showing the Comparison and Convenience demand by ‘Day Visitors’

Retail centre	Comparison (£M)	Convenience (£M)
Conwy	2.0	0.3
Llandudno	10.9	1.7
Colwyn Bay	3.3	0.5
Abergele	0.2	0.03
Total	**16.4**	**2.5**

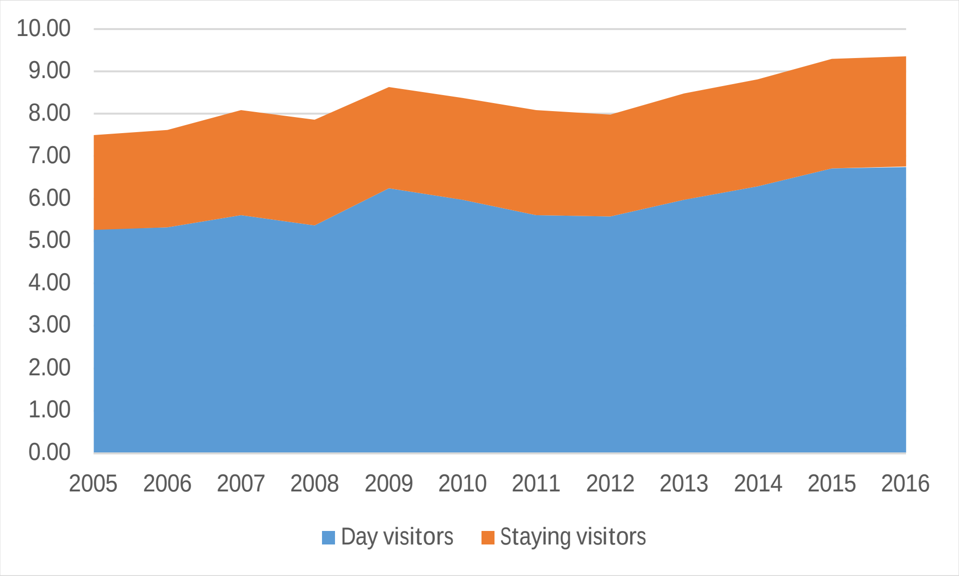
Although the number of ‘staying visitors’ is much smaller, their potential contribution to the retail sector is greater. The high potential convenience spend is linked to the large number of non-serviced accommodation on offer in the county.

Table showing the Comparison and Convenience demand by ‘Staying Visitors’

Retail area	Comparison (£M)	Convenience (£M)
Conwy Central	3.2	4.1
Conwy East	8.0	23.5
Conwy North	19.9	2.0
Conwy South	7.1	4.6
Conwy West	5.6	7.7
Grand Total	**43.9**	**41.9**

Over time, both types of visitor to Conwy have increased. The chart below shows a 25% increase in the number of tourists visiting the county between 2005 and 2016. Looking into the future, it is difficult to predict whether this trend will continue due to the volatile nature of this sector which is so heavily influenced by external factors such as the weather and international exchange rates. It is also unclear how much capacity the sector has for sustaining continued growth (i.e. can the accommodation, facilities and amenities continue to support this level of growth?).

Chart showing the change in the number of 'day visitors' and 'staying visitors': 2005-2016 (STEAM 2016)



Given the uncertainty and volatile nature of the tourism sector, the retail demand from tourism has been kept constant when looking 10 years into the future.

Section 7: Floor space requirements

Convenience retail

The following table provides an estimate of the convenience spend at the main supermarkets in Conwy County. The spend takes account of residents, those working in the area and tourism. The store size has been taken from Experian's GOAD database which has been used to provide a crude trading per square foot estimate.

The data suggests that a number of the current stores are trading well. These include:

- Asda, Llandudno
- Asda, Kinmel Bay
- Tesco, Junction
- Tesco, Abergele
- Lidl, Colwyn Bay
- Morrison's, Colwyn Bay
- Co-op, Llanrwst

Table estimating annual convenience spend at the main supermarkets

Store	Store size (Sq Ft)	Resident spend (£M)	Workplace Spend (£M)	Tourism Spend (£M)	Total Spend (£M)	Trading per sq ft* (£)
Asda, LLANDUDNO	81,190	60.5	1.8	1.3	63.54	£980
Asda, KINMEL BAY	57,740	34.9	1.4	10.2	46.47	£1,000
Tesco, JUNCTION	34,900	23.8	0.5	0.2	24.48	£880
Tesco, ABERGELE	37,800	22.4	1.4	0.8	24.56	£810
Morrison's, COLWYN BAY	22,500	14.0	1.2	0.0	15.23	£850
Lidl, COLWYN BAY	12,107	8.5	0.6	0.0	9.12	£940
Aldi, OLD COLWYN	11,696	6.9	0.7	0.0	7.62	£810
Aldi, LLANDUDNO	13,000	6.8	0.4	0.1	7.23	£700
Iceland, COLWYN BAY	10,300	6.1	0.4	0.0	6.52	£790
Iceland, LLANDUDNO	10,300	5.3	0.4	0.1	5.79	£700
The co-op, LLANRWST	10,169	6.2	0.6	0.1	6.85	£840
M&S, LLANDUDNO	38,165	4.2	0.7	0.3	5.18	£170
Asda, JUNCTION	9,800	4.2	0.2	0.0	4.38	£560
Iceland, JUNCTION	7,400	3.1	0.2	0.0	3.34	£560
The Co-op, PENRHYN BAY	4,096	1.5	0.4	0.2	2.02	£620
Sainsbury's, LLANDUDNO	4,126	1.2	0.1	0.1	1.41	£430
Spar, RHOS ON SEA	3,300	1.1	0.2	0.0	1.26	£480
Spar, ABERGELE	3,500	1.0	0.2	0.0	1.22	£430
The Co-op, OLD COLWYN	3,014	0.9	0.2	0.0	1.11	£460
The Co-op, OLD COLWYN	2,663	0.9	0.1	0.0	1.02	£480
Spar, CONWY	2,900	0.8	0.1	0.0	0.88	£380
The Co-op, RHOS ON SEA	2,690	0.8	0.2	0.0	1.05	£490
Spar, BETWS-Y-COED	2,417	1.0	0.0	0.4	1.40	£730
The Co-op, JUNCTION	1,983	0.6	0.1	-	0.66	£410

* Assuming 80% convenience floorspace for the larger supermarkets

Using the population estimates and Conwy Local Development Plan the following tables shows how the spend above may change over the next 10 years. Growth is expected for all stores, with those in the Abergele area standing out in particular.

Table estimating the change in annual convenience spend at the main supermarkets over the next 10 years based on population growth

Store	Store size (Sq Ft)	Resident spend current (£M)	Resident spend 10 year (£M)	Trading per sq ft current (£)	Trading per sq ft 10 year (£)	% Change
Asda, LLANDUDNO	81,190	60.5	62.8	£980	£1,010	3.8%
Asda, KINMEL BAY	57,740	34.9	37.8	£1,000	£1,070	8.4%
Tesco, JUNCTION	34,900	23.8	25.0	£880	£920	4.9%
Tesco, ABERGELE	37,800	22.4	25.4	£810	£910	13.6%
Morrison’s, COLWYN BAY	22,500	14.0	14.8	£850	£890	5.8%
Lidl, COLWYN BAY	12,107	8.5	8.9	£940	£990	5.0%
Aldi, OLD COLWYN	11,696	6.9	7.5	£810	£870	8.5%
Aldi, LLANDUDNO	13,000	6.8	7.0	£700	£720	2.9%
Iceland, COLWYN BAY	10,300	6.1	6.4	£790	£830	5.5%
Iceland, LLANDUDNO	10,300	5.3	5.5	£700	£720	4.1%
The co-op, LLANRWST	10,169	6.2	6.5	£840	£890	5.2%
M&S, LLANDUDNO	38,165	4.2	4.3	£170	£170	2.8%
Asda, JUNCTION	9,800	4.2	4.3	£560	£580	2.9%
Iceland, JUNCTION	7,400	3.1	3.2	£560	£580	4.6%
The Co-op, PENRHYN BAY	4,096	1.5	1.5	£620	£630	0.4%
Sainsbury's, LLANDUDNO	4,126	1.2	1.2	£430	£430	0.0%
Spar, ROHS ON SEA	3,300	1.1	1.1	£480	£490	1.5%
Spar, ABERGELE	3,500	1.0	1.2	£430	£490	15.3%
The Co-op, OLD COLWYN	3,014	0.9	0.9	£460	£470	5.5%
The Co-op, OLD COLWYN	2,663	0.9	0.9	£480	£490	0.1%
Spar, CONWY	2,900	0.8	0.8	£380	£390	1.1%
The Co-op, RHOS ON SEA	2,690	0.8	0.8	£490	£490	2.6%
Spar, BETWS-Y-COED	2,417	1.0	1.0	£730	£740	1.4%
The Co-op, JUNCTION	1,983	0.6	0.6	£410	£430	2.1%

Conwy East

The total convenience demand in the Conwy East retail area is estimated at £44.8 Million for the residential population, and the data suggests that 42.7% of this convenience demand is met within the local stores. Tourism could play a significant role in this retail area with a very large number of self-catering units along the coastal strip through Towyn and Kinmel Bay potentially adding a further £23.5 Million convenience spend. With tourism included, the data suggests that the local stores could be trading well. The Conwy east retail area is also expected to see population growth of 9.1% which will increase the convenience demand by a further £4.5 Million.

Based on the current residential population there is capacity for modest growth in convenience supply of around 10,000 sq ft, however this rises to 25,000 sq ft once the potential demand from tourism is taken into account. This capacity comes from a small reduction in trading to the

current stores combined with reduction in leakage to stores in Rhuddlan, Rhyl, Denbigh and Colwyn Bay.

Looking to the future and taking account of the population increase as a result of the approved housing sites, alongside the impact of the growth in online shopping and a slightly reduced overall retail spend due to the economy and Brexit, the capacity for convenience supply growth increases to 17,000 sq ft for the residential population. When tourism is also included this capacity is around 35,000 sq ft.

Conwy Central

The total convenience demand in the Conwy Central retail area is estimated at £66.1 Million for the residential population, and the data suggests that 36.0% of this convenience demand is met within the local stores. Tourism plays a smaller role in this retail area adding a further £4.6 Million convenience spend. Considering the size and type of stores available compared to the size and make-up of the residential population, the data does suggest that the local stores will be trading well. The Conwy Central retail area is also expected to see population growth of 6.3% which could increase the convenience demand by a further £3.7 Million.

Based on the current residential population there is capacity for growth in convenience supply of around 12,000 sq ft, which rises to 16,000 sq ft once the potential demand from tourism is taken into account. This capacity comes from a small reduction in trading to the current stores combined with reduction in leakage to Abergele, Llandudno and Llandudno Junction in particular.

Looking to the future and taking account of the population increase as a result of the approved housing sites, alongside the impact of the growth in online shopping and a slightly reduced overall retail spend due to the economy and Brexit, the capacity for convenience supply growth increases to 16,000 sq ft for the residential population. When tourism is also included this capacity is around 20,000 sq ft.

Conwy North

The total convenience demand in the Conwy North retail area is estimated at £39.7 Million for the residential population. The area has a strong convenience supply with the data suggesting that 71.8% of this convenience demand is met within the local stores. While tourism is very important to the local economy, much of the supply in Conwy North comes from Hotels, Bed & Breakfast and day visitors which results in a lower convenience demand of around £3.7 Million. Local stores are expected to be trading well, however much of this additional trade is coming from the residential populations of the neighbouring retail centres meaning that increases to supply in these will impact significantly on the capacity for new convenience retail in Conwy North. The Conwy North retail area is only expected to see population growth of 1.2% which could increase the convenience demand by £0.5 Million.

Based on the current residential population there is no capacity for growth in convenience supply in Conwy North. Taking account of the demand from tourism could provide for small growth of 3,000 sq ft.

This retail area is only expected to see small population growth, most of which will be offset by an increase in online shopping and a slightly reduced overall retail spend due to the economy and Brexit. The capacity for convenience supply growth is estimated to be 5,000 sq ft.

Conwy West

The total convenience demand in the Conwy West retail area is estimated at £55.3 Million for the residential population. While this area has a strong convenience supply in Llandudno Junction, Bangor plays an important role providing supply to the villages to the West and the close proximity to Llandudno means that a significant proportion of the supply will be met from the Conwy North retail area. Taking this into account, the data suggests that 25.7% of this convenience demand is met by stores within the Conwy West retail area. Tourism does play an important part in the convenience demand in Conwy West, adding a further £7.7 Million. Llandudno Junction also plays a key central role in the supply provided to the Conwy Central and to the Conwy South retail areas. Local stores are expected to be trading well, however much of this additional trade is coming from the residential populations of the neighbouring retail centres meaning that increases to supply in these will reduce the capacity for additional convenience supply in Conwy West. The Conwy West retail area is expected to see population growth of 3.7% which could increase the convenience demand by £3.1 Million.

Based on the current residential population there is capacity for additional convenience supply of around 6,000 sq ft. This rises to 8,000 sq ft when the potential tourism demand is included. This capacity has arisen due to the population growth over recent years following new housing developments.

Looking to the future and taking account of population growth from the approved housing sites alongside the decreased demand as a result of online shopping and Brexit, it is estimated that there is capacity for 8,000 sq ft which rises to 10,000 sq ft when you include tourism demand.

Since this data was produced, development has started on a new Lidl store in Llandudno Junction. This store will take up all of the additional capacity in this retail area.

Conwy South

The total convenience demand in the Conwy South retail area is estimated at £31.1 Million for the residential population. This retail area has much weaker convenience supply than the others with limited choice for the residential population. The data suggests that 27.7% of the convenience demand is met by stores within the Conwy South retail area, while the rest is met through stores in Llandudno Junction, Llandudno, Bangor, Colwyn Bay and Denbigh.

Tourism does play an important part in the convenience demand in Conwy South with the large number of self-catering, caravan and camping accommodation. It is estimated that tourism could add a further £4.9 Million convenience demand.

The Conwy South retail area is expected to see population growth of 4.0% which could increase the convenience demand by £0.9 Million.

Based on the current residential population there is capacity for additional convenience supply of around 12,000 sq ft. This rises to 14,000 sq ft when the potential tourism demand is included.

Future demand through population growth is mostly taken up through decreased demand as a result of online shopping and Brexit. It is estimated that there is capacity for 13,000 sq ft which rises to 15,000 sq ft when you include tourism demand.

Convenience Summary

The following table provides a summary of the potential convenience capacity in each of the retail areas.

Retail area	Capacity Current (sq ft)	Capacity Future (sq ft)
Conwy East	25,000	35,000
Conwy Central	16,000	20,000
Conwy North	3,000	5,000
Conwy West	8,000	10,000
Conwy South	14,000	15,000

Comparison retail

Llandudno

Llandudno, including the Mostyn Champney and Parc Llandudno Retail parks, has a catchment area (primary and secondary) containing a residential population of 80,000 people with a comparison demand of £240 Million. The data suggests that 60.1% of this demand is being met by comparison retail within Llandudno, while 16.2% is leaked outside of the county. There is therefore potential for expanding the offer within Llandudno to increase this percentage.

Llandudno has a comparison floorspace of 647,000 sq ft (GOAD) which is attracting a spend from residents of just over £190 Million per year and potentially a spend from tourism and the local workforce of £32 Million per year (combined). This suggests that the sales density is £300 per sq ft, rising to £345 per sq ft when you take account of tourism and the local workforce. This is below the national level reported by Experian (2016) of £447.90.

The population within the Primary catchment is not expected to change much over the next 10 years, however there is change expected in the secondary and tertiary catchments which could see an additional 11,000 residents living within the catchment. This growth is however offset against a decrease in future comparison spending as a result of increased shopping online (should current trends continue). It is therefore suggested that this sales density will only see a small increase over the next 10 years to £305 per sq ft excluding tourism and £350 per sq ft including tourism.

There is potential for Llandudno to draw in an additional £10 Million to £15 Million of comparison trade based on the potential demand within the catchment area. This equates to a further 20,000 sqt ft to 30,000 sq ft in comparison floor space, however all of this can be taken up by increasing the sales density of the existing floor space to nearer the national average.

Based on the data and analysis of comparison supply and demand in Llandudno, there is no need for additional comparison capacity within Llandudno and the focus should be on enhancing the offer out of the existing floor space.

Looking to the future, the increased comparison demand from future population growth within the catchment area for Llandudno will be mostly offset by an increase in the amount that is spent online. All increases can be met from within the existing floor space.

Colwyn Bay

Colwyn Bay has a catchment area (primary and secondary) containing a residential population of 87,700 people with a comparison demand of £260 Million. The data suggests that 24% of this demand is being met by comparison retail within Colwyn Bay, while 29% is leaked outside of the county. There is therefore potential for expanding the offer within Colwyn Bay to increase this percentage.

Colwyn Bay has a comparison floorspace of 215,000 sq ft (GOAD) which could be attracting a spend from residents of just over £80 Million per year and potentially a spend from tourism and the local workforce of £10 Million per year (combined). This suggests that the sales density is £380 per sq ft, rising to £420 per sq ft when you take account of tourism and the local workforce. This is slightly below the national level reported by Experian (2016) of £447.90.

The population within the Primary and Secondary catchment is expected to increase by 10,000 residents over the next 10 years which equates to an increase in comparison demand of £30 Million. Some of this growth will be offset by a decrease in future comparison spending as a result of increased shopping online (should current trends continue). It is therefore suggested that this sales density will only see a small increase over the next 10 years to £400 per sq ft excluding tourism and £440 per sq ft including tourism.

There is potential for Colwyn Bay to draw in an additional £12 Million of comparison trade based on the demand within the catchment area. This equates to a further 25,000 sq ft of comparison floor space added to the centre.

Based on the data and analysis of current comparison supply and demand in Colwyn Bay, there is potential for additional comparison capacity within Colwyn Bay of around 15,000 sq ft, while also seeking to enhance the offer out of the existing floor space.

Looking to the future, population growth within the catchment area for Colwyn Bay will increase the comparison demand in the area, even after the online spend is taken into account. There is therefore potential for additional comparison capacity of around 25,000 sq ft to strengthen the offer in Colwyn Bay.

Abergele

Given that Abergele is currently attracting so little of the comparison trade within the potential catchments, it therefore very difficult to suggest scenarios for future growth in supply.

The catchment area is expected to see population growth of 9,000 residents, which will increase the comparison demand by £26 Million. This alone suggests that a further comparison floor space of almost 50,000 sq ft needs to be found (which takes account of a proportion of the demand taken up with online sales), but of course much of this additional demand will be met by centres outside of Conwy County.

It is important to note that the catchments for Colwyn Bay and Abergele overlap considerably and a proportion of this increased demand is accounting for the additional capacity in Colwyn Bay.

Llanrwst

Unfortunately Llanrwst is not part of the Experian GOAD database, so it isn't possible to provide any scenarios for growth. The comparison demand within the Primary and Secondary catchment for Llanrwst is around £11 Million with only a small increase in population expected. With the limited offer in the town, it is expected that only a very small proportion of this trade is retained locally with a high proportion going to Llandudno, Colwyn Bay, Bangor or Denbigh.

Comparison Summary

The following table provides a summary of the potential comparison capacity in each of the retail areas.

Retail area	Capacity Current (sq ft)	Capacity Future (sq ft)
Llandudno	No capacity	No capacity
Colwyn Bay	15,000	25,000
Abergele	N/A	N/A
Llanrwst	N/A	N/A