

Retail Technical Note

1. Introduction

- 1.1 This Technical Note considers the background and context of retail development within the Scottish Borders. It looks at the current retail policy, existing town centre boundaries and prime retail frontages. Furthermore, it examines the potential capacity for future retail development within the Scottish Borders. Background information is outlined which has informed the production of the Technical Note and Main Issues Report (MIR). The Technical Note provides recommendations on future retail development policy to be contained within the Local Development Plan (LDP).

2. Background and Policy Context

- 2.1 Retailing is a feature of daily life providing jobs and services in the local community. New retail development can act as a catalyst to further investment in addition to creating employment opportunities and associated growth. The Scottish Government acknowledges that town centres are a key element of the social and economic fabric in Scotland. Scottish Planning Policy (SPP) encourages the improvement of town centres to create distinctive and successful places which are a focus for a mix of uses including retail, housing, leisure, entertainment, recreational, cultural entertainment and community facilities. The policy focuses on three aspects of retailing and town centres; network of centres/hierarchy, improving town centres and the sequential approach.
- 2.2 The SESplan Proposed Plan acknowledges that town centres make a significant contribution to the SESplan area as centres for employment, services and a focus for civic activity and identifies a network of centres. The current Consolidated Local Plan (CLP) recognises the need to enhance shopping facilities within the Scottish Borders in order to reduce leakage and retain spending by resident, employees and visitors.

3. Retail Capacity Study

- 3.1 As part of the LDP process a Retail Capacity Study (**Appendix 1**) was undertaken. The study looked at shopping patterns, distribution of retail expenditure and identified capacity for future development, in order to provide accurate and up to date information to inform the production of the LDP.
- 3.2 The study was required as an input to the preparation of the new LDP, in particular to provide;
- a detailed database of the nature and extent of shopping provision within the council area;
 - an analysis of shopping patterns and the distribution of retail expenditure;
 - a review of shopping trends and patterns in the area to identify any areas for future development;
 - identification of spending capacity for additional retail provision; and
 - recommendations for future retail planning policy.

- 3.3 The findings from the study will inform the production of future retail planning policy and the determination of planning applications for retail proposals within the Scottish Borders.

Findings from the study

- 3.4 The analysis from the study revealed that the total gross retail floorspace in the Scottish Borders was 152,725 square metres. Of this, 54,420 square metres was used for the sale of convenience goods and 98,305 square metres for comparison goods sales.
- 3.5 Although there would be clear benefits in achieving improvements to retail provision across all the main towns within the Scottish Borders area, not least by enabling more people to shop locally instead of having to travel elsewhere, there is only so much Local Authorities can do to guide retail investment to its preferred locations. Retailers will only invest in locations where they can rely on a good return on that investment, and particularly in uncertain economic times – will not be prepared to take significant risks by opening stores in locations which do not have a sufficiently attractive retail profile.

Convenience findings

- 3.6 The study concluded that Galashiels has some spare capacity for more convenience floorspace, however, this will reduce with the opening of Sainsbury's in Kelso. Galashiels is trading at very healthy levels, with approximately 75% of the convenience floorspace in the town centre being found in its two main supermarkets Asda and Tesco. The findings concluded that, although it would be desirable to reduce leakage from Selkirk, Jedburgh and Eyemouth, there is not enough spare expenditure to support new stores. Therefore qualitative factors in support of such developments would need to be considered. Furthermore, there will be no spare expenditure to support new stores in Hawick or Kelso following recent retail developments.

Comparison findings

- 3.7 The study concluded that Galashiels absorbs 60% of all comparison trade generated from and spent within the Scottish Borders. The current leakage of comparison spending from the Scottish Borders area is 42%, with £51m going to Edinburgh, £48m to Berwick upon Tweed and £50m to the internet. The projected turnover surplus within Galashiels is £50m by 2016, therefore offering the potential for further investment in comparison floorspace. It is evident that many of the zones identified within the study are influenced by the comparison shopping provision in Galashiels and send much of their locally-generated spending to the town. Figure 1 shows the level of comparison expenditure exported to Galashiels from other zones.

Figure 1: Comparison spending exported to Galashiels

Zone	% of comparison spending to Galashiels	Amount of spend to Galashiels (£m)
Peebles area	17.3	£5.8
Innerleithen/Walkerburn	49.1	£6.7
Selkirk area	51	£12.4
Hawick/Liddesdale	27	£15.6
Jedburgh	36.6	£7.2
Melrose area	55.6	£14.5
Kelso area	33.8	£12.5
Lauder/Earlston	42.7	£8.3
Coldstream/Greenlaw	24.8	£3.3
Duns/Chirnside	11.8	£3.2
Total		£89.5

Source: Retail Capacity Study 2011

Indicators for future retail planning policy

- 3.8 Future retail development should be focused on comparison retail development within Galashiels, where there is a greater potential for growth. The findings from the study show that Galashiels is the only location that could support significant new provision. The town has grown into a significant strategic centre and is a powerful instrument in the retention of retail spending within the Borders area. Galashiels is the largest retail location with 40, 895 square metres of occupied floorspace in the town centre and a further 13, 425 square metres in the rest of the town. The study concluded that in the current financial climate there are very limited opportunities elsewhere for significant new retail floorspace additions to town centres, however there could be qualitative factors in support of such developments.
- 3.9 It is considered that the existing CLP identifies sufficient land that could accommodate potential future retail development within Galashiels. Therefore, it is not proposed to identify any land specifically for retail within the LDP.

4. Main Issues and Recommendations

- 4.1 The following issues have taken into consideration; existing retail policy, recent retail developments, Retail Capacity Study conclusions and the findings from monitoring information, in order to reach the recommendations below.
- 4.2 A number of information services have been used to inform the production of the Main Issues Report (MIR). The Council undertake annual surveys to monitor the vitality and viability of town centres, in order to give an indication of the health of a town centre. When used consistently over a period of time, these can demonstrate changes in town centre performance that can inform future decision making.
- 4.3 Taking the above into consideration, the main issues for town centres and retailing are in relation to the;

- Identification of a town centre network/hierarchy;
- Review the appropriateness of existing town centre boundaries; and
- Review the appropriateness of prime retail frontage policy within town centres.

5. Issue 1: Identification of a town centre network/hierarchy

Policy Context

- 5.1 SPP sets out a requirement for Local Authorities to identify a network of centres within Development Plans. The SESplan Proposed Plan identifies regional and strategic town centres and leaves Local Authorities to identify other town centres. Figure 2 below shows the SESplan network of centres.

Figure 2: Network of Centres

Regional Town Centre	Edinburgh City Centre
Strategic Town Centres	Livingston, Kirkcaldy, Dunfermline and Glenrothes
Other Town Centres	To be identified within the LDP's
Commercial Centres	To be identified within the LDP's

Source: SESplan Proposed Plan

- 5.2 Policy ED3: Shopping Development, as contained within the CLP, aims to guide new retail development to town and village centres, in order to protect and enhance the vitality and viability of these centres and contribute to their economic growth. A sequential test is required to be undertaken to ensure that the first preference for retail development is located within the town centres, followed by edge-of-centre sites and only as a last resort, out-of-centre sites.

Background information

- 5.3 The identification of a network of centres/hierarchy should take into consideration factors such as existing retail floorspace, money spent annually in each town, population size, Class 1 units and multiple/chain units within each settlement. These are indicators of how healthy a town centre is and allow us to identify where the growth of the retail sector should be supported, through directing development to appropriate centres. Figures 3 – 7 outline this information.

Preferred option

- 5.4 The recommendations take on board the findings from the Retail Capacity Study and the monitoring information outlined above. In line with SPP and SESplan, it is proposed to identify a strategic town centre and 8 sub regional town centres within the Scottish Borders. The findings above highlight the importance of Galashiels as a strategic shopping centre which is a powerful instrument in the retention of spending within the Borders. Galashiels also has the largest amount of retail floorspace, highest expenditure, largest population and a healthy number of Class 1 units. Therefore, Galashiels is

identified as the strategic town centre, where future comparison retail development could be accommodated.

- 5.5 It is acknowledged from the above background information that there are 8 important sub regional centres; Hawick, Peebles, Kelso, Selkirk, Melrose, Jedburgh, Duns and Eyemouth. These settlements all have large retail floorspaces, high populations and large expenditures. It is considered they are important to future retail development and investment within the Scottish Borders.
- 5.6 Figures 8 outlines the proposed network of centres/hierarchy. The growth of the retail sector will be supported through directing future retail developments towards the network of centres. The LDP will consider the role and function of each centre.

Alternative option

- 5.7 An alternative option is to retain the existing Policy ED3 (Shopping Development), as contained within the CLP, continuing to use the sequential test to assess proposals. However, it is considered that this approach would provide no strategic guidance for future retail growth and may result in retail development in inappropriate locations which could compromise future retail development.

Figure 3: Settlements with largest retail floorspace

Settlement	Retail Floorspace (square metres)
Galashiels town centre	40, 895
Rest of Galashiels	13, 425
Hawick town centre	18, 881
Rest of Hawick	14, 516
Kelso town centre	12, 944
Peebles town centre	9, 799
Jedburgh town centre	4,454
Selkirk town centre	3,655
Melrose	3,531
Duns	2,887
Eyemouth	2,904
Coldstream	2,034

Source: Retail Capacity Study

Figure 4: Settlements with largest expenditure (m)

Settlement	Money spent annually (m)
Galashiels	£206
Hawick	£66.8
Peebles	£35.5
Kelso	£29.4
Selkirk	£15.7
Jedburgh	£9.8
Duns	£6.9
Innerleithen	£4.3
Melrose	£4
Eyemouth	£4

Source: Retail Capacity Study

Figure 5: Settlements with largest population

Settlement	Population
Galashiels	14, 430
Hawick	13,990
Peebles	8, 160
Selkirk	5, 630
Kelso	5, 470
Jedburgh	3, 950
Eyemouth	3, 410
Innerleithen	3, 000
Duns	2, 790
Melrose	2, 160

Source: GROS (2008 mid year estimates)

Figure 6: Retail units/Class 1 units and chain units

Settlement	Total number of retail units	Total number of Class 1 units	Total number of Class 1 units which are multiple/chain units	% of Class 1 units that are multiple/chain
Hawick	248	147	22	15%
Galashiels	253	141	55	39%
Galashiels 2 nd centre	52	25	12	48%
Peebles	145	96	12	12.5%
Kelso	164	107	23	22%
Jedburgh	93	49	5	10%
Selkirk	95	48	3	6%
Eyemouth	67	27	4	15%
Duns	63	30	5	17%
Innerleithen	46	31	2	7%
Coldstream	49	31	3	10%
Tweedbank	3	2	1	50%
Earlston	23	11	3	27%
Melrose	76	50	7	14%
West Linton	12	10	3	30%
Lauder	20	11	0	0%
Newtown St Boswells	12	4	1	25%
St Boswells	11	8	2	25%
Chirnside	13	8	0	0%
Total	1446	836	172	21%

Source: December 2010 SBC retail survey

Figure 7: Summary of the findings for the settlements in the proposed hierarchy

Settlement	Retail floorspace	Annual expenditure	Population	Class 1 units and % of all units that are Class 1	Chain units
Galashiels	54,320	£206m	14, 430	166 (54%)	67
Hawick	18,881	£66.8m	13, 990	147 (59%)	22
Peebles	9,799	£35.5m	8, 160	96 (66%)	12
Kelso	12,944	£29.4m	5, 470	107 (65%)	23
Selkirk	3,655	£15.7m	5, 630	48 (51%)	3
Melrose	3,531	£4m	2, 160	50 (66%)	7
Jedburgh	4,454	£9.8m	3, 950	49 (53%)	5
Duns	2,887	£6.9m	2, 790	30 (48%)	5
Eyemouth	2,904	£4m	3, 410	27 (40%)	4

Source: Retail Capacity Study and December 2010 SBC retail survey

Figure 8: Proposed network of centres/hierarchy

Strategic Town Centre	Galashiels
Sub Regional Town Centres	Hawick, Peebles, Kelso, Selkirk, Melrose, Jedburgh, Duns and Eyemouth

Source: SESplan Proposed Plan

6. Issue 2: Review the appropriateness of existing town centre boundaries

Policy Context

- 6.1 SPP states that Local Authorities have a responsibility to assess how town centres can accommodate development and retail opportunities.
- 6.2 Policy ED5: Town Centres, as contained within the CLP, aims to encourage an appropriate mix of town centre uses that will maintain and enhance the vitality and viability of town centres, such as; classes (2, 3 and 4), commercial leisure and entertainment, residential, health care, education and tourism related uses. Policy acknowledges that town centre boundaries should be periodically updated where the primary town centre and retail function recedes, or where new retail developments serve to expand the reach of the town centre.

Background information

- 6.3 The review of town centre boundaries should take into consideration the location of existing retail developments, proposed development (including allocations) and whether the retail function has receded anywhere. There have been significant recent changes in Hawick and Galashiels, and the town centres boundaries for these towns should be reviewed.
- 6.4 Within Hawick there have been a number of recent developments along Commercial Road, including the opening of Sainsburys. There are a number of residential properties on the peripheral areas of the town centre boundary which are not considered to contribute to the vitality and viability of the town centre. Likewise, there are smaller areas on the edge of Galashiels town centre that are considered not to be integral to the vitality and viability.

Preferred option

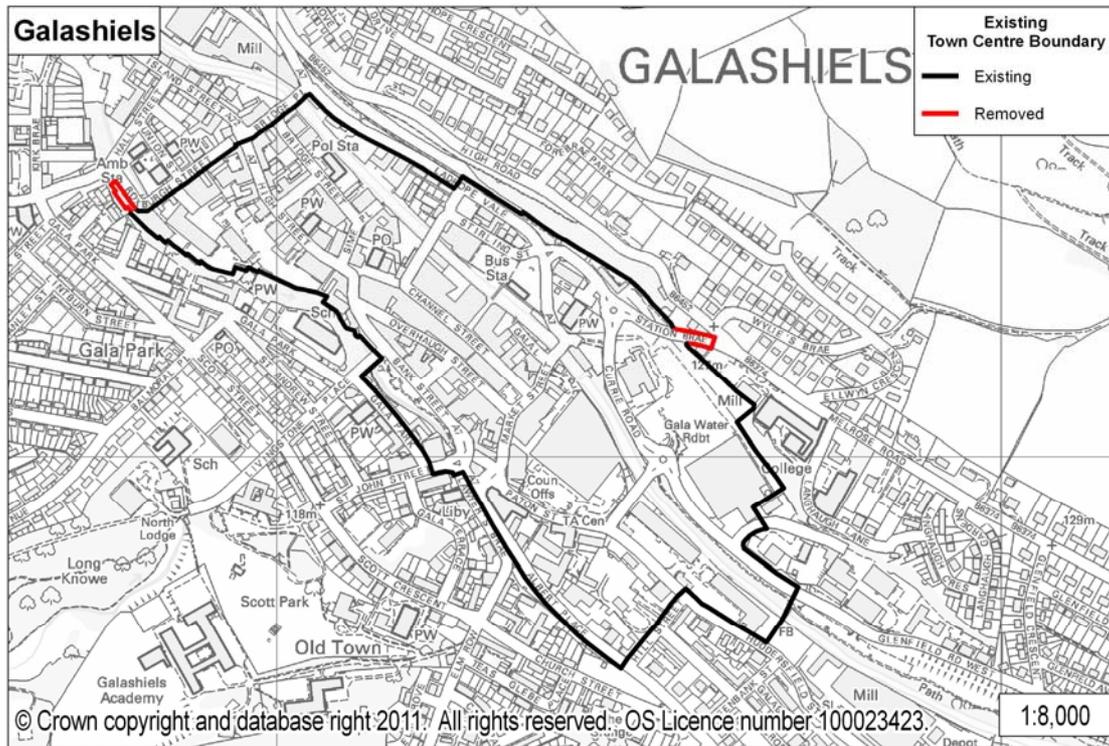
- 6.5 The preferred option for Hawick and Galashiels reviews the town centre boundaries taking account of recent developments and taking cognisance of the shifting patterns of retail development within the towns. The revised town centre boundaries will encourage new shops into specific areas of the town, in order to support sustainable economic growth. Figures 10, 11 and 12 show the existing and proposed town centre boundaries for Hawick and Galashiels.

Alternative option

- 6.6 An alternative option would be to retain the existing town centre boundaries within Hawick and Galashiels. However, it is considered that this would not provide a true representation of the town centre functions within these

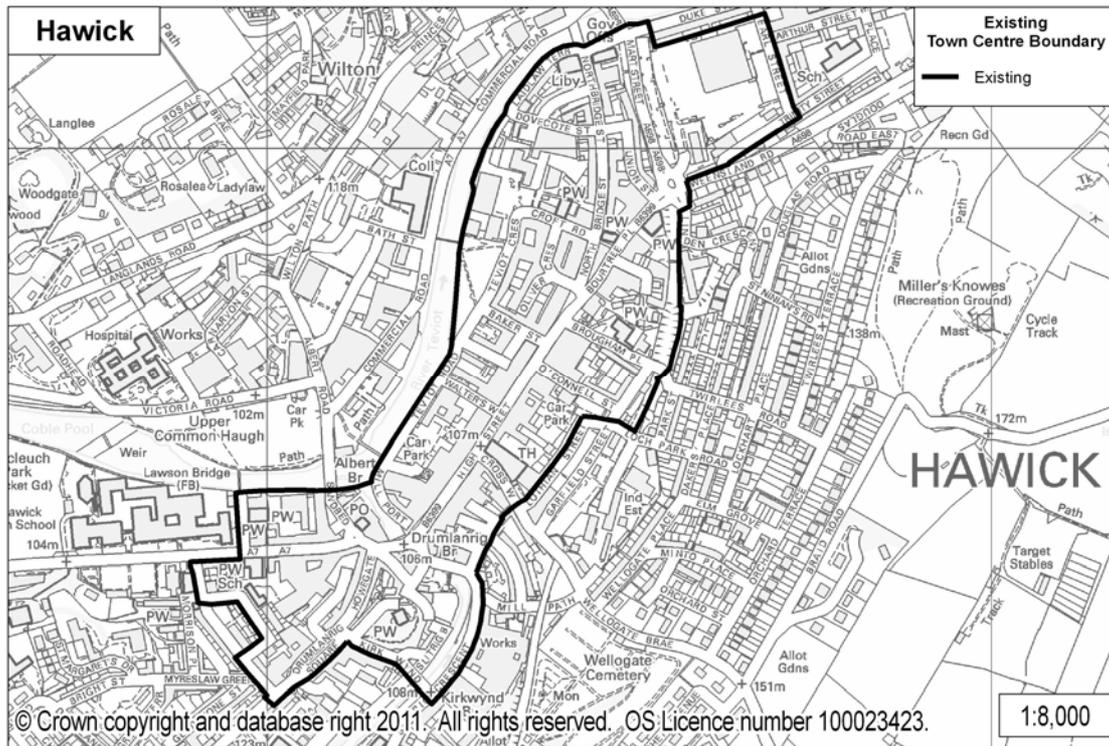
settlements. Furthermore, it would not encourage shops into appropriate locations or promote sustainable economic growth.

Figure 9: Existing and proposed town centre boundary (Galashiels)



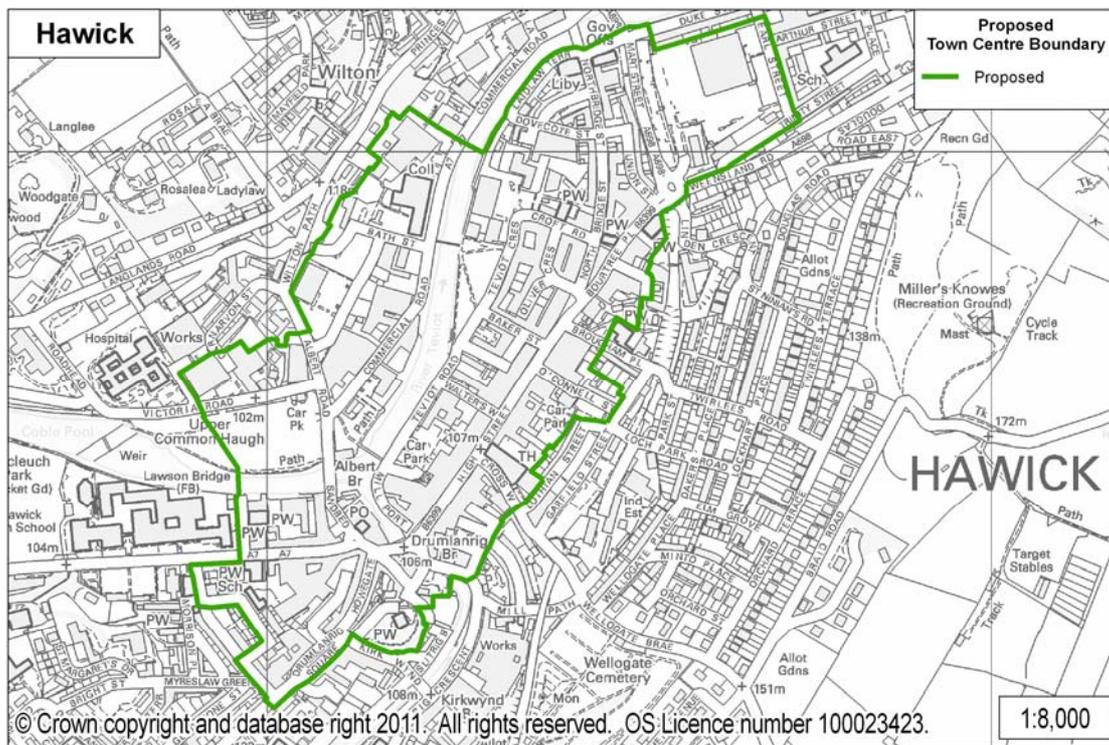
Source: SBC

Figure 10: Existing town centre boundary (Hawick)



Source: SBC

Figure 11: Proposed town centre boundary (Hawick)



Source: SBC

7. Issue 3: Review the appropriateness of prime retail frontage policy within town centres

Policy context

- 7.1 Prime retail frontages represent the retail core of town centres and in the Scottish Borders it is usually related to the distinctive core of the town. It is therefore important from an economic and built and heritage point of view to promote town centres.
- 7.2 Policy ED4: Prime retail frontages, as contained within the CLP, aims to give protection to shop uses within the prime retail frontages. The policy gives protection against non Class 1 development, in order to prevent the loss of shop uses in locations where shops are regarded as important to the vitality and viability of the centre. The issue is that the current prime retail frontage policy restricts non Class 1 development within town centres and has the potential to prevent essential town centre activity.

Background information

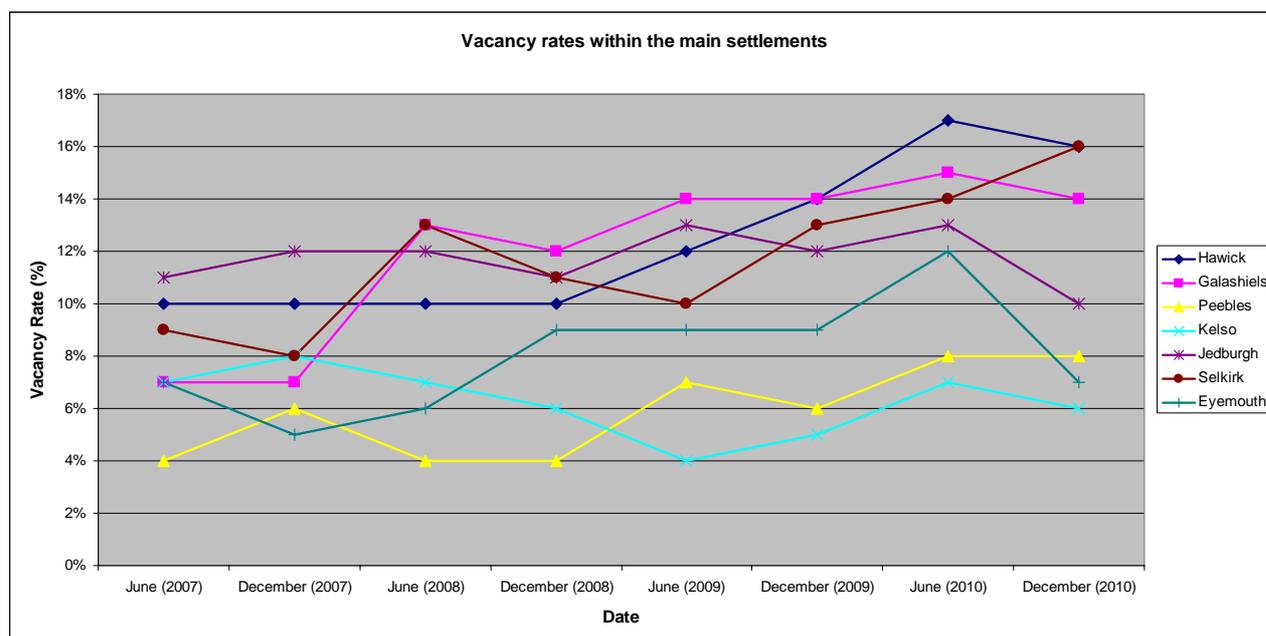
- 7.3 The review of the prime retail frontage policy within the Scottish Borders should take into consideration; vacancy rates, number of Class 1 units, findings from the Retail Capacity Study and the proposed network of centres. Figures 13-17 outline this background information.

Figure 12: Vacancy rates

Settlement	Number of retail units	Number of vacant units	Vacancy rate (%)
Hawick	248	40	16
Galashiels	253	36	14
Galashiels 2 nd centre	52	6	12
Peebles	145	12	8
Kelso	164	10	6
Jedburgh	93	9	10
Selkirk	95	15	16
Eyemouth	67	5	7
Duns	63	9	14
Innerleithen	46	3	7
Coldstream	49	6	12
Tweedbank	3	0	0
Earlston	23	2	9
Melrose	76	4	5
West Linton	12	0	0
Lauder	20	0	0
Newtown St Boswells	12	1	8
St Boswells	11	1	9
Chirnside	13	1	8
Total	1445	160	11

Source: December 2010 retail survey

Figure 13: Vacancy rates within 7 of the main settlements (June 2007 to December 2010)



Source: December 2010 SBC retail survey

Figure 14: Vacancy Rates (June 2007 – December 2010)

Settlement	2007		2008		2009		2010
	June (%)	Dec (%)	June (%)	Dec (%)	June (%)	Dec (%)	June (%)
Hawick	10%	10%	10%	10%	12%	14%	17%
Galashiels	7%	7%	13%	12%	14%	14%	15%
Galashiels 2 nd centre	5%	2%	2%	4%	6%	6%	10%
Peebles	4%	6%	4%	4%	7%	6%	8%
Kelso	7%	8%	7%	6%	4%	5%	7%
Jedburgh	11%	12%	12%	11%	13%	12%	13%
Selkirk	9%	8%	13%	11%	10%	13%	14%
Eyemouth	7%	5%	6%	9%	9%	9%	12%
Duns	8%	6%	8%	13%	15%	4%	14%
Innerleithen	5%	2%	14%	13%	15%	4%	4%
Coldstream	20%	14%	10%	6%	6%	6%	6%
Tweedbank	0%	0%	0%	0%	0%	0%	0%
Earlston	6%	6%	5%	0%	5%	9%	5%
Melrose	3%	1%	3%	4%	3%	4%	4%
West Linton	0%	0%	0%	7%	14%	14%	8%
Lauder	14%	10%	10%	5%	5%	5%	5%
Newtown St Boswells	0%	0%	0%	0%	8%	8%	8%
St Boswells	6%	8%	17%	17%	8%	17%	18%
Chirnside	8%	8%	0%	0%	0%	0%	8%

Source: December 2010 SBC retail survey

Figure 15: Number of Class 1 units identified as chain/multiple

Settlement	Total number of retail units	Number of Class 1 units and multiple/chain units
Hawick	248	147 (22)
Galashiels	253	141 (55)
Galashiels 2 nd centre	52	25 (12)
Peebles	145	96 (21)
Kelso	164	107 (23)
Jedburgh	93	49 (5)
Selkirk	95	48 (3)
Eyemouth	67	27 (4)
Duns	63	30 (5)
Innerleithen	46	31 (2)
Coldstream	49	31 (3)
Tweedbank	3	2 (1)
Earlston	23	11 (3)
Melrose	76	50 (7)
West Linton	12	10 (3)
Lauder	20	11 (0)
Newtown St Boswells	12	4 (1)
St Boswells	11	8 (2)
Chirnside	13	8 (0)
Total	1446	836 (172)

Source: December 2010 SBC retail survey

Figure 16: Prime retail frontage (PRF) analysis

Settlement	Total no of retail units within PRF	Vacant units within PRF	Vacancy rate within PRF	Class 1 multiple/chain units within PRF	No of units surveyed	No longer used for retail
Peebles	68	4	6%	48	145	0
Hawick	92	13	14%	64	92	0
Kelso	119	6	5%	84	119	0
Galashiels	125	20	16%	87	125	0
Melrose	38	2	5%	29	38	0

Source: December 2010 SBC retail survey

7.4 It is evident that the Borders has been experiencing a rise in vacancy rates since the survey began in 2007 (Figure 13 and 14). The settlements experiencing above average vacancy rates in the most recent survey are; Hawick, Galashiels, Selkirk, Duns and Coldstream. The settlements that have consistently below average vacancy rates and low numbers of class 1 units, show the areas which require investment to increase their vitality and viability.

7.5 Prime retail frontages identify the retail core of settlements and should therefore be consistent with the proposed network of centres/hierarchy identified within Figures 8 and 9.

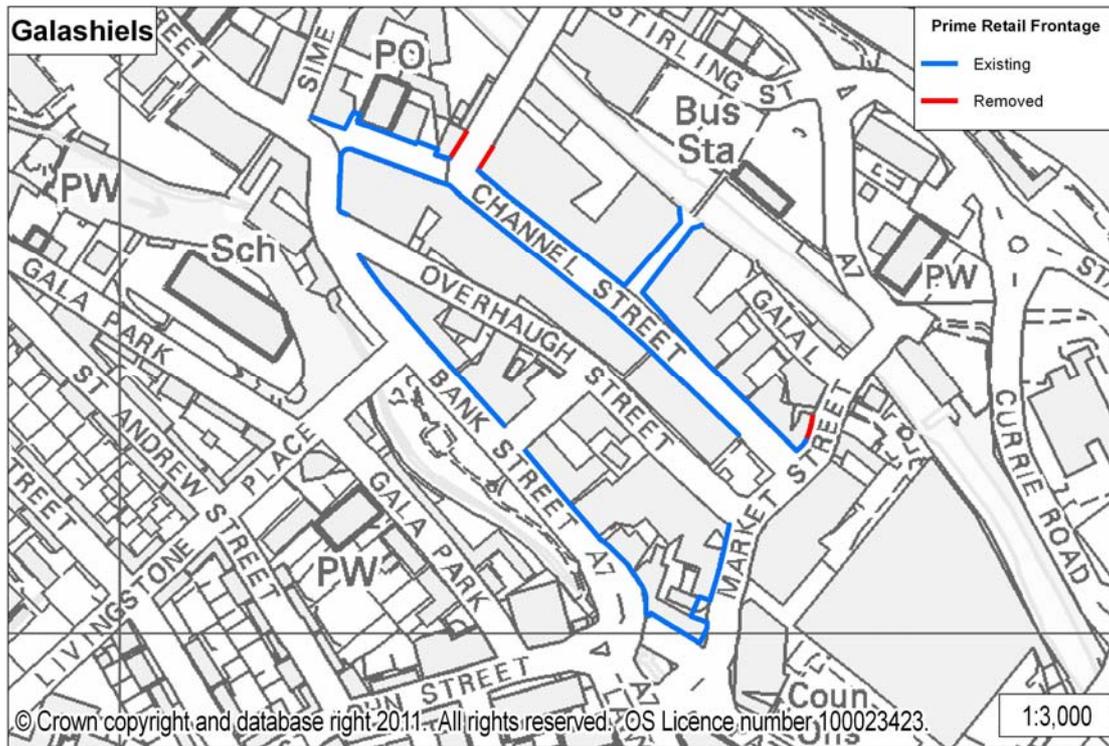
Preferred option

- 7.6 The recommendations take on board the findings from the most recent SBC retail survey. It is proposed to;
- a) Review the prime retail frontage policy to take a more proactive approach and extend the types of uses appropriate within these areas;
 - b) Review and identify a prime retail frontage within all the settlements identified within the network of centres/hierarchy.
- 7.7 It is considered that this will promote a mix of uses and associated physical enhancements within town centres that will maintain and enhance vitality and viability. This reflects the fact that retail is no longer the sole function of town centres. They are places for residential, leisure, cafes, restaurants and commercial uses which all contribute to creating distinctive and successful centres.
- 7.8 It is proposed to review and identify prime retail frontages within all settlements identified within the network of centres/hierarchy, and to extend the types of uses appropriate within these areas. The existing 5 prime retail frontages within Hawick, Galashiels, Peebles, Kelso and Melrose have been reviewed. Figures 18-22 show the proposed changes to the frontages. The areas removed from the existing prime retail frontages reflect those units which are no longer considered to be located within the retail core of the town centre. Within Hawick and Kelso, areas were removed where a significant number of Class 1 units had been lost to other uses and where it the policy was no longer considered appropriate.
- 7.9 It is proposed to include prime retail frontages within the remaining 4 settlements identified within the retail hierarchy. Prime retail frontages are proposed within; Jedburgh, Selkirk, Duns and Eyemouth and cover the retail core within each of these centres. Figures 23-26 show the proposed prime retail frontages within these settlements.

Alternative Option

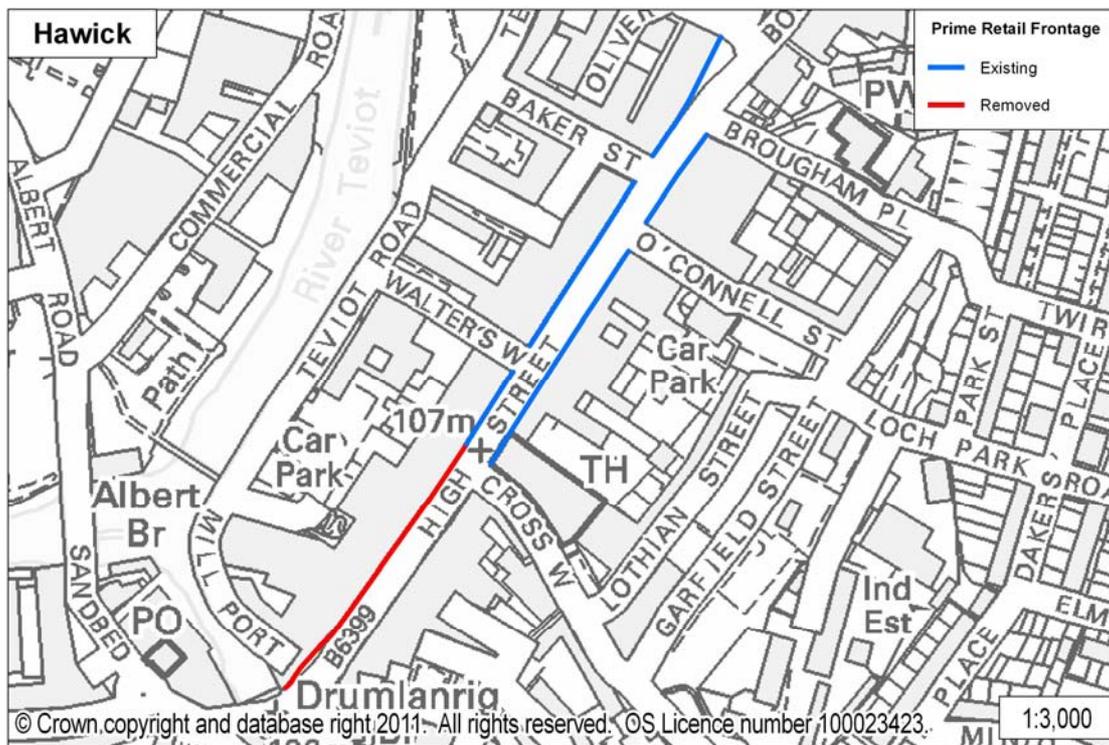
- 7.10 The alternative option would be to retain the existing prime retail frontages and policy, as contained within the Consolidated Local Plan. However, it is considered that this would lead to an inconsistent approach, prevent essential activity and would not provide an accurate representation of the retail core.

Figure 17: Proposed changes to prime retail frontage (Galashiels)



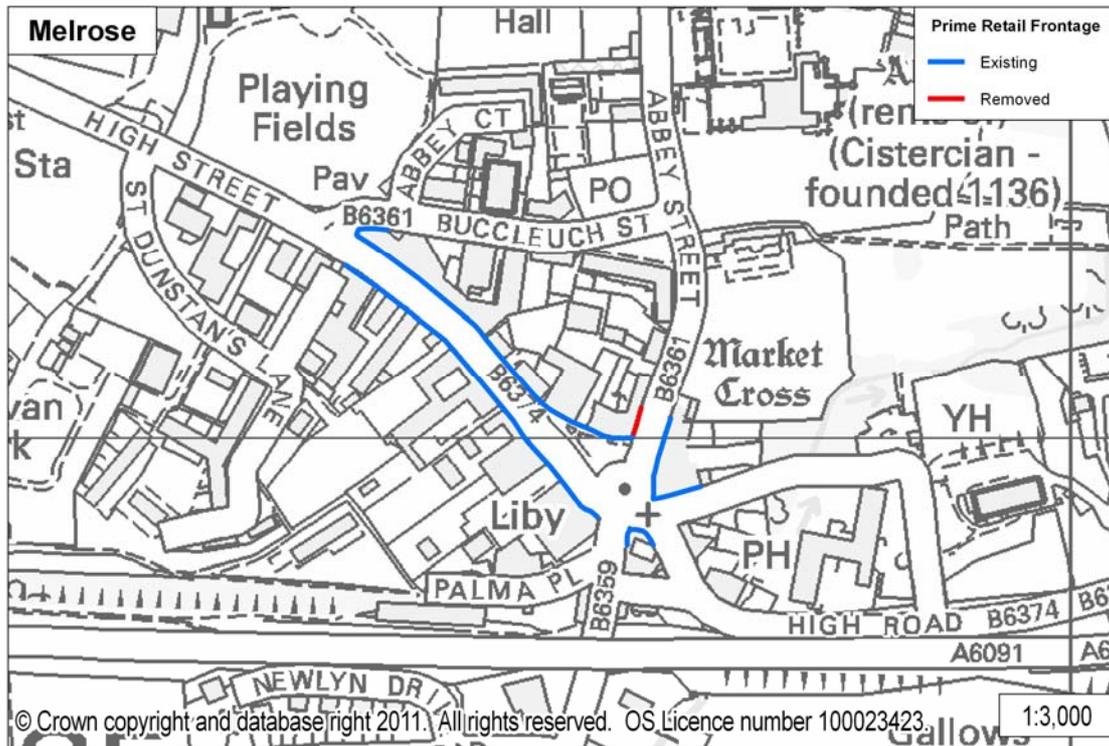
Source: SBC

Figure 18: Proposed changes to prime retail frontage (Hawick)



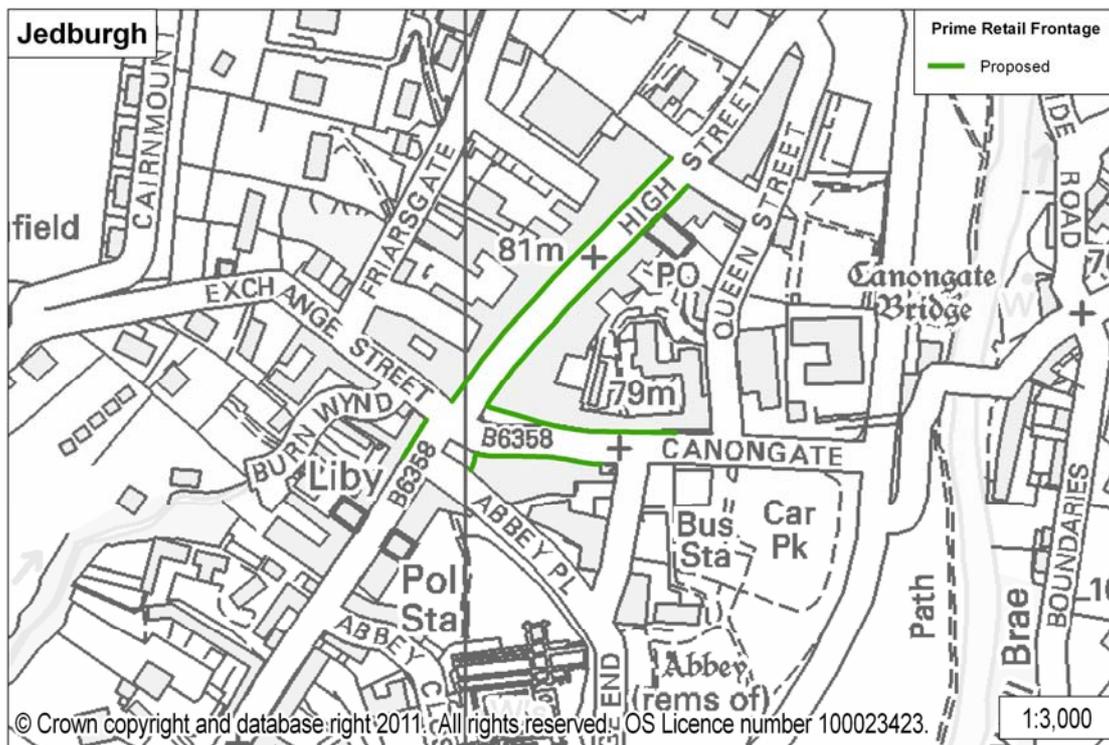
Source: SBC

Figure 21: Proposed changes to prime retail frontage (Melrose)



Source: SBC

Figure 22: Proposed prime retail frontage (Jedburgh)



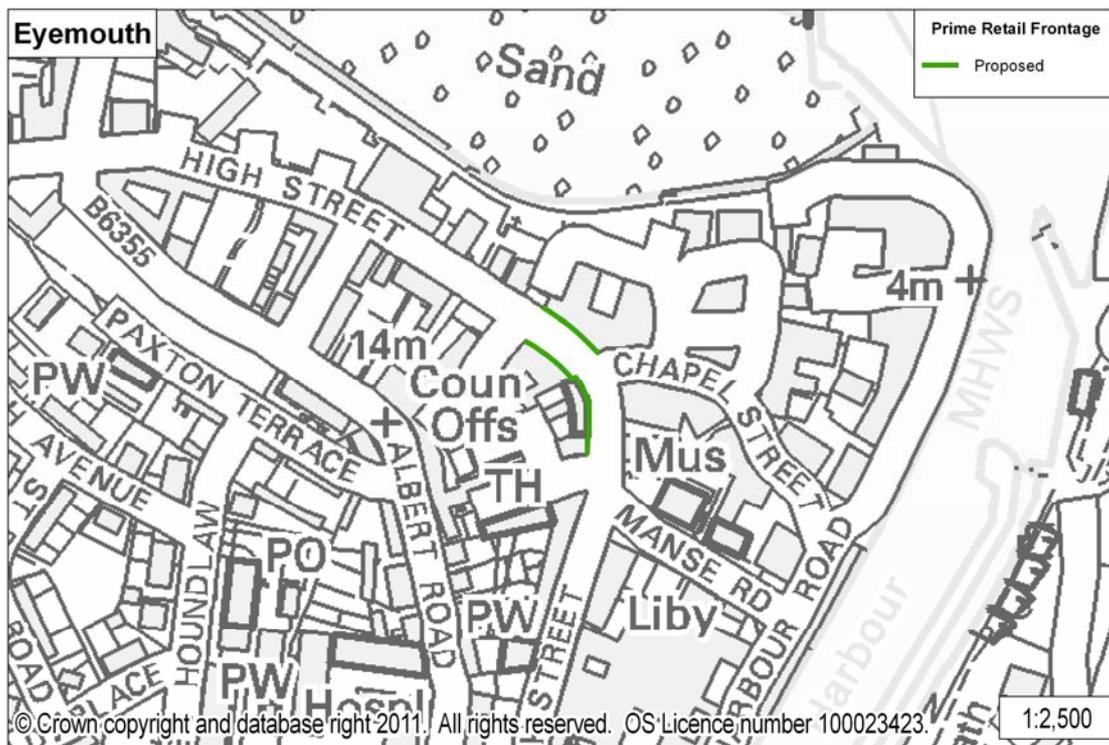
Source: SBC

Figure 23: Proposed prime retail frontage (Duns)



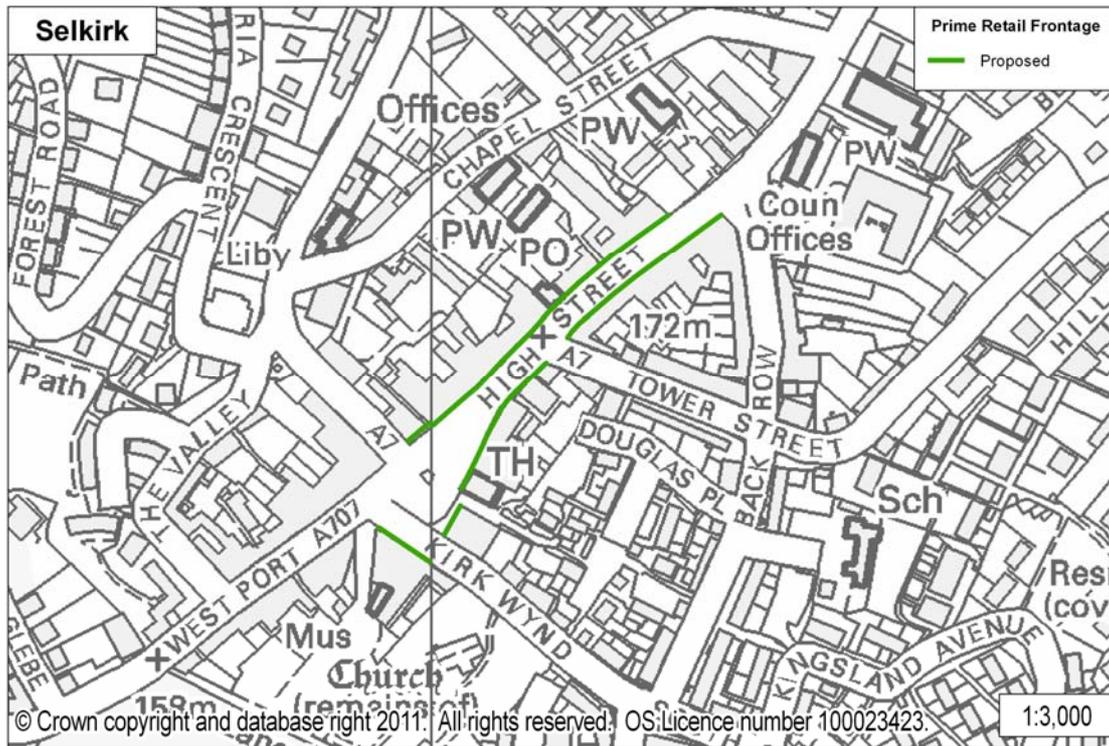
Source: SBC

Figure 24: Proposed prime retail frontage (Eyemouth)



Source: SBC

Figure 25: Proposed prime retail frontage (Selkirk)



Source: SBC

Appendix 1: Retail Capacity Study 2011



Retail Study 2011

RDPC

Scottish Borders Retail Study September 2011

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Executive Summary

- 1 In January 2011 Scottish Borders Council commissioned RDPC Limited to undertake a retail study of the Scottish Borders area. This study is required as an input to the preparation of the new Local Development Plan, and in particular to provide
 - i) a detailed database of the nature and extent of shopping provision within the council area;
 - ii) an analysis of shopping patterns and the distribution of retail expenditure, both for 'convenience' goods (food, drink, groceries) – and 'comparison' goods (all other retail goods, including clothing, electrical appliances, household goods, furniture, hardware, pharmaceuticals);
 - iii) a review of shopping trends and patterns in the area to identify any areas for future development;
 - iv) identification of spending capacity for additional retail provision; and
 - v) recommendations for future retail planning policy;

all of which will assist the council in the formulation of planning policy for retail development and the determination of applications for shopping development proposals.

- 2 The methodology for the study comprised:
 - i) a telephone interview survey of a representative sample of households throughout the Scottish Borders, to reveal shopping habits and patterns;
 - ii) the application of population and expenditure estimates to the survey data in order to obtain an accurate picture of the distribution of retail spending in the council area in 2011;
 - iii) expenditure and population projections to estimate the likely shopping patterns in 2016; and
 - iv) estimates of the scope for additional retail development by 2016.
- 3 Also included in the study was a comprehensive study of existing retail floorspace and vacancies throughout the Scottish Borders area.

Floorspace Review

- 4 A detailed and comprehensive analysis was undertaken of retail floorspace throughout the Scottish Borders area, using the Assessor's data and the council's own retail survey, to provide a database of the convenience and comparison floorspace in each centre, and the amount of vacant floorspace.
- 5 The total gross retail floorspace in the Scottish Borders was 152,725 square metres. Of this total, 54,420 square metres was used for the sale of convenience goods, and 98,305 square metres for comparison goods sales.
- 6 The largest retail location is Galashiels with 40,895 square metres of occupied retail floorspace in the town centre, and a further 13,425 square metres in the rest of the town. Hawick is the next largest centre with 18,881 square metres in the town centre and a further 14,516 square metres outside the town centre, followed by Kelso (12,944 square metres) and Peebles (9,799 square metres).

- 7 The highest percentage of vacant floorspace is found in the town centres of Jedburgh (21.7%), and Hawick (20.7%). The level in Galashiels is 12.9%, Kelso 7.3%, Peebles 6.2% and Selkirk 9%.
- 8 The amount of out-of-centre retail floorspace in the Scottish Borders averages 28% of the total floorspace. The highest proportions of out-of-centre floorspace are found in Selkirk (67%) and Hawick (42%). The proportion in Galashiels is 24.6%.
- 9 More than half of all retail floorspace in the Scottish Borders area is found in the two largest towns of Galashiels and Hawick, with other significant concentrations in Peebles, Kelso and Selkirk.

Household Survey

- 10 A household survey by telephone interviews was commissioned to examine shopping patterns in the Scottish Borders area. The survey involved around 1,200 telephone interviews from 21st February to 7th March 2011. In all cases the interviews were with the main shopper in the household, selected by random sample. For the subsequent analysis of the results, the Scottish Borders area was divided into thirteen zones, which were selected to reflect the various character areas and the areas of influence of the main towns.
- 11 The survey revealed:
- 81% of food shopping trips are undertaken by car, with less than 4% by bus and 10% on foot;
 - nearly two-thirds of shoppers undertake their main food shopping trip once a week, with 15% doing their main food shopping more than once a week and 13% shopping on a fortnightly basis;
 - only 2.5% of households order their food shopping by internet for home delivery;
 - 47% of households are able to reach their main foodstore within 10 minutes' journey time;
 - Half the shoppers surveyed had the use of one car in their household, and a further 30% had two cars, while 12% were non-car owners.

Assessment of Shopping Patterns

- 12 The results of the shopping survey were applied to estimates of population and retail expenditure for 2011 to obtain a detailed picture of the distribution of retail spending throughout the Scottish Borders area. Expenditure estimates were produced having regard to the current economic climate but also the cyclical nature of the retail economy over the past 50 years. The adopted expenditure growth rates per annum were:
- Convenience: 0.4%
 - Comparison: 3.7% until 2015; 3.8% thereafter (the implications of a lower growth rate of 1.9% were also examined).
- 13 The main findings were:
- total spend on convenience goods: £220 m (2011), £232 m (2016)
 - total spend on comparison goods: £367 m (2011), £454 m (2016).

- £206 m spent in Galashiels, £66.8 m in Hawick, £50.9 m to Edinburgh, £47.7 million to Berwick (see Table A).

Table A : Ranking of Retail Destinations by Spending 2011

Rank	Convenience	£m	Comparison	£m	Total	£m
1	Galashiels	77.6	Galashiels	128.5	Galashiels	206.0
2	Hawick	36.1	Edinburgh	48.1	Hawick	66.8
3	Peebles	20.4	Hawick	30.6	Edinburgh	50.9
4	Berwick	19.6	Berwick	28.1	Berwick	47.7
5	Kelso	15.7	Peebles	15.2	Peebles	35.5
6	Selkirk	5.9	Kelso	13.8	Kelso	29.4
7	Jedburgh	5.9	Midlothian	12.8	Midlothian	17.1
8	Duns	4.3	Selkirk	9.8	Selkirk	15.7
9	Midlothian	4.2	Carlisle	4.4	Jedburgh	9.8
10	Innerleithen	3.2	Newcastle	4.0	Duns	6.9
11	Coldstream	2.9	Jedburgh	4.0	Carlisle	5.8
12	Edinburgh	2.7	Duns	2.6	Innerleithen	4.3
13	Eyemouth	2.3	Melrose	1.7	Melrose	4.0
14	Melrose	2.3	Eyemouth	1.6	Eyemouth	4.0
15	Chirnside	1.7	Innerleithen	1.1	Newcastle	4.0
16	Carlisle	1.4	Coldstream	0.8	Coldstream	3.7

- 84% of convenience expenditure generated within the Scottish Borders is retained in the SBC area, and 16% is lost to external shopping destinations – referred to as ‘leakage’ (see Table B).
- Leakage of convenience spending is highest from the eastern and western parts of the council area. Convenience leakage from Galashiels, Hawick and Peebles is very low.

Table B : Convenience Spending Retained and Lost in each Zone

		Retained Locally	Retained in Borders	Leakage	Internet
1	Rural West	21%	41%	55.5%	3.1%
2	Peebles area	87%	96.3%	2.9%	0.9%
3	Innerleithen / Walkerburn	37%	97%	1.5%	1.4%
4	Galashiels / A7 North	95%	96.6%	3.4%	0%
5	Selkirk / Ettrick	40%	99.7%	0%	0.3%
6	Hawick / Liddesdale	88%	95.3%	3.1%	1.6%
7	Jedburgh	44%	96%	0%	4%
8	Melrose / St Boswells	26%	96.7%	2.4%	0.9%
9	Kelso	63%	93.6%	2.4%	4.1%
10	Lauder / Earliston / Gordon	18%	89.3%	9%	1.6%
11	Coldstream / Greenlaw	33.3%	66%	30.5%	3.4%
12	Duns / Chirnside	33.5%	46%	49.7%	4.5%
13	Eyemouth/ Brwksire Coast	16.7%	17%	81%	1.9%
	Scottish Borders		83.8%	14.3%	1.9%

- Comparison expenditure leakage – 42% including internet spending - is much higher than convenience leakage (see Table C). However seven zones in the Scottish Borders area have less than 30% leakage

of comparison spending: Innerleithen / Walkerburn, Galashiels, Selkirk, Hawick, Jedburgh, Melrose / St Boswells, and Kelso.

Table C : Comparison Spending Retained and Lost in each Zone

		Retained Locally	Retained in Borders	Leakage	Internet
1	Rural West	4%	23.7%	60.2%	16.1%
2	Peebles area	33%	51.2%	35%	13.8%
3	Innerleithen / Walkerburn	7.4%	70.6%	18.4%	10.9%
4	Galashiels / A7 North	65%	71%	17.1%	11.9%
5	Selkirk / Ettrick	18%	74%	14.4%	11.6%
6	Hawick / Liddesdale	42%	71.3%	15.6%	13.1%
7	Jedburgh	16%	68%	18.1%	13.9%
8	Melrose / St Boswells	6.7%	73%	14.3%	12.8%
9	Kelso	28%	64.5%	23.2%	12.3%
10	Lauder / Earlston / Gordon	3%	54.6%	32%	13.3%
11	Coldstream / Greenlaw	6%	44%	46%	10.1%
12	Duns / Chirnside	9%	25.8%	62.5%	11.7%
13	Eyemouth/ Brwksire Coast	6%	11%	77.6%	11.5%
	Scottish Borders		57.9%	29.5%	12.6%

- Many zones are heavily influenced by the comparison shopping provision in Galashiels and consequently send much of their locally-generated spending to the town. Table D shows the level of expenditure which flows to Galashiels from those zones most influenced by its retail attractions.

Table D : Comparison Spending Exported to Galashiels

Zone	% of spending to Galashiels	Amount of spend to Galashiels
Peebles area	17.3%	£5.8 m
Innerleithen / Walkerburn	49.1%	£6.7 m
Selkirk area	51%	£12.4 m
Hawick / Liddesdale	27%	£15.6 m
Jedburgh	36.6%	£7.2 m
Melrose area	55.6%	£14.5 m
Kelso area	33.8%	£12.5 m
Lauder / Earlston	42.7%	£8.3 m
Coldstream / Greenlaw	24.8%	£3.3 m
Duns / Chirnside	11.8%	£3.2 m
Total		£89.5 m

- Because convenience leakage is relatively low, there is very limited scope for pulling back convenience expenditure which is currently being lost. For comparison spending the draw to Edinburgh and Berwick is strong and substantial. Internet spending on comparison goods is relatively constant across the whole area, with the average internet spend being 12.6% of all comparison spending.
- Galashiels is established as the dominant centre in the Scottish Borders for comparison spending, and already absorbs 60% of all comparison trade generated from and spent within the Scottish Borders

The Trading Performance of Centres

- 14 **Galashiels** is shown by the survey to be trading at very healthy levels, both in the convenience and comparison sectors, with a total turnover of £206 million. Approximately 75% of the convenience floorspace in Galashiels town centre is found in its two modern superstores operated by Asda and Tesco, and they appear to be both trading well despite competing with each other. The total convenience turnover being achieved in the town centre is comfortably in excess of what might be expected, with a sizeable turnover surplus (the trading gap between a normal level of turnover and the higher level which is actually being achieved) of around £8 million.
- 15 The average turnover per square metre for all comparison floorspace in the town centre exceeds £5,000 and suggests very healthy trading conditions. The development in recent years of the Gala Water Retail Park on Huddersfield Street has greatly enhanced the image of the town centre as a major comparison shopping centre. The turnover surplus on comparison spending is estimated at more than £10 million for the town centre floorspace. The nearby retail parks at Comely Bank and Low Buckholmside are also performing extremely well.
- 16 **Hawick** town centre's convenience turnover of nearly £26 million, at £6,542 per square metre including the Morrison's superstore, is more than adequate and suggests a healthy if not exceptional performance in the town centre. The analysis suggests that the amount of convenience floorspace in the town centre is broadly in balance with the level of expenditure being attracted into the centre.
- 17 Outside the town centre there appears to be an excess of convenience floorspace compared with the amount of spending being attracted. The indications from the survey are that the new Sainsbury's store has not yet reached the level of popularity which would be expected for such a facility.
- 18 For comparison shopping, the town centre is shown to be trading at a healthy level at nearly £4,000 per square metre, generating a theoretical turnover surplus of more than £3 million. Outside the town centre there is an apparent excess of floorspace compared with turnover, resulting in a theoretical deficit of £7.5 million. However this floorspace is dominated by warehouses selling furniture, floor-coverings and DIY, which do not generate high levels of turnover per square metre.
- 19 **Peebles** appears to be a thriving town centre. Its average convenience turnover per square metre for the whole town is £6,872, which is a healthy level for the floorspace contained in the town. This reinforces the evidence from the survey that Peebles enjoys a high level of convenience spending retention and does not export much of its food spending elsewhere.
- 20 Comparison spending is also healthy, at more than £15 million, generating an overall average turnover of £3,628 per square metre, reflecting a good choice of stores and a strong customer base, despite the amount of comparison trade which is exported from the Peebles area to Galashiels (£5.8 million).
- 21 In **Kelso**, the household survey revealed a relatively low average convenience turnover for the town centre of £3,846 per square metre, suggesting that both Haldanes and Lidl were trading very modestly. Since

then the Haldanes store has closed, which will have released additional spending for other stores. The Co-op store outside the town centre at Highcroft was shown in the survey to be trading very well, at more than £7,000 per square metre, probably reflecting its convenience and accessibility to a large proportion of Kelso's households. There is a small notional deficit in comparison turnover, but the overall impression is that Kelso town centre is trading well, with a low level of vacancies.

- 22 The overall notional surplus of convenience expenditure in the town is estimated at around £3 million. This will have increased following the Haldanes closure, possibly by another £3 million. However this surplus has to be viewed in the context of the opening of the new Sainsbury's store which will absorb this surplus, and consequently it is not an indication that any additional convenience floorspace is required in the town.
- 23 **Selkirk** town centre's overall convenience trading performance appears healthy, and it supports both a Co-op store and a Sainsbury's 'Local' unit. Outside the town centre there is an apparent excess of convenience floorspace relative to expenditure, but not of a scale to be of concern. There is a strong comparison trading picture, with a very healthy performance in the town centre resulting in a £2.5 million surplus. The trading level for Selkirk's out-of-centre comparison stores, including the NGT furniture store, appears broadly in balance with the available spending. There is a substantial level of expenditure leakage to Galashiels.
- 24 In **Jedburgh**, the amount of convenience floorspace appears broadly in balance with the amount of turnover being attracted into the town centre, while there is a small shortfall of comparison turnover. The high level of vacant units suggests that some conversion of vacant retail floorspace to other uses could be beneficial. Nearly half of Jedburgh's comparison retail floorspace is located outside the town centre, although almost all of that is accounted for by the Edinburgh Woollen Mill. A significant amount of convenience and a high amount of comparison spending is exported to Galashiels, despite the travel distance.
- 25 Relatively little of the convenience spending generated in **Melrose, Newtown St. Boswells** and **St. Boswells** is retained locally. From a total spend of £15.5 million, more than £10 million goes to Galashiels, with around £4.5 million being shared between the three local centres, of which Melrose captures the largest share (around £2.3 million). Despite the high level of leakage, the local convenience shopping facilities in the area appear to trade well, with an estimated surplus spend of more than £1.5 million.
- 26 The scale of comparison shopping facilities is good despite high levels of expenditure leakage, and Melrose has significantly more comparison shopping floorspace than Selkirk, Coldstream, Duns, Innerleithen or Eyemouth. However the level of comparison turnover in the town centre appears somewhat low, and it may be that some reduction of floorspace will occur in future years.
- 27 **Duns** is an attractive traditional centre, well maintained with a very low vacancy rate (less than 5% of retail floorspace). Its shops are almost all independent, although convenience trade is dominated by the Co-op supermarket on Newtown Street. Two-thirds of convenience spending from the Duns / Chirnside zone is exported, mostly to Berwick.

- 28 Comparison spending leakage is also very high – in excess of 90% - but the turnover performance in Duns is good, with an estimated surplus spend on all retail goods of around £2 million, indicating a popular centre enjoying robust trading conditions.
- 29 **Eyemouth** operates in a detached manner from the rest of the council area as regards retailing, although there is a small flow (3.5%) of comparison spending to Galashiels. Almost all the trade drawn to Eyemouth is locally-generated, while leakage to Berwick accounts for 72% of convenience and 52% of comparison spending. Probably because Berwick's retail facilities are so close and accessible, convenience turnover performance in Eyemouth is not high, running at an average of around £2,000 per square metre for the town's shops. Comparison performance is more healthy, indicating a modest surplus over notional turnover levels.
- 30 **Chirside, Coldstream, Lauder and Earlston** all appear to be achieving satisfactory convenience turnovers. The Co-op in Chirside appears particularly healthy, although it faces potential competition if an approved small supermarket development in the town goes ahead. Comparison trade, although very limited in scale, also appears generally sufficient to maintain the floorspace which exists. Most of the Berwickshire villages along the A1 corridor support a very limited range of shops catering for local needs, but their performance cannot be accurately judged from a council-wide survey.

Overall Turnover Performance

- 31 Across the whole Scottish Borders area, there is £5.4 million surplus of total convenience expenditure compared with total turnover allowance, and a comparison expenditure surplus of £26 million - around 12% of total turnover. The main focus of the surplus is in Galashiels, with convenience and comparison surpluses of £8.3 million and £26.6 million respectively.

The Potential for Additional Retail Floorspace in 2016

- 32 The detailed analysis in the study of the likely changes in retail expenditure and shopping patterns from 2011 to 2016 revealed the following:

Convenience shopping :

- Some spare capacity in the Galashiels area for some additional convenience floorspace, although this reduces significantly following the opening of the new Kelso supermarket, and more so if small new stores were to be provided in Selkirk and Jedburgh
- Insufficient spending potential to support new stores in either Selkirk or Jedburgh, and consequently any case for new development in these towns would have to rely on qualitative factors
- No spare capacity for more convenience floorspace in either Hawick or Kelso
- More than sufficient convenience spending to support the approved small supermarket in Chirside
- In Eyemouth it would be beneficial to try to reduce the leakage of convenience spending to Berwick, but there is insufficient spending

capacity to support a new store in Eyemouth, so qualitative arguments would have to be considered.

Comparison Shopping :

- If there are no improvements to comparison shopping facilities in the SBC area, internet spending and leakage is likely to increase.
- Projections to 2016 show a potential comparison turnover surplus of more than £50 million, even if leakage remains at the current 42% level, indicating that there is more than enough spending to support new floorspace and provide more retail choice.
- The projected surplus in the Galashiels area is £47 million, which would offer very significant potential for further investment in comparison floorspace.
- There is also theoretical scope for additional floorspace on a modest scale in Peebles and, to a lesser extent, in the Duns area.
- The biggest challenge will be providing the locations and development sites which will be attractive to developers and retailers, who will then be able to provide the range and quality of new shopping facilities to persuade shoppers to spend more of their money within the Scottish Borders and less elsewhere.

Indicators for Retail Planning Policy to 2016

33 The main findings of the study as regards the direction for retail planning policy are:

- There is little potential for significant new investment in convenience shopping in the Scottish Borders over the next five years, and the main focus should be on comparison shopping, where the potential is much greater.
- Galashiels is the only location where the level of spending power and positive retailer perceptions can combine to support significant new provision.
- Galashiels now has a credibility and a critical mass which retailers look for, and it is supported by a substantial catchment area and spending power. The town takes 73% of the total comparison spending which is generated in Zones 3, 4, 5, 7, 8, 9 and 10 and which is retained in the Scottish Borders area, and it takes 50% of all the comparison spending generated in those zones.
- There is likely to be some spare comparison expenditure in Peebles, and to a lesser extent in Duns, in 2016, which could support some limited expansion of existing floorspace, provided the retailers can be found.
- The potential surplus of comparison spending in the Galashiels area (Zone 4) in 2016 – at £47.3 million – could translate into a very substantial amount of additional comparison floorspace, as shown in Table E.

Estimated Surplus Spending	Turnover per square metre	Potential Sales Area
£47.28 m	£3,500	13,509 sq m
£47.28 m	£4,500	10,507 sq m
£47.28 m	£5,500	8,596 sq m

- It is very unlikely that the retail market would support additional development on such a large scale as that shown in Table E, or that sufficient suitable sites could be found.
- A more realistic approach could be to seek to accommodate a further development similar to the Gala Water Retail Park, which contains around 3,400 square metres of comparison sales floorspace. Such a scale of development could be justified even if spending growth on comparison goods from 2011 to 2016 is significantly lower than assumed in this study.
- The promotion of further retail development in Galashiels raises significant land use planning issues, both in terms of identifying suitable land and also providing the infrastructure required to service it. There would still be a risk of leakage levels increasing if expenditure growth occurs at the predicted levels, because the new floorspace would not absorb all of the available surplus.
- There are probably very few towns in the UK which can claim the scale of retail success – achieved over a relatively short time period - which is evident in Galashiels. There is now a momentum of retailer confidence in the centre. Failing to harness the momentum will increase the risk that growth in retail spending will head for destinations outside the Scottish Borders.
- Consequently it will be important to consider carefully the ways in which retail spending growth can be captured for the benefit of the residents of the Scottish Borders. The focus of the effort to capture that growth should be on Galashiels.

1 Introduction

1.1 Scottish Borders Council is undertaking a review of current planning policies and land use allocations as part of its preparation of a new Local Development Plan (LDP) for its administrative area.

1.2 In January 2011 Scottish Borders Council commissioned RDPC Limited to undertake a retail study of the Scottish Borders area. This study is required as an input to the preparation of the new LDP, and in particular to provide

- i) a detailed database of the nature and extent of shopping provision within the council area;
- ii) an analysis of shopping patterns and the distribution of retail expenditure;
- iii) a review of shopping trends and patterns in the area to identify any areas for future development;
- iv) identification of spending capacity for additional retail provision; and
- v) recommendations for future retail planning policy;

all of which will assist the council in the formulation of planning policy for retail development and the determination of applications for shopping development proposals.

1.3 The methodology for the study, as agreed with the council, comprised a telephone interview survey of a representative sample of households throughout the Scottish Borders, to reveal shopping habits and patterns, followed by the application of population and expenditure estimates to the survey data in order to obtain an accurate picture of the distribution of retail spending in the council area. This analysis then formed the basis for projections of likely future shopping patterns, and the identification of deficiencies in and opportunities for new retail development to meet the needs of the communities living in the area, which in turn allowed conclusions to be reached as to potential policy options to be incorporated into the new Local Development Plan.

1.4 In addition, the consultants undertook a detailed analysis of all retail floorspace in the council area, working from existing databases including the council's own twice-yearly retail floorspace survey and floorspace data held by the Assessor, in order to compile a database for the council of all active and vacant retail floorspace. This information allowed judgements to be made as to the relative performance of each centre as a retail destination, the scale of convenience and comparison floorspace contained within each centre, and levels of vacancies, all of which are relevant in seeking to develop policies for guiding, encouraging and controlling future retail provision in each area.

1.5 This report comprises the following sections:

- Floorspace Review
- Household Survey
- Assessment of Shopping Patterns and Centre Performance
- Assessment of Future Retail Potential
- Indicators for Policy Formulation

2 Retail Floorspace Review

- 2.1 Scottish Borders Council undertakes a bi-annual study involving a survey of ground floor units within eighteen settlements throughout the Scottish Borders. The purpose of this survey is to monitor any changes in vacancy rates and town centre vitality and viability. The survey information is presented in map form, identifying the location of all premises in retail and service use in each centre, and – over time – provides a monitor of changes in each centre.
- 2.2 The survey, although map-based, does not include any data on the amount of floorspace in each centre, partly because this information is not measured and partly because it relates to ground floor uses only. The first task for the consultants undertaking this study was to introduce floorspace information to the data in order to provide an accurate picture of the scale of each centre, the relative provision of convenience and comparison floorspace, and vacancy levels in terms of floorspace rather than simply by number of units.
- 2.3 This was achieved by a process of matching floorspace data from the Assessor’s register of retail properties to the council’s survey of premises, combined with a filtering of the council’s own categorising of retail units to ensure that the data was compatible with the analysis of retail expenditure distribution and performance to be undertaken later in the study. In particular, the council’s survey identified the use class to which each property should be allocated, but not whether each property was being used by a business whose trade contributed to the generation of retail sales within the centre. The final database of retail floorspace provided to the council includes only those premises which are used for retail sales, and vacant units which historically have been used for the retail sale of goods. Thus for example, units used as hairdressing salons, or take-away sandwich shops, are not included, but shops used for the repair or hire of clothing, the hire of DVDs, and the sale of spectacles are included, in addition to all conventional retail stores.
- 2.4 For the avoidance of doubt, the classification of convenience and comparison goods is in accordance with the definitions used by the Office for National Statistics (ONS) by reference to the COICOP classification (Classification of Individual Consumption by Purpose):

Figure 1: Classification of Convenience and Comparison Goods ONS / COICOP	
Convenience Goods	Food, Alcoholic Drinks, Tobacco, Matches, Newspapers, Magazines, Domestic Cleaning Materials and other Non-Durable Household Goods
Comparison Goods	Books, Clothing, Footwear, Furniture, Floor Coverings, Household Textiles, Audio-visual Equipment and other Durable Goods, Hardware and DIY Supplies, Chemists’ Goods, Jewellery, Watches / Clocks, Bicycles, Recreational and Other Miscellaneous Goods

- 2.5 Although the analysis relied primarily on the council’s June 2010 retail survey and the Assessor’s records, care was taken to check planning application

Figure 2 : Summary of Scottish Borders Retail Floorspace

	Gross Floorspace	
	sq m Convenience	sq m Comparison
Zone 1 - Rural West and A701 Corridor	389	320
Peebles town centre	2,942	6,857
Other in Zone 2	1,990	103
Zone 3 - Innerleithen / Walkerburn	1,252	1,247
Galashiels Town Centre	14,139	26,756
Rest of Galashiels	748	12,677
Other in Zone 4	275	0
Selkirk Town Centre	2,003	1,652
Other in Zone 5	1,306	6,135
Hawick Town Centre	7,489	11,392
Rest of Hawick	5,526	8,990
Newcastleton	549	173
Jedburgh Town Centre	2,059	2,395
Other in Zone 7	230	2,115
Melrose	1,054	2,477
Newtown St Boswells	295	48
St Boswells	270	501
Other in Zone 8	0	388
Kelso Town Centre	3,847	9,097
Other in Kelso	1,602	206
Lauder	516	310
Earlston	665	370
Other in Zone 10	127	0
Coldstream	949	1,085
Greenlaw	285	149
Duns	1,394	1,493
Chirnside	341	98
Eyemouth	1,706	1,198
Other in Zone 13	473	73
Total in Scottish Borders	54,420	98,305

records and implementations to ensure the inclusion of any recent new developments. The only addition of significance which was made to the database was the new Sainsbury's store in Commercial Road, Hawick, which opened in late 2010.

- 2.6 The analysis revealed that the total gross retail floorspace in the Scottish Borders was 152,725 square metres. Of this total, 54,420 square metres was used for the sale of convenience goods, and 98,305 square metres for comparison goods sales. The full analysis of Scottish Borders retail floorspace is shown in Figure 2. The largest retail location is Galashiels with 40,895 square metres of occupied retail floorspace in the town centre, and a further 13,425 square metres in the rest of the town. Hawick is the next largest centre with 18,881 square metres in the town centre and a further 14,516 square metres outside the town centre, followed by Kelso (12,944 square metres) and Peebles (9,799 square metres).
- 2.7 As regards vacancy levels, this varies considerably around the council area. Figure 3 shows the recorded vacancy levels for the main centres, as a proportion of total floorspace, and compares this with the vacancy levels recorded by the council's survey, expressed as a proportion of total unit numbers.

Figure 3: Vacant Retail Units by Floorspace and Number, 2010

Town Centre	Gross Fl'space (sq m)	Vacant Fl'space	% vacant	Number	% vacant
Hawick	23,822	4,941	20.7	41	17
Galashiels	46,962	6,066	12.9	37	15
Peebles	10,449	650	6.2	12	8
Kelso	13,966	1,022	7.3	11	7
Jedburgh	5,686	1,232	21.7	12	13
Selkirk	4,018	363	9.0	13	14
Eyemouth	2,950	47	1.6	8	12
Duns	3,031	144	4.7	8	13
Innerleithen	1,827	353	19.3	2	4
Coldstream	2,006	60	3.0	3	6
Earlston	1,077	43	3.9	1	5
Melrose	3,649	118	3.2	3	4
Newtown St Boswells	376	32	8.6	1	8
St Boswells	909	138	15.2	2	18
Chirnside	534	96	17.9	1	8
Greenlaw	565	131	23.1	*	*

Note: * not surveyed in Council Survey

- 2.8 As Figure 3 shows, there are some variations between vacancies as measured by proportion of floorspace as compared with number of units. The biggest differences are seen in Jedburgh, Innerleithen and Chirnside, where the floorspace vacancy is much higher than the vacancies by unit, and in Eyemouth, where the floorspace vacancy is much lower than the unit vacancy. However it should also be borne in mind that the council survey may have included some units which, although vacant, had not previously been in retail use. It should also be noted that, in the smaller centres where the vacancy percentage is high, this is usually because of one or two large units lying

vacant, rather than a reflection of any significant problem with vacancies as a whole.

- 2.9 The number of vacant units and amount of vacant floorspace in Hawick gives rise for some concern. There are also signs that some of the smaller towns in rural areas are accumulating vacant units, not just from shop closures but also because of non-retail vacancies. However currently there are no town centres where the level of vacancies is such that it is having a significant effect on the overall appearance of the centre, and generally the town centres in the Scottish Borders are maintaining reasonably vibrant primary retail frontages.

The Balance between In-Centre and Out-of-Centre Development

- 2.10 As might be expected, the greatest accumulation of retail floorspace outside the defined town centre is found in the larger centres, reflecting the difficulties encountered in meeting the demand for modern retail formats within the traditional retail core. However there is also a significant amount of off-centre floorspace in Jedburgh and Selkirk, which relates to peripheral retail warehousing, for example the Edinburgh Woollen Mill on the edge of Jedburgh and the Co-op furniture and Leading Labels clothing stores outside Selkirk.
- 2.11 Figure 4 below shows the split between in-centre and out-of-centre floorspace in each part of the Scottish Borders area.

Figure 4 : In-Centre and Out-of-Centre Retail Floorspace
Gross floorspace in square metres

Area	In-Centre	Out-of-Centre	Total	% out of centre
Rural West	709	0	709	0
Peebles area	9,859	2,033	11,892	17.1
Innerleithen / Wk'burn	1,567	932	2,499	37.3
Galashiels area	41,171	13,425	54,596	24.6
Selkirk area	3,655	7,441	11,096	67.1
Hawick area	19,735	14,384	34,119	42.2
Jedburgh area	4,454	2,345	6,799	34.5
Melrose area	4,645	388	5,033	7.7
Kelso area	12,944	1,808	14,752	12.3
Lauder / Earlston	1,987	0	1,987	0
Coldstream / Greenlaw	2,381	87	2,468	3.5
Duns / Chirnside	3,326	0	3,326	0
Eyemouth	3,450	0	3,450	0
Total	109,881	42,844	152,725	28.1

- 2.12 As Figure 4 shows, 28% of the retail floorspace in the Scottish Borders is located outside its defined town centres. In Galashiels the proportion is 25% and in Hawick 42%.

- 2.13 There is no 'typical' proportion of retail floorspace which is found outside town centres. Government policy since 1996 has placed particular emphasis on directing new retail developments into town centres, but the sequential approach to retail site selection means that in some circumstances the most appropriate location for a particular form of retail development will be in a location separate from the town centre. In the case of the retail warehouse

parks to the west of Galashiels town centre, both of these are close to the centre of the town and probably now function largely as part of the town centre, in that shoppers making the trip into Galashiels will be likely to make use of the whole range of established retail facilities available in the town in order to meet their shopping needs.

- 2.14 Of those towns where there is a high proportion of out-of-centre floorspace, in most cases this is accounted for by a concentration of outlets in one location – for example the non-food retail warehouses to the north of Selkirk and Jedburgh, the new Co-operative store to the west of Innerleithen town centre, the Tesco (formerly Somerfield) store north of Peebles town centre, and the retail warehouses immediately north of Galashiels town centre. In Hawick there are several foodstores and retail warehouses on the west bank of the River Teviot (Victoria Road / Wilton Path / Commercial Road), but also Homebase to the north of the town at Galalaw Business Park.
- 2.15 The floorspace analysis shows that nearly half of all retail floorspace in the Scottish Borders area is found in the two largest towns of Galashiels and Hawick, with other significant concentrations in Peebles, Kelso and Selkirk, although in Selkirk's case the largest amount of floorspace is out of centre. Other smaller towns continue to support sizeable amounts of floorspace in their centres. The relative performance of each of these centres is examined in the following sections of this report.

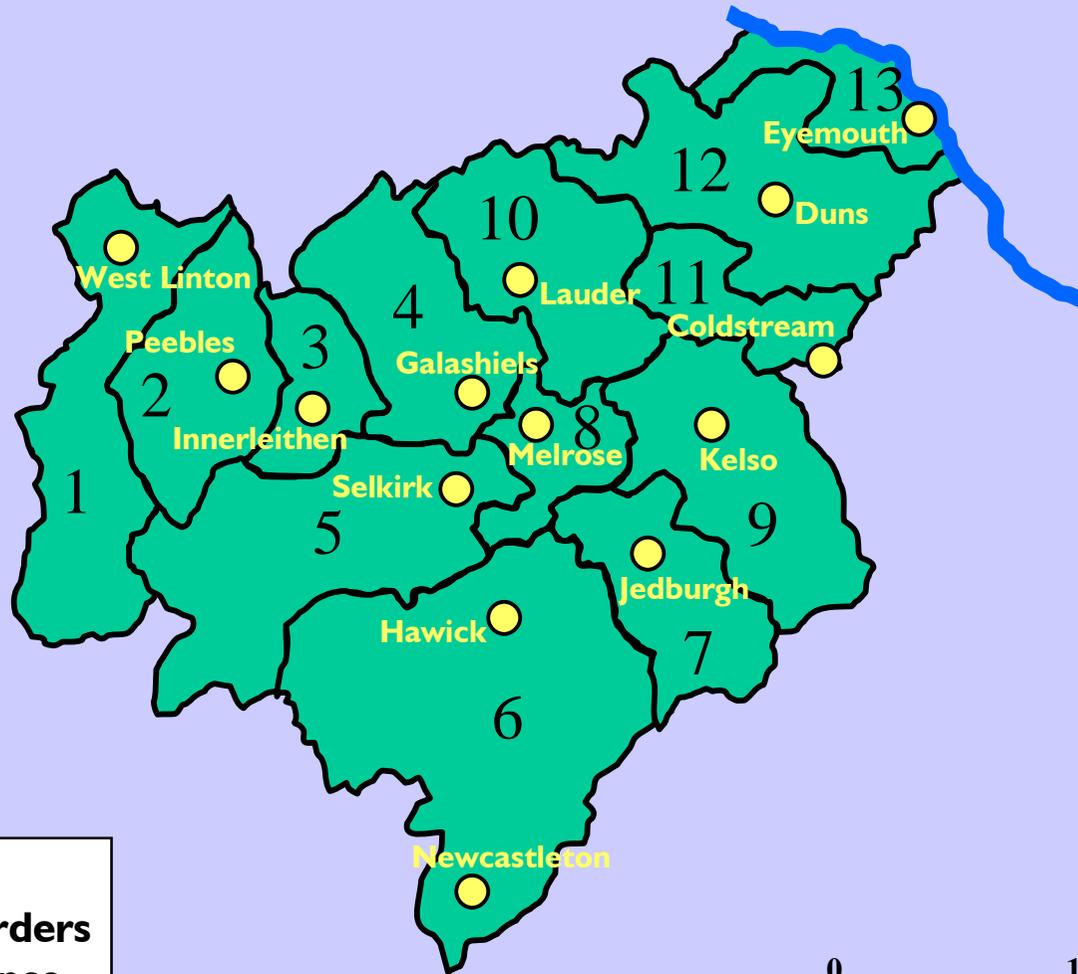
3 Household Survey

- 3.1 Any study of retail shopping patterns and the potential for new floorspace provision must be founded on accurate up-to-date survey information. It is not possible to attempt to predict future shopping patterns in an area without first investigating current patterns.
- 3.2 This is particularly important in an area like the Scottish Borders, where there has been substantial evidence in the past of shoppers choosing to travel out of the area – particularly to Edinburgh and Berwick – in order to obtain their shopping needs, especially for non-food shopping.
- 3.3 Consequently a major element of this study was the commissioning of a household survey to investigate the shopping habits of a representative sample of households living throughout the Scottish Borders. This study was undertaken by a long-established and experienced research company, NEMS Limited, who conducted just over 1,200 telephone interviews during a two-week period from 21st February to 7th March 2011. In all cases the interviews were with the main shopper in the household, selected by random sample.
- 3.4 For undertaking the interviewing and the subsequent analysis of the results, the Scottish Borders area was divided into thirteen zones, which were identified in discussion with council officials and were selected in order to reflect the various character areas and the areas of influence of the main towns in the Scottish Borders. Figure 5 shows the thirteen zones and their estimated 2011 populations, and Map 1 shows the geographical extent of the zones.

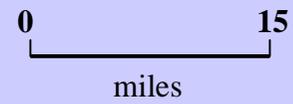
Figure 5: Household Survey Zones and 2011 Estimated Population
(see Section 4 for details of population estimates)

Zone 1	Rural West / A701 Corridor	4,307
Zone 2	Peebles area	10,263
Zone 3	Innerleithen / Walkerburn	4,279
Zone 4	Galashiels / A7 North	17,962
Zone 5	Selkirk / Etrick	7,576
Zone 6	Hawick / Liddesdale	18,635
Zone 7	Jedburgh	6,246
Zone 8	Melrose / Newtown / St.Boswells	7,804
Zone 9	Kelso / Yetholm	11,480
Zone 10	Lauder / Earlston / Gordon	6,048
Zone 11	Coldstream / Greenlaw	4,214
Zone 12	Duns / Chirnside	8,687
Zone 13	Eyemouth / Berwickshire Coast	7,412
Total		114,913

- 3.5 Clearly the zones vary considerably in terms of their population, and so the number of interviews conducted in each zone reflected this, although for the purpose of ensuring that a representative sample of interviews was achieved, a proportionately higher number of interviews per head of population was conducted in the smaller population zones compared with the larger ones, and weighting techniques then used to ensure the results reflected the population distribution.



**Map I
Scottish Borders
Survey Zones**



- 3.6 Each interviewee was asked a range of questions regarding their usual choice and alternative choice of main food shopping destination, where they usually shop for 'top-up' food shopping, amount spent on food per week, where they had last bought various categories of comparison goods, their method of travel, frequency of visit, and whether they undertook any other activities either before or after doing their shopping. The full results of the survey, together with the questionnaire, are set out in the NEMS Report.

Shopping Habits in the Scottish Borders

- 3.7 The overwhelming majority of food shopping trips in the Scottish Borders - 81% - are undertaken by car, with less than 4% by bus and 10% on foot. Nearly two-thirds of shoppers undertake their main food shopping trip once a week, with 15% doing their main food shopping more than once a week and 13% shopping on a fortnightly basis. Only 2.5% of households order their food shopping by internet for home delivery. Most food shopping trips start and end at home, but 6% of shoppers take the opportunity to do their main food shopping on the way home from work.
- 3.8 Although only a low proportion of people combine their journey home from work with their main food shopping trip, a significant proportion of shoppers do carry out other activities while doing their main food shopping. Around one fifth visit a bank, building society or cashpoint, around 18% buy petrol, some 14% buy non-food items in the shop where they do their food shopping and a further 17% do some non-food shopping in other shops – suggesting that a significant number of people like to combine food and non-food shopping on the same trip. In situations where the chosen supermarket or superstore is located in close proximity to other shops, this habit provides the non-food shops with the opportunity to capitalise on the trade generated by the supermarket.
- 3.9 Around 11% of shoppers visit other food shops in addition to their chosen supermarket while on their main food shopping trip, and 10% will visit leisure or sports facilities on the same trip – including visiting the library or a café. However more than 40% of shoppers do nothing else besides carry out their main food shopping, focusing on that task alone.
- 3.10 As regards travel patterns, more than a quarter of shoppers in the Scottish Borders are able to reach their main food store within 5 minutes' journey time, indicating a high proportion of people choosing to shop locally. 34% take between 6 and 15 minutes to reach their chosen store, while another 27% take between 16 and 30 minutes, and nearly 10% take more than half an hour.
- 3.11 Half the shoppers surveyed had the use of one car in their household, and a further 30% had two cars, while 12% were non-car owners.
- 3.12 The survey also investigated non-food shopping habits, which revealed the proportions of people buying various categories of comparison items in the shopping centres in the Scottish Borders and beyond, thus providing valuable data on how much non-food spending is retained within the Scottish Borders area and how much is lost to more distant shopping destinations such as Berwick and Edinburgh. This aspect of the survey output is examined in detail in the next section of the report.

4 Assessment of Shopping Patterns and Turnover Performance

- 4.1 The outputs from the household survey provide vital data regarding shopping patterns which can then be applied to estimates of retail spending in order to build a picture of the volume of expenditure flows passing from local residents to shopping destinations in the Scottish Borders and beyond. The calculations involved in this exercise are set out in a series of detailed tables which are contained in Appendix 1 to this report.

Population Estimates

- 4.2 The starting point is the estimation of population within each of the survey zones listed in Figure 5, and then the production of estimates of population change over the period to be examined by the study. The Scottish Borders Council required the study to examine a 5-year period from 2011 to 2016, so it is that period for which estimates of population and expenditure change are required.
- 4.3 Pitney Bowes Business Insight (PBBI), the successors to MapInfo and The Data Consultancy, were commissioned to provide estimates of population and expenditure for the thirteen zones in the Scottish Borders. Table 2 in Appendix 1 sets out the PBBI estimates of population for each zone over the period 2011 to 2016, showing a total population growth over the period of around 2,500 persons.
- 4.4 Table 1 shows the General Register Office for Scotland's (GRO's) estimates of likely population change in the Scottish Borders over the same time period, using the 2008-based population estimates published in 2010. These show rather higher growth in population – from a higher base level – than the PBBI estimates. Accordingly, following discussion with Scottish Borders Council officials, the PBBI estimates were adjusted to accord with the GRO estimates for the whole Scottish Borders area, maintaining the pro-rata proportions of population in the sub-zones 1 to 13.
- 4.5 Table 3 shows the final adopted population figures for the study area over the five-year period being examined. This shows overall growth across the whole area of around 3,700 persons, but with higher growth in some zones than others. The population in the Hawick area, for example, is projected to remain broadly static with relatively little growth, while the Galashiels zone is expected to gain around 650 people, and Kelso and Peebles both around 500 persons.

Expenditure Growth Estimates

- 4.6 In addition to zonal population estimates, PBBI also provided estimates of retail spending per head for each zone. These estimates are generated using well-established and tested techniques developed by PBBI's predecessors and refined by PBBI's association with Oxford Economics. The estimates take account of long-term trends in expenditure patterns, which reflect the cyclical nature of economic growth, and the trend projections are adjusted to take full account of exceptional deviations from trend lines such as those which have been witnessed over the past two to three years during the economic recession. Although it is well documented that spending in some sectors – for example in the residential housing market – has been badly affected by the recession, the growth in retail spending on comparison goods has held up better than might have been expected, despite consumers being substantially

more cautious and less inclined to buy on credit. Thus while there have been periods during which consumer retail spending on comparison goods has shown a reduction in real terms, for example in 2009, the overall trend of year-on-year growth has been maintained, although at a significantly lower rate than the high levels seen in the 2000 – 2003 period.

- 4.7 Growth in spending on convenience goods has traditionally remained low over the past thirty years or more, with growth in real terms rarely exceeding 2% per annum and more commonly sitting at less than 1%. For example PBI data based on statistical releases from the Office for National Statistics (ONS) shows that the average growth in spending on convenience goods from 1964 to 2009 has been only 0.6% per annum, and over the past twenty years it has been only 0.9% per annum. Furthermore there was negative growth in convenience spending in 2008 and 2009.
- 4.8 While the long-term trend lines for spending growth would suggest that growth of around 0.8% for convenience spending and 5% for comparison spending could be expected in future years, the knock to the economy in the recent past, and the continuing uncertainties affecting consumer confidence – not least as regards cuts in employment – indicate that more cautious growth figures should be used, despite the fact that this means producing estimates which fall below already-cautious trend line projections. The growth rates which Oxford Economics recommend should be used for estimating expenditure increases over the next ten years indicate growth in convenience spending of only 0.4% per annum, with growth in comparison spending staying at a very modest 3.7% until 2015, and increasing slightly to 3.8% per annum thereafter. Accordingly this study has adopted these growth rates for projecting expenditure growth in the Scottish Borders to 2016.
- 4.9 It is clear from the statistics released each month by the ONS that there is a high level of volatility in the retail market, with some quite marked variations in growth rates from month to month. In the first quarter of 2011 the growth in spending in ‘predominantly non-food stores’ was static, although growth since the same quarter in 2010 was an encouraging 3.2%. However the ONS’s Bulletin on Retail Sales issued on 21st July 2011 showed annual growth in the volume of all retail sales in June 2011 running at only 0.4% compared with sales in June 2010, with sales in predominantly non-food stores rising by only 0.9%. This suggests a marked downturn in growth in non-food spending between the first and second quarters of 2011.
- 4.10 Thus the indicators and monitors of retail spending are giving some mixed messages, and this makes the estimation of growth rates over the next five years rather more difficult than it has been in the past. For this reason, the outcomes of the estimations of growth in this study will need to be examined cautiously. Furthermore, having regard to these uncertainties and the unprecedented economic conditions which currently prevail, we have also given consideration (in Section 5 of this report, paras. 5.72 – 5.79) to the situation which could apply if the predicted growth rates in comparison spending do not materialise over the next five years, and instead a much lower rate of growth is experienced. This provides an alternative scenario for consideration when reaching conclusions about the scope for additional comparison retail floorspace in the Scottish Borders area by 2016.
- 4.11 Details of the adopted growth rates are shown in Table 4 in Appendix 1, while Tables 5 and 6 show the total convenience and comparison expenditure likely

to be generated, by applying the estimates of expenditure per head from Table 4 to the estimates of population changes discussed earlier and set out in Table 3.

- 4.12 As will be seen from Tables 5 and 6, this exercise shows that convenience spending across the Scottish Borders area can be expected to rise only very modestly, from £220 million to £232 million (at constant 2009 prices) from 2011 to 2016. Comparison spending rises more generously, from £366 million in 2011 to £454 million in 2016, an increase of some £88 million. However this is clearly a much lower increase than would have been expected had the comparison expenditure growth rates of a few years ago been sustained.

Categories of Convenience Shopping

- 4.13 The household survey questionnaire was designed to explore many aspects of shopping habits. For food shopping, it is widely recognised that people shop for food in a variety of ways and, where there is choice, they do not always visit the same shop each week. The major retailers all operate differently, they stock different product brands of more specialist items, their 'own brands' of course differ, and they have varying policies on price and on special offers. Depending on what the shopper wants in any particular week, they may decide to go to a different shop from the one they visited the previous week.
- 4.14 However it generally remains the case in most areas that households have one shop which they will visit more frequently than any other – their first choice food supermarket. Consequently the household survey asked respondents to name that preferred store, but also to identify what would usually be their second choice store for a main food shopping expedition. This second store will usually be visited less frequently but may still consume a significant proportion of the household's annual spend on groceries. The questionnaire also asked respondents to estimate their average weekly spend on main food shopping, and to estimate what proportion of their main food spend would be directed to their first choice store.
- 4.15 The answers to these questions enable calculations to be made of the proportions of main food spending which are directed, in each zone, to the preferred and second choice store. The survey revealed that the proportion spent in the first choice store ranged from 71% to 81%, with the average at 76%.
- 4.16 Question 16 in the survey asked respondents to estimate how much, in addition to their main food expenditure, they spent each week on 'top-up' shopping – the expenditure on minor additional items, often bought locally, purchased in between main food shopping trips. Table 7 in Appendix 1 shows the series of calculations used to estimate the amount which households spent on top-up shopping per week in each zone. This figure was then converted from 2011 to 2009 levels of value to ensure compatibility with the 2009 price base being used for this study. The average top-up amount spent per week per household ranged from £13 in Zone 6 to £21 in Zones 1 and 12.
- 4.17 Using this information and the calculations of main food spending in the first and second choice store, it is then possible to tabulate the full picture as regards the split of convenience spending for each zone in the Scottish Borders. Table 8 in Appendix 1 shows the results. For the whole area, the proportions were as shown below in Figure 6.

Figure 6 : Proportions of Convenience Spending		
Main Food Shopping		
In First Choice Store	In Second Choice Store	Top-up Shopping
64% £140.98 m	20.3% £44.82 m	15.7% £34.58 m

4.18 With this allocation of expenditure calculated for each zone, it is then possible to apply the responses to the household survey to the various portions of spending to calculate, for each zone, the total amount spent by each zone on main food first choice, main food second choice and top-up spending, and also to see in which locations this money was spent. Tables 9 to 12 in Appendix 1 set out the results, Table 12 being the summation of each of the three categories of convenience spending.

Convenience Trade Draw

4.19 Tables 13 to 15 then examine the results for total convenience spending in more detail. Table 13 shows the percentage ‘trade draw’ of convenience spending for each retail destination: by reading horizontally along the row for each zone, it is possible to see what proportion of the money spent buying convenience goods in that zone is drawn from each zone in the Scottish Borders. For example, for Zone 2 – the Peebles area – 84% of the convenience spending in that area also originates in that area – i.e. local spending – while 6.5% comes from the Rural West zone and 8.1% from Innerleithen and Walkerburn. For the Galashiels area, only 41.9% of the convenience spending in Zone 4 originates there, and it will be noted that every other zone sends some convenience spending to Galashiels – so its full catchment area is the entire Scottish Borders area. However it is also evident that most of the convenience spending in the Galashiels area comes from five zones – the ‘home’ Zone 4, 13% from the Melrose area, 9% from Zones 5 (Selkirk) and 10 (Lauder/Earlston), and 8% from Kelso.

Convenience Market Share

4.20 Table 14 shows the ‘market share’ for convenience spending in each zone – that is, showing where the spending which originates in that zone ends up. By reading vertically down each column of Table 14, the destinations of the spending from each zone can be identified. Thus for Zone 5 (Selkirk), 40% remains in the Selkirk area – the locally-retained spending – but 48.7% is ‘exported’ to the Galashiels area, and 9% to Hawick. In Zone 7 (Jedburgh), 44% is retained locally, 21% goes to Hawick and 29% to Galashiels.

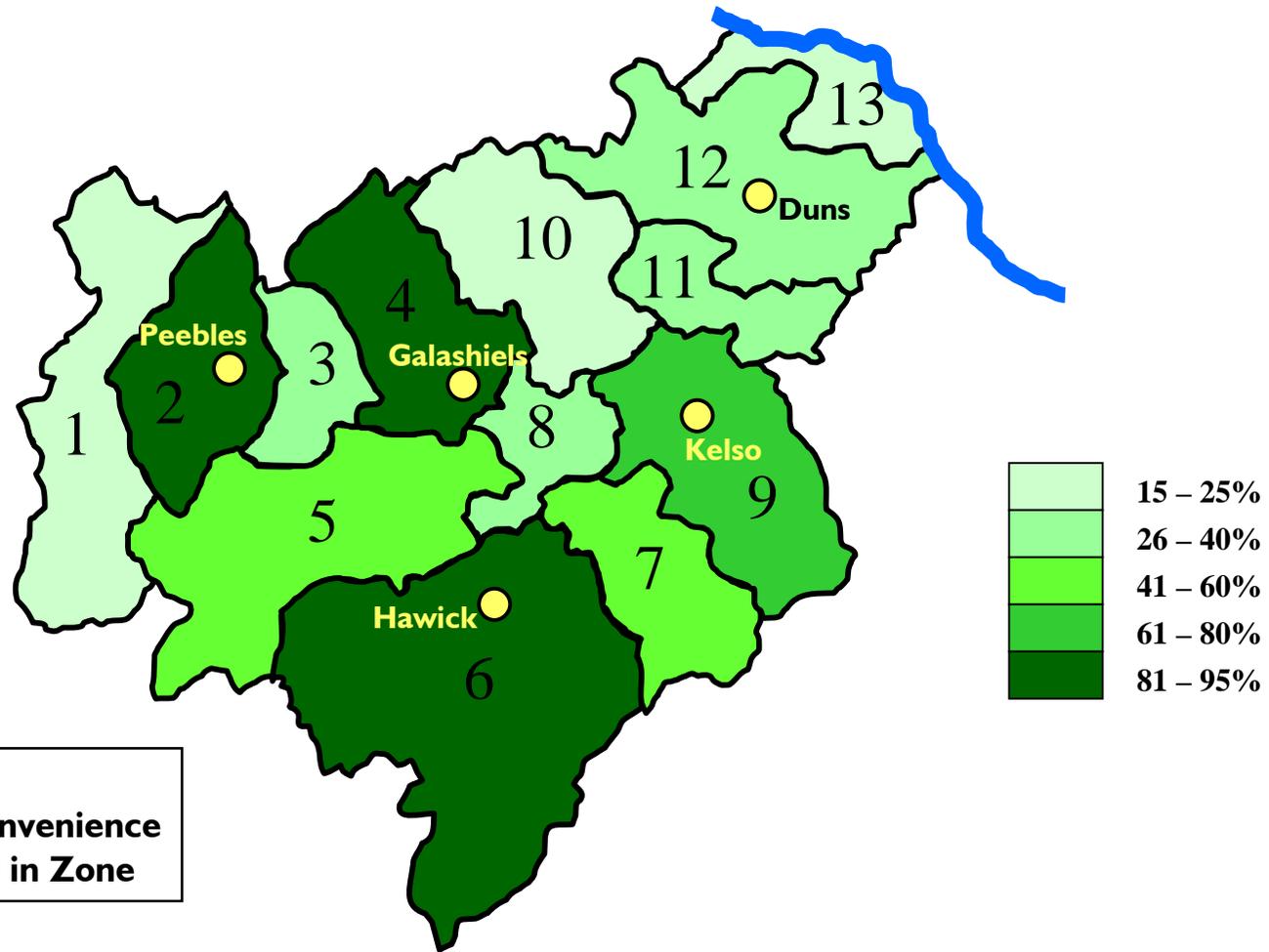
4.21 This table helps to show which zones are effective at retaining their locally-generated convenience spending and which ones export their spending to neighbouring zones. Generally this reflects the scale and choice of convenience shopping facilities in each zone, so that, for example, there is a very high percentage retention level in Zone 4 – 95% - because of the very good range of shops in Galashiels, while in the Melrose area, only 26% is spent locally and 67% travels to Galashiels, as shown in Figure 7.

Figure 7 : Convenience Market Share Retained and Lost by Zone

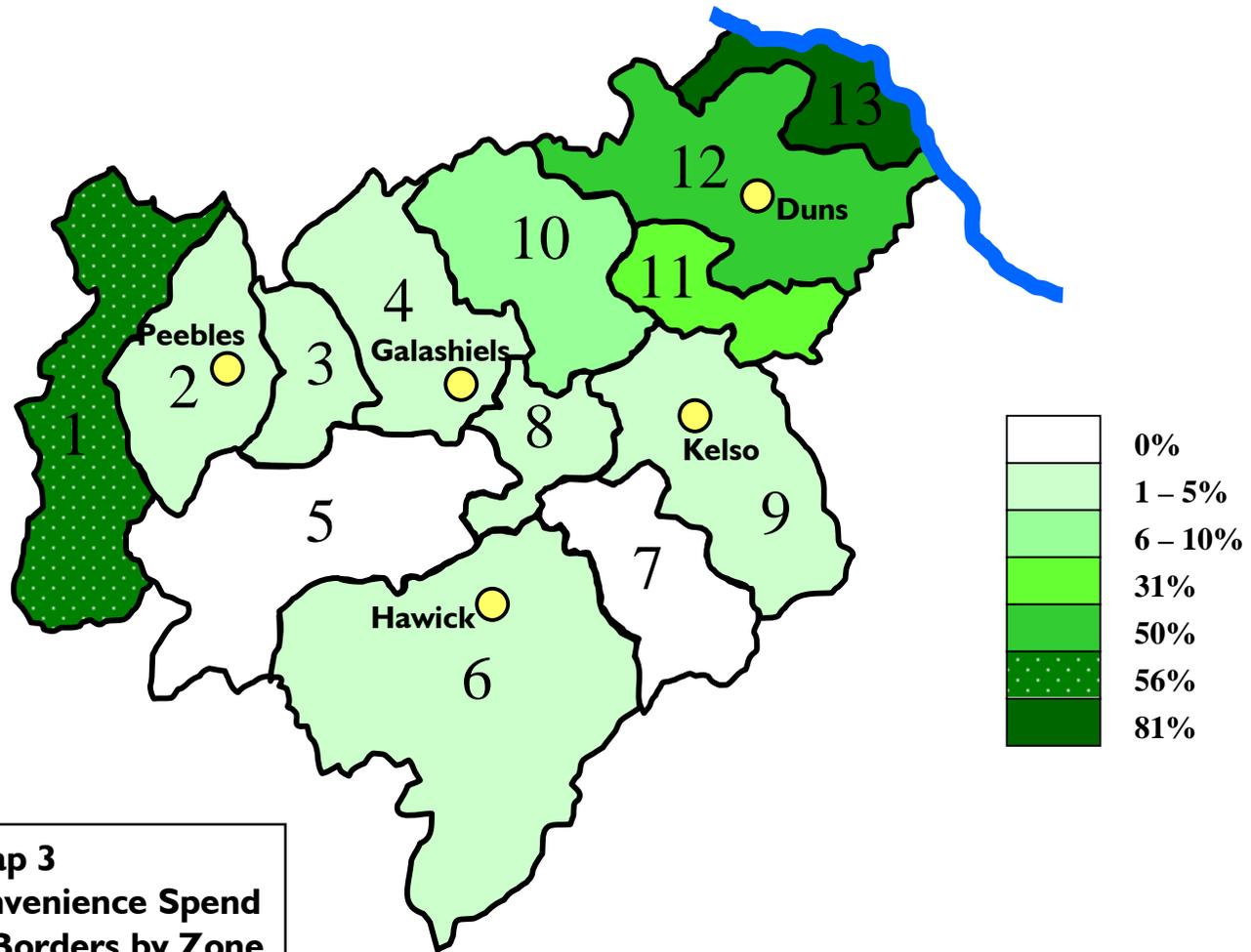
		Retained Locally	Retained in Borders	Leakage	Internet
1	Rural West	21%	41%	55.5%	3.1%
2	Peebles area	87%	96.3%	2.9%	0.9%
3	Innerleithen / Walkerburn	37%	97%	1.5%	1.4%
4	Galashiels / A7 North	95%	96.6%	3.4%	0%
5	Selkirk / Ettrick	40%	99.7%	0%	0.3%
6	Hawick / Liddesdale	88%	95.3%	3.1%	1.6%
7	Jedburgh	44%	96%	0%	4%
8	Melrose / St Boswells	26%	96.7%	2.4%	0.9%
9	Kelso	63%	93.6%	2.4%	4.1%
10	Lauder / Earlston / Gordon	18%	89.3%	9%	1.6%
11	Coldstream / Greenlaw	33.3%	66%	30.5%	3.4%
12	Duns / Chirnside	33.5%	46%	49.7%	4.5%
13	Eyemouth/ Brwckshire Coast	16.7%	17%	81%	1.9%
	Scottish Borders		83.8%	14.3%	1.9%

Convenience Expenditure Leakage

- 4.22 It is evident from the bottom of the final column of Table 14 that leakage from Scottish Borders is, on average, fairly low, at 14.3%. There is also 1.9% of internet spending - food which is ordered 'on line' and delivered to the door. Given that food deliveries from internet orders are usually sourced from the nearest local superstore, convenience internet spending should not be treated as 'leakage' of expenditure from the Scottish Borders, other than in the case of the zones nearest Northumberland and South Lanarkshire, which may be receiving deliveries from across the council boundary. It is also noticeable that the zones nearest the periphery of the council area – both east and west – are those which make the greatest use of the internet for grocery shopping.
- 4.23 The convenience leakage level of 14.3% can be compared to the leakage level revealed by the 1988 Borders Shopping Study, which stood at 16.7%. This would appear to demonstrate that despite rising car ownership and greater mobility generally in 2011 compared with 1988, the improvements to the range and scale of food shopping facilities in the Scottish Borders has been successful in achieving a reduction in expenditure leakage from the area.
- 4.24 However the average leakage level of 14.3% conceals a wide range of different levels of leakage across the zones. The peripheral zones (Eyemouth / Berwickshire Coast, Rural West, Duns / Chirnside and Coldstream / Greenlaw) lose a much larger proportion of their convenience spending than most other zones, while Selkirk and Jedburgh do not allow any of their locally-generated spending to leave the Scottish Borders. The Eyemouth / Berwickshire Coast zone barely looks to any other part of the Scottish Borders for its food shopping needs, with only a tiny proportion of trips going to Galashiels and none to anywhere else in the SBC area. 81% of convenience spending from Zone 13 goes to non-Borders destinations – mostly to Berwick with about 10% to East Lothian.
- 4.25 Maps 2 and 3 illustrate the geographical distribution of convenience expenditure retained in each zone and the proportion lost from each zone to destinations outside Scottish Borders.



Map 2
Percentage of Convenience
Spend Retained in Zone



Map 3
Leakage of Convenience Spend
from Scottish Borders by Zone

Convenience Expenditure Flows

4.26 Table 15 in Appendix 1 is an Origin / Destination Matrix shows the actual volume of convenience expenditure flows from each zone to each destination. It also shows, on the bottom line of the table, the scale – in percentage terms – of its turnover compared with its locally generated expenditure, as summarised in Figure 8 below.

Figure 8 : Turnover compared with Locally-Generated Convenience Expenditure	
Zone	Turnover as % of Zone's Expenditure
1 Rural West	21%
2 Peebles area	104%
3 Innerleithen / Walkerburn	39%
4 Galashiels / A7 North	226%
5 Selkirk / Ettrick	40%
6 Hawick / Liddesdale	103%
7 Jedburgh	49%
8 Melrose / St Boswells	29%
9 Kelso	71%
10 Lauder / Earlston / Gordon	19%
11 Coldstream / Greenlaw	37%
12 Duns / Chirnside	36%
13 Eyemouth / Berwickshire Coast	17%

4.24 Table 15 and Figure 8 show whether a zone experiences a net outflow or net inflow of expenditure. The peripheral zones export much of their convenience expenditure out of the Scottish Borders area altogether, but other zones – particularly Zones 3, 5, 8 and 10 – export much of their spending to Galashiels. For some zones, however, there is a net gain in expenditure, with more money being spent on convenience goods within the zone than the amount of expenditure generated within that zone. Zone 2 (Peebles area) and Zone 6 (Hawick/Liddesdale) both benefit from a small net inflow, while the Galashiels zone imports more than double the amount of spending which it generates.

4.25 Looking at the picture in greater detail, with reference to Tables 13 and 15, it is evident that the Peebles area, while not totally self-sufficient, is achieving a healthy level of self-containment. Although it loses some trade to Galashiels, it also gains trade from the Rural West Zone and from Innerleithen, which results in slightly more convenience trade in Zone 2 than there is expenditure generated within the zone. Similarly the Hawick zone, while it loses some convenience trade to Galashiels, also gains trade from Selkirk and Jedburgh, again resulting in a slight excess of turnover compared with locally-generated expenditure. Galashiels, on the other hand, imports more spending from outside its zone than is generated within it – 58% coming from outside compared with 42% from within the zone. We will be analysing this feature of Galashiels's trade in the next section of this report when we examine future growth potential and the scope for additional retail developments.

The Relative Importance of Main Food and Top-Up Shopping

4.26 One useful indicator of the role of each convenience shopping destination is the proportion of its total turnover which is made up of top-up rather than main food shopping. It is evident on the ground in some centres that they can only be catering primarily for top-up shopping, because of the scale of leakage to larger centres and because of the range and scale of local convenience shopping facilities. However the results of the household survey enable us to see, for the main destinations in each zone, which locations are relying more on top-up shopping and which are catering primarily for main food shopping. This analysis is shown in Figure 9 below.

Figure 9 : Main Food and Top-Up Split by Destination							
	Destination	Main Food		Top-Up		Total	
		£m	%	£m	%	£m	
1	Rural West	0.64	38	1.06	62	1.70	
2	Peebles	17.23	85	3.12	15	20.35	
3	Innerleithen / Walkerburn	1.95	61	1.25	39	3.20	
4	Galashiels	71.34	92	6.22	8	77.56	
5	Selkirk	3.73	63	2.15	37	5.87	
6	Hawick	32.33	88	4.36	12	36.69	
7	Jedburgh	4.17	71	1.69	29	5.86	
8	Melrose / St Boswells	2.20	49	2.25	51	4.46	
9	Kelso	11.24	72	4.42	28	15.66	
10	Lauder / Earlston	0.73	34	1.44	66	2.17	
11	Coldstream	1.75	59	1.23	41	2.97	
12	Duns / Chirnside	3.37	57	2.56	43	5.92	
13	Eyemouth	0.90	38	1.44	62	2.34	
	Total	151.56	82	33.18	18	184.74	

4.27 Figure 9 shows, as might be expected, that Galashiels is catering almost totally for main food spending. The level of top-up spending is still significant in value, and at £6.22 million is higher than any other destination, but in percentage terms it contributes very little to the overall total spend. The centres which rely the most on top-up spending are Lauder, Earlston, Eyemouth and those in the Rural West (mainly West Linton). Duns, Chirnside, Coldstream and Innerleithen are also relying significantly on top-up spend. Of the larger centres, Selkirk has a relatively high level of top-up spending, as does Jedburgh, when compared with the overall average for all centres of only 18%.

4.28 Although a high proportion of top-up spending indicates that the centre is not proving successful at attracting main food shopping trips, it also means that it has a significant 'captive market', because top-up shopping trips are much less prone to diversion to other centres as a result of new retail developments. However another factor to bear in mind is that the provision of a new convenience store in that area – especially one which is located off-centre – may strike at the heart of the 'bread-and-butter' trade on which the centre currently relies for much of its convenience turnover.

Visitor Spending

4.29 We are aware that some studies of retail proposals in the Scottish Borders make allowances for spending by visitors – i.e. tourist spending and spending by people who work in the Scottish Borders but who live outside the area. The scope of this study does not include an investigation into visitor spending, which would have involved several additional areas of research including interviews with shoppers in each main centre to establish what proportion were not Scottish Borders residents. Visitor spending in shops is unlikely to be of a scale compared with home residents’ spending to justify making any allowance in the calculations for increased levels of spending in any of the study zones. The principal quantitative purpose of the study is to establish the level of shopping provision which can be justified by the spending power of the area’s residents. In some circumstances it is possible, when considering the merits of a particular retail development proposal, that the potential for that proposal to attract trade from outside the Scottish Borders area could be a material consideration, but those circumstances will vary from proposal to proposal and this study does not make any general assumptions or allowances for such potential inflows of spending, either for convenience or comparison trade.

Comparison Spending

4.30 The distribution of comparison trade in the Scottish Borders area was investigated by the household survey on the basis of a wide range of goods categories, as shown in Figure 10. The actual proportions of comparison spending on each category was estimated by PBBI as part of their analysis of population and spending patterns in the Scottish Borders area, and revealed around 25% spending on clothing and footwear, some 10% on furniture, carpets and floor coverings, 5% on DIY goods, and nearly 11% on chemists goods. These proportions are broadly similar to the average across Great Britain, although – for example – the proportion of retail spending on clothing and footwear is slightly higher than the British average whereas the spending on chemists’ goods is a little lower.

Figure 10: Proportions of Spending on Comparison Goods Categories

Category of Comparison Spending	Percentage
Clothing and Footwear	25.3 %
Sports Goods	5.2 %
CDs / DVDs	2.9 %
Audio-visual Equipment	9.2 %
Portable Domestic Items	1.3 %
Non-portable Domestic Items	1.2 %
Furniture / Carpets / Floor-coverings	9.6 %
Textiles / Soft Furnishings	3.3 %
DIY goods	5.2 %
Crockery / Pots / Pans	2.5 %
Chemists’ Goods	10.6 %
Jewellery / Clocks / Watches	2.9 %
Bicycles / Games / Toys	3.7 %
Other Miscellaneous / Recreational Items	17.2 %

- 4.31 As Table 16 shows, by applying these percentages of spending to the amount of locally-generated spending in each zone (as shown in Table 6), the amount of spending per zone on each category of comparison goods can be calculated. These amounts per zone and category are then applied to the responses obtained from the respondents to the household survey in order to estimate the distribution of comparison spending on each category of product throughout the Scottish Borders area.
- 4.32 Tables 17 to 30 in Appendix 1 show the results of these calculations for each product category, Table 31 shows the total amount spent by the residents of each zone on all comparison goods, and Table 32 shows the amount spent in each zone according to each category. It should be noted that, because it is not practical to ask the respondents of a household survey to specify their spending habits on every one of the many categories of comparison goods, the survey focused on those categories which make up the majority of comparison sales. The distribution of spending for the final 'miscellaneous' category was then estimated on the basis of the distribution revealed by the survey for other similar types of goods.
- 4.33 Tables 31 and 32 show that Galashiels achieves a total comparison turnover drawn from all zones of £128.5 million, while Hawick achieves £30.7 million, Peebles £15 million and Kelso £13.8 million. Table 33 shows the pattern of trade draw for each centre – the proportion of its trade which is made up of each of the product categories – while Table 34 shows, for each product category, how the spending on that category is distributed – i.e. the market share achieved by each shopping destination in each product category.

Comparison Trade Draw by Product Category

- 4.34 Looking first at Table 33, this shows that spending on clothing and footwear is important for most of the main centres in the Scottish Borders, accounting for 25% of the comparison turnover in Peebles, 23% in Kelso, 29% in Jedburgh and 33% in Galashiels town centre. Spending on furniture makes up a very large proportion of the total comparison turnover in Selkirk – although much of this is attracted to the out-of-centre NGT store, and spending on audio-visual products and DIY items is a significant contribution to the turnover of the Galashiels retail parks. Spending on chemists' products makes up much of the comparison spending in the smaller towns.
- 4.35 Also evident from Table 33 is the fact that much of the leakage of comparison spending from Scottish Borders is on clothing and footwear – for example this category accounts for 42% of the comparison spending which leaks to Edinburgh and 15% of the leakage to Midlothian, and 49% of the spending which leaks to other Scottish destinations. In total, Table 32 shows that leakage on clothing and footwear amounts to £46.5 million, of which £11 million is internet spending.

Comparison Market Share by Product Category

- 4.36 Turning to Table 34, the final column shows that 58% of all comparison spending is retained in the Scottish Borders, with 29.5% being exported, plus 12.6% by internet – a total of 42%. Figure 11 is a summary of Table 34 and shows the proportions of retained and lost spending for each product category. The highest level of leakage is on bicycles and toys, at 34% plus 24% internet spending, while 58% is lost on CDs and DVDs, mostly due to internet spending

(40%). Leakage on clothing, sports goods and textiles / soft furnishings is around the 50% level, including internet spend. The lowest level of leakage is on chemists' goods – 12.7% plus only 1.4% by internet - reflecting the high level of spending on such goods in the local centres.

4.37 Table 35 highlights the market share of spending on each product category which is achieved by Galashiels, showing that across all categories Galashiels captures 35% of all comparison spending by Scottish Borders residents, and 61% of the spending which is retained in the SBC area – which is a very substantial market share. However Galashiels's market share varies widely between categories, ranging from only 29% of the spending in Scottish Borders on furniture and floor coverings, and 32% on chemists' goods, to 69% of the money spent on clothing in the SBC area, 85% of the spending on audio-visual products, and 88% of the spending on sports goods.

Figure 11 : Comparison Market Share Retained and Lost by Category

Product Category	Retained in Borders	Leakage	Internet
Clothing and Footwear	50%	38%	12%
Sports Goods	48%	34%	18%
CDs / DVDs	42%	18%	40%
Audio-visual Equipment	56%	27%	17%
Portable Domestic Items	64%	26%	10%
Non-portable Domestic Items	61%	23%	16%
Furniture / Carpets / Floorcoverings	68%	27%	6%
Textiles / Soft Furnishings	50%	38%	13%
DIY goods	73%	25%	2%
Crockery / Pots / Pans	54%	38%	8%
Chemists' Goods	86%	13%	1%
Jewellery / Clocks / Watches	55%	33%	12%
Bicycles / Games / Toys	42%	34%	24%
Miscellaneous / Recreational Items	54%	29%	17%
Total	58%	30%	13%

Figure 12 : Comparison Market Share Retained and Lost by Zone

Zone	Retained Locally	Retained in Borders	Leakage	Internet
1 Rural West	4%	24%	60%	16%
2 Peebles area	33%	51%	35%	14%
3 Innerleithen / Walkerburn	7%	71%	18%	11%
4 Galashiels / A7 North	65%	71%	17%	12%
5 Selkirk / Ettrick	18%	74%	14%	12%
6 Hawick / Liddesdale	42%	71%	16%	13%
7 Jedburgh	16%	68%	18%	14%
8 Melrose / St Boswells	7%	73%	14%	13%
9 Kelso	28%	65%	23%	12%
10 Lauder / Earlston / Gordon	3%	55%	32%	13%
11 Coldstream / Greenlaw	6%	44%	46%	10%
12 Duns / Chirnside	9%	26%	63%	12%
13 Eyemouth / Berwickshire Coast	6%	11%	78%	12%
Total		58%	30%	13%

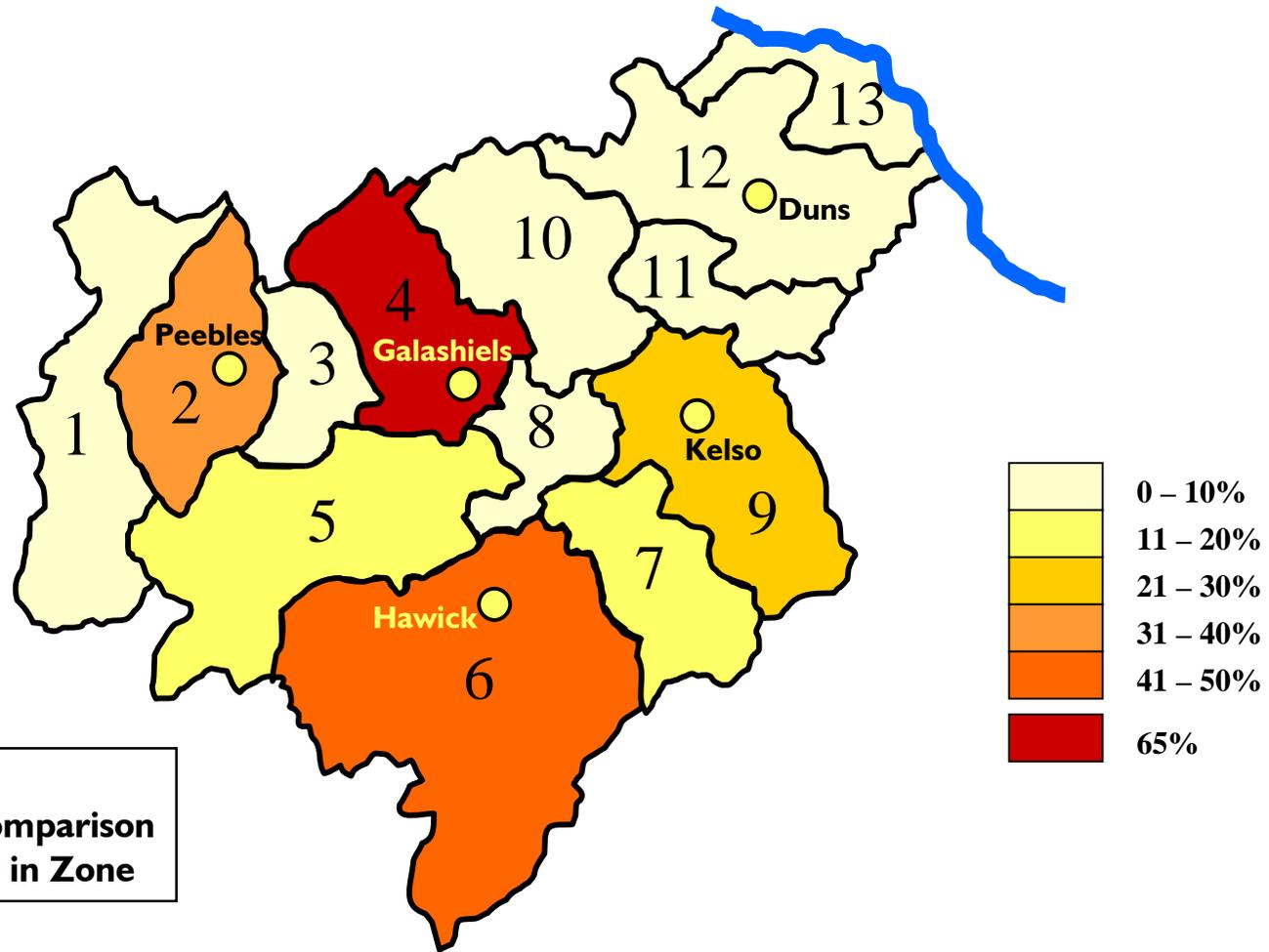
Comparison Market Share by Zone

- 4.38 Table 36 shows the comparison market share achieved by each destination from the spending generated by each zone. Figure 12 summarises the findings of Table 36 and highlights that Zone 4 – the Galashiels area – retains 65% of the comparison spending generated within that zone, and also has a 71% share of the spending from Zone 4 which is retained in the SBC area. Leakage of spending from Zone 4 is 17%, plus a further 12% on internet spending.
- 4.39 Map 4 shows the level of retained comparison spending in each zone, and Map 5 shows the proportion of spending lost from each zone to destinations outside the Scottish Borders. The maps highlight the high retention level in Galashiels and the high levels of leakage from eastern and western areas.
- 4.40 No other zones retain as much locally-generated spending as the Galashiels area, but some do achieve a reasonable level of retention – Hawick at 42%, Peebles at 33%, and Kelso at 28%. Some zones actually export less expenditure out of the SBC area than the Galashiels zone – for example leakage from the Hawick area is only 15.6% and from Selkirk the level is 14.4%.
- 4.41 However it is also evident that many zones are heavily influenced by the comparison shopping provision in Galashiels and consequently send much of their locally-generated spending to the town. Figure 13 illustrates the level of expenditure which flows to Galashiels from those zones most influenced by its retail attractions. Between the ten zones listed in Figure 13, the total spend sent to Galashiels is £98.5 million, and most of these zones send between a third and a half of their spending to the town. Were it not for the pull of Galashiels and the good range of shopping facilities available there, it seems likely that the amount of comparison trade lost from the Scottish Borders to other destinations such as Edinburgh and Berwick would be higher than it currently is.

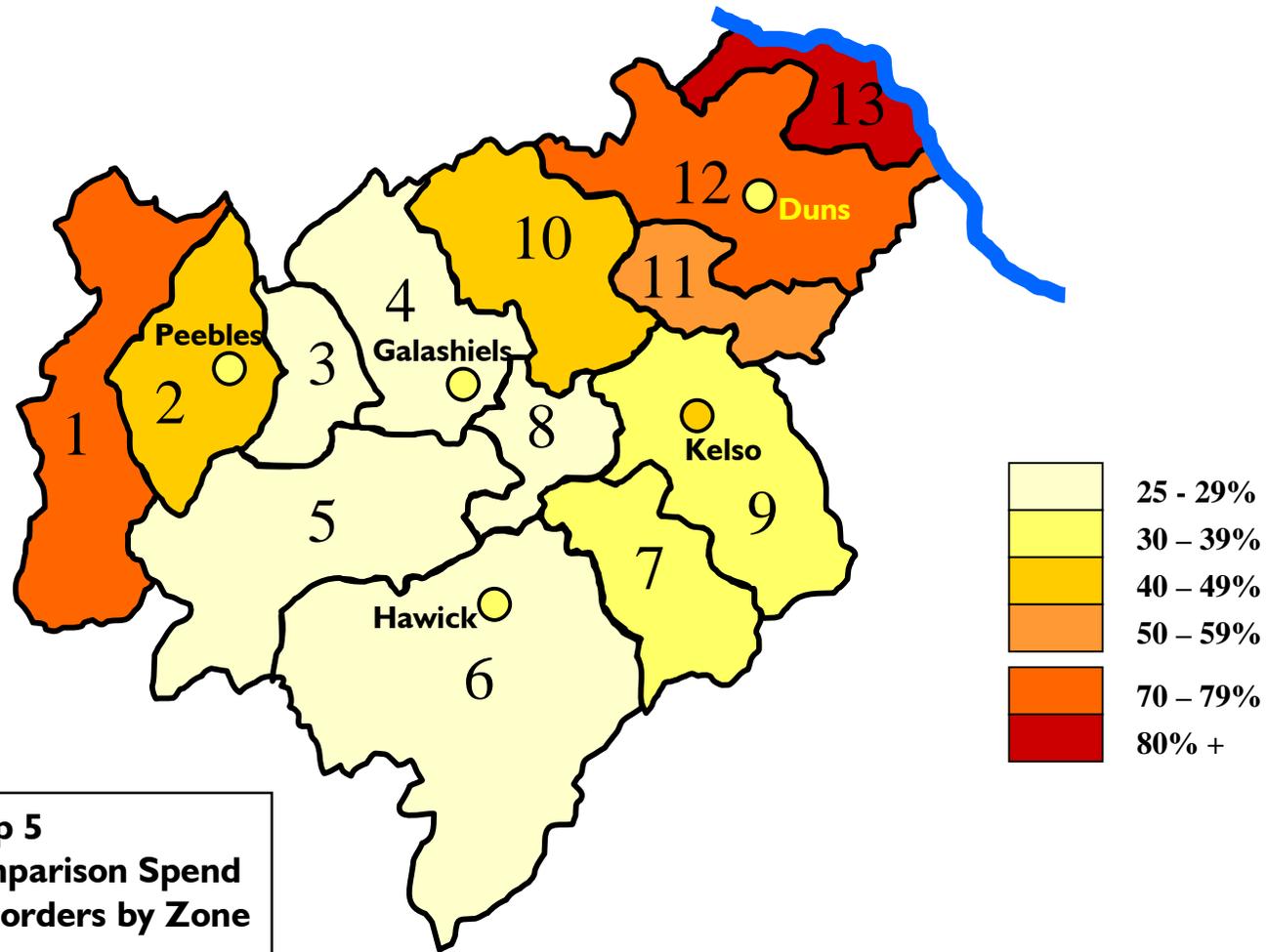
Figure 13: Comparison Spending Exported to Galashiels

Zone	% of spending to Galashiels	Amount of spend to Galashiels
Peebles area	17.3%	£5.8 m
Innerleithen / Walkerburn	49.1%	£6.7 m
Selkirk area	51%	£12.4 m
Hawick / Liddesdale	27%	£15.6 m
Jedburgh	36.6%	£7.2 m
Melrose area	55.6%	£14.5 m
Kelso area	33.8%	£12.5 m
Lauder / Earlston	42.7%	£8.3 m
Coldstream / Greenlaw	24.8%	£3.3 m
Duns / Chirnside	11.8%	£3.2 m
Total		£89.5 m

- 4.42 As with the pattern of convenience shopping already observed, the peripheral zones are the most prone to leakage – 60% of spending is lost from the Rural West zone, 63% from the Duns / Chirnside zone and 78% from the Eyemouth zone. The average for the SBC area is 29.5%. Internet spending is relatively constant across the whole area, with the average internet spend being 12.6%.



Map 4
Percentage of Comparison
Spend Retained in Zone



Map 5
Leakage of Comparison Spend
from Scottish Borders by Zone
 (includes internet spend – average 12.6 %)

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Scale of Leakage

- 4.43 Although the average level of comparison expenditure leakage across the Scottish Borders – at 29.5% - suggests a good performance by the retail facilities in the area at retaining locally-generated spending, this still amounts to £108 million being lost from the area in 2011, plus a further £46 million on internet spending. One of the issues to be addressed by this study is the extent to which there may be scope for retrieving some of this leakage in order to support additional comparison retail floorspace, particularly as a 'do nothing' strategy may run the risk of leakage increasing against a background of rising total spending.

Comparison Trade Draw by Zone

- 4.44 Whereas Table 33 showed what proportion of the turnover of each shopping destination was obtained from the various product categories, Table 37 shows trade draw by zone – i.e. the proportion of each destination's turnover which is drawn from each zone. This helps to show the extent of each destination's catchment area.
- 4.45 Galashiels is shown to have a very wide catchment, extending across the whole council area but drawing particularly from ten of the thirteen zones, as already illustrated by Figure 13. However other destinations also have a draw across several zones, and Selkirk achieves some trade draw from all zones. Only West Linton draws all its trade from its own local zone. Kelso's catchment is confined primarily to its own zone 9 with a small draw from Coldstream, while Jedburgh draws a little trade from Hawick and Melrose / St.Boswells. Peebles draws quite significantly from Innerleithen / Walkerburn and the Rural West area, and Hawick from Jedburgh.
- 4.46 The overall picture is one in which residents of some zones are prepared to travel a considerable distance in order to carry out their comparison shopping trips, resulting in a complex patterns of expenditure flows and several discernable overlapping catchment areas, although with the influence of Galashiels being the dominant feature over most of the area, other than the extreme western and eastern zones (1 and 13).

Comparison Expenditure Flows

- 4.47 Table 38 shows, for each zone, a comparison between the amount of locally-generated expenditure and the turnover actually spent in each zone. The same information for convenience spend is shown in Table 15. Figure 14 summarises the position.
- 4.48 Unlike the convenience spending situation, where both Peebles and Hawick are net importers of expenditure, the only zone which is a net importer of comparison spending is the Galashiels area, where turnover is 224% of the level of available expenditure – very similar to the figure of 226% for convenience turnover. As Figure 14 shows, the turnover achieved in the Hawick area is only 53% of the available spend, while Peebles is 45% and Kelso 37%. Again this emphasises the fact that trade moves from most zones towards Galashiels. The corollary of this situation is that the retention of more locally-generated spending within each zone would be likely to reduce the turnover achieved in Galashiels.

Figure 14 : Turnover compared with Locally-Generated Comparison Expenditure

Zone	Turnover as % of Zone's Expenditure
1 Rural West	4%
2 Peebles area	45%
3 Innerleithen / Walkerburn	8%
4 Galashiels / A7 North	224%
5 Selkirk / Ettrick	41%
6 Hawick / Liddesdale	53%
7 Jedburgh	20%
8 Melrose / St Boswells	10%
9 Kelso	37%
10 Lauder / Earlston / Gordon	4%
11 Coldstream / Greenlaw	7%
12 Duns / Chirnside	11%
13 Eyemouth / Berwickshire Coast	7%

The Attractiveness of Centres

- 4.49 In order to examine more closely the relative dominance of each centre within its local area, we have produced Tables 39 to 42 which – for convenience and comparison spending – reveal the strongest expenditure flows in each of the thirteen zones. Tables 39 and 41 show the actual flows in monetary values for 2011, while Tables 40 and 42 show, for each zone, the proportions of locally-generated spending sent from each zone to that zone's most popular destinations.
- 4.50 Both Table 40 (convenience) and Table 42 (comparison) show that there are relatively few favoured retail destinations for each zone's residents. In Table 40 the dominance of Peebles, Hawick and Galashiels within their own zones for convenience spending is clearly evident, as is the relative weakness of Selkirk and Jedburgh, while Kelso is not as strong as would be desirable for a centre of its size – reflecting the qualitative weakness in its convenience shopping provision. The influence of Berwick is clearly seen in Zones 11, 12 and 13, and the influence of Midlothian on Zone 1 (Rural West).
- 4.51 The picture for comparison spending is less obvious than for convenience spending, with a larger number of preferred destinations featuring in some zones, particularly the Melrose and Coldstream areas, reflecting the pull of expenditure in a number of different directions. For example, the Melrose area is influenced strongly by Galashiels but also to a significant extent by Edinburgh and to a lesser extent by Selkirk, Hawick and Kelso, while the Coldstream area experiences a strong pull to Galashiels in one direction and to Berwick in the other. The pull of Edinburgh features in all the zones – the least in Hawick and the most in Peebles and the Rural West area.
- 4.52 These tables showing the relative influence of each centre on each area are particularly useful because they help to emphasise the fact that no part of the Scottish Borders area is isolated or insulated from any other, and any initiatives to deliver better shopping facilities in one area will inevitably have an effect on shopping patterns in other areas. For convenience spending, the relatively low levels of spending being lost out of the SBC area means that there is very

limited scope for pulling back expenditure which is currently being lost, while for comparison spending the draw to Edinburgh and Berwick is strong and substantial, and Galashiels is established as the dominant centre and already absorbs 60% of all comparison trade generated from and spent within the Scottish Borders. The implication from this is that there will be limited scope to promote change and redirect expenditure flows.

4.53 To bring the discussion on this aspect of the study to a close, it is helpful to refer to Table 43, the content of which is summarised in Figure 15. This shows the ranking, assessed by turnover drawn from the Scottish Borders area, of all the shopping destinations which feature significantly in the analysis of expenditure flows.

Figure 15 : Ranking of Retail Destinations by Spending 2011

Rank	Convenience	£m	Comparison	£m	Total	£m
1	Galashiels	77.6	Galashiels	128.5	Galashiels	206.0
2	Hawick	36.1	Edinburgh	48.1	Hawick	66.8
3	Peebles	20.4	Hawick	30.6	Edinburgh	50.9
4	Berwick	19.6	Berwick	28.1	Berwick	47.7
5	Kelso	15.7	Peebles	15.2	Peebles	35.5
6	Selkirk	5.9	Kelso	13.8	Kelso	29.4
7	Jedburgh	5.9	Midlothian	12.8	Midlothian	17.1
8	Duns	4.3	Selkirk	9.8	Selkirk	15.7
9	Midlothian	4.2	Carlisle	4.4	Jedburgh	9.8
10	Innerleithen	3.2	Newcastle	4.0	Duns	6.9
11	Coldstream	2.9	Jedburgh	4.0	Carlisle	5.8
12	Edinburgh	2.7	Duns	2.6	Innerleithen	4.3
13	Eyemouth	2.3	Melrose	1.7	Melrose	4.0
14	Melrose	2.3	Eyemouth	1.6	Eyemouth	4.0
15	Chirside	1.7	Innerleithen	1.1	Newcastle	4.0
16	Carlisle	1.4	Coldstream	0.8	Coldstream	3.7

4.54 The figures show the very high overall level of spending in Galashiels compared with all other destinations, achieving a total retail turnover which is three times that of Hawick, despite Hawick's larger population. The influence of Edinburgh and Berwick as comparison shopping destinations is very evident, with Berwick also taking a substantial convenience spend. The total retail spend by Scottish Borders shoppers in Berwick and Edinburgh is nearly £100 million.

4.55 The table also shows the clear ranking of Peebles and Kelso as the third and fourth retail centres in the Scottish Borders, behind Galashiels and Hawick, and significantly ahead of Selkirk and Jedburgh.

4.56 It is encouraging to see that, although a high level of expenditure is exported to Edinburgh and Berwick, there is relatively little spending attracted to Carlisle and Newcastle, despite the very wide range of major shopping facilities in both locations and particularly in the Newcastle area.

The Performance of Centres in the Scottish Borders

- 4.57 While Table 43 / Figure 15 shows the turnover of each centre and gives an indication as to those centres which are performing well, an informed judgement as to the relative performance of each centre cannot be made until the centre's turnover is examined in more detail, and in particular until its turnover to floorspace ratio has been revealed. As a generality, a high level of turnover per unit of floorspace will indicate a more successful centre than one with a low level of turnover per unit of floorspace.
- 4.58 Unfortunately there is a tendency sometimes to place too much emphasis on turnover to floorspace ratios, particularly as regards the use of 'national average' figures as an indicator of the likely – or 'required' – level of turnover of a new retail development. In reality the turnover to floorspace ratio of a retail operation will be affected by many local factors which national average figures fail to take into account, for example the strength and scale of competing facilities, the nature and extent of the potential catchment, and the level of available spending. Furthermore, some stores will be able to achieve a comfortable profit on a relatively low level of turnover per square metre, depending on factors such as the level of rates, staff costs and other overheads, which can vary substantially from area to area.
- 4.59 It is a common sense principle that if two new stores open in the same area in competition with each other, they will each achieve a lower level of turnover per square metre of floorspace than if only one store opened in that location. This helps to illustrate the point that any assessment of turnover to floorspace ratios and their implications must take account of local conditions.
- 4.60 However the substantial amount of data which has been compiled over the years regarding the turnover performance of different types of stores in different areas provides the analyst with some useful indicators to assist in making judgements about whether a shopping centre is performing well or below par. Comparing a number of centres in the same area also provides an insight into which centres are proving popular and which may be faring less well in competition with others.
- 4.61 Table 44 sets out full details of the analysis of turnover compared with floorspace for both convenience and comparison trade throughout the Scottish Borders. The results are not readily condensed into a summary table and so reference to Table 44 is required in order to appreciate the findings.
- 4.62 It is evident that there are some wide fluctuations in turnover performance from centre to centre, illustrating the point that local conditions and the nature of local facilities will affect performance. In Zone 1, for example, West Linton is the main – although small – shopping centre serving an extensive rural area, and consequently is a popular and successful centre achieving a healthy level of turnover per square metre in its convenience and comparison shops. Jedburgh, on the other hand, shows a lower level of turnover per square metre, partly because it faces competition from other larger centres and because currently it supports two Co-op stores as well as other convenience stores. However an average turnover of £4,270 for the type of facilities found in the town is a respectable result.

Assessment of Trading Balance

4.63 In order to more fully interpret the results of the turnover analysis shown in Table 44, we have also produced Tables 45 and 46, which are an assessment of the 'trading balance' in each centre for both convenience and comparison trade – setting out the actual turnover derived from the household survey and expenditure data, and comparing actual turnover with the level which might normally be expected in that centre, having regard to the nature and location of the centre, the types of shopping facilities which are available, the evidence obtained from survey as regards the levels of turnover which are sustaining healthy centres in the Scottish Borders, the scale and nature of local competition, and other relevant market factors. We have used the term 'turnover allowance' to describe the 'normal' turnover level which would be expected in each centre.

Trade in Galashiels

4.64 Both the convenience and comparison turnovers in Galashiels are shown to be at very healthy levels, which would be expected given the centre's popularity, its excellent range of shopping facilities and its dominance of the retail market. Approximately 75% of the convenience floorspace in Galashiels town centre is found in its two modern superstores operated by Asda and Tesco, which would be expected to achieve high trading levels, but suppressed to some extent by the fact that the two stores are competing directly against each other. There is also around 2,000 square metres of other convenience sales floorspace in the town centre which generally would be expected to trade well below the average level of £8,923 per square metre currently being achieved. The indications are that Tesco and Asda are both trading at above £10,000 per square metre, despite competing 'head to head', reflecting the extent to which they dominate the convenience shopping market in the Central Borders.

4.65 As Table 45 shows, the convenience turnover being achieved currently is comfortably in excess of what might be expected, even for a very strong and successful centre like Galashiels, with a sizeable 'overtrading' margin of around £8 million ('overtrading' being the term which conventionally is used to describe the trading gap between a normal level of turnover and the higher level which is actually being achieved).

4.66 On the comparison side, an average turnover per square metre for all floorspace in the town centre of more than £5,000 suggests very healthy trading conditions, well able to support the substantial amount of floorspace which exists in the centre. The development in recent years of the Gala Water Retail Park on Huddersfield Street has greatly enhanced the image of the town centre as a major comparison shopping centre. The overtrading margin on comparison spending is estimated at more than £10 million for the town centre floorspace (Table 46). Similarly the nearby retail parks at Comely Bank and Low Buckholmside are performing extremely well, considering that several of the units are trading in 'bulky goods' which do not generally command high levels of turnover. We consider that a combined turnover of around £26 million for the two retail parks would represent a healthy balanced level of trade, whereas the estimated actual turnover is in excess of £40 million.

4.67 The 'other' comparison floorspace of 1,330 square metres of sales area located outside the town centre consists of relatively few units focusing on carpets and furniture sales, which tend to achieve low levels of turnover. Very few

respondents have mentioned these stores in the household survey, hence the low level of estimated turnover. It is possible that some respondents who had used these stores specified 'Galashiels town centre' as the location, when in fact these stores are classified as out of centre; this would account for the apparent anomaly in the estimated turnover, which is around £2 million below what might be expected. However the overall average turnover for all Galashiels comparison floorspace – including all retail warehousing – is still in excess of £5,000, which is remarkably good, resulting in an overall overtrading margin of more than £26 million. That is a strong basis for considering the promotion of further retail investment in the area.

Trade in Hawick

- 4.68 Hawick town centre's convenience turnover of nearly £26 million, at £6,542 per square metre, is more than adequate and suggests a healthy if not exceptional performance in the town centre. Its convenience facilities are dominated by the William Morrison's superstore, which on a national average basis would trade at well above £6,542, but the overall average is pulled down by the existence of other convenience stores in the town centre which will be trading at much lower levels. The Morrison's store is probably achieving in excess of £10,000 per square metre, which is healthy for a superstore, even if not as high as the national rankings for that retailer. Table 45 suggests that the amount of convenience floorspace in the town centre is broadly in balance with the level of expenditure being attracted into the centre.
- 4.69 However the indications are – based on the survey findings – that the new Sainsbury's store is not yet trading at the level which that company would expect from a new investment. It is likely that, while the new store will have dented the takings at Morrison's, it has not yet been adopted by many Hawick shoppers as their preferred store. Indeed a large proportion of respondents to the survey cited the Sainsbury's store as one which they visit sometimes, rather than regularly, and are using it as their second choice store behind Morrison's. This situation is very likely to change over time, as Sainsbury's continues to compete for a larger share of the market.
- 4.70 Nevertheless, as Table 45 shows, the evidence suggest a shortfall in turnover compared with the amount of convenience floorspace which is operating outside the town centre (including Iceland, Lidl and Sainsbury's). In some towns this could result in a period of uncertainty, with the possibility of a store closing or down-sizing. However in Hawick there has already been a store closure (Somerfield), and the two main superstores are both operated by very successful national grocery chains who have made substantial investments in Hawick, and who can be expected to maintain these for the foreseeable future. Furthermore the town has a strong main food shopping custom, with 88% of its turnover accounted for by spending on main food shopping trips.
- 4.71 Turning to the comparison shopping situation, the town centre is shown to be trading at a healthy level at nearly £4,000 per square metre, generating a theoretical turnover surplus of more than £3 million. The out-of-centre situation is less healthy, with a theoretical deficit of £7.5 million.
- 4.72 As regards this out-of-centre deficit, it should be noted that most of the town's large out-of-centre warehouses are used for the sale of furniture, floor-coverings and DIY, which do not generate high levels of turnover per square metre, and thus will pull down the overall average turnover per square metre.

Although the average turnover for these out-of-centre units seems on the low side, the main conclusion to note is that the town centre itself is trading at a healthy level.

Trade in Peebles

- 4.73 Peebles gives every impression of a thriving town centre, and the turnover figures support this impression. The average convenience turnover per square metre for the whole town is £6,872, which is a healthy level given that it includes a significant amount of smaller convenience stores as well as the two supermarkets operated by Sainsbury's and Tesco. This ties in with the evidence already presented to show that Peebles enjoys a high level of convenience spending retention and does not export much of its food spending elsewhere, despite the fact that both supermarkets are relatively small and cannot compete in terms of product range and spacious environment when compared with the large new Galashiels stores. Figure 9 showed that 85% of convenience trade in Peebles is on main food shopping trips, which is further evidence of its strength. We consider that the Tesco store is probably not achieving its full potential since its conversion from Somerfield, hence the slight undertrading figure for floorspace outside the town centre, but the overall picture is one of a surplus trading margin, particularly in the town centre.
- 4.74 Comparison spending is also healthy, at more than £15 million, generating an overall average turnover of £3,628 per square metre, reflecting a good choice of stores and a strong customer base. Trade in Peebles has been sustained at a healthy level despite the fact that the amount of comparison trade which is exported from the Peebles area to Galashiels (£5.8 million) equates to more than a third of the comparison turnover of Peebles town centre. The overtrading margin of surplus comparison expenditure is estimated at £2.75 million.

Trade in Kelso

- 4.75 The situation in Kelso has altered since the household survey was conducted because of the closure of the Haldanes supermarket (formerly Somerfield) in Roxburgh Street. The household survey revealed a relatively low average turnover for the town centre of £3,846 per square metre, suggesting that both Haldanes and Lidl were trading very modestly. This is not particularly surprising, given that Lidl is a discount operation – a turnover of £3,846 would be above its national average – and also taking account of the fact that the Haldanes store was a relatively new operator in the market.
- 4.76 By contrast, the out-of-centre convenience floorspace in Kelso – the Co-op store at Highcroft – was shown in the survey to be trading very well, at more than £7,000 per square metre, probably reflecting its convenience and accessibility to a large proportion of Kelso's households. The result of the Haldanes closure is likely to have been a boost in turnover for both the Lidl and Co-op outlets.
- 4.77 It is too early to tell what will happen to the former Haldanes unit, which is relatively modern and close to the main shopping core of the town centre. Given the strength of the Co-op operation at Highcroft and the imminent arrival of Sainsbury's at the new Pinnaclehill development, it may not prove attractive to a convenience retailer, but could find a role as a non-food operation.

- 4.78 Because the out-of-centre convenience floorspace in Kelso is overtrading by a significant margin, the overall notional surplus of expenditure in the town is estimated at around £3 million. This will have increased following the Haldanes closure, possibly by another £3 million. However this surplus has to be viewed in the context of the opening of the new Sainsbury's store which will absorb this surplus, and consequently it is not an indication that any additional convenience floorspace is required in the town. Although there is convenience expenditure leakage out of the area, mainly to Galashiels (£6.3 million), this too is likely to be diverted in large part to the new store at Pinnaclehill.
- 4.79 Comparison trade in Kelso amounts to a substantial £13.6 million, although the amount of floorspace is also substantial, and trading at a slightly lower level than would be expected, resulting in a comparison turnover deficit of around £1.4 million. However general indications are that Kelso town centre is trading well, with a low level of vacancies (Figure 3).

Trade in Selkirk

- 4.80 Selkirk town centre's overall convenience trading performance appears healthy, and it supports both a Co-op store and a Sainsbury's 'Local' unit. Because of a number of out-of-centre foodstores, including the Baxters outlet at Dunsdale Haugh, which comprise in total 867 square metres of sales area but which were barely mentioned by the survey respondents, there is an apparent excess of out-of-centre floorspace relative to expenditure, as shown in Table 45, resulting in an overall deficit in the town of £1.3 million. This does not raise any major issues, having regard to the fact that the deficit only applies to out-of-centre floorspace and is a small proportion of the overall turnover in the town. The comparison trading picture is a strong one, with a very healthy performance in the town centre resulting in a £2.5 million surplus. In addition there are the out-of-centre non-food retail warehouses including the NGT furniture store, and the trading level for these stores appears broadly in balance with the available spending.
- 4.81 We have observed earlier that Selkirk is not particularly effective at retaining spending locally, with £7 million convenience and more than £12 million of comparison spending being exported to Galashiels. As Tables 40 and 42 illustrate, this represents around half of its total locally-generated retail spend. There is also some leakage to Hawick, so that Selkirk finds itself squeezed by both larger centres. Arguably there is a qualitative deficiency in convenience provision in the town which is tending to encourage leakage of spending, and more than a third of local spending is provided by top-up rather than main food trips (Figure 9), emphasising the fact that a high proportion of households are in the habit of doing their main food shopping elsewhere. This raises the issue as to whether some improvement in shopping provision could assist in retaining a higher level of spending within the local area.

Trade in Jedburgh

- 4.82 Figure 3 in this report revealed that Jedburgh has one of the highest vacancy levels in the council area, at over 20% of retail floorspace. This is evident on the ground as well, with a number of vacant units in more peripheral parts of the town centre. However this may reflect a period of natural adjustment in the town centre, during which it sheds some of the floorspace which it does not need and for which there is inadequate spending available, without adversely affecting the overall attractiveness of the centre. It is notable, for example, that

Jedburgh has significantly more floorspace than Selkirk but attracts a lower total turnover. Although the range of shops in Jedburgh is relatively limited, it has a pleasant High Street and a popular Co-op store, and some natural shrinkage of peripheral floorspace could stand it in good stead for the future. Table 45 suggests that the amount of convenience turnover being attracted to the centre is broadly in balance with the level of floorspace.

- 4.83 29% of Jedburgh's convenience spending is on top-up shopping trips, compared with the Scottish Borders average of 18%. This is not surprising in a relatively isolated town, but it is also a sign that a significant proportion of households choose to shop elsewhere for their main food shopping – which is also highlighted by the fact that only 44% of locally-generated convenience spending is retained in the town.
- 4.84 As is the case in Selkirk, the fact that some £6 million of convenience spending is lost from the Jedburgh area annually raises the issue as to whether there is a case for some improved convenience shopping provision. Such a case would depend on factors such as site suitability, scope for integration into the town centre, and the extent to which leaking trade could be retrieved in order to support additional convenience floorspace. Arguably the scope might be greater in Jedburgh than in Selkirk, because the distance to Galashiels – which is where most of the lost convenience trade goes – is significantly greater.
- 4.85 Nearly half of Jedburgh's comparison retail floorspace is located outside the town centre, although almost all of that is accounted for by the Edinburgh Woollen Mill. Turnover per square metre for the town's comparison floorspace – at £1,463 - is somewhat lower than might be expected, particularly given the contribution of the Edinburgh Woollen Mill to Jedburgh's comparison trade, but among the town centre's 29 comparison units are a number of charity shops, a carpet retailer and an ironmongers, all of which are likely to have relatively low turnover to floorspace ratios. Table 46 shows there may be a modest shortfall of expenditure relative to floorspace, but not of a scale to cause any concern.

Trade in Melrose, Newtown St. Boswells and St. Boswells

- 4.86 As this study has revealed, relatively little of the convenience spending generated in Zone 8 (Melrose, Newtown St. Boswells and St. Boswells) is retained locally. From a total spend of £15.5 million, more than £10 million goes to Galashiels, with around £4.5 million being shared between the three local centres, of which Melrose captures the largest share (around £2.3 million) (see Tables 15 and 44). Despite the high level of leakage, the local convenience shopping facilities in the area appear to trade well, with an estimated surplus spend of more than £1.5 million. The Co-op is represented in all three centres, and there is also a good choice of smaller convenience stores including local butchers and bakers which are helping to retain local day-to-day spending, despite the high proportion of main food shopping trips to Galashiels. It is encouraging and perhaps surprising that almost half the convenience spending in this area is on main food shopping (Figure 9), despite the proximity and dominance of Galashiels.
- 4.87 The scale of comparison shopping facilities is good despite high levels of expenditure leakage, and Melrose has significantly more comparison shopping floorspace than Selkirk, Coldstream, Duns, Innerleithen or Eyemouth. However the level of comparison turnover in the town centre looks somewhat low, and it may be that some shrinkage of floorspace will occur in future years,

although Melrose may have some inherent resilience because of the high proportion of independent retailers who are prepared to trade at lower levels of profit than the national multiple retailers. The estimated shortfall for the zone as a whole is around £1 million, but the 'independent factor' may mean that this shortfall remains theoretical and does not result in a scaling down of floorspace.

Trade in Duns

- 4.88 Duns is an attractive traditional centre, well maintained with a very low vacancy rate (less than 5% of retail floorspace). Its shops are almost all independent, although convenience trade is dominated by the Co-op supermarket on Newtown Street. It draws a little convenience and comparison trade from Zone 11 (Coldstream / Greenlaw) and Zone 10 (Lauder / Earlston / Gordon), but relies largely on its own local area for its modest retail turnover of around £7 million. Around 42% of convenience trade is of a top-up shopping nature.
- 4.89 Two-thirds of convenience spending from the Duns / Chirnside zone is exported, mostly to Berwick. Comparison spending leakage is also very high – in excess of 90% (of which 12% goes to Galashiels, 17% to Edinburgh and 40% to Berwick). Nevertheless Tables 45 and 46 show that the turnover performance in Duns is good, with an estimated surplus spend on all retail goods of around £2 million, indicating a popular centre enjoying robust trading conditions.

Trade in Eyemouth

- 4.90 As has been revealed already in the analyses of trade draw and market share across the SBC area, Eyemouth operates in a detached manner from the rest of the council area as regards retailing, neither exporting to nor drawing much trade from the rest of the area, although there is a small flow (3.5%) of comparison spending to Galashiels. Almost all the trade drawn to Eyemouth is locally-generated, while leakage to Berwick accounts for 72% of convenience and 52% of comparison spending. Unsurprisingly given these statistics, 62% of convenience trade in Eyemouth is of a top-up nature.
- 4.91 Probably because Berwick's retail facilities are so close and accessible, convenience turnover performance in Eyemouth is not high, running at an average of around £2,000 per square metre for the town's shops. This suggests that the main convenience store – the Co-op – is trading somewhat below what would be expected, emphasising just how much trade is being pulled out of the area. Comparison performance is more healthy, indicating a modest surplus over notional turnover levels.

Smaller Centres

- 4.92 Tables 45 and 46 suggest that the remaining smaller centres throughout the Scottish Borders area are generally faring reasonably well on a limited amount of local retail trade. Chirnside, Coldstream, Lauder and Earlston all appear to be achieving satisfactory convenience turnovers and, in the case of Chirnside and Coldstream, more than half their trade is main food shopping rather than top-up spending. The Co-op in Chirnside appears particularly healthy, although it faces potential competition if the approved small supermarket development in the town goes ahead. Comparison trade, although very limited in scale, also appears sufficient to maintain the floorspace which exists, apart

from an apparent shortfall in Coldstream where the sixteen shop units are sharing a relatively low total spend of around £0.8 million. However not many of these units are trading in mainstream household goods, and there are several charity shops. Greenlaw and Gordon have a very limited retail offer and spending in these centres is lower than can be accurately estimated using our survey data, although Greenlaw supports both a butcher and mini-market which are providing an important local service. Most of the Berwickshire villages along the A1 corridor support a very limited range of shops catering for local needs, but their performance cannot be accurately judged from a council-wide survey.

Overall Turnover Performance

- 4.93 Drawing back from the individual local centres to examine the area-wide picture, Table 45 shows a £5.4 million surplus of total convenience expenditure across the Scottish Borders area compared with total turnover allowance, while Table 46 shows a comparison expenditure surplus of £26 million - around 12% of total turnover. It should be borne in mind, when considering that figure, that total comparison turnover in the Scottish Borders (£212 million) amounts to less than 60% of locally-generated spending, meaning that the surplus could be considerably larger if the level of leakage was reduced.
- 4.94 However the council-wide picture masks the most striking feature of the analysis, which is the substantial surplus in the Galashiels area, both for convenience and comparison spending. We have already noted that the Galashiels situation is one which offers significant potential as a springboard for attracting more investment into the town, and thus bringing benefits to the whole Central Borders area. Also of note is the deficit of expenditure in Hawick, although this only applies to out-of-centre floorspace, with the town centre showing a balanced picture as regards convenience trade, and a surplus of comparison spending.
- 4.95 With the current picture of retail spending in the Scottish Borders now thoroughly analysed, the next stage in the study is the assessment of future potential for retail investment across the area, followed by an examination of relevant planning policy issues.

5 Assessment of Future Retail Potential

- 5.1 This section of the study report examines the likely growth in retail spending over the next five years, and how this – coupled with what we now know about the patterns of shopping in the Scottish Borders and the trading characteristics of individual centres - could introduce scope for additional retail investment.
- 5.2 The amount of available expenditure to support existing and new retail floorspace in 2016 will depend on two principal factors – the growth in the amount of retail spending by residents of the Scottish Borders, and the proportion of that spending which is exported out of the Scottish Borders to external destinations.
- 5.3 Spending growth depends on the economic factors discussed in paragraphs 4.6 to 4.12 in the previous section, and cannot be influenced significantly by anything which happens within the Scottish Borders. However the proportion of spending which is lost from the Scottish Borders depends on a number of factors, including changes in the scale and quality of retail facilities which are provided both within and outside the Scottish Borders area.

Convenience Sector

- 5.4 In Table 5 we set out the estimated available convenience expenditure from each zone in 2011, 2015 and 2016. Total available expenditure in 2016 is estimated at £232.12 million, and it is this level of expenditure which will be distributed around the SBC area, as well as leaking to non-SBC destinations.
- 5.5 Table 48 sets out the likely distribution of convenience spending in 2016 assuming no change in shopping patterns – i.e. retaining the same percentages of retained and leaked spending, and the same proportions of expenditure flows between zones, as were revealed by the survey and tabulated for 2011. Thus the flows are of the same proportions as shown in the convenience market share table (Table 14). This has the effect of increasing all the projected turnovers in each zone, so that the turnover in the Galashiels zone increases from £77.6 million to £82.4 million, while leakage increases from £31.5 million to £33.1 million.
- 5.6 In practice it is very unlikely that there will be no changes in shopping patterns between 2011 and 2016. Consequently the next task is to estimate what sort of changes may occur.

Committed Convenience Retail Developments

- 5.7 The first section of Table 47 sets out major committed developments of convenience floorspace in terms of planning permissions granted, with their potential turnovers. There is no way of knowing whether all of these commitments will take place between now and 2016, but – because planning permission has been granted – it is appropriate to assume that they will proceed.
- 5.8 The most significant convenience commitment is the proposed new supermarket on the edge of Kelso, to be developed by Sainsbury's. This has a gross retail floorspace of 4,500 square metres and an estimated convenience

sales area of 2,230 square metres, plus 557 square metres of comparison floorspace.

- 5.9 Also listed is the approved small supermarket in Chirnside, which would be very much smaller than the Kelso development, amounting to only 10% of the latter's floorspace. Finally there is the convenience sales floorspace in the approved retail unit at Dunsdale Haugh outside Selkirk, which amounts to 250 square metres. In each case the allocated turnover for these developments is a notional figure calculated on the same principles as were applied when drawing up Tables 45 and 46.
- 5.10 There are also a number of small scale retail developments which have been approved and which could come on stream between 2011 and 2016, but most of these are so small as to make no appreciable difference, either individually or cumulatively, to the overall assessment, and so have not been included. In most cases these approvals are for minor changes of use of units in town centres. There are also outstanding approvals for conversions of former retail units into non-retail uses, which could cancel out the minimal effect of the approved changes of use to retail.

The Potential Effect of Committed Developments

- 5.11 With the committed developments identified, we can then consider how the current shopping patterns and expenditure flows might change as a result of these developments being built and opening for trade.
- 5.12 The implementation of commitments, particularly the new Sainsbury's in Kelso, is bound to have an effect on shopping patterns in that part of the SBC area. Because we have a detailed analysis of convenience spending distribution throughout the area, with figures showing both the origin and destination of expenditure, it is possible to estimate how these patterns may change in response to the provision of new facilities. In particular, we can ensure that over-optimistic estimates of changes in expenditure flow are avoided, because such exaggerated estimates soon become obvious when working with an area-wide expenditure matrix, where an increase in expenditure flowing to one location will result in a reduction in the flow to another location.
- 5.13 Table 49 examines how expenditure flows might change as a result of new convenience retail developments being implemented. The footnotes to the tables explain the assumptions made, but in essence Table 49 allows for the combined effects of the new Sainsbury's store in Kelso and the supermarket in Chirnside, involving:
- reductions in expenditure flows from the Kelso area to Galashiels and Hawick;
 - expenditure flowing from the Jedburgh area to Kelso instead of to Hawick and Galashiels;
 - a lower level of retained spending in the Jedburgh area with a higher flow to Kelso;
 - some trade from the Coldstream area flowing to Kelso instead of being retained locally or heading to Galashiels; and
 - a higher retention level in the Chirnside area with reductions in expenditure flows to Galashiels and Berwick.

5.14 From a comparison of the no-change position in Table 48 and the effect of commitments in Table 49, it can be seen (by comparing the final columns in the two tables) that the turnover in Galashiels drops significantly (by £6.5 million) and in Hawick marginally, while the turnover in Kelso rises by £8.7 million (more than 50%). There is also a £1.5 million increase in expenditure retained in the Chirnside area, while leakage from Scottish Borders reduces by 6.5% from £33.1 million to £30.9 million.

The Potential Effect of Other New Convenience Developments

5.15 Table 47 also shows the potential turnover of new small supermarkets in Jedburgh, Selkirk and Eyemouth. Although there are no committed new developments in these three towns, it is appropriate to test what might be the effect of permitting new small supermarkets in each town, because

- currently they all lose a significant amount of their locally-generated convenience spending
- there have been proposals for new development in Jedburgh and Eyemouth
- the existing convenience retail offer is relatively limited.

5.16 Table 50 estimates how expenditure flows could change as a result of these new supermarkets in Selkirk, Jedburgh and Eyemouth, assuming (in addition to the changes in Table 49) higher local retention levels, less spending passing from Selkirk and Jedburgh to Galashiels and Hawick, further reductions in spending passing from the Duns / Chirnside area to Berwick with a switch to Eyemouth, and a substantial reduction in leakage from Eyemouth to Berwick.

5.17 Because of these changes in convenience expenditure flows, the level of spending arriving in Selkirk and Jedburgh increases, but reduces a little in Kelso and by £1.85 million in Hawick, while turnover in Galashiels drops by a further £5 million – the cumulative impact on Galashiels being a drop of £11.7 million, or 14% of potential turnover – although only £5 million below its turnover in 2011.

5.18 So far we have examined the likely situation as regards convenience expenditure flows in 2016, firstly in Table 48 assuming no changes in shopping patterns, then in Table 49 assuming the implementation of commitments, and finally in Table 50 as a result of new small supermarkets in Jedburgh, Selkirk and Eyemouth. With this analysis completed, we can now consider the implications of each scenario as regards the potential capacity for additional convenience floorspace.

Identification of Natural Convenience Catchment Areas

5.19 It has become evident in undertaking this study that each of the thirteen zones in the Scottish Borders have a relationship with other zones, because of the flows of expenditure between them. However the relationship between some zones is much stronger than between others, and – as has been highlighted already – many zones fall under the influence of the Galashiels zone, particularly Zones 3 (Innerleithen), 5 (Selkirk), 8 (Melrose / St. Boswells) and 10 (Lauder / Earlston).

5.20 Consequently, as well as looking at the capacity for additional convenience floorspace in each individual zone, it is also appropriate to examine the

situation across a combination of zones which have a close relationship because of established expenditure flows. By looking at larger areas which more specifically reflect actual or potential catchment areas within the Scottish Borders, it can be easier to judge the overall effects of introducing new shopping facilities into the retail system.

5.21 The zonal groups identified are:

- Galashiels core catchment: Galashiels area, Innerleithen, Lauder area and Melrose (Zones 3, 4, 8 and 10)
- Galashiels wider catchment: the above zones plus Selkirk (Zone 5)
- Kelso plus Coldstream / Greenlaw (Zones 9 and 11)
- Coldstream / Greenlaw, Duns / Chirnside and Eyemouth (Zones 11, 12 and 13)

5.22 Galashiels dominates convenience trade in Zones 3, 8 and 10 as well as its own Zone 4, and also draws substantial trade from Zone 5 (Selkirk) currently, although this could change if a new supermarket was provided in Selkirk. We have examined the effect of combining Zone 9 (Kelso) and Zone 11 (Coldstream / Greenlaw) because in earlier studies there has been a perception that Kelso's existing catchment also includes Zone 11 - although this study has shown that currently Kelso obtains less than 6% of its convenience turnover from Zone 11, and also that only 11% of trade generated in Zone 11 passes to Kelso.

5.23 We have also looked at the effect of combining Zones 11, 12 (Duns / Chirnside) and 13 (Eyemouth), on the assumption that there might be more shopping interaction between the zones if small supermarkets were to be provided in both Chirnside and Eyemouth, and because all three zones export a significant amount of trade to Berwick.

Capacity for Additional Convenience Floorspace

5.24 Because there are three capacity scenarios to be examined – (1) no change in shopping patterns, (2) changes due to commitments, and (3) changes due to commitments plus three new supermarkets – we have produced three sets of tables. Tables 51 and 52 set out the 'no change' situation, for all thirteen zones (Table 51) and for the combined groups of zones (Table 52). Tables 53 and 54 show the situation assuming the implementation of commitments, and Tables 55 and 56 show the situation with commitments plus the three new supermarkets.

The 'No Change' Position in 2016

5.25 Table 51, which assumes no changes to shopping patterns, reveals expenditure surpluses in most zones, including a large surplus (nearly £12 million) in the Galashiels zone, some modest surpluses in Peebles, Melrose and Kelso (£3.9 million in the latter area, without allowing for the Haldanes closure), deficits of around £1 million in Selkirk and Eyemouth (similar to the 2011 situation shown in Table 45), a deficit of £10.5 million in the Hawick area, but an overall surplus over the SBC area of £12.6 million.

- 5.26 Looked at superficially, without considering possible changes in shopping patterns resulting from new retail developments, Table 51 suggests significant scope for yet more convenience floorspace in the Galashiels area, and some scope in Kelso (more if Haldanes is not reoccupied by a convenience retailer), plus capacity for the approved supermarket at Chirnside, but no other significant potential for new convenience floorspace.
- 5.27 In Table 52, looking at the catchment areas created by combining certain zones as described in paragraph 5.21, the level of surplus expenditure in the Galashiels 'core' zone is £16.9 million, or £15.2 million if Selkirk is included. In Kelso, the surplus does not increase significantly even if the Coldstream / Greenlaw area is included in its catchment. The combination of Zones 11, 12 and 13 produces only a small surplus (£1.3 million).

Capacity with Implementation of Commitments, 2016

- 5.28 The next scenario – assuming implementation of commitments – is set out in Tables 53 and 54. The main changes from the 'no change' situation are a switch from surplus to deficit across the Scottish Borders area, with a deficit in the Kelso area regardless of whether or not Coldstream is included within Kelso's catchment area – although this deficit would reduce, perhaps by around £3 million, if the Haldanes store is not reoccupied by a convenience store. A very modest reduction in leakage from the Duns / Chirnside area would be sufficient to support the approved new supermarket in Chirnside.
- 5.29 The Galashiels area has a reduced surplus, from £11.8 million down to £5.7 million, while the larger Galashiels catchment area remains with a significant surplus of £9.6 million (or £6.9 million if Selkirk is included). The deficit in the Hawick area persists, although we have noted earlier that this is a feature of the amount of out-of-centre floorspace and does not relate to the town centre.

Capacity with Commitments and New Supermarkets

- 5.30 The final scenario involves adding in three new small supermarkets in Selkirk, Jedburgh and Eyemouth, in addition to the implementation of commitments. The results are shown in Tables 55 and 56. The main features of this scenario are an increase in the overall deficit to £19.5 million, together with deficits in the Selkirk, Jedburgh and Eyemouth zones, despite reductions in leakage in these zones because of the new supermarkets. However the deficit in the combined zones 11, 12 and 13 is very small, suggesting that expenditure and turnover would be close to an equilibrium situation following the development of the two new supermarkets in Chirnside and Eyemouth. Although there would be a deficit in the Selkirk zone of some £3.4 million, the larger Galashiels catchment - including Selkirk - would still show a small notional surplus. A £2.9 million deficit in Jedburgh suggests insufficient spending – despite clawback of leakage – to support a new small store in the town.

Capacity Implications of Additional Convenience Floorspace

- 5.31 Figure 16 summarises the findings shown in Tables 51 to 56, by comparing the 'no change' situation with the position following implementation of commitments and the 'cumulative' position of commitments plus three small new stores.

Figure 16 : Convenience Surplus / Deficit by Zone or Catchment, 2016

	No Change in Shopping Patterns (Table 52) £m	Implementation of Commitments (Table 54) £m	Commitments plus new stores* (Table 56) £m
Zones 3, 4, 8, 10	16.93	9.59	4.43
Zone 5 – Selkirk	-1.20	-2.70	-3.40
Zones 3, 4, 5, 8, 10	15.24	6.89	1.03
Zone 6 – Hawick	-10.48	-11.00	-12.85
Zone 7 - Jedburgh	-0.20	-0.71	-2.89
Zone 9 – Kelso	3.92	-7.42	-7.57
Zones 9/11 - Kelso / Coldstream	4.26	-7.47	-7.62
Zone 12 – Duns / Chirnside	2.17	1.75	1.75
Zones 11, 12, 13	1.29	0.47	-0.71
All Scottish Borders	12.64	-8.23	-19.45

* Assumes new stores (1,300 sq m gross) in Selkirk, Jedburgh, Eyemouth

5.32 The clear picture emerging from the analysis is that there is very limited scope for accommodating new convenience floorspace, based on a purely quantitative analysis. There is a deficit across the Scottish Borders as a whole, following the implementation of commitments. The Galashiels area is the only part of the Scottish Borders with a significant notional surplus of expenditure, due to the high turnover performance of its floorspace. A strategy of seeking to spread new investment in convenience shopping across the Scottish Borders area would be difficult to justify, given the estimated distribution of expenditure.

Analysis by Area:

Galashiels

5.33 As noted above, it is very likely that a surplus of expenditure – albeit substantially reduced – would remain in the Galashiels zone alone and also in its wider catchment, despite reductions in spending flows to Galashiels from Selkirk, Jedburgh, Kelso and the Duns / Chirnside area, assuming new stores were provided in all these locations. Thus the principle of reducing the dependency of these areas on Galashiels does not have significant adverse implications for Galashiels itself, although it would reduce or remove the prospect of accommodating even more convenience floorspace in the town. However it is the attractiveness of Galashiels which is at the heart of the matter when considering the scope for new convenience shopping facilities in the smaller towns.

Hawick

5.34 We noted in paragraph 4.70 that there was a deficit of turnover relative to convenience floorspace in Hawick in 2011, but that this deficit only applied to out-of-centre floorspace, and not to the town centre. As Table 45 shows, there is almost as much convenience floorspace outside the town centre as there is within it (3,521 square metres of sales area outside and 3,938 square metres inside), but most of the spending on convenience goods is directed into the

town centre, leaving a theoretical deficit of spending in the out-of-centre stores (which include Sainsbury's, Iceland and Lidl).

- 5.35 As Figure 16 shows, this deficit is not likely to diminish between 2011 and 2016. However it remains the case that the turnover shortage only exists outside the town centre, not within it, so the continued health of the town centre is not in question. Indeed the fact that the town centre is attracting most of the available convenience expenditure demonstrates that the town centre remains a popular shopping destination despite competition from out-of-centre stores.

Selkirk

- 5.36 In Selkirk, even a 70% reduction in spending flow to Galashiels (rather than the 50% assumed in the tables) would be insufficient to support a store of the small scale we have assumed. A larger store would be more attractive to shoppers and would stand a better chance of reducing the flow to Galashiels, but the expenditure deficit would become greater, because even a large reduction in the spending flow to Galashiels would be insufficient to support the larger amount of floorspace. That is not to say that a retailer would not be prepared to invest in Selkirk, but it would mean that a successful store in Selkirk would impose a 'squeeze' on other locations.
- 5.37 Currently in Selkirk, 40% of convenience spending is retained and 49% is exported to Galashiels. Thus there is a clear qualitative case for seeking to increase the level of retention, and reducing the number of car trips to Galashiels. However, the proximity of Selkirk to Galashiels, and the short journey time, means that the pulling power of the retail facilities in Galashiels will always be high. Consequently it is unlikely that anything other than a large store – capable of competing effectively with the existing stores in Galashiels – would succeed in significantly reducing the current level of leakage, and a large store could not be supported by the amount of available local expenditure, even with a large reduction in leakage.

Jedburgh

- 5.38 In Jedburgh, where the distances to alternative retail facilities are greater than in Selkirk, the provision of a small new store in a central accessible location, while producing a notional deficit, could provide greater choice and increased self-containment in the town, with spin-off benefits for other traders, if it was sufficiently attractive – despite being small in scale – to dissuade sufficient numbers of shoppers from making the trip to Galashiels or Hawick. However it seems unlikely – having regard to the nature of Jedburgh town centre – that a central accessible location could be found. We have observed that there is a relatively high level of vacant retail units in the town centre, and an off-centre development could impose greater pressures on existing traders. Consequently the sustainability arguments in favour of greater self-containment of convenience shopping in the town have to be balanced against possible implications for the longer-term health of the town centre.

Kelso

- 5.39 The analysis shows that whether or not the Kelso catchment is considered to include the Coldstream / Greenlaw area (Zone 11), there is likely to be a significant theoretical shortfall in convenience expenditure compared with potential turnover following the opening of the Pinnaclehill store. However the

closure of Haldanes improves the situation significantly, by releasing turnover to support other convenience floorspace. Furthermore it should be borne in mind that a deficit in available expenditure does not necessarily mean 'impact' on existing facilities – instead it can simply mean that a new retail facility trades more poorly than anticipated.

- 5.40 Assuming the Haldanes store is not reoccupied by a convenience operation but switches to non-food or other use, the overall outcome following the opening of the Pinnaclehill store is likely to be a substantial reduction in leakage of expenditure to Galashiels, a reduction in trade from its current high level at the Highcroft Co-op, and a below-average turnover in the new Sainsbury's store. The area will become significantly more self-contained in terms of convenience shopping, with a substantial reduction in car mileage, thereby promoting sustainability principles, and Kelso shoppers will benefit from a significant improvement in the quality of shopping provision on offer. However there will be less convenience shopping activity in the town centre. To counter this effect, which will have been experienced already since the closure of Haldanes, consideration should be given to initiatives which will promote the attractiveness of the town centre as a shopping destination. Fortunately the Haldanes unit is not located in the core of the town centre and thus its vacant state is unlikely to harm perceptions of the town centre as a vibrant and attractive shopping environment.

Duns / Chirnside

- 5.41 The analysis indicates that the absorption of a new small supermarket in Chirnside – assuming it proceeds – should not pose any problems for existing retail facilities, given the level of available expenditure. The Duns / Chirnside area is likely to remain with a surplus after this development is implemented.

Eyemouth

- 5.42 The analysis of the convenience expenditure / turnover balance as set out in Table 45 showed the Eyemouth area trading at a notional deficit because of insufficient trade being retained locally to fully support the town's convenience floorspace. We have examined in some detail the potential for leakage reduction here, but consider that the proximity and attractiveness of Berwick's shopping facilities – particularly the Morrison's store which stands on the A1 on the western approach to Berwick – will tend to frustrate any attempt to achieve a substantial reduction in leakage, because a new small store in Eyemouth would not be capable of offering the range of goods and services available in Berwick's large stores.
- 5.43 For this reason a new small store would be likely to increase the expenditure deficit in Eyemouth and reduce the level of turnover available to support existing retail facilities. Nevertheless, it would be clearly desirable to seek to reduce the number of 15-mile round trips to Berwick which are currently made by Eyemouth's residents for their food shopping needs, and to improve quality and choice in Eyemouth. A well-located store, integrated with existing retail facilities, could deliver such benefits. Looking at the coastal / Lower Tweed Valley area (Zones 11 – 13) as a whole, the theoretical expenditure deficit is only -£0.7 million after the provision of two small stores, one in Chirnside and one in Eyemouth.

- 5.44 Thus the principal issue to be addressed is the extent of the qualitative benefits – including car mileage reduction – which could be delivered by providing a new store in or adjacent to Eyemouth town centre, recognising that most main food trips will still continue to head for Berwick. Currently only 38% of Eyemouth’s convenience turnover comes from main food shopping trips, which means that the actual number of main food shopping trips will be significantly lower than that. Given these established shopping habits, boosting the number of main food shopping trips would be a major challenge.

Comparison Sector

The Potential for Additional Comparison Floorspace in 2016

- 5.45 In order to estimate the scope for additional floorspace in the comparison retail sector, it is appropriate firstly to return to Table 46 – the Assessment of Comparison Trading Balance, 2011. This table shows the amount of comparison turnover being achieved in each zone, and compares this with the amount of turnover which might be expected to be achieved in each zone, having regard to the nature of the shopping centre and its available floorspace.
- 5.46 Table 46 shows that there is an overall surplus of expenditure in Scottish Borders in 2011 of some £26 million. This means that the overall amount of turnover being achieved by existing floorspace is £26 million higher than is actually required to ensure healthy profitable retail floorspace. Virtually all of the excess turnover is found in the Galashiels zone, reflecting the very successful nature of its shopping centre, suggesting that Galashiels could support substantially more comparison retail floorspace than it currently contains.
- 5.47 However Table 46 takes no account of leakage of expenditure from each zone. In addition to the comparison spending of £212 million which is being directed to the shopping centres in the Scottish Borders, a further £108 million is being spent in centres **outside** the Scottish Borders, and – in addition - £46 million is being spent through the internet. If even a proportion of that 42% of locally-generated expenditure which is being lost from the Scottish Borders area could be retained within the area, it could support a significant increase in economic activity, more employment, and more shopping choice.
- 5.48 The problem facing the Scottish Borders is not one of a shortage of available spending. With more than £150 million being lost from the area, there is clearly more than enough expenditure to support new floorspace and thus provide more retail choice. The biggest challenge – as with so many areas – is providing the locations and sites which will be attractive to developers and retailers, who will then be able to provide the range and quality of new shopping facilities to persuade shoppers to spend more of their money within the Scottish Borders and less elsewhere.
- 5.49 Although some analysts claim otherwise, there is no formula to enable calculations of the precise amount of new floorspace which can be supported in a particular area. Much will depend on the nature of the investment which the retailers are prepared to make and the reaction of shoppers to the new facilities which are provided. However it is possible to produce broad estimates of the potential for additional floorspace, based on the data collected and examined so far. This requires an analysis of potential expenditure growth, and then some judgements about the likely scale of expenditure leakage.

- 5.50 Table 6 sets out the estimates of comparison expenditure growth from 2011 to 2016, for each zone, showing anticipated growth of some £88 million across the Scottish Borders area, from £366.7 million to £454.5 million.
- 5.51 Table 38 shows how the available comparison expenditure in 2011 is being distributed from each zone to each destination. If we assume that the same patterns of spending will continue through to 2016, we can produce a table - similar to Table 38 - showing the estimated distribution of the higher levels of expenditure which will be available in 2016. This is shown in Table 57.

Estimated Comparison Spending Distribution in 2016

- 5.52 Table 57 shows that while total expenditure on comparison goods is expected to increase by £88 million from 2011 to 2016, the consequence of leakage remaining at 42% of expenditure is that total leakage including internet sales is projected to increase by £37 million to £191 million. On a more encouraging note, the comparison turnover in Galashiels increases from £128.5 million in 2011 to a potential £159.75 million in 2016, an increase of more than £30 million, assuming unchanged patterns of shopping.

Turnover Requirement for Existing Retail Floorspace in 2016

- 5.53 The 'Total Turnover' estimates at the bottom of Table 57 show, for each zone, the amount of spending estimated to arrive in the shops located within that zone (the same figures also appear in the final 'Total' column on the right-hand side of the table). In order to obtain an estimate of the capacity for additional retail floorspace, the next step is to compare these potential levels of turnover with the amount of turnover required to provide each destination with a healthy profitable level of business. The difference between these two estimates of turnover is the amount of spare turnover which could be used to support additional retail floorspace.
- 5.54 Table 58 shows the calculations of the amount of turnover required to properly support each destination. Referring back to Table 46, this table shows the amount of turnover allowed for each centre in 2011, so these turnover allowances are repeated in the second row of Table 58. The conventional approach is then to allow for an annual increase in the turnover allowance for each centre, so that a sufficient share of the estimated growth in spending is ring-fenced for existing retailers, to ensure that they are able to continue to draw an appropriate level of profit from their investment, and to encourage continued investment.
- 5.55 The applied growth rate for turnover allowance ought to reflect national economic factors, in particular the growth in retail expenditure. In current circumstances we consider that a growth rate of 2% per annum is appropriate, as an appropriate balance between providing for existing floorspace and allowing scope for investment in new facilities. Given that the assumed expenditure growth rate is 3.7% per annum, more than half that growth is 'reserved' for existing floorspace. At a turnover growth of 2% per annum, the total turnover allowance for existing comparison floorspace in 2011 of £186 million would increase to an allowance of £205.6 million in 2016.
- 5.56 We can then compare this turnover allowance for each zone in 2016 with the estimated potential turnover for that zone, based on the shopping patterns of

2011 but with higher levels of spending, as calculated in Table 57. The fourth row in Table 58 shows the result of deducting the turnover allowance from the potential turnover in each zone. In Zone 1, for example, the turnover allowance is £0.32 million and the potential turnover is £0.73 million, so the difference is £0.41 million. This figure of £0.41 is the amount of spare turnover which could be used to support new comparison floorspace without pushing existing shop turnovers below the required level.

Committed Comparison Retail Developments

- 5.57 However this figure of £0.41 'spare' turnover in Zone 1 is not the final position, because the turnover required for new developments – those which have already been approved and are considered to be commitments – must also be taken into account. Table 59 sets out the existing commitments to new comparison floorspace in the Scottish Borders.
- 5.58 The only significant floorspace commitments, as shown in Table 59, are a small infill retail unit in Innerleithen (Zone 3), the non-food units at Dunsdale Haugh in Selkirk (Zone 5) and the comparison floorspace element of the proposed Sainsbury's store in Kelso (Zone 9). The approved non-food units which were to have been erected adjacent to the new Hawick Sainsbury's store have been discounted because the site has been developed as a petrol filling station. The new supermarket at Chirnside is assumed not to have any comparison element, while the possible new stores in Jedburgh, Selkirk and Eyemouth would be likely to have only a very small amount of comparison floorspace, and are not commitments because they have not been approved, so they have been excluded from this assessment.
- 5.59 Table 59 sets out the levels of turnover likely to be required for these commitments, and these estimates are then included in the fifth row of Table 58. The total turnover requirement for which allowance needs to be made is only £5.8 million.
- 5.60 The final row of Table 58 shows the 'spare' turnover in each zone after allowing for commitments. As might be expected, there is a substantial surplus in the Galashiels zone of £47.28 million, which makes up most of the total Scottish Borders surplus of £51.76 million. The only other significant surplus is in the Peebles zone (£5.23 million), although the Duns / Chirnside area also shows a surplus, of £1.81 million. There are also small surpluses in zones 1, 5, 10 and 13, and small deficits in zones 6, 7, 8, 9 and 11.
- 5.61 Figure 17 clearly shows that while the Scottish Borders as a whole has a substantial surplus of spending in 2016, assuming leakage remains at 42%, Galashiels is the only location where the surplus is sufficiently large to be able to conclude with confidence that it would be appropriate – on solely quantitative grounds - to plan positively for significant additional comparison retail developments. However the surplus in Peebles, and to a lesser extent in the Duns / Chirnside zone, suggest scope for some enhancement of facilities and smaller scale new investment. On the basis of the comparison turnover being achieved in Peebles in 2011 (Table 44), a surplus of £5.2 million would indicate scope for around 2,000 – 2,500 square metres (gross) of additional comparison floorspace. In Galashiels, using the same basis for calculation, the scope for additional comparison floorspace is very substantial, at more than 15,000 square metres (gross).

Figure 17 : Estimated Comparison Turnover Surplus, 2016		
(From Table 58 - assuming no change in shopping patterns)		
Zone 1	Rural West / A701 Corridor	£0.41 m
Zone 2	Peebles area	£5.23 m
Zone 3	Innerleithen / Walkerburn	£0.00 m
Zone 4	Galashiels / A7 North	£47.28 m
Zone 5	Selkirk / Ettrick	£0.35 m
Zone 6	Hawick / Liddesdale	- £1.56 m
Zone 7	Jedburgh	- £0.39 m
Zone 8	Melrose / Newtown / St.Boswells	- £0.64 m
Zone 9	Kelso / Yetholm	- £1.40 m
Zone 10	Lauder / Earlston / Gordon	£0.32 m
Zone 11	Coldstream / Greenlaw	- £0.24 m
Zone 12	Duns / Chirnside	£1.81 m
Zone 13	Eyemouth / Berwickshire Coast	£0.58 m
Total	Scottish Borders	£51.76 m

5.62 We have said ‘on solely quantitative grounds’ because it has long been established national planning policy that there may be qualitative justification for planning for additional shopping developments in any area where improvements are needed in order to properly serve the community, even where there is no clear surplus of available expenditure. We have already discussed qualitative issues in relation to those centres where leakage is high and local facilities are limited, and will discuss the issue further in Section 6 of this report.

Potential Changes to Shopping Patterns

5.63 The analysis so far assumes no changes in shopping patterns between 2011 and 2016. However it is unlikely that shopping habits will remain unchanged over the five-year period. Our analysis of the scope for additional convenience floorspace made a number of assumptions as to how expenditure flows might alter over the five-year period in response to the provision of new shopping facilities, including changes in the flow of spending between zones and also from the Scottish Borders to external destinations. In the case of comparison spending, these external destinations have a much greater influence over the Scottish Borders area, and – given the probability that the shopping facilities in some of these external destinations will be enlarged and improved – it is very likely that the shopping habits of some residents of the Scottish Borders will alter. For example, there are proposals to improve and enlarge the retail facilities at Fort Kinnaird on the edge of Edinburgh, which - if approved and implemented - could encourage more shoppers from the northern parts of the Scottish Borders to spend more of their money outside the SBC area.

5.64 Similarly, new retail developments within the Scottish Borders could persuade local residents to shop locally for an increased proportion of their comparison goods requirements, while growth in internet spending could have the opposite effect. Consequently the current proportions of 58% retained spending and 42% exported expenditure are unlikely to remain constant.

5.65 As regards internet spending, there is constant speculation in the retail industry, and amongst analysts and experts, as regards the likely growth in this

sector of retailing. Traditionally, before the advent of the internet, the only form of non-shop retailing was mail order purchases and 'party planning' – the so-called 'tupperware' sales parties in private homes. In 1991, spending on non-shop retailing was running at around 4.8% of all goods and 7.9% of comparison goods. By 1994 the figures were down slightly, at 4.7% and 7.5%. In 2008, by which time internet shopping was commonplace, the ONS reported all non-shop retailing at 4.5% of total retail spending, with the comparison goods percentage at 7.4%, suggesting not a great deal of change over the period, and implying that internet spending was simply displacing the mail order catalogue form of shopping which had existed for many decades.

- 5.66 However, from a separate monitoring database, the ONS also reported that internet sales had reached 9% of all retail spending by the start of 2011, compared with 6.6% at the start of 2009. Unfortunately there is an overlap between the recording of non-shop sales and internet sales which currently remains unresolved, and hinders proper interpretation of these national statistics. However the results of this study have revealed internet plus mail order spending on comparison goods in the Scottish Borders at 12.6% of all comparison spending. The equivalent internet and mail order spend on all goods (including convenience spending) is 8.6%.
- 5.67 A large part of the success of the internet as a medium for retail purchases is the way in which it provides access to a much larger market and much wider range of goods than could ever be found in most Scottish high streets. Despite the marked improvement in the range and quality of shops operating in the Scottish Borders in recent years, particularly in Galashiels, it is inevitable that shoppers will seek the wider choice of goods which is available outside the SBC area and on the internet. However, the further broadening of retail choice for SBC shoppers in their own local area will assist in curtailing the growth of internet spending and shopping trips to external centres.
- 5.68 On the basis of current shopping patterns applied to projected expenditure growth, leakage of spending (including internet spending) by Scottish Borders residents on comparison goods will have reached £191 million by 2016, on top of which there will be a projected surplus of turnover – primarily in Galashiels – of more than £50 million. The surplus in the Galashiels area of £47.3 million would be enough (on the basis of current turnover performance and allowing for 2% growth in performance per annum) to support around 15,000 square metres (gross) of additional comparison floorspace (9,000 square metres sales floorspace) in 2016.
- 5.69 If there is no provision made for additional comparison retail floorspace within the Scottish Borders over the next five years, the probability is that the level of leakage will rise still further. Conversely, new retail developments which bring a broader range of shops catering for wider needs will help to consume – and therefore retain – some of the £191 million of locally-generated spending which otherwise will be lost from the area.
- 5.70 Clearly the scope for reducing leakage is greater in some areas than others. The levels of leakage from the eastern and western edges of the SBC area are very unlikely to reduce, because improvements to the range of retail facilities in external shopping destinations are likely to be more significant and attractive than any investment which may occur within these eastern and western areas. Furthermore in most parts of the SBC area it will be difficult to encourage retailers to invest in new comparison shopping facilities.

5.71 Fortunately, it is clear already that retailers are prepared to invest in the Galashiels area, where fortuitously there is a significant surplus of expenditure which could be used to support new floorspace – which in turn will then help to retrieve some of the spending which is leaking to external destinations. Consequently, efforts to tackle leakage and further improve the range of shopping facilities available to Scottish Borders residents ought to be focused primarily on Galashiels.

An Alternative Scenario for Expenditure Growth

5.72 As we mentioned in Section 4, the indicators for the economy and retail spending growth remain mixed and uncertain. Volatility on the stock market, retail business failures, concerns about job losses and the potential knock-on effects on retail spending, and international concerns about countries which are struggling to contain and service their debts, are just some of the many factors which are currently combining to dent the confidence of shoppers and retailers.

5.73 The process of forecasting retail growth has a long-established methodology which relies on examination of retail trends over past decades. The long-term growth rates used by analysts are based on trends which go back to the 1960s and 1970s, and which include periods of economic downturn and recession and as well as periods of very strong growth. Just as it is not appropriate to estimate future expenditure growth using the high-growth rates which prevail during economic boom times, nor is it generally appropriate to assume low or zero growth for long-term forecasting during periods of economic stagnation. Long-term trend projections are designed to smooth out the peaks and troughs and provide more reliable estimates of growth in years to come, based on evidence about the cyclical behaviour of the retail economy gathered over the past 50 years.

5.74 Nevertheless it is understandable that those not generally familiar with the process of retail growth estimation should question the use of growth rates for comparison spending which – at 3.7% per annum – seem high compared to the minimal growth currently evident in the retail market in the UK. Consequently, in order to provide a comparison, we have produced Figure 17a, which shows the potential surpluses and deficits in comparison spending assuming a growth rate of only 1.9% from 2011 to 2016, instead of the 3.7% growth rate used in this study.

5.75 In producing Figure 17a, we have also assumed a lower rate of growth for levels of turnover within existing stores, reduced from 2% to 1% per annum, which is a logical assumption given the lower prevailing rate of expenditure growth.

5.76 Figure 17a shows that with a much lower growth rate averaging only 1.9% over the five years to 2016, the expenditure surplus across the Scottish Borders as a whole would be reduced to £35.17 million, compared with the £51.76 million surplus shown in Figure 17. There would still be a substantial surplus of £36.6 million in the Galashiels area, and a £1.53 million surplus in the Duns / Chirnside area. The Peebles surplus would reduce from £5.23 million to £3.98 million.

5.77 In Hawick and Kelso the turnover deficits would increase, confirming the lack of scope for significant increases in retail floorspace in these areas, although – as

noted previously – the Hawick deficit would relate only to out-of-centre floorspace and not to the town centre.

Figure 17a : Alternative Estimated Comparison Turnover Surplus, 2016
(comparing surplus / deficit by zone for expenditure growth rates of 3.7% and 1.9% p.a.)

Zone		3.7% growth	1.9% growth
Zone 1	Rural West / A701 Corridor	£0.41 m	£0.35 m
Zone 2	Peebles area	£5.23 m	£3.98 m
Zone 3	Innerleithen / Walkerburn	£0.00 m	- £0.08 m
Zone 4	Galashiels / A7 North	£47.28 m	£36.62 m
Zone 5	Selkirk / Ettrick	£0.35 m	- £0.48 m
Zone 6	Hawick / Liddesdale	- £1.56 m	- £3.43 m
Zone 7	Jedburgh	- £0.39 m	- £0.62 m
Zone 8	Melrose / Newtown / St.Boswells	- £0.64 m	- £0.78 m
Zone 9	Kelso / Yetholm	- £1.40 m	- £2.33 m
Zone 10	Lauder / Earlston / Gordon	£0.32 m	£0.25 m
Zone 11	Coldstream / Greenlaw	- £0.24 m	- £0.29 m
Zone 12	Duns / Chirnside	£1.81 m	£1.53 m
Zone 13	Eyemouth / Berwickshire Coast	£0.58 m	£0.45 m
Total	Scottish Borders	£51.76 m	£35.17 m

5.78 To put the 1.9% comparison growth rate into a historical context, the average annual rate of growth for the 45-year period from 1964 to 2009 was 4.5%, more than double the 1.9% figure and also above the 3.7% rate. During the past 25 years there have been only two years – 1990 and 2009 – during which comparison expenditure growth was lower than 1.9%. Prior to that, the only years since 1971 with a growth rate lower than 1.9% were 1980 and 1981, during the public spending cuts in the early years of the Margaret Thatcher administration, and during the 1974-77 period under Harold Wilson and James Callaghan, which followed the three-day week and industrial unrest under the previous government of Edward Heath.

5.79 This historical context serves to illustrate how unprecedented it would be to have a five-year period of growth averaging only 1.9%. However Figure 17a shows that, even with such a low growth rate, there would still be substantial scope for new comparison retail floorspace in the Galashiels area by 2016.

Conclusions

5.80 In considering the output from the calculations we have undertaken to estimate the likely levels of retail expenditure surplus or deficit throughout the Scottish Borders area, it is easy to become unduly focused on the individual statistics. It is important to avoid this and instead to concentrate on the main messages emerging from the analysis, in order then to move forwards to some overall conclusions as to the options which are available as regards improvements to retail provision in the Scottish Borders over the next five years.

5.81 The picture as regards the convenience retail sector is that, while the overall position in 2011 is one of a reasonable balance between available expenditure and operational retail floorspace, there is a significant surplus in the Galashiels area and an out-of-centre deficit in Hawick. There are modest surpluses evident in the Melrose, Kelso and Duns / Chirnside areas. The Duns /

Chirnside surplus, after allowing for the likely changes in local shopping patterns, appears more than sufficient to absorb the implementation of the approved small supermarket in Chirnside.

- 5.82 In Kelso there is a projected expenditure deficit when account is taken of the approved supermarket at Pinnaclehill, although this will be eased significantly if the now-closed Haldanes supermarket in the town centre is eventually re-used for purposes other than convenience trade. In Eyemouth, there appears to be some scope for additional convenience floorspace, and there are qualitative arguments in support of this, but even a small new store would be likely to result in an overall shortage of convenience expenditure in the area.
- 5.83 The possibility of introducing new small supermarkets to Jedburgh and Selkirk has been tested, and the case for both is considered to be marginal, and dependent on qualitative rather than purely quantitative factors – in particular the promotion of greater self-sufficiency and reduced car journeys.
- 5.84 As regards comparison spending, there are expenditure surpluses evident throughout most of the SBC area by 2016, assuming the proportion of expenditure leakage remains at its current 42% including internet spending, which would result in the value of expenditure lost to the Scottish Borders increasing from £154 million in 2011 to £191 million in 2016. Under this scenario, the Galashiels area would offer significant potential for further investment in comparison floorspace. There is also theoretical scope for additional floorspace on a modest scale in Peebles and, to a lesser extent, in the Duns area.
- 5.85 While it would be possible to produce a series of tables showing how the capacity for additional comparison floorspace in 2016 would vary depending on different levels of leakage, such an analysis would be somewhat speculative, and would not be particularly helpful when it is clear from the analysis that there is likely to be capacity for more additional floorspace in the SBC area than it would be possible to attract or accommodate over the next five years. It is sufficient to conclude that leakage is likely to increase if new floorspace is not provided, and that there is significant scope to support such new floorspace if the sites can be provided and the retailers attracted.
- 5.86 In the next and final section of this report we consider the implications for retail planning policy formulation.

6 Indicators for Retail Planning Policy to 2016

- 6.1 National planning policy for retailing has long recognised that planning authorities should have regard to both quantitative and qualitative factors when formulating retail planning policy. A purely quantitative approach is constrained and limited by the difficulty of projecting a series of variables in an uncertain and volatile market, and it encourages the notion that it is possible to predict with certainty the scope for a specific amount of new retail floorspace in an area. Quite apart from the risks associated with expenditure projections and attempting to predict the changing habits of shoppers, the prospects of encouraging retail investment in any particular area are always dependent on the attitudes and perceptions of retailers as to whether that area is worthy of investment or not, and the planning authority – if it is to achieve desirable investment in a particular area – may be obliged to accept compromises to its aspirations in order to capture the interest and support of the retailer.
- 6.2 The brief for this study did not ask for a detailed in-depth analysis of the qualities, strengths and shortfalls of each shopping centre in the Scottish Borders area, but inevitably in a study such as this the qualitative strengths and weaknesses of individual centres have become evident. Most striking of all the impressions gained in undertaking this study is the transformation of Galashiels over a relatively short time period from a modest traditional shopping centre, offering little excitement for the consumer, into a powerful retail destination with a very good range of convenience and comparison facilities.
- 6.3 The significance of this should not be underestimated, because the perceptions of investors and retailers of Galashiels as a place in which to develop new floorspace and upgrade existing outlets will have been greatly improved in recent years. Galashiels now has a credibility and a critical mass which retailers look for, and it is supported by a substantial catchment area and spending power.

Figure 18 : Galashiels Market Share in 2011				
	Zones 3-5, 8, 10		Zones 3-5, 7-10	
Convenience	£m	%	£m	%
Spend in Galashiels	60.3		70.1	
Total Zone Spend in SBC area	80.8	74.6%	113.5	61.7%
Total Zone Spend incl leakage	84.0	71.8%	118.1	59.3%
	Zones 3-5, 7-10		Zones 3 - 11	
Comparison	£m	%	£m	%
Spend in Galashiels	98.9		117.8	
Total Zone Spend in SBC area	135.1	73.2%	182.3	64.6%
Total Zone Spend incl leakage	197.4	50.1%	268.6	43.9%

- 6.4 The strength of Galashiels in a retail context is illustrated by Table 60, which looks at the existing market share of the town for both convenience and comparison trade. The contents of the table are set out in Figure 18.
- 6.5 Figure 18 helps to illustrate the commanding influence of Galashiels as the primary retail destination across the Scottish Borders area. For convenience shopping it takes 75% of all the convenience spending which originates in Zones 3 (Innerleithen), 4 (Galashiels), 5 (Selkirk), 8 (Melrose) and 10 (Lauder) and which is retained within the Scottish Borders area. Furthermore it takes 72% of all convenience expenditure from these zones including exported expenditure.
- 6.6 For comparison spending, Galashiels takes 73% of all comparison spending from Zones 3, 4, 5, 7, 8, 9 and 10 which is retained in the SBC area, and 50% of all spending including leakage. Over the larger area - including Hawick and Coldstream in addition to the other zones – it takes 65% of retained spending and 44% of all spending.
- 6.7 For a retailer considering establishing in the Scottish Borders, the message from these statistics is relatively straightforward – a location in Galashiels will achieve the highest potential catchment area and spending power.
- 6.8 The fact that the Galashiels area is showing the highest level of capacity for additional floorspace is a further reflection of its success and popularity – more spending is being attracted to the town than can be properly serviced by the existing floorspace. Galashiels draws 71% of its comparison turnover and 58% of its convenience turnover from outside its own local area – equivalent to a total of £136 million in 2011 – which emphasises just how attractive a draw it has become.
- 6.9 By comparison, Hawick only pulls 20% of its comparison turnover and 14% of its convenience turnover from outside the local area. Consequently, despite having a slightly higher level of locally-generated convenience and comparison expenditure than the Galashiels area, Hawick is currently facing an expenditure shortfall, although this only relates to out-of-centre floorspace, not to the town centre.

Scope for Additional Retail Floorspace

- 6.10 The previous section of this report set out the scope for additional convenience and comparison floorspace in the Scottish Borders area. The position can be summarised as follows, as regards those locations areas where some positive action should be considered to improve retail provision.

Selkirk

- 6.11 The Selkirk area loses 60% of its locally-generated convenience spending and 82% of its comparison spending. Consequently from a sustainability point of view there is merit in looking at improving its retail offer. However its close proximity to the pulling power of Galashiels means that it will be difficult to encourage retail investment there. Despite a notional comparison expenditure surplus in 2011 of around £2.5 million, rising to £3.8 million in 2016, this would be unlikely to support significant new development, particularly as there already exists a commitment for new comparison floorspace at Dunsdale Haugh which would have the potential to consume all of that spare capacity.

6.12 There is no quantitative case for new convenience floorspace in Selkirk. However, if an opportunity became available to accommodate a small new convenience store in or close to the town centre, there could be qualitative benefits in terms of wider choice and greater self-sufficiency, and the consequent reduction in trade in Galashiels would not be sufficient to give rise to any problems there. As already observed, the arguments are finely balanced, but the current and likely future situation suggests the adoption of a cautious approach. The probability is that a retailer considering an investment in Selkirk would need a Kelso Sainsbury scale of store to be able to compete effectively with the pull of Galashiels, and the expenditure capacity certainly does not exist for a store of that scale.

Jedburgh

6.13 The situation in Jedburgh is very similar to that in Selkirk as regards the convenience shopping situation, with the amount of trade being retained locally amounting to only 44% of locally-generated spending. As a matter of principle, there would be sustainability benefits to be gained from achieving a higher level of retained spending, with potential spin-off benefits for existing traders. The current level of leakage indicates that a substantial number of relatively lengthy car journeys are being made to alternative shopping destinations, and it would be desirable to reduce these. However it would be a major challenge to develop a store in a location within or close to the town centre of sufficient attractiveness to achieve a significant reduction in leakage, thereby delivering the wider benefits which would have to be a prerequisite for approval.

6.14 The scope for any comparison retail development is very limited and it is unlikely that retail investors would be inclined to develop in Jedburgh. We have observed already that some contraction of existing peripheral retail floorspace in the town centre, and conversion of vacant units to non-retail use, could be of long term benefit to the town, enabling the available spending to support the existing floorspace more effectively.

Duns / Chirnside / Eyemouth

6.15 Sufficient expenditure capacity exists in the Chirnside area to support the approved new supermarket there, with some scope for further improvements to convenience retail provision, for example by enlargement of existing facilities in Duns.

6.16 In Eyemouth there is insufficient convenience expenditure – even with a significant clawback of leakage to Berwick – to support a new small supermarket in the town, but there is no doubt that the current scale of leakage is unfortunate and not desirable. Careful consideration should be given to ways in which an improvement in Eyemouth's convenience offer might be capable of reducing leakage to some extent and providing benefits to the local community. As with the situation in Selkirk and Jedburgh, a key issue will be the choice of location for any new facility.

6.17 There is theoretical scope for some additional comparison floorspace provision in the area, more so in Duns than Eyemouth, but it is unlikely that mainstream retailers would regard Duns as a priority for investment. There is a substantial locally-generated spend on comparison goods in the area, and leakage from Zone 12 is currently running at £20 million (74% of spending), so there is no

doubt that potential exists for some investment, if it could be attracted to the town.

Peebles

- 6.18 Peebles is a strong and successful trading centre which achieves a good level of convenience retention and a comparatively good retention of comparison spending. There is unlikely to be scope for any significant provision of additional convenience floorspace, other than possibly the expansion of existing facilities, but there is potential for some new comparison floorspace, both in terms of a notional surplus by 2016 and because there is potential to reduce the current level of leakage, building on the existing strength and attractiveness of the centre.

Other Areas for Action

- 6.19 In addition to these locations where there may be scope for improving the retail offer, it will be important to monitor the situation in Kelso, where the Haldanes supermarket in the town centre has closed and where a new Sainsbury's store is to be provided at Pinnaclehill. The Haldanes closure will have already resulted in changes in shopping patterns in the area, in advance of the opening of the new Sainsbury's store. It will be important to ensure that the market is adjusting successfully to the changes in retail provision, and to develop a strategy which makes the most of and promotes Kelso's attractiveness as a shopping destination. As with all town centres facing change, the aim should be to play to the strengths of the centre.
- 6.20 In Hawick there is a theoretical oversupply of retail floorspace in both convenience and comparison sectors, but this oversupply is confined to out-of-centre locations rather than the town centre, and the town centre appears to be succeeding in maintaining a good share of spending in Hawick. The situation should be monitored to ensure that the town centre can maintain its competitive edge, and promotional initiatives should be considered.

Galashiels

- 6.21 As regards future investment in new comparison retail floorspace, Galashiels is the only location where the level of spending power and positive retailer perceptions can combine to support significant new provision. Against a background of rising internet spending and significant levels of leakage to destinations outside the Scottish Borders, the option of 'doing nothing' is not a realistic one. With comparison spending generated in the SBC area likely to rise by nearly £90 million by 2016, it would be undesirable to see that growth head for external destinations. It may be possible to direct some of it to support modest new investment and floorspace additions in Peebles, and possibly in Duns, and perhaps some redevelopment and regeneration in Hawick, but most retailers will only be interested in Galashiels.
- 6.22 In the battle to retain locally-generated spending and to broaden the range and improve the quality of the retail offer in the Scottish Borders, the key will always be to attract new retailers into the area, while encouraging existing ones to expand so that shoppers do not feel that their own local store is inferior to the one which they have visited in other towns. While it would be understandable for the Scottish Borders Council to feel that Galashiels has benefited from an unfairly large share of the retail investment cake, it is the retail market which

has dictated the remarkable evolution of Galashiels into a strong attractive centre, and no amount of ‘positive planning’ in other locations would have been likely to achieve a significantly different result.

- 6.23 We observed in paragraph 6.6 that the Galashiels main catchment area (Zones 3 – 5 and 7 – 10) takes 73% of the comparison spending which is retained in the SBC area, and 50% of all spending. This substantial inflow of expenditure results in a total comparison turnover in 2011 which is more than double the amount of comparison spending generated within Zone 4 – as shown in Table 38. A similar situation can be expected in 2016 (Table 57) if leakage remains at around 2011 levels.
- 6.24 The potential surplus of comparison spending in Zone 4 in 2016 – at £47.3 million – could translate into a very substantial amount of additional comparison floorspace. Figure 19 shows the amount which could be supported, depending on different levels of turnover per square metre, ranging from around 8,500 square metres up to 13,500 square metres of sales area. The highest level assumes greater emphasis on bulky-goods retailers while the lowest figure reflects a more ‘high street’ mix of operators. These figures can be compared with the current scale of the comparison sales area of all floorspace in Galashiels, which is around 25,000 square metres.

Figure 19 : Potential Additional Retail Sales Area in Zone 4 (Galashiels area)		
Estimated Surplus Spending	Turnover per square metre	Potential Sales Area
£47.28 m	£3,500	13,509 sq m
£47.28 m	£4,500	10,507 sq m
£47.28 m	£5,500	8,596 sq m

- 6.25 In reality, it is very unlikely that the retail market would support additional development on such a large scale, or that sufficient suitable sites could be found. A more realistic approach could be to seek to accommodate a further development similar to the Gala Water Retail Park, which contains around 3,400 square metres of comparison sales floorspace. Such a scale of development could be justified even if spending growth on comparison goods from 2011 to 2016 is significantly lower than assumed in this study.
- 6.26 Clearly the promotion of further retail development in Galashiels raises significant land use planning issues, both in terms of identifying suitable land and also providing the infrastructure required to service it. Furthermore, because the new floorspace would not absorb all of the available surplus, there would still be a risk of leakage levels increasing if expenditure growth occurs at the predicted levels. However such a development would represent a good start in the right direction. The current economic climate is not one in which to seek to launch an over-ambitious development, however desirable it is to try to retain spending within the Scottish Borders.
- 6.27 As we have said before, there is always a risk in becoming too focused on individual statistics rather than on the message which emerges from them. Estimating retail capacity is far from an exact science, and it is not appropriate to attempt to predict the precise amount of retail floorspace which a particular area could accommodate, particularly in these uncertain economic times, but

only to use retail capacity analyses to provide guidance as to the broad scale of development which might be supportable, while at the same time having regard to qualitative issues and market realities.

- 6.28 Furthermore the inclination of the retail market to invest in particular locations will be an important determining factor. It is not realistic, particularly when the retail market is lacking in confidence, to imagine that retailers can be persuaded to invest in one particular location in preference to another, for example by adopting policies which prohibit or restrict investment in popular retail locations as a means of attempting to steer investment towards locations which are not favoured by retailers. The most likely outcome of such a strategy will be to lose the potential investment altogether.
- 6.29 There are probably very few towns in the UK which can claim the scale of retail success – achieved over a relatively short time period - which is evident in Galashiels. There is now a momentum of retailer confidence in the centre, and there are profits to be made. Harnessing that momentum will pose some significant challenges, but failing to harness the momentum will increase the risk that growth in retail spending will not benefit the Scottish Borders but will simply pass to other external destinations. Consequently it will be important to consider carefully the ways in which retail spending growth can be captured for the benefit of the residents of the Scottish Borders. The focus of the effort to capture that growth will inevitably have to be on Galashiels.



Retail Study 2011





Appendix 1

Retail Study Tables 1 - 60

September 2011

RDPC

Table 1
Scottish Borders Population

2011	114,913
2012	115,791
2013	116,491
2014	117,203
2015	117,913
2016	118,633

Source: General Register Office 2008-based projections

Table 2
Estimated Population 2011 - 2016, Scottish Borders Council sub-zones

Area		2011	2012	2013	2014	2015	2016
Zone 1	A701 corridor / Rural West	4,272	4,265	4,265	4,260	4,253	4,251
Zone 2	Peebles area	10,180	10,242	10,298	10,375	10,451	10,522
Zone 3	Innerleithen / Walkerburn	4,244	4,279	4,315	4,361	4,413	4,460
Zone 4	Galashiels / A7 North	17,816	17,905	18,010	18,094	18,183	18,275
Zone 5	Selkirk / Ettrick	7,515	7,511	7,512	7,506	7,498	7,488
Zone 6	Hawick / Liddesdale	18,484	18,476	18,455	18,420	18,374	18,333
Zone 7	Jedburgh	6,195	6,202	6,217	6,214	6,217	6,215
Zone 8	Melrose / St.Boswells	7,741	7,798	7,858	7,942	8,034	8,121
Zone 9	Kelso / Yetholm	11,387	11,454	11,520	11,601	11,685	11,768
Zone 10	Lauder / Earlston / Gordon	5,999	6,109	6,217	6,298	6,391	6,470
Zone 11	Coldstream / Greenlaw	4,180	4,191	4,203	4,219	4,232	4,249
Zone 12	Duns / Chirside	8,617	8,661	8,704	8,763	8,822	8,885
Zone 13	Eyemouth / Berwickshire Coast	7,352	7,380	7,406	7,424	7,446	7,462
Total		113,982	114,473	114,980	115,477	115,999	116,499

Source: Pitney Bowes Business Insight

Table 3
Adjusted Population Estimates 2011 - 2016, Scottish Borders Council sub-zones

Area		2011	2012	2013	2014	2015	2016
Zone 1	A701 corridor / Rural West	4,307	4,314	4,321	4,324	4,323	4,329
Zone 2	Peebles area	10,263	10,360	10,433	10,530	10,623	10,715
Zone 3	Innerleithen / Walkerburn	4,279	4,328	4,372	4,426	4,486	4,542
Zone 4	Galashiels / A7 North	17,962	18,111	18,247	18,364	18,483	18,610
Zone 5	Selkirk / Ettrick	7,576	7,597	7,611	7,618	7,622	7,625
Zone 6	Hawick / Liddesdale	18,635	18,689	18,698	18,695	18,677	18,669
Zone 7	Jedburgh	6,246	6,273	6,299	6,307	6,320	6,329
Zone 8	Melrose / St.Boswells	7,804	7,888	7,961	8,061	8,167	8,270
Zone 9	Kelso / Yetholm	11,480	11,586	11,671	11,774	11,878	11,984
Zone 10	Lauder / Earlston / Gordon	6,048	6,179	6,299	6,392	6,496	6,589
Zone 11	Coldstream / Greenlaw	4,214	4,239	4,258	4,282	4,302	4,327
Zone 12	Duns / Chirside	8,687	8,761	8,818	8,894	8,968	9,048
Zone 13	Eyemouth / Berwickshire Coast	7,412	7,465	7,503	7,535	7,569	7,599
Total		114,913	115,791	116,491	117,203	117,913	118,633

Source: Pitney Bowes Business Insight and GRO - zonal estimates adjusted to accord with GRO total estimates

Table 4
Estimated Retail Expenditure per Head

2009 prices

Convenience	2009	2010	2011	2015	2016
Zone 1	£1,883	£1,891	£1,898	£1,929	£1,936
Zone 2	£1,898	£1,906	£1,913	£1,944	£1,952
Zone 3	£1,923	£1,931	£1,938	£1,970	£1,977
Zone 4	£1,894	£1,902	£1,909	£1,940	£1,948
Zone 5	£1,906	£1,914	£1,921	£1,952	£1,960
Zone 6	£1,904	£1,912	£1,919	£1,950	£1,958
Zone 7	£1,888	£1,896	£1,903	£1,934	£1,942
Zone 8	£1,964	£1,972	£1,980	£2,012	£2,020
Zone 9	£1,919	£1,927	£1,934	£1,966	£1,973
Zone 10	£1,876	£1,884	£1,891	£1,921	£1,929
Zone 11	£1,910	£1,918	£1,925	£1,956	£1,964
Zone 12	£1,893	£1,901	£1,908	£1,939	£1,947
Zone 13	£1,873	£1,880	£1,888	£1,918	£1,926

Comparison

	2009	2010	2011	2015	2016
Zone 1	£3,202	£3,244	£3,364	£3,890	£4,038
Zone 2	£3,103	£3,143	£3,260	£3,770	£3,913
Zone 3	£3,046	£3,086	£3,200	£3,700	£3,841
Zone 4	£3,040	£3,080	£3,193	£3,693	£3,833
Zone 5	£3,049	£3,089	£3,203	£3,704	£3,845
Zone 6	£2,964	£3,003	£3,114	£3,601	£3,737
Zone 7	£2,991	£3,030	£3,142	£3,633	£3,772
Zone 8	£3,183	£3,224	£3,344	£3,867	£4,014
Zone 9	£3,055	£3,095	£3,209	£3,711	£3,852
Zone 10	£3,065	£3,105	£3,220	£3,723	£3,865
Zone 11	£2,978	£3,017	£3,128	£3,618	£3,755
Zone 12	£2,991	£3,030	£3,142	£3,633	£3,772
Zone 13	£2,939	£2,977	£3,087	£3,570	£3,706

Source: 2009 estimates from Pitney Bowes Business Insight

Growth estimates 2009 - 2016 from Pitney Bowes / Oxford Economics

Convenience: 2009-16: 0.4% pa

Comparison: 2009-10: 1.3%; 2010-15: 3.7%; 2015-16: 3.8%

Table 5
Total Convenience Expenditure by Zone and Year

2009 prices

		2011 £m	2015 £m	2016 £m
Zone 1	A701 corridor / Rural West	8.17	8.34	8.38
Zone 2	Peebles area	19.64	20.65	20.91
Zone 3	Innerleithen / Walkerburn	8.29	8.84	8.98
Zone 4	Galashiels / A7 North	34.29	35.86	36.25
Zone 5	Selkirk / Ettrick	14.56	14.88	14.95
Zone 6	Hawick / Liddesdale	35.77	36.42	36.55
Zone 7	Jedburgh	11.89	12.22	12.29
Zone 8	Melrose / St.Boswells	15.45	16.43	16.70
Zone 9	Kelso / Yetholm	22.21	23.35	23.65
Zone 10	Lauder / Earlston / Gordon	11.44	12.48	12.71
Zone 11	Coldstream / Greenlaw	8.11	8.42	8.50
Zone 12	Duns / Chirside	16.58	17.39	17.61
Zone 13	Eyemouth / Berwickshire Coast	13.99	14.52	14.64
		220.38	229.78	232.12

Table 6
Total Comparison Expenditure by Zone and Year

2009 prices

		2011 £m	2015 £m	2016 £m
Zone 1	A701 corridor / Rural West	14.49	16.82	17.48
Zone 2	Peebles area	33.45	40.05	41.92
Zone 3	Innerleithen / Walkerburn	13.69	16.60	17.44
Zone 4	Galashiels / A7 North	57.36	68.26	71.34
Zone 5	Selkirk / Ettrick	24.27	28.23	29.32
Zone 6	Hawick / Liddesdale	58.02	67.25	69.77
Zone 7	Jedburgh	19.62	22.96	23.87
Zone 8	Melrose / St.Boswells	26.09	31.58	33.19
Zone 9	Kelso / Yetholm	36.84	44.08	46.16
Zone 10	Lauder / Earlston / Gordon	19.47	24.19	25.46
Zone 11	Coldstream / Greenlaw	13.18	15.56	16.25
Zone 12	Duns / Chirside	27.30	32.58	34.12
Zone 13	Eyemouth / Berwickshire Coast	22.88	27.02	28.16
		366.68	435.18	454.49

Table 7**Estimated Top-up Spending by Zone in 2011**

from household survey results

Households in area	1673	4503	1991	8094	3335	8494	2739	3509	5130	2596	1891	3822	3202
% of who do top-up:	70.2%	80.4%	76.2%	78.8%	72.1%	76.0%	73.5%	72.4%	88.7%	75.4%	82.2%	74.2%	67.9%
Number who do top-up	1174	3620	1517	6379	2404	6452	2014	2539	4550	1958	1555	2834	2176
Weekly top-up spend	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13
£3.00	£136	£2,316	£228	£2,990	£589	£6,452	£806	£1,058	£1,187	£773	£667	£802	£952
£8.00	£1,807	£7,336	£3,034	£10,365	£6,280	£13,091	£5,371	£3,950	£8,704	£4,122	£3,199	£4,278	£4,714
£13.00	£4,110	£6,901	£2,958	£10,365	£3,189	£9,117	£3,491	£4,585	£10,929	£3,349	£2,311	£4,866	£3,535
£18.00	£4,878	£11,293	£6,826	£22,425	£9,714	£15,989	£6,445	£11,428	£15,133	£4,638	£4,799	£12,514	£8,974
£23.00	£1,039	£4,440	£0	£6,877	£1,128	£4,301	£1,029	£4,867	£2,275	£1,185	£1,022	£2,460	£2,085
£28.00	£3,794	£4,054	£8,495	£23,721	£4,121	£9,164	£2,507	£5,925	£20,770	£5,771	£7,465	£7,487	£6,345
£33.00	£0	£1,593	£0	£1,645	£1,619	£7,714	£0	£0	£0	£1,701	£0	£3,529	£0
£38.00	£0	£3,668	£0	£11,362	£5,593	£3,553	£1,701	£2,681	£5,638	£7,833	£1,688	£8,129	£0
£43.00	£0	£0	£0	£0	£2,110	£0	£1,925	£0	£0	£2,216	£0	£0	£0
£48.00	£2,168	£0	£3,641	£16,744	£2,355	£0	£6,445	£6,772	£7,121	£2,473	£2,133	£7,701	£2,176
£53.00	£0	£0	£0	£0	£0	£0	£0	£0	£0	£2,731	£0	£0	£0
£58.00	£0	£8,397	£4,399	£0	£5,691	£5,423	£0	£0	£8,605	£0	£2,577	£0	£5,258
£63.00	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
£68.00	£3,071	£3,282	£0	£3,389	£0	£0	£6,087	£4,797	£3,363	£0	£0	£3,636	£0
£73.00	£0	£0	£0	£0	£0	£3,413	£0	£0	£0	£0	£0	£0	£0
£78.00	£0	£3,764	£0	£0	£0	£0	£0	£0	£0	£0	£3,466	£0	£3,535
£83.00	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
£88.00	£0	£0	£0	£4,385	£0	£0	£0	£0	£0	£0	£0	£4,706	£0
£93.00	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
£98.00	£4,426	£4,730	£0	£4,884	£4,808	£9,164	£0	£0	£0	£0	£0	£0	£0
£111.00	£0	£0	£0	£0	£0	£0	£0	£0	£5,489	£0	£0	£0	£0
£121.00	£0	£0	£0	£6,030	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total / week (£)	£25,430	£61,773	£29,581	£125,183	£47,198	£87,381	£35,808	£46,063	£89,214	£36,793	£29,326	£60,108	£37,574
Total / pa (£m)	£1.32	£3.21	£1.54	£6.51	£2.45	£4.54	£1.86	£2.40	£4.64	£1.91	£1.52	£3.13	£1.95
Total / pa (£m) 2009 prices	£1.24	£3.00	£1.44	£6.08	£2.29	£4.25	£1.74	£2.24	£4.34	£1.79	£1.43	£2.92	£1.83
Average weekly top-up spend per household (£)	£21.65	£17.07	£19.50	£19.63	£19.63	£13.54	£17.78	£18.14	£19.61	£18.79	£18.86	£21.21	£17.27

Table 8
Main Food, Supplementary Main Food and Top-Up Convenience Spending by Area, 2011

	Total Spend £m	Top-up Spend £m	Main Food Spend £m	Spend in Main Store		Spend in 2nd Choice Store (£m)
				%	£m	
Zone 1	8.17	1.24	6.94	77.8%	5.40	1.54
Zone 2	19.64	3.00	16.63	75.9%	12.62	4.01
Zone 3	8.29	1.44	6.86	72.1%	4.94	1.92
Zone 4	34.29	6.08	28.21	76.1%	21.47	6.74
Zone 5	14.56	2.29	12.26	74.3%	9.11	3.15
Zone 6	35.77	4.25	31.52	75.9%	23.93	7.59
Zone 7	11.89	1.74	10.15	80.0%	8.11	2.03
Zone 8	15.45	2.24	13.21	78.2%	10.33	2.88
Zone 9	22.21	4.34	17.87	71.0%	12.68	5.19
Zone 10	11.44	1.79	9.65	78.0%	7.53	2.12
Zone 11	8.11	1.43	6.69	74.1%	4.96	1.73
Zone 12	16.58	2.92	13.66	73.4%	10.02	3.64
Zone 13	13.99	1.83	12.17	81.3%	9.89	2.28
	220.38	34.58	185.80		140.98	44.82
		15.7%	84.3%		64.0%	20.3%

Source: from Tables 5 and 7 and household survey results

Table 9		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
Main Food Spending															
in 2011 by Zone		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Zone 1	A701 corridor / Rural West	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50
Zone 2	Peebles area	1.00	10.71	1.18	0.00	0.11	0.00	0.00	0.00	0.00	0.13	0.00	0.00	0.00	13.13
Zone 3	Innerleithen / Walkerburn	0.00	0.00	1.65	0.00	0.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.75
Zone 4	Galashiels / A7 North	0.25	1.31	1.88	20.78	5.79	1.03	2.74	8.40	4.71	5.71	1.04	1.04	0.00	54.68
Zone 5	Selkirk / Ettrick	0.00	0.00	0.00	0.00	2.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.04
Zone 6	Hawick / Liddesdale	0.00	0.00	0.12	0.00	1.07	21.43	1.67	0.14	0.22	0.00	0.00	0.00	0.00	24.65
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.11	3.22	0.00	0.11	0.26	0.00	0.00	0.00	3.71
Zone 8	Melrose / St.Boswells	0.00	0.00	0.00	0.12	0.00	0.00	0.00	1.38	0.00	0.00	0.00	0.00	0.00	1.49
Zone 9	Kelso / Yetholm	0.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.51	0.13	0.58	0.12	0.00	7.46
Zone 10	Lauder / Earlston / Gordon	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.39	0.00	0.00	0.00	0.39
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.15	0.23	0.00	1.38
Zone 12	Duns / Chirnside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.13	0.12	2.30	0.00	2.55
Zone 13	Eyemouth / Berwickshire Coast	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.78	0.78
	Outside Scottish Borders	3.26	0.48	0.00	0.58	0.00	0.91	0.00	0.28	0.34	0.65	1.84	5.64	8.85	22.82
	Internet	0.25	0.12	0.12	0.00	0.00	0.46	0.48	0.14	0.79	0.13	0.23	0.69	0.26	3.66
Total		5.40	12.62	4.94	21.47	9.11	23.93	8.11	10.33	12.68	7.53	4.96	10.02	9.89	140.98

Table 10		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
Supplementary Main Food Spending															
in 2011 by Zone		£m													
Zone 1	A701 corridor / Rural West	0.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.13
Zone 2	Peebles area	0.27	3.45	0.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.10
Zone 3	Innerleithen / Walkerburn	0.00	0.00	0.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.19
Zone 4	Galashiels / A7 North	0.00	0.41	1.15	6.25	1.23	1.31	0.72	1.75	1.54	1.32	0.36	0.55	0.06	16.67
Zone 5	Selkirk / Ettrick	0.00	0.00	0.00	0.00	1.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.69
Zone 6	Hawick / Liddesdale	0.00	0.05	0.06	0.15	0.18	5.87	0.77	0.33	0.12	0.06	0.09	0.00	0.00	7.68
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.10	0.36	0.00	0.00	0.00	0.00	0.00	0.00	0.46
Zone 8	Melrose / St.Boswells	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.71	0.00	0.00	0.00	0.00	0.00	0.71
Zone 9	Kelso / Yetholm	0.00	0.00	0.00	0.05	0.00	0.00	0.18	0.00	3.21	0.06	0.23	0.06	0.00	3.78
Zone 10	Lauder / Earlston / Gordon	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.34	0.00	0.00	0.00	0.34
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.36	0.00	0.00	0.36
Zone 12	Duns / Chirnside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.77	0.00	0.82
Zone 13	Eyemouth / Berwickshire Coast	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.12	0.12
	Outside Scottish Borders	1.14	0.05	0.13	0.29	0.00	0.20	0.00	0.09	0.19	0.29	0.59	2.21	2.11	7.28
	Internet	0.00	0.05	0.00	0.00	0.05	0.10	0.00	0.00	0.12	0.06	0.05	0.06	0.00	0.48
Total		1.54	4.01	1.92	6.74	3.15	7.59	2.03	2.88	5.19	2.12	1.73	3.64	2.28	44.82

Table 11		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
Top-up Convenience Shopping															
in 2011 by Zone		£m													
Zone 1	A701 corridor / Rural West	1.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.06
Zone 2	Peebles area	0.04	2.93	0.09	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.00	0.00	0.00	3.12
Zone 3	Innerleithen / Walkerburn	0.00	0.00	1.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.25
Zone 4	Galashiels / A7 North	0.00	0.03	0.05	5.47	0.07	0.06	0.00	0.25	0.05	0.19	0.04	0.00	0.00	6.22
Zone 5	Selkirk / Ettrick	0.00	0.00	0.00	0.00	2.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.15
Zone 6	Hawick / Liddesdale	0.00	0.00	0.05	0.00	0.07	4.13	0.07	0.00	0.00	0.00	0.04	0.00	0.00	4.36
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.06	1.63	0.00	0.00	0.00	0.00	0.00	0.00	1.69
Zone 8	Melrose / St.Boswells	0.00	0.00	0.00	0.26	0.00	0.00	0.00	1.94	0.00	0.05	0.00	0.00	0.00	2.25
Zone 9	Kelso / Yetholm	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.24	0.10	0.08	0.00	0.00	4.42
Zone 10	Lauder / Earlston / Gordon	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.04	0.05	1.30	0.00	0.00	0.00	1.44
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.18	0.04	0.00	1.23
Zone 12	Duns / Chirnside	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.04	2.48	0.00	2.56
Zone 13	Eyemouth / Berwickshire Coast	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.44	1.44
	Outside Scottish Borders	0.13	0.03	0.00	0.31	0.00	0.00	0.00	0.00	0.00	0.10	0.04	0.40	0.39	1.40
	Internet	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		1.24	3.00	1.44	6.08	2.29	4.25	1.74	2.24	4.34	1.79	1.43	2.92	1.83	34.58

Table 12		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
Total Convenience Spending															
in 2011 by Zone		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Zone 1	A701 corridor / Rural West	1.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.70
Zone 2	Peebles area	1.32	17.09	1.65	0.00	0.11	0.00	0.00	0.00	0.00	0.18	0.00	0.00	0.00	20.35
Zone 3	Innerleithen / Walkerburn	0.00	0.00	3.09	0.00	0.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.20
Zone 4	Galashiels / A7 North	0.25	1.76	3.08	32.50	7.10	2.40	3.47	10.40	6.30	7.22	1.44	1.59	0.06	77.56
Zone 5	Selkirk / Ettrick	0.00	0.00	0.00	0.00	5.87	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.87
Zone 6	Hawick / Liddesdale	0.00	0.05	0.23	0.15	1.33	31.42	2.51	0.47	0.35	0.06	0.13	0.00	0.00	36.69
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.27	5.22	0.00	0.11	0.26	0.00	0.00	0.00	5.86
Zone 8	Melrose / St.Boswells	0.00	0.00	0.00	0.38	0.00	0.00	0.00	4.03	0.00	0.05	0.00	0.00	0.00	4.46
Zone 9	Kelso / Yetholm	0.13	0.00	0.00	0.05	0.00	0.00	0.18	0.00	13.96	0.28	0.89	0.17	0.00	15.66
Zone 10	Lauder / Earlston / Gordon	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.04	0.05	2.04	0.00	0.00	0.00	2.17
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.70	0.27	0.00	2.97
Zone 12	Duns / Chirnside	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.13	0.20	5.55	0.00	5.92
Zone 13	Eyemouth / Berwickshire Coast	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.34	2.34
	Outside Scottish Borders	4.54	0.56	0.13	1.18	0.00	1.11	0.00	0.37	0.52	1.03	2.48	8.25	11.34	31.50
	Internet	0.25	0.17	0.12	0.00	0.05	0.56	0.48	0.14	0.91	0.19	0.28	0.75	0.26	4.14
Total		8.17	19.64	8.29	34.29	14.56	35.77	11.89	15.45	22.21	11.44	8.11	16.58	13.99	220.38

Table 15 Convenience Spending Distribution by Zone in 2011 (2009 prices)		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
		£m	£m	£m	£m	£m									
Zone 1	A701 corridor / Rural West	1.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.70
Zone 2	Peebles area	1.32	17.09	1.65	0.00	0.11	0.00	0.00	0.00	0.00	0.18	0.00	0.00	0.00	20.35
Zone 3	Innerleithen / Walkerburn	0.00	0.00	3.09	0.00	0.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.20
Zone 4	Galashiels / A7 North	0.25	1.76	3.08	32.50	7.10	2.40	3.47	10.40	6.30	7.22	1.44	1.59	0.06	77.56
Zone 5	Selkirk / Ettrick	0.00	0.00	0.00	0.00	5.87	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.87
Zone 6	Hawick / Liddesdale	0.00	0.05	0.23	0.15	1.33	31.42	2.51	0.47	0.35	0.06	0.13	0.00	0.00	36.69
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.27	5.22	0.00	0.11	0.26	0.00	0.00	0.00	5.86
Zone 8	Melrose / St.Boswells	0.00	0.00	0.00	0.38	0.00	0.00	0.00	4.03	0.00	0.05	0.00	0.00	0.00	4.46
Zone 9	Kelso / Yetholm	0.13	0.00	0.00	0.05	0.00	0.00	0.18	0.00	13.96	0.28	0.89	0.17	0.00	15.66
Zone 10	Lauder / Earlston / Gordon	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.04	0.05	2.04	0.00	0.00	0.00	2.17
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.70	0.27	0.00	2.97
Zone 12	Duns / Chirnside	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.13	0.20	5.55	0.00	5.92
Zone 13	Eyemouth / Berwickshire Coast	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.34	2.34
	Total spend in Scottish Borders	3.39	18.90	8.05	33.12	14.51	34.09	11.41	14.94	20.78	10.22	5.36	7.59	2.39	184.74
	Leakage	4.54	0.56	0.13	1.18	0.00	1.11	0.00	0.37	0.52	1.03	2.48	8.25	11.34	31.50
	Internet	0.25	0.17	0.12	0.00	0.05	0.56	0.48	0.14	0.91	0.19	0.28	0.75	0.26	4.14
	Total Expenditure	8.17	19.64	8.29	34.29	14.56	35.77	11.89	15.45	22.21	11.44	8.11	16.58	13.99	220.38
	Total Turnover	1.70	20.35	3.20	77.56	5.87	36.69	5.86	4.46	15.66	2.17	2.97	5.92	2.34	184.74
	Turnover as percentage of Expenditure	20.7%	103.6%	38.6%	226.2%	40.3%	102.6%	49.3%	28.8%	70.5%	19.0%	36.6%	35.7%	16.7%	83.8%

Table 16
Estimated Comparison Expenditure by Category, 2011

Area		Clothing Footwear £m	Sports Goods £m	CDs DVDs £m	Audio Visual £m	Portable Domest £m	Non-port Domest £m	Furniture Carpets £m	Textiles Soft Furns £m	DIY £m	Crockery Pots £m	Chemist Goods £m	Jewellery Clocks £m	Bicycles Toys £m	Other £m	Total £m
Zone 1	A701 corridor / Rural West	3.67	0.75	0.42	1.33	0.20	0.17	1.39	0.47	0.76	0.36	1.53	0.42	0.53	2.49	14.49
Zone 2	Peebles area	8.46	1.74	0.96	3.07	0.45	0.40	3.21	1.10	1.75	0.83	3.53	0.96	1.23	5.75	33.45
Zone 3	Innerleithen / Walkerburn	3.46	0.71	0.39	1.26	0.18	0.16	1.31	0.45	0.72	0.34	1.44	0.39	0.50	2.35	13.69
Zone 4	Galashiels / A7 North	14.51	2.98	1.65	5.27	0.77	0.68	5.51	1.88	3.01	1.43	6.05	1.65	2.11	9.86	57.36
Zone 5	Selkirk / Ettrick	6.14	1.26	0.70	2.23	0.33	0.29	2.33	0.79	1.27	0.60	2.56	0.70	0.89	4.17	24.27
Zone 6	Hawick / Liddesdale	14.68	3.02	1.67	5.33	0.78	0.69	5.57	1.90	3.04	1.45	6.12	1.67	2.13	9.97	58.02
Zone 7	Jedburgh	4.96	1.02	0.57	1.80	0.26	0.23	1.88	0.64	1.03	0.49	2.07	0.57	0.72	3.37	19.62
Zone 8	Melrose / St.Boswells	6.60	1.36	0.75	2.40	0.35	0.31	2.51	0.85	1.37	0.65	2.75	0.75	0.96	4.48	26.09
Zone 9	Kelso / Yetholm	9.32	1.92	1.06	3.38	0.50	0.44	3.54	1.21	1.93	0.92	3.89	1.06	1.35	6.33	36.84
Zone 10	Lauder / Earlston / Gordon	4.93	1.01	0.56	1.79	0.26	0.23	1.87	0.64	1.02	0.49	2.05	0.56	0.71	3.35	19.47
Zone 11	Coldstream / Greenlaw	3.34	0.69	0.38	1.21	0.18	0.16	1.27	0.43	0.69	0.33	1.39	0.38	0.48	2.27	13.18
Zone 12	Duns / Chirside	6.91	1.42	0.79	2.51	0.37	0.32	2.62	0.89	1.43	0.68	2.88	0.79	1.00	4.69	27.30
Zone 13	Eyemouth / Berwickshire Coast	5.79	1.19	0.66	2.10	0.31	0.27	2.20	0.75	1.20	0.57	2.41	0.66	0.84	3.93	22.88
Total		92.77	19.08	10.56	33.67	4.95	4.35	35.21	12.01	19.22	9.13	38.69	10.57	13.46	63.00	366.68
Share by Category (%)		25.3%	5.2%	2.9%	9.2%	1.3%	1.2%	9.6%	3.3%	5.2%	2.5%	10.6%	2.9%	3.7%	17.2%	100%

Source: Proportions of spending by category from Pitney Bowes Business Insight ; spending by zone from Table 6

Table 17
Comparison Spending Distribution by Zone 2011
Clothing and Footwear

		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
	Destination	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Zone 1	West Linton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 2	Peebles area	0.50	2.28	0.71	0.08	0.08	0.00	0.00	0.10	0.00	0.00	0.00	0.00	0.00	3.75
Zone 3	Innerleithen	0.00	0.00	0.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.09
Zone 4	Galashiels	0.33	1.71	1.51	7.83	3.19	4.71	1.60	3.20	3.63	1.45	1.19	1.11	0.55	32.01
Zone 5	Selkirk	0.00	0.00	0.00	0.08	0.40	0.15	0.00	0.00	0.00	0.00	0.00	0.16	0.00	0.79
Zone 6	Hawick / Newcastleton	0.00	0.08	0.00	0.08	0.08	3.63	0.38	0.00	0.00	0.00	0.00	0.00	0.00	4.26
Zone 7	Jedburgh	0.00	0.00	0.00	0.08	0.00	0.00	0.69	0.21	0.00	0.10	0.00	0.08	0.00	1.15
Zone 8	Melrose / Newtown / St.Boswells	0.00	0.00	0.00	0.08	0.08	0.00	0.00	0.41	0.00	0.10	0.00	0.00	0.00	0.67
Zone 9	Kelso	0.00	0.00	0.09	0.16	0.00	0.08	0.00	0.41	1.40	0.19	0.44	0.32	0.00	3.10
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.07	0.00	0.00	0.07
Zone 12	Duns / Chirside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.16	0.08	0.24
Zone 13	Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.07	0.00	0.08	0.15
	Total Spend in Scottish Borders	0.83	4.07	2.40	8.41	3.83	8.58	2.67	4.33	5.03	1.84	1.78	1.83	0.70	46.29
	Midlothian	0.75	0.41	0.00	0.25	0.16	0.00	0.15	0.10	0.08	0.00	0.00	0.00	0.00	1.90
	Edinburgh	1.08	2.69	0.53	3.38	0.96	1.16	0.69	1.03	2.56	1.93	0.52	1.43	2.03	19.99
	Berwick	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	1.83	1.96	4.08
	Other outside Scottish Borders	0.42	0.24	0.27	0.91	0.56	3.24	0.84	0.10	0.82	0.29	0.44	0.71	0.55	9.40
	Total Leakage	2.25	3.34	0.80	4.53	1.67	4.40	1.68	1.24	3.46	2.22	1.26	3.97	4.54	35.37
	Internet	0.58	1.06	0.27	1.57	0.64	1.70	0.61	1.03	0.82	0.87	0.30	1.11	0.55	11.10
	Total	3.67	8.46	3.46	14.51	6.14	14.68	4.96	6.60	9.32	4.93	3.34	6.91	5.79	92.77
	Retention Level in Zone	0.0%	26.9%	2.6%	54.0%	6.5%	24.7%	13.8%	6.3%	15.0%	0.0%	2.2%	2.3%	1.4%	49.9%
	Leakage from Scottish Borders (excluding internet)	61.4%	39.4%	23.1%	31.3%	27.3%	30.0%	33.8%	18.8%	37.2%	45.1%	37.8%	57.5%	78.4%	38.1%
	Internet	15.9%	12.5%	7.7%	10.8%	10.4%	11.6%	12.3%	15.6%	8.8%	17.6%	8.9%	16.1%	9.5%	12.0%

Table 18
Comparison Spending Distribution by Zone 2011
Sports Goods

		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
	Destination	£m													
Zone 1	West Linton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 2	Peebles area	0.09	0.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.28
Zone 3	Innerleithen	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 4	Galashiels	0.09	0.29	0.36	1.74	0.95	1.37	0.48	0.88	0.74	0.47	0.27	0.29	0.07	8.00
Zone 5	Selkirk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 6	Hawick / Newcastleton	0.00	0.00	0.00	0.00	0.00	0.25	0.03	0.04	0.00	0.00	0.00	0.00	0.00	0.32
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.00	0.06	0.00	0.03	0.00	0.00	0.00	0.00	0.09
Zone 8	Melrose / Newtown / St.Boswells	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 9	Kelso	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.00	0.24	0.04	0.03	0.04	0.00	0.37
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.00	0.00	0.03
Zone 12	Duns / Chirside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 13	Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.04
	Total Spend in Scottish Borders	0.19	0.47	0.36	1.74	0.95	1.62	0.61	0.92	1.00	0.51	0.33	0.36	0.07	9.12
	Midlothian	0.19	0.54	0.06	0.09	0.00	0.00	0.00	0.00	0.05	0.07	0.00	0.00	0.00	1.00
	Edinburgh	0.19	0.40	0.06	0.35	0.12	0.22	0.13	0.18	0.42	0.18	0.09	0.40	0.48	3.22
	Berwick	0.00	0.00	0.00	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.12	0.36	0.41	0.92
	Other outside Scottish Borders	0.05	0.04	0.06	0.14	0.04	0.50	0.10	0.04	0.11	0.00	0.06	0.11	0.11	1.35
	Total Leakage	0.42	0.98	0.18	0.61	0.16	0.73	0.22	0.22	0.58	0.25	0.27	0.87	1.00	6.50
	Internet	0.14	0.29	0.18	0.64	0.16	0.67	0.19	0.22	0.34	0.25	0.09	0.18	0.11	3.47
	Total	0.75	1.74	0.71	2.98	1.26	3.02	1.02	1.36	1.92	1.01	0.69	1.42	1.19	19.08
	Retention Level in Zone	0.0%	10.4%	0.0%	58.3%	0.0%	8.3%	6.3%	0.0%	12.3%	0.0%	4.3%	0.0%	0.0%	47.8%
	Leakage from Scottish Borders (excluding internet)	56.2%	56.3%	25.0%	20.4%	12.5%	24.1%	21.9%	16.2%	30.1%	25.0%	39.1%	61.5%	84.4%	34.0%
	Internet	18.8%	16.7%	25.0%	21.4%	12.5%	22.2%	18.8%	16.2%	17.8%	25.0%	13.0%	12.8%	9.4%	18.2%

Table 19
Comparison Spending Distribution by Zone 2011
CDs / DVDs

		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
	Destination	£m													
Zone 1	West Linton	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01
Zone 2	Peebles area	0.03	0.19	0.02	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.25
Zone 3	Innerleithen	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02
Zone 4	Galashiels	0.00	0.08	0.13	1.04	0.29	0.16	0.23	0.52	0.34	0.16	0.07	0.07	0.01	3.10
Zone 5	Selkirk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 6	Hawick / Newcastleton	0.00	0.00	0.00	0.00	0.00	0.80	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.83
Zone 7	Jedburgh	0.00	0.00	0.02	0.00	0.00	0.00	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.05
Zone 8	Melrose / Newtown / St.Boswells	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.00	0.03	0.00	0.00	0.00	0.05
Zone 9	Kelso	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.09	0.00	0.01	0.00	0.00	0.10
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 12	Duns / Chirside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 13	Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total Spend in Scottish Borders	0.04	0.27	0.19	1.04	0.30	0.96	0.28	0.54	0.42	0.19	0.09	0.07	0.01	4.41
	Midlothian	0.03	0.02	0.00	0.01	0.00	0.00	0.01	0.00	0.00	0.01	0.00	0.00	0.00	0.09
	Edinburgh	0.10	0.21	0.02	0.03	0.05	0.01	0.03	0.06	0.10	0.12	0.06	0.19	0.10	1.07
	Berwick	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.09	0.14	0.23	0.46
	Other outside Scottish Borders	0.01	0.02	0.00	0.00	0.02	0.03	0.01	0.00	0.05	0.03	0.06	0.01	0.06	0.31
	Total Leakage	0.14	0.24	0.02	0.04	0.07	0.04	0.06	0.06	0.15	0.16	0.20	0.34	0.39	1.92
	Internet	0.23	0.46	0.19	0.57	0.32	0.67	0.23	0.15	0.49	0.21	0.09	0.37	0.26	4.23
	Total	0.42	0.96	0.39	1.65	0.70	1.67	0.57	0.75	1.06	0.56	0.38	0.79	0.66	10.56
	Retention Level in Zone	3.4%	19.7%	4.8%	63.0%	0.0%	47.8%	5.0%	2.6%	8.2%	0.0%	0.0%	0.0%	0.0%	41.8%
	Leakage from Scottish Borders (excluding internet)	34.5%	24.6%	4.8%	2.5%	10.7%	2.6%	10.0%	7.7%	14.1%	29.3%	53.8%	43.6%	58.7%	18.2%
	Internet	55.2%	47.5%	47.6%	34.5%	46.4%	40.0%	40.0%	20.5%	45.9%	36.6%	23.1%	47.3%	39.1%	40.0%

Table 20
Comparison Spending Distribution by Zone 2011
Audio-visual equipment

		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
	Destination	£m													
Zone 1	West Linton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 2	Peebles area	0.05	0.53	0.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.63
Zone 3	Innerleithen	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 4	Galashiels	0.00	0.70	0.86	3.77	1.53	3.15	1.05	1.55	1.74	1.02	0.28	0.32	0.00	15.97
Zone 5	Selkirk	0.00	0.00	0.00	0.11	0.24	0.19	0.00	0.09	0.03	0.00	0.00	0.04	0.03	0.75
Zone 6	Hawick / Newcastleton	0.00	0.00	0.00	0.04	0.00	0.47	0.07	0.05	0.00	0.00	0.00	0.00	0.00	0.63
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.00	0.22	0.00	0.00	0.00	0.00	0.00	0.00	0.22
Zone 8	Melrose / Newtown / St.Boswells	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.00	0.00	0.00	0.00	0.03
Zone 9	Kelso	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.43	0.04	0.04	0.00	0.00	0.55
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.00	0.03	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.07
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 12	Duns / Chirside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 13	Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total Spend in Scottish Borders	0.05	1.23	0.91	3.92	1.81	3.85	1.33	1.74	2.23	1.06	0.32	0.36	0.03	18.85
	Midlothian	0.46	0.22	0.00	0.04	0.00	0.00	0.04	0.00	0.07	0.08	0.04	0.00	0.07	1.01
	Edinburgh	0.41	0.97	0.11	0.26	0.10	0.16	0.07	0.28	0.26	0.41	0.16	0.69	0.38	4.27
	Berwick	0.00	0.00	0.00	0.15	0.00	0.00	0.04	0.05	0.13	0.04	0.40	1.13	1.17	3.11
	Other outside Scottish Borders	0.05	0.04	0.06	0.00	0.00	0.32	0.00	0.00	0.07	0.04	0.04	0.04	0.00	0.65
	Total Leakage	0.92	1.23	0.17	0.45	0.10	0.47	0.14	0.33	0.53	0.57	0.65	1.86	1.62	9.03
	Internet	0.37	0.61	0.17	0.90	0.31	1.01	0.32	0.33	0.62	0.16	0.24	0.28	0.45	5.78
	Total	1.33	3.07	1.26	5.27	2.23	5.33	1.80	2.40	3.38	1.79	1.21	2.51	2.10	33.67
	Retention Level in Zone	0.0%	17.1%	0.0%	71.6%	10.9%	8.9%	12.0%	0.0%	12.6%	0.0%	0.0%	0.0%	0.0%	56.0%
	Leakage from Scottish Borders (excluding internet)	69.0%	40.0%	13.6%	8.5%	4.7%	8.9%	8.0%	13.7%	15.5%	31.8%	53.3%	74.2%	77.0%	26.8%
	Internet	27.6%	20.0%	13.6%	17.0%	14.1%	18.9%	18.0%	13.7%	18.4%	9.1%	20.0%	11.3%	21.3%	17.2%

Table 21
Comparison Spending Distribution by Zone 2011
Portable domestic equipment

		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
	Destination	£m													
Zone 1	West Linton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 2	Peebles area	0.01	0.20	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.22
Zone 3	Innerleithen	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 4	Galashiels	0.01	0.10	0.13	0.63	0.21	0.26	0.14	0.29	0.22	0.17	0.03	0.04	0.01	2.21
Zone 5	Selkirk	0.00	0.00	0.00	0.00	0.06	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.07
Zone 6	Hawick / Newcastleton	0.00	0.00	0.00	0.01	0.01	0.38	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.40
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.00	0.06	0.00	0.00	0.00	0.00	0.00	0.00	0.06
Zone 8	Melrose / Newtown / St.Boswells	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.01
Zone 9	Kelso	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.15	0.01	0.01	0.00	0.00	0.16
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.01
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 12	Duns / Chirside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.00	0.02
Zone 13	Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01
	Total Spend in Scottish Borders	0.02	0.30	0.13	0.63	0.28	0.64	0.21	0.30	0.37	0.18	0.04	0.06	0.02	3.19
	Midlothian	0.07	0.03	0.00	0.01	0.00	0.00	0.01	0.01	0.00	0.01	0.01	0.00	0.00	0.14
	Edinburgh	0.05	0.04	0.01	0.02	0.01	0.02	0.02	0.02	0.04	0.04	0.01	0.06	0.01	0.36
	Berwick	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.01	0.01	0.10	0.22	0.23	0.58
	Other outside Scottish Borders	0.03	0.00	0.01	0.05	0.00	0.04	0.01	0.00	0.02	0.00	0.01	0.01	0.01	0.19
	Total Leakage	0.14	0.07	0.02	0.09	0.01	0.06	0.04	0.04	0.08	0.06	0.12	0.28	0.26	1.27
	Internet	0.03	0.08	0.03	0.05	0.03	0.08	0.02	0.02	0.04	0.03	0.02	0.02	0.03	0.49
	Total	0.20	0.45	0.18	0.77	0.33	0.78	0.26	0.35	0.50	0.26	0.18	0.37	0.31	4.95
	Retention Level in Zone	0.0%	44.6%	0.0%	80.9%	19.4%	48.2%	23.1%	1.8%	29.7%	2.6%	0.0%	5.1%	3.7%	64.4%
	Leakage from Scottish Borders (excluding internet)	74.1%	16.2%	12.0%	11.8%	4.5%	7.3%	13.5%	10.5%	16.8%	21.1%	65.7%	76.3%	83.3%	25.7%
	Internet	14.8%	17.6%	16.0%	6.6%	10.4%	10.4%	5.8%	5.3%	8.9%	10.5%	11.4%	6.8%	11.1%	9.9%

Table 22
Comparison Spending Distribution by Zone 2011
Non-portable domestic equipment

		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
	Destination	£m													
Zone 1	West Linton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 2	Peebles area	0.00	0.05	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.06
Zone 3	Innerleithen	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 4	Galashiels	0.01	0.12	0.12	0.52	0.15	0.39	0.14	0.20	0.16	0.17	0.04	0.02	0.00	2.04
Zone 5	Selkirk	0.00	0.00	0.00	0.02	0.09	0.03	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.15
Zone 6	Hawick / Newcastleton	0.00	0.00	0.00	0.01	0.00	0.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.13
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.02
Zone 8	Melrose / Newtown / St.Boswells	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 9	Kelso	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.01	0.20	0.01	0.01	0.00	0.00	0.24
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.01	0.00	0.01	0.00	0.00	0.00	0.02
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 12	Duns / Chirside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.01
Zone 13	Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total Spend in Scottish Borders	0.01	0.16	0.13	0.55	0.25	0.54	0.16	0.23	0.35	0.18	0.05	0.04	0.00	2.67
	Midlothian	0.05	0.05	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.12
	Edinburgh	0.05	0.07	0.01	0.05	0.00	0.01	0.01	0.01	0.01	0.02	0.00	0.02	0.04	0.31
	Berwick	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.01	0.01	0.00	0.08	0.21	0.20	0.52
	Other outside Scottish Borders	0.00	0.00	0.00	0.00	0.00	0.03	0.01	0.01	0.00	0.01	0.00	0.00	0.00	0.06
	Total Leakage	0.10	0.12	0.01	0.06	0.00	0.03	0.03	0.03	0.03	0.03	0.08	0.24	0.24	0.99
	Internet	0.06	0.12	0.03	0.07	0.03	0.11	0.04	0.05	0.06	0.02	0.03	0.04	0.03	0.69
	Total	0.17	0.40	0.16	0.68	0.29	0.69	0.23	0.31	0.44	0.23	0.16	0.32	0.27	4.35
	Retention Level in Zone	0.0%	12.3%	0.0%	76.7%	32.3%	17.7%	7.5%	0.0%	45.2%	2.6%	0.0%	3.0%	0.0%	61.2%
	Leakage from Scottish Borders (excluding internet)	57.7%	29.2%	4.2%	8.3%	1.6%	5.1%	13.2%	10.4%	5.8%	12.8%	48.3%	74.2%	89.3%	22.8%
	Internet	34.6%	29.2%	16.7%	10.5%	11.3%	16.5%	17.0%	14.6%	13.5%	10.3%	20.7%	13.6%	10.7%	15.9%

Table 23
Comparison Spending Distribution by Zone 2011
Beds Furniture Carpets Floor-coverings

		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
	Destination	£m													
Zone 1	West Linton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 2	Peebles area	0.48	1.61	0.22	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.34
Zone 3	Innerleithen	0.00	0.00	0.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.11
Zone 4	Galashiels	0.16	0.15	0.55	2.49	0.45	0.51	0.34	0.87	0.54	0.58	0.17	0.18	0.00	6.98
Zone 5	Selkirk	0.00	0.07	0.11	1.49	1.23	0.27	0.24	0.54	0.36	0.43	0.17	0.18	0.00	5.10
Zone 6	Hawick / Newcastleton	0.00	0.04	0.05	0.54	0.33	4.08	0.79	0.38	0.32	0.05	0.04	0.09	0.00	6.70
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.07	0.21	0.00	0.00	0.00	0.00	0.00	0.00	0.27
Zone 8	Melrose / Newtown / St.Boswells	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.05	0.00	0.00	0.00	0.00	0.00	0.10
Zone 9	Kelso	0.00	0.00	0.00	0.00	0.00	0.03	0.00	0.05	1.39	0.05	0.04	0.00	0.00	1.57
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.04
Zone 12	Duns / Chirside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.05	0.09	0.32	0.00	0.49
Zone 13	Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.11	0.15
	Total Spend in Scottish Borders	0.64	1.86	1.04	4.55	2.04	4.96	1.58	1.91	2.64	1.15	0.61	0.78	0.11	23.87
	Midlothian	0.37	0.47	0.11	0.34	0.04	0.03	0.00	0.22	0.14	0.19	0.04	0.09	0.07	2.14
	Edinburgh	0.16	0.55	0.11	0.42	0.20	0.03	0.10	0.11	0.14	0.34	0.13	0.18	0.21	2.69
	Berwick	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.32	0.10	0.31	1.38	1.67	3.77
	Other outside Scottish Borders	0.11	0.04	0.05	0.00	0.00	0.34	0.00	0.00	0.07	0.00	0.13	0.05	0.00	0.79
	Total Leakage	0.64	1.06	0.27	0.76	0.25	0.41	0.10	0.33	0.68	0.62	0.61	1.70	1.95	9.39
	Internet	0.11	0.29	0.00	0.19	0.04	0.20	0.21	0.27	0.21	0.10	0.04	0.14	0.14	1.95
	Total	1.39	3.21	1.31	5.51	2.33	5.57	1.88	2.51	3.54	1.87	1.27	2.62	2.20	35.21
	Retention Level in Zone	0.0%	50.0%	8.3%	45.1%	52.6%	73.2%	10.9%	2.2%	39.4%	0.0%	3.4%	12.3%	4.8%	67.8%
	Leakage from Scottish Borders (excluding internet)	46.2%	33.0%	20.8%	13.9%	10.5%	7.3%	5.5%	13.0%	19.2%	33.3%	48.3%	64.9%	88.7%	26.7%
	Internet	7.7%	9.1%	0.0%	3.5%	1.8%	3.7%	10.9%	10.9%	6.1%	5.1%	3.4%	5.3%	6.5%	5.5%

Table 24
Comparison Spending Distribution by Zone 2011
Textiles / Soft Furnishings

		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
	Destination	£m													
Zone 1	West Linton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 2	Peebles area	0.08	0.48	0.12	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70
Zone 3	Innerleithen	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 4	Galashiels	0.03	0.11	0.14	0.87	0.21	0.20	0.15	0.32	0.21	0.12	0.08	0.12	0.00	2.56
Zone 5	Selkirk	0.00	0.03	0.00	0.03	0.21	0.04	0.01	0.07	0.00	0.05	0.01	0.02	0.01	0.47
Zone 6	Hawick / Newcastleton	0.00	0.00	0.02	0.09	0.13	1.09	0.18	0.12	0.07	0.02	0.01	0.02	0.00	1.74
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.03
Zone 8	Melrose / Newtown / St.Boswells	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.03
Zone 9	Kelso	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.27	0.02	0.03	0.02	0.00	0.35
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.00	0.00	0.05
Zone 12	Duns / Chirside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.01	0.06
Zone 13	Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total Spend in Scottish Borders	0.11	0.62	0.29	1.01	0.56	1.32	0.37	0.51	0.56	0.21	0.19	0.22	0.03	5.99
	Midlothian	0.16	0.26	0.08	0.28	0.08	0.06	0.05	0.09	0.17	0.17	0.05	0.08	0.05	1.59
	Edinburgh	0.08	0.09	0.06	0.34	0.10	0.09	0.07	0.09	0.19	0.14	0.05	0.14	0.16	1.58
	Berwick	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.04	0.00	0.05	0.29	0.33	0.74
	Other outside Scottish Borders	0.05	0.02	0.00	0.00	0.00	0.25	0.05	0.02	0.07	0.02	0.03	0.06	0.05	0.61
	Total Leakage	0.29	0.36	0.14	0.62	0.17	0.39	0.18	0.21	0.47	0.32	0.19	0.57	0.60	4.52
	Internet	0.07	0.12	0.02	0.25	0.06	0.19	0.10	0.14	0.17	0.11	0.05	0.11	0.12	1.50
	Total	0.47	1.10	0.45	1.88	0.79	1.90	0.64	0.85	1.21	0.64	0.43	0.89	0.75	12.01
	Retention Level in Zone	0.0%	43.8%	0.0%	46.1%	26.0%	57.1%	4.3%	0.0%	22.7%	0.0%	12.5%	5.2%	0.0%	49.9%
	Leakage from Scottish Borders (excluding internet)	62.1%	32.9%	31.8%	32.8%	22.0%	20.8%	27.7%	24.0%	39.2%	50.0%	43.7%	63.8%	80.4%	37.6%
	Internet	13.8%	11.0%	4.5%	13.3%	8.0%	9.7%	14.9%	16.0%	14.4%	16.7%	12.5%	12.1%	16.1%	12.5%

Table 25
Comparison Spending Distribution by Zone 2011
DIY

		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
	Destination	£m													
Zone 1	West Linton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 2	Peebles area	0.04	0.28	0.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.37
Zone 3	Innerleithen	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02
Zone 4	Galashiels	0.02	0.84	0.62	2.85	1.15	0.33	0.56	1.14	1.05	0.82	0.14	0.15	0.05	9.74
Zone 5	Selkirk	0.00	0.00	0.00	0.00	0.06	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.08
Zone 6	Hawick / Newcastleton	0.00	0.00	0.00	0.08	0.04	2.44	0.24	0.10	0.00	0.00	0.02	0.00	0.00	2.92
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.00	0.11	0.00	0.00	0.00	0.00	0.00	0.00	0.11
Zone 8	Melrose / Newtown / St.Boswells	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.02
Zone 9	Kelso	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.03	0.60	0.02	0.02	0.00	0.00	0.71
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.02
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.02
Zone 12	Duns / Chirside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.04
Zone 13	Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.04
	Total Spend in Scottish Borders	0.07	1.12	0.69	2.93	1.25	2.78	0.97	1.27	1.65	0.87	0.22	0.19	0.09	14.10
	Midlothian	0.31	0.33	0.02	0.00	0.02	0.00	0.00	0.03	0.00	0.02	0.00	0.00	0.02	0.75
	Edinburgh	0.25	0.23	0.00	0.08	0.00	0.02	0.02	0.05	0.04	0.09	0.00	0.09	0.05	0.91
	Berwick	0.02	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.22	0.02	0.47	1.15	1.02	2.93
	Other outside Scottish Borders	0.09	0.00	0.00	0.00	0.00	0.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.24
	Total Leakage	0.67	0.56	0.02	0.08	0.02	0.18	0.02	0.08	0.26	0.13	0.47	1.24	1.09	4.83
	Internet	0.02	0.07	0.00	0.00	0.00	0.08	0.04	0.03	0.02	0.02	0.00	0.00	0.02	0.30
	Total	0.76	1.75	0.72	3.01	1.27	3.04	1.03	1.37	1.93	1.02	0.69	1.43	1.20	19.22
	Retention Level in Zone	0.0%	16.0%	3.4%	94.8%	4.6%	80.3%	10.9%	0.0%	31.1%	0.0%	2.9%	3.0%	2.9%	73.3%
	Leakage from Scottish Borders (excluding internet)	88.2%	32.0%	3.4%	2.6%	1.5%	6.0%	1.8%	5.6%	13.6%	13.0%	67.6%	86.6%	91.2%	25.1%
	Internet	2.9%	4.0%	0.0%	0.0%	0.0%	2.7%	3.6%	1.9%	1.0%	2.2%	0.0%	0.0%	1.5%	1.5%

Table 26
Comparison Spending Distribution by Zone 2011
Crockery, china, glass, pots / pans

		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
	Destination	£m													
Zone 1	West Linton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 2	Peebles area	0.05	0.35	0.04	0.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.49
Zone 3	Innerleithen	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02
Zone 4	Galashiels	0.02	0.08	0.15	0.93	0.23	0.24	0.18	0.40	0.27	0.17	0.04	0.10	0.00	2.82
Zone 5	Selkirk	0.00	0.00	0.00	0.01	0.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.08
Zone 6	Hawick / Newcastleton	0.00	0.00	0.00	0.02	0.04	0.88	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.96
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.00	0.00	0.00	0.00	0.00	0.00	0.05
Zone 8	Melrose / Newtown / St.Boswells	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.01	0.03
Zone 9	Kelso	0.00	0.00	0.00	0.01	0.00	0.00	0.01	0.00	0.33	0.01	0.03	0.00	0.00	0.39
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.02	0.00	0.03
Zone 12	Duns / Chirside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.00	0.05
Zone 13	Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.03
	Total Spend in Scottish Borders	0.07	0.44	0.21	1.03	0.35	1.12	0.26	0.42	0.60	0.19	0.08	0.17	0.04	4.97
	Midlothian	0.18	0.25	0.06	0.12	0.12	0.07	0.04	0.06	0.03	0.10	0.01	0.05	0.04	1.14
	Edinburgh	0.07	0.10	0.02	0.10	0.07	0.08	0.09	0.10	0.12	0.14	0.03	0.13	0.07	1.12
	Berwick	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.07	0.01	0.14	0.28	0.34	0.84
	Other outside Scottish Borders	0.02	0.01	0.02	0.02	0.03	0.05	0.08	0.02	0.07	0.03	0.03	0.00	0.00	0.37
	Total Leakage	0.26	0.37	0.11	0.25	0.22	0.20	0.21	0.17	0.28	0.29	0.21	0.46	0.45	3.47
	Internet	0.03	0.03	0.02	0.15	0.04	0.12	0.03	0.06	0.03	0.01	0.04	0.05	0.08	0.70
	Total	0.36	0.83	0.34	1.43	0.60	1.45	0.49	0.65	0.92	0.49	0.33	0.68	0.57	9.13
	Retention Level in Zone	0.0%	42.4%	6.3%	65.2%	11.9%	60.8%	10.5%	2.9%	35.7%	0.0%	4.2%	7.3%	4.7%	54.4%
	Leakage from Scottish Borders (excluding internet)	72.7%	44.1%	31.3%	17.4%	35.7%	14.2%	42.1%	26.5%	31.0%	58.8%	62.5%	68.3%	79.1%	38.0%
	Internet	9.1%	3.4%	6.3%	10.4%	7.1%	8.3%	5.3%	8.8%	3.6%	2.9%	12.5%	7.3%	14.0%	7.6%

Table 27
Comparison Spending Distribution by Zone 2011
Chemists goods, toiletries, cosmetics

		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
	Destination	£m													
Zone 1	West Linton	0.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.58
Zone 2	Peebles area	0.29	3.19	0.22	0.00	0.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.76
Zone 3	Innerleithen	0.00	0.00	0.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.72
Zone 4	Galashiels	0.04	0.17	0.40	5.17	0.84	0.18	0.46	1.43	0.55	1.03	0.21	0.14	0.00	10.62
Zone 5	Selkirk	0.00	0.00	0.00	0.00	1.51	0.00	0.00	0.04	0.00	0.00	0.00	0.00	0.00	1.54
Zone 6	Hawick / Newcastleton	0.00	0.00	0.00	0.00	0.06	5.55	0.25	0.04	0.00	0.00	0.00	0.00	0.00	5.89
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.12	1.17	0.00	0.00	0.00	0.00	0.00	0.00	1.30
Zone 8	Melrose / Newtown / St.Boswells	0.00	0.00	0.00	0.07	0.00	0.03	0.00	1.17	0.00	0.08	0.00	0.00	0.03	1.38
Zone 9	Kelso	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.10	0.08	0.24	0.00	0.00	3.42
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.57	0.00	0.00	0.00	0.57
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.52	0.07	0.00	0.63
Zone 12	Duns / Chirside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.03	1.65	0.07	1.79
Zone 13	Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.02	1.02
	Total Spend in Scottish Borders	0.91	3.36	1.34	5.24	2.47	5.88	1.89	2.68	3.65	1.83	1.01	1.86	1.12	33.23
	Midlothian	0.22	0.07	0.04	0.10	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.46
	Edinburgh	0.11	0.03	0.04	0.07	0.03	0.00	0.00	0.00	0.03	0.08	0.00	0.04	0.03	0.46
	Berwick	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.07	0.04	0.28	0.91	1.19	2.49
	Other outside Scottish Borders	0.29	0.03	0.04	0.51	0.03	0.18	0.15	0.04	0.07	0.08	0.03	0.04	0.03	1.52
	Total Leakage	0.62	0.14	0.11	0.68	0.06	0.18	0.15	0.04	0.17	0.23	0.31	0.98	1.26	4.93
	Internet	0.00	0.03	0.00	0.14	0.03	0.06	0.03	0.04	0.07	0.00	0.07	0.04	0.03	0.53
	Total	1.53	3.53	1.44	6.05	2.56	6.12	2.07	2.75	3.89	2.05	1.39	2.88	2.41	38.69
	Retention Level in Zone	38.1%	90.4%	50.0%	85.5%	58.8%	90.6%	56.7%	42.7%	79.8%	27.8%	37.5%	57.3%	42.3%	85.9%
	Leakage from Scottish Borders (excluding internet)	40.5%	3.8%	7.5%	11.2%	2.4%	3.0%	7.5%	1.3%	4.4%	11.1%	22.5%	34.1%	52.1%	12.7%
	Internet	0.0%	1.0%	0.0%	2.2%	1.2%	1.0%	1.5%	1.3%	1.8%	0.0%	5.0%	1.2%	1.4%	1.4%

Table 28
Comparison Spending Distribution by Zone 2011
Jewellery, watches, clocks

		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
	Destination	£m													
Zone 1	West Linton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 2	Peebles area	0.09	0.43	0.03	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.57
Zone 3	Innerleithen	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01
Zone 4	Galashiels	0.02	0.10	0.16	1.16	0.17	0.17	0.13	0.36	0.16	0.20	0.05	0.02	0.00	2.70
Zone 5	Selkirk	0.00	0.00	0.00	0.00	0.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.15
Zone 6	Hawick / Newcastleton	0.00	0.00	0.00	0.00	0.06	1.00	0.13	0.05	0.04	0.00	0.00	0.00	0.00	1.27
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.00	0.06	0.00	0.01	0.00	0.00	0.00	0.00	0.07
Zone 8	Melrose / Newtown / St.Boswells	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02
Zone 9	Kelso	0.00	0.00	0.00	0.00	0.02	0.01	0.02	0.05	0.57	0.02	0.10	0.06	0.00	0.84
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.02
Zone 12	Duns / Chirside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.06	0.00	0.07
Zone 13	Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.07	0.10
	Total Spend in Scottish Borders	0.11	0.53	0.20	1.18	0.42	1.20	0.34	0.46	0.77	0.22	0.18	0.17	0.07	5.84
	Midlothian	0.02	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.05
	Edinburgh	0.18	0.37	0.10	0.15	0.08	0.05	0.08	0.09	0.18	0.22	0.03	0.13	0.08	1.75
	Berwick	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.00	0.10	0.38	0.43	0.94
	Other outside Scottish Borders	0.09	0.00	0.03	0.07	0.08	0.24	0.04	0.05	0.01	0.04	0.05	0.04	0.03	0.77
	Total Leakage	0.29	0.37	0.13	0.23	0.15	0.30	0.13	0.14	0.23	0.27	0.18	0.56	0.54	3.51
	Internet	0.02	0.06	0.07	0.25	0.13	0.18	0.10	0.16	0.06	0.07	0.02	0.06	0.05	1.22
	Total	0.42	0.96	0.39	1.65	0.70	1.67	0.57	0.75	1.06	0.56	0.38	0.79	0.66	10.57
	Retention Level in Zone	0.0%	44.9%	0.0%	70.3%	21.6%	60.0%	11.1%	0.0%	53.4%	0.0%	4.3%	7.3%	10.0%	55.2%
	Leakage from Scottish Borders (excluding internet)	68.4%	38.8%	33.3%	13.9%	21.6%	17.7%	22.2%	18.2%	21.6%	48.0%	47.8%	70.7%	82.5%	33.2%
	Internet	5.3%	6.1%	16.7%	14.9%	18.9%	10.8%	18.5%	21.2%	5.7%	12.0%	4.3%	7.3%	7.5%	11.5%

Table 29
Comparison Spending Distribution by Zone 2011
Toys / games / bicycles

		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
	Destination	£m													
Zone 1	West Linton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 2	Peebles area	0.02	0.24	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30
Zone 3	Innerleithen	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.04
Zone 4	Galashiels	0.02	0.11	0.22	1.29	0.38	0.57	0.19	0.44	0.31	0.25	0.13	0.08	0.02	3.98
Zone 5	Selkirk	0.02	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.05
Zone 6	Hawick / Newcastleton	0.00	0.00	0.00	0.00	0.02	0.52	0.07	0.06	0.00	0.02	0.00	0.00	0.00	0.70
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.02	0.12	0.00	0.00	0.00	0.00	0.00	0.00	0.14
Zone 8	Melrose / Newtown / St.Boswells	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.00	0.02	0.00	0.00	0.00	0.05
Zone 9	Kelso	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.23	0.02	0.00	0.02	0.00	0.27
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.02
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Zone 12	Duns / Chirside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.04
Zone 13	Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total Spend in Scottish Borders	0.07	0.35	0.25	1.31	0.42	1.11	0.37	0.52	0.55	0.34	0.13	0.15	0.02	5.59
	Midlothian	0.18	0.13	0.00	0.05	0.00	0.02	0.02	0.06	0.00	0.00	0.00	0.00	0.00	0.46
	Edinburgh	0.11	0.43	0.11	0.20	0.14	0.11	0.09	0.17	0.29	0.16	0.10	0.23	0.23	2.37
	Berwick	0.00	0.00	0.00	0.00	0.02	0.02	0.00	0.00	0.04	0.00	0.18	0.44	0.42	1.12
	Other outside Scottish Borders	0.04	0.00	0.04	0.11	0.02	0.24	0.05	0.00	0.04	0.02	0.03	0.02	0.02	0.63
	Total Leakage	0.33	0.56	0.14	0.36	0.19	0.39	0.16	0.23	0.37	0.18	0.31	0.69	0.67	4.59
	Internet	0.13	0.32	0.11	0.43	0.28	0.63	0.19	0.20	0.43	0.20	0.05	0.17	0.15	3.29
	Total	0.53	1.23	0.50	2.11	0.89	2.13	0.72	0.96	1.35	0.71	0.48	1.00	0.84	13.46
	Retention Level in Zone	0.0%	19.6%	0.0%	61.3%	2.6%	24.5%	16.1%	3.0%	16.7%	3.1%	0.0%	4.2%	0.0%	41.5%
	Leakage from Scottish Borders (excluding internet)	62.5%	45.7%	28.6%	17.2%	21.1%	18.4%	22.6%	24.2%	27.3%	25.0%	63.2%	68.8%	80.0%	34.1%
	Internet	25.0%	26.1%	21.4%	20.4%	31.6%	29.6%	25.8%	21.2%	31.8%	28.1%	10.5%	16.7%	17.5%	24.4%

Table 30
Estimated Total Comparison Spending on Other Goods in 2011

based on proportion spent on DIY, CDs/DVDs, Audio-Visual Products, Sports Goods, Bikes / Toys, and Jewellery / Watches

		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
	Destination	£m													
Zone 1	West Linton	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01
Zone 2	Peebles area	0.19	1.09	0.11	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.42
Zone 3	Innerleithen	0.00	0.00	0.03	0.01	0.00	0.01	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.06
Zone 4	Galashiels	0.10	1.25	1.39	7.01	2.64	3.40	1.55	2.89	2.56	1.73	0.56	0.55	0.10	25.71
Zone 5	Selkirk	0.01	0.00	0.00	0.07	0.28	0.11	0.00	0.06	0.02	0.01	0.00	0.02	0.02	0.61
Zone 6	Hawick / Newcastleton	0.00	0.00	0.00	0.07	0.07	3.25	0.34	0.17	0.02	0.01	0.01	0.00	0.00	3.94
Zone 7	Jedburgh	0.00	0.00	0.01	0.00	0.00	0.01	0.35	0.00	0.02	0.00	0.00	0.00	0.00	0.40
Zone 8	Melrose / Newtown / St.Boswells	0.00	0.00	0.00	0.01	0.00	0.00	0.01	0.03	0.02	0.03	0.00	0.00	0.00	0.10
Zone 9	Kelso	0.00	0.00	0.00	0.00	0.01	0.01	0.05	0.07	1.27	0.09	0.12	0.07	0.00	1.68
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.00	0.02	0.02	0.00	0.00	0.00	0.01	0.01	0.00	0.00	0.06
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.04
Zone 12	Duns / Chirside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.08	0.00	0.09
Zone 13	Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.06	0.10
	Total Spend in Scottish Borders	0.31	2.35	1.54	7.17	3.04	6.80	2.31	3.22	3.92	1.88	0.75	0.77	0.18	34.23
	Midlothian	0.70	0.73	0.05	0.12	0.01	0.01	0.04	0.05	0.08	0.11	0.02	0.00	0.05	1.98
	Edinburgh	0.73	1.54	0.24	0.63	0.29	0.34	0.25	0.50	0.76	0.70	0.26	1.02	0.79	8.04
	Berwick	0.01	0.00	0.00	0.11	0.01	0.02	0.02	0.03	0.25	0.04	0.80	2.14	2.18	5.61
	Other outside Scottish Borders	0.19	0.06	0.11	0.19	0.10	0.88	0.12	0.05	0.16	0.08	0.14	0.13	0.13	2.33
	Total Leakage	1.64	2.33	0.40	1.05	0.41	1.25	0.43	0.62	1.25	0.93	1.23	3.29	3.15	17.96
	Internet	0.54	1.07	0.42	1.64	0.71	1.92	0.63	0.65	1.16	0.54	0.29	0.63	0.61	10.81
	Total	2.49	5.75	2.35	9.86	4.17	9.97	3.37	4.48	6.33	3.35	2.27	4.69	3.93	63.00
	Retention Level in Zone	0.3%	19.0%	1.1%	71.1%	6.8%	32.6%	10.5%	0.6%	20.0%	0.4%	1.7%	1.8%	1.5%	54.3%
	Leakage from Scottish Borders (excluding internet)	65.9%	40.5%	16.8%	10.6%	9.9%	12.5%	12.8%	13.9%	19.7%	27.7%	54.1%	70.1%	80.0%	28.5%
	Internet	21.8%	18.6%	17.9%	16.7%	17.1%	19.2%	18.8%	14.4%	18.3%	16.1%	12.7%	13.4%	15.5%	17.2%

Table 31
Total Comparison Spending in 2011
by Zone

	Destination	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
		£m													
Zone 1	West Linton	0.61	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.61
Zone 2	Peebles	1.93	11.11	1.63	0.17	0.21	0.00	0.00	0.10	0.00	0.00	0.00	0.00	0.00	15.15
Zone 3	Innerleithen	0.00	0.00	1.01	0.04	0.00	0.02	0.00	0.00	0.03	0.00	0.00	0.00	0.00	1.10
Zone 4	Galashiels	0.86	5.80	6.72	37.30	12.38	15.64	7.19	14.50	12.45	8.32	3.27	3.22	0.81	128.46
Zone 5	Selkirk	0.04	0.10	0.11	1.81	4.33	0.80	0.26	0.81	0.41	0.51	0.19	0.42	0.07	9.85
Zone 6	Hawick / Newcastleton	0.00	0.12	0.08	0.93	0.84	24.46	2.53	1.00	0.46	0.10	0.09	0.11	0.00	30.69
Zone 7	Jedburgh	0.00	0.00	0.03	0.08	0.00	0.22	3.18	0.21	0.06	0.10	0.00	0.08	0.00	3.96
Zone 8	Melrose / Newtown / St.Boswells	0.00	0.00	0.00	0.19	0.13	0.03	0.03	1.74	0.05	0.27	0.00	0.00	0.05	2.49
Zone 9	Kelso	0.00	0.00	0.09	0.20	0.03	0.13	0.16	0.67	10.26	0.59	1.13	0.52	0.00	13.77
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.01	0.06	0.05	0.00	0.01	0.00	0.62	0.03	0.00	0.00	0.77
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.81	0.09	0.00	0.94
Zone 12	Duns / Chirnside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.09	0.15	2.48	0.16	2.91
Zone 13	Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.12	0.12	1.40	1.64
	Total Scottish Borders	3.43	17.12	9.67	40.72	17.96	41.35	13.35	19.04	23.76	10.63	5.78	7.04	2.49	212.35
	Midlothian	3.69	3.51	0.42	1.43	0.43	0.20	0.37	0.62	0.65	0.81	0.18	0.22	0.30	12.83
	Edinburgh	3.57	7.71	1.42	6.07	2.15	2.30	1.66	2.69	5.15	4.57	1.44	4.74	4.67	48.14
	Berwick	0.04	0.00	0.00	0.30	0.04	0.06	0.06	0.10	1.19	0.26	3.40	10.87	11.79	28.09
	Other outside Scottish Borders	1.43	0.50	0.68	2.01	0.88	6.48	1.47	0.31	1.56	0.63	1.05	1.22	1.00	19.22
	Total Leakage excl Internet	8.72	11.72	2.52	9.80	3.50	9.05	3.55	3.72	8.54	6.26	6.07	17.06	17.76	108.28
	Internet	2.33	4.61	1.50	6.84	2.81	7.62	2.73	3.34	4.54	2.59	1.33	3.20	2.63	46.05
	Total Leakage	11.06	16.33	4.02	16.64	6.30	16.67	6.28	7.06	13.08	8.85	7.40	20.26	20.39	154.33
	Total	14.49	33.45	13.69	57.36	24.27	58.02	19.62	26.09	36.84	19.47	13.18	27.30	22.88	366.68

Table 32
Total Comparison Spending 2011
by Category and Destination

	Destination	Clothing Footwear £m	Sports Goods £m	CDs DVDs £m	Audio Visual £m	Portable Domest £m	Non-port Domest £m	Furniture Carpets £m	Textiles Soft Furns £m	DIY £m	Crockery Pots £m	Chemist Goods £m	Jewellery Clocks £m	Bicycles Toys £m	Other £m	Total £m
Zone 1	West Linton	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.58	0.00	0.00	0.01	0.61
Zone 2	Peebles	3.75	0.28	0.25	0.63	0.22	0.06	2.34	0.70	0.37	0.49	3.76	0.57	0.30	1.42	15.15
Zone 3	Innerleithen	0.09	0.00	0.02	0.00	0.00	0.00	0.11	0.00	0.02	0.02	0.72	0.01	0.04	0.06	1.10
Zone 4	Galashiels	32.01	8.00	3.10	15.97	2.21	2.04	6.98	2.56	9.74	2.82	10.62	2.70	3.98	25.71	128.46
Zone 5	Selkirk	0.79	0.00	0.00	0.75	0.07	0.15	5.10	0.47	0.08	0.08	1.54	0.15	0.05	0.61	9.85
Zone 6	Hawick / Newcastleton	4.26	0.32	0.83	0.63	0.40	0.13	6.70	1.74	2.92	0.96	5.89	1.27	0.70	3.94	30.69
Zone 7	Jedburgh	1.15	0.09	0.05	0.22	0.06	0.02	0.27	0.03	0.11	0.05	1.30	0.07	0.14	0.40	3.96
Zone 8	Melrose / Newtown / St.Boswells	0.67	0.00	0.05	0.03	0.01	0.00	0.10	0.03	0.02	0.03	1.38	0.02	0.05	0.10	2.49
Zone 9	Kelso	3.10	0.37	0.10	0.55	0.16	0.24	1.57	0.35	0.71	0.39	3.42	0.84	0.27	1.68	13.77
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.07	0.01	0.02	0.00	0.00	0.02	0.00	0.57	0.00	0.02	0.06	0.77
Zone 11	Coldstream / Greenlaw	0.07	0.03	0.00	0.00	0.00	0.00	0.04	0.05	0.02	0.03	0.63	0.02	0.00	0.04	0.94
Zone 12	Duns / Chirside	0.24	0.00	0.00	0.00	0.02	0.01	0.49	0.06	0.04	0.05	1.79	0.07	0.04	0.09	2.91
Zone 13	Eyemouth	0.15	0.04	0.00	0.00	0.01	0.00	0.15	0.00	0.04	0.03	1.02	0.10	0.00	0.10	1.64
	Total Scottish Borders	46.29	9.12	4.41	18.85	3.19	2.67	23.87	5.99	14.10	4.97	33.23	5.84	5.59	34.23	212.35
	Midlothian	1.90	1.00	0.09	1.01	0.14	0.12	2.14	1.59	0.75	1.14	0.46	0.05	0.46	1.98	12.83
	Edinburgh	19.99	3.22	1.07	4.27	0.36	0.31	2.69	1.58	0.91	1.12	0.46	1.75	2.37	8.04	48.14
	Berwick	4.08	0.92	0.46	3.11	0.58	0.52	3.77	0.74	2.93	0.84	2.49	0.94	1.12	5.61	28.09
	Other outside Scottish Borders	9.40	1.35	0.31	0.65	0.19	0.06	0.79	0.61	0.24	0.37	1.52	0.77	0.63	2.33	19.22
	Total Leakage excl Internet	35.37	6.50	1.92	9.03	1.27	0.99	9.39	4.52	4.83	3.47	4.93	3.51	4.59	17.96	108.28
	Internet	11.10	3.47	4.23	5.78	0.49	0.69	1.95	1.50	0.30	0.70	0.53	1.22	3.29	10.81	46.05
	Total Leakage	46.47	9.96	6.15	14.82	1.76	1.69	11.33	6.02	5.12	4.17	5.46	4.73	7.88	28.77	154.33
	Total	92.77	19.08	10.56	33.67	4.95	4.35	35.21	12.01	19.22	9.13	38.69	10.57	13.46	63.00	366.68

Table 33
Trade Draw to All Shopping Destinations 2011
by Comparison Goods Category

	Destination	Clothing Footwear	Sports Goods	CDs DVDs	Audio Visual	Portable Domestic	Non-port Domestic	Furniture Carpets	Textiles Soft Furns	DIY	Crockery Pots	Chemist Goods	Jewellery Clocks	Bicycles Toys	Other	Total
Zone 1	West Linton	0.0%	0.0%	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	96.2%	0.0%	0.0%	1.4%	100.0%
Zone 2	Peebles	24.8%	1.8%	1.6%	4.2%	1.5%	0.4%	15.5%	4.6%	2.5%	3.3%	24.8%	3.8%	2.0%	9.4%	100.0%
Zone 3	Innerleithen	8.1%	0.0%	1.7%	0.0%	0.0%	0.0%	10.0%	0.0%	2.2%	1.9%	65.6%	1.2%	3.9%	5.3%	100.0%
Zone 4	Galashiels Town Centre	32.5%	4.8%	3.7%	8.8%	1.7%	0.6%	5.6%	2.5%	1.5%	3.1%	12.6%	3.2%	4.1%	15.4%	100.0%
Zone 4	Galashiels Retail Parks	10.5%	9.0%	0.1%	19.4%	1.8%	3.5%	5.1%	0.9%	19.1%	0.5%	0.1%	0.1%	1.1%	28.8%	100.0%
Zone 5	Selkirk	8.1%	0.0%	0.0%	7.6%	0.7%	1.5%	51.8%	4.8%	0.8%	0.9%	15.7%	1.5%	0.5%	6.1%	100.0%
Zone 6	Hawick / Newcastleton	13.9%	1.0%	2.7%	2.1%	1.3%	0.4%	21.8%	5.7%	9.5%	3.1%	19.2%	4.1%	2.3%	12.8%	100.0%
Zone 7	Jedburgh	29.1%	2.3%	1.2%	5.5%	1.5%	0.4%	6.9%	0.7%	2.8%	1.3%	32.7%	1.9%	3.5%	10.1%	100.0%
Zone 8	Melrose / Newtown / St.Boswells	26.9%	0.0%	1.9%	1.3%	0.5%	0.2%	3.8%	1.2%	0.8%	1.3%	55.5%	0.7%	2.1%	3.9%	100.0%
Zone 9	Kelso	22.5%	2.7%	0.7%	4.0%	1.2%	1.7%	11.4%	2.5%	5.1%	2.9%	24.9%	6.1%	2.0%	12.2%	100.0%
Zone 10	Lauder / Earlston	0.0%	0.0%	0.0%	8.6%	0.9%	2.9%	0.0%	0.0%	2.6%	0.0%	73.8%	0.0%	2.9%	8.3%	100.0%
Zone 11	Coldstream / Greenlaw	7.9%	3.2%	0.0%	0.0%	0.0%	0.0%	4.7%	5.8%	2.2%	3.2%	67.2%	1.8%	0.0%	4.2%	100.0%
Zone 12	Duns / Chirside	8.1%	0.0%	0.0%	0.0%	0.6%	0.3%	16.9%	2.0%	1.5%	1.7%	61.5%	2.5%	1.4%	3.2%	100.0%
Zone 13	Eyemouth	9.3%	2.2%	0.0%	0.0%	0.7%	0.0%	9.1%	0.0%	2.2%	1.6%	62.2%	6.4%	0.0%	6.3%	100.0%
	Midlothian	14.8%	7.8%	0.7%	7.9%	1.1%	0.9%	16.7%	12.4%	5.8%	8.9%	3.6%	0.4%	3.6%	15.5%	100.0%
	Edinburgh	41.5%	6.7%	2.2%	8.9%	0.8%	0.6%	5.6%	3.3%	1.9%	2.3%	0.9%	3.6%	4.9%	16.7%	100.0%
	Berwick	14.5%	3.3%	1.6%	11.1%	2.1%	1.8%	13.4%	2.6%	10.4%	3.0%	8.9%	3.3%	4.0%	20.0%	100.0%
	Other outside Scottish Borders	48.9%	7.0%	1.6%	3.4%	1.0%	0.3%	4.1%	3.2%	1.2%	1.9%	7.9%	4.0%	3.3%	12.1%	100.0%
	Internet	24.1%	7.5%	9.2%	12.6%	1.1%	1.5%	4.2%	3.3%	0.6%	1.5%	1.2%	2.7%	7.1%	23.5%	100.0%

Table 34
Summary of Market Share of Shopping Destinations
by Comparison Goods Category

Destination	Clothing Footwear	Sports Goods	CDs DVDs	Audio Visual	Portable Domestic	Non-port Domestic	Furniture Carpets	Textiles Soft Furns	DIY	Crockery Pots	Chemist Goods	Jewellery Clocks	Bicycles Toys	Other	All
West Linton	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%	0.0%	0.0%	0.0%	0.2%
Peebles area	4.0%	1.4%	2.4%	1.9%	4.5%	1.3%	6.7%	5.8%	1.9%	5.4%	9.7%	5.4%	2.2%	2.3%	4.1%
Innerleithen	0.1%	0.0%	0.2%	0.0%	0.0%	0.0%	0.3%	0.0%	0.1%	0.2%	1.9%	0.1%	0.3%	0.1%	0.3%
Galashiels	34.5%	41.9%	29.4%	47.4%	44.8%	46.9%	19.8%	21.3%	50.7%	30.9%	27.4%	25.6%	29.6%	40.8%	35.0%
Selkirk	0.9%	0.0%	0.0%	2.2%	1.5%	3.4%	14.5%	3.9%	0.4%	0.9%	4.0%	1.4%	0.3%	1.0%	2.7%
Hawick / Newcastleton	4.6%	1.7%	7.8%	1.9%	8.1%	3.0%	19.0%	14.5%	15.2%	10.5%	15.2%	12.0%	5.2%	6.3%	8.4%
Jedburgh	1.2%	0.5%	0.4%	0.6%	1.2%	0.4%	0.8%	0.2%	0.6%	0.6%	3.3%	0.7%	1.0%	0.6%	1.1%
Melrose / Newtown / St.Boswells	0.7%	0.0%	0.4%	0.1%	0.2%	0.1%	0.3%	0.2%	0.1%	0.4%	3.6%	0.2%	0.4%	0.2%	0.7%
Kelso	3.3%	1.9%	1.0%	1.6%	3.3%	5.4%	4.5%	2.9%	3.7%	4.3%	8.8%	8.0%	2.0%	2.7%	3.8%
Lauder / Earlston	0.0%	0.0%	0.0%	0.2%	0.1%	0.5%	0.0%	0.0%	0.1%	0.0%	1.5%	0.0%	0.2%	0.1%	0.2%
Coldstream / Greenlaw	0.1%	0.2%	0.0%	0.0%	0.0%	0.0%	0.1%	0.4%	0.1%	0.3%	1.6%	0.2%	0.0%	0.1%	0.3%
Duns / Chirnside	0.3%	0.0%	0.0%	0.0%	0.4%	0.2%	1.4%	0.5%	0.2%	0.5%	4.6%	0.7%	0.3%	0.1%	0.8%
Eyemouth	0.2%	0.2%	0.0%	0.0%	0.2%	0.0%	0.4%	0.0%	0.2%	0.3%	2.6%	1.0%	0.0%	0.2%	0.4%
Total Scottish Borders	49.9%	47.8%	41.8%	56.0%	64.4%	61.2%	67.8%	49.9%	73.3%	54.4%	85.9%	55.2%	41.5%	54.3%	57.9%
Edinburgh	21.5%	16.9%	10.1%	12.7%	7.3%	7.0%	7.7%	13.2%	4.7%	12.2%	1.2%	16.6%	17.6%	12.8%	13.1%
Midlothian	2.1%	5.3%	0.8%	3.0%	2.9%	2.7%	6.1%	13.2%	3.9%	12.5%	1.2%	0.5%	3.4%	3.1%	3.5%
Berwick	4.4%	4.8%	4.4%	9.2%	11.7%	11.8%	10.7%	6.1%	15.2%	9.2%	6.4%	8.9%	8.3%	8.9%	7.7%
Other outside Scottish Borders	10.1%	7.1%	2.9%	1.9%	3.8%	1.3%	2.2%	5.1%	1.2%	4.1%	3.9%	7.3%	4.7%	3.7%	5.2%
Leakage	38.1%	34.0%	18.2%	26.8%	25.7%	22.8%	26.7%	37.6%	25.1%	38.0%	12.7%	33.2%	34.1%	28.5%	29.5%
Internet	12.0%	18.2%	40.0%	17.2%	9.9%	15.9%	5.5%	12.5%	1.5%	7.6%	1.4%	11.5%	24.4%	17.2%	12.6%
Total Leakage incl Internet	50.1%	52.2%	58.2%	44.0%	35.6%	38.8%	32.2%	50.1%	26.7%	45.6%	14.1%	44.8%	58.5%	45.7%	42.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 35
Galashiels Market Share of Spending
by Comparison Goods Category

	Clothing Footwear	Sports Goods	CDs DVDs	Audio Visual	Portable Domestic	Non-port Domestic	Furniture Carpets	Textiles Soft Furns	DIY	Crockery Pots	Chemist Goods	Jewellery Clocks	Bicycles Toys	Other	All
Total Spend in Category (£m)	92.77	19.08	10.56	33.67	4.95	4.35	35.21	12.01	19.22	9.13	38.69	10.57	13.46	63.00	366.68
Spend in Galashiels (£m)	32.01	8.00	3.10	15.97	2.21	2.04	6.98	2.56	9.74	2.82	10.62	2.70	3.98	25.71	128.46
Galashiels Share of Total Spend (%)	34.5%	41.9%	29.4%	47.4%	44.8%	46.9%	19.8%	21.3%	50.7%	30.9%	27.4%	25.6%	29.6%	40.8%	35.0%
Spend Retained in Scottish Borders (£m)	46.29	9.12	4.41	18.85	3.19	2.67	23.87	5.99	14.10	4.97	33.23	5.84	5.59	34.23	212.35
Galashiels Share of Retained Spend (%)	69.1%	87.7%	70.4%	84.7%	69.5%	76.5%	29.2%	42.8%	69.1%	56.8%	32.0%	46.3%	71.3%	75.1%	60.5%

Table 36
Summary of Comparison Market Share of All Shopping Destinations
by Area of Spending Origin

		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
		%	%	%	%	%	%	%	%	%	%	%	%	%	%
Zone 1	West Linton	4.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%
Zone 2	Peebles	13.3%	33.2%	11.9%	0.3%	0.8%	0.0%	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	4.1%
Zone 3	Innerleithen	0.0%	0.0%	7.4%	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.3%
Zone 4	Galashiels	5.9%	17.3%	49.1%	65.0%	51.0%	27.0%	36.6%	55.6%	33.8%	42.7%	24.8%	11.8%	3.5%	35.0%
Zone 5	Selkirk	0.2%	0.3%	0.8%	3.2%	17.8%	1.4%	1.3%	3.1%	1.1%	2.6%	1.4%	1.5%	0.3%	2.7%
Zone 6	Hawick / Newcastleton	0.0%	0.4%	0.5%	1.6%	3.4%	42.2%	12.9%	3.8%	1.2%	0.5%	0.7%	0.4%	0.0%	8.3%
Zone 7	Jedburgh	0.0%	0.0%	0.2%	0.1%	0.0%	0.4%	16.2%	0.8%	0.2%	0.5%	0.0%	0.3%	0.0%	1.1%
Zone 8	Melrose / Newtown / St.Boswells	0.0%	0.0%	0.0%	0.3%	0.5%	0.1%	0.2%	6.7%	0.1%	1.4%	0.0%	0.0%	0.2%	0.7%
Zone 9	Kelso	0.0%	0.0%	0.6%	0.3%	0.1%	0.2%	0.8%	2.6%	27.8%	3.0%	8.5%	1.9%	0.0%	3.8%
Zone 10	Lauder / Earlston	0.0%	0.0%	0.0%	0.0%	0.2%	0.1%	0.0%	0.0%	0.0%	3.2%	0.2%	0.0%	0.0%	0.2%
Zone 11	Coldstream / Greenlaw	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	6.2%	0.3%	0.0%	0.2%
Zone 12	Duns / Chirnside	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.4%	1.1%	9.1%	0.7%	0.8%
Zone 13	Eyemouth	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.9%	0.4%	6.1%	0.4%
	Retained in Scottish Borders	23.7%	51.2%	70.6%	71.0%	74.0%	71.3%	68.0%	73.0%	64.5%	54.6%	43.9%	25.8%	10.9%	57.9%
	Leakage	60.2%	35.0%	18.4%	17.1%	14.4%	15.6%	18.1%	14.3%	23.2%	32.1%	46.0%	62.5%	77.6%	29.5%
	Internet	16.1%	13.8%	10.9%	11.9%	11.6%	13.1%	13.9%	12.8%	12.3%	13.3%	10.1%	11.7%	11.5%	12.6%
	Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 37
Summary of Comparison Trade Draw of All Shopping Destinations
by Area of Spending Origin

		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
		%	%	%	%	%	%	%	%	%	%	%	%	%	%
Zone 1	West Linton	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Zone 2	Peebles	12.8%	73.3%	10.8%	1.1%	1.4%	0.0%	0.0%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Zone 3	Innerleithen	0.0%	0.0%	91.9%	3.3%	0.0%	1.9%	0.0%	0.0%	3.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Zone 4	Galashiels	0.7%	4.5%	5.2%	29.0%	9.6%	12.2%	5.6%	11.3%	9.7%	6.5%	2.5%	2.5%	0.6%	100.0%
Zone 5	Selkirk	0.4%	1.0%	1.1%	18.4%	43.9%	8.1%	2.6%	8.2%	4.2%	5.2%	1.9%	4.3%	0.7%	100.0%
Zone 6	Hawick / Newcastleton	0.0%	0.4%	0.2%	3.0%	2.7%	79.7%	8.2%	3.2%	1.5%	0.3%	0.3%	0.3%	0.0%	100.0%
Zone 7	Jedburgh	0.0%	0.0%	0.8%	2.1%	0.0%	5.6%	80.3%	5.2%	1.5%	2.4%	0.0%	2.0%	0.0%	100.0%
Zone 8	Melrose / Newtown / St.Boswells	0.0%	0.0%	0.0%	7.7%	5.0%	1.2%	1.4%	70.0%	2.1%	10.7%	0.0%	0.0%	1.9%	100.0%
Zone 9	Kelso	0.0%	0.0%	0.6%	1.4%	0.2%	1.0%	1.2%	4.8%	74.5%	4.3%	8.2%	3.8%	0.0%	100.0%
Zone 10	Lauder / Earlston	0.0%	0.0%	0.0%	0.7%	7.2%	6.5%	0.0%	0.8%	0.0%	80.0%	4.2%	0.6%	0.0%	100.0%
Zone 11	Coldstream / Greenlaw	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.1%	86.7%	9.3%	0.0%	100.0%
Zone 12	Duns / Chirnside	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.2%	3.0%	5.1%	85.2%	5.5%	100.0%
Zone 13	Eyemouth	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	7.2%	7.3%	85.6%	100.0%

Table 38 Comparison Spending Distribution by Zone in 2011 (2009 prices)		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
		£m	£m	£m	£m	£m									
Zone 1	West Linton	0.61	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.61
Zone 2	Peebles	1.93	11.11	1.63	0.17	0.21	0.00	0.00	0.10	0.00	0.00	0.00	0.00	0.00	15.15
Zone 3	Innerleithen	0.00	0.00	1.01	0.04	0.00	0.02	0.00	0.00	0.03	0.00	0.00	0.00	0.00	1.10
Zone 4	Galashiels	0.86	5.80	6.72	37.30	12.38	15.64	7.19	14.50	12.45	8.32	3.27	3.22	0.81	128.46
Zone 5	Selkirk	0.04	0.10	0.11	1.81	4.33	0.80	0.26	0.81	0.41	0.51	0.19	0.42	0.07	9.85
Zone 6	Hawick / Newcastleton	0.00	0.12	0.08	0.93	0.84	24.46	2.53	1.00	0.46	0.10	0.09	0.11	0.00	30.69
Zone 7	Jedburgh	0.00	0.00	0.03	0.08	0.00	0.22	3.18	0.21	0.06	0.10	0.00	0.08	0.00	3.96
Zone 8	Melrose / Newtown / St.Boswells	0.00	0.00	0.00	0.19	0.13	0.03	0.03	1.74	0.05	0.27	0.00	0.00	0.05	2.49
Zone 9	Kelso	0.00	0.00	0.09	0.20	0.03	0.13	0.16	0.67	10.26	0.59	1.13	0.52	0.00	13.77
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.01	0.06	0.05	0.00	0.01	0.00	0.62	0.03	0.00	0.00	0.77
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.81	0.09	0.00	0.94
Zone 12	Duns / Chirside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.09	0.15	2.48	0.16	2.91
Zone 13	Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.12	0.12	1.40	1.64
	Total spend in Scottish Borders	3.43	17.12	9.67	40.72	17.96	41.35	13.35	19.04	23.76	10.63	5.78	7.04	2.49	212.35
	Leakage	8.72	11.72	2.52	9.80	3.50	9.05	3.55	3.72	8.54	6.26	6.07	17.06	17.76	108.28
	Internet	2.33	4.61	1.50	6.84	2.81	7.62	2.73	3.34	4.54	2.59	1.33	3.20	2.63	46.05
	Total Expenditure	14.49	33.45	13.69	57.36	24.27	58.02	19.62	26.09	36.84	19.47	13.18	27.30	22.88	366.68
	Total Turnover	0.61	15.15	1.10	128.46	9.85	30.69	3.96	2.49	13.77	0.77	0.94	2.91	1.64	212.35
	Turnover as percentage of Expenditure	4.2%	45.3%	8.0%	224.0%	40.6%	52.9%	20.2%	9.5%	37.4%	4.0%	7.1%	10.7%	7.2%	57.9%

Table 39
Preferred Convenience Shopping Destinations by Zone

by value (£m)

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
Peebles	1.32	17.09	1.65	0.00	0.11	0.00	0.00	0.00	0.00	0.18	0.00	0.00	0.00	20.35
Innerleithen	0.00	0.00	3.09	0.00	0.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.20
Galashiels	0.25	1.76	3.08	32.50	7.10	2.40	3.47	10.40	6.30	7.22	1.44	1.59	0.06	77.56
Selkirk	0.00	0.00	0.00	0.00	5.87	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.87
Hawick	0.00	0.05	0.23	0.15	1.33	30.87	2.51	0.47	0.35	0.06	0.13	0.00	0.00	36.14
Jedburgh	0.00	0.00	0.00	0.00	0.00	0.27	5.22	0.00	0.11	0.26	0.00	0.00	0.00	5.86
Melrose	0.00	0.00	0.00	0.38	0.00	0.00	0.00	1.90	0.00	0.00	0.00	0.00	0.00	2.27
Kelso	0.13	0.00	0.00	0.05	0.00	0.00	0.18	0.00	13.96	0.28	0.89	0.17	0.00	15.66
Coldstream	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.66	0.27	0.00	2.93
Chirside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.66	0.00	1.66
Duns	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.13	0.20	3.89	0.00	4.26
Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.34	2.34
Berwick	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.24	0.18	1.88	7.18	10.09	19.56
Edinburgh	0.90	0.21	0.13	0.14	0.00	0.11	0.00	0.05	0.29	0.37	0.16	0.23	0.13	2.72
Carlisle	0.00	0.00	0.00	0.10	0.00	1.00	0.00	0.28	0.00	0.00	0.00	0.00	0.00	1.37
Midlothian	2.52	0.36	0.00	0.94	0.00	0.00	0.00	0.05	0.00	0.37	0.00	0.00	0.00	4.24

Table 40
Preferred Convenience Shopping Destinations by Zone

by percentage of total spend (2.5% or more of spend)

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
Peebles	16.1%	87.1%	19.9%											9.2%
Innerleithen			37.3%											35.2%
Galashiels	3.1%	8.9%	37.1%	94.8%	48.7%	6.7%	29.2%	67.3%	28.4%	63.1%	17.8%	9.6%		2.7%
Selkirk					40.3%									16.4%
Hawick			2.7%		9.1%	86.3%	21.1%	3.0%						2.7%
Jedburgh							43.9%							
Melrose								12.3%						
Kelso									62.9%	2.5%	10.9%			7.1%
Coldstream											32.8%			
Chirside												10.0%		
Duns											2.5%	23.5%		
Eyemouth													16.7%	
Berwick											23.2%	43.3%	72.1%	8.9%
Edinburgh	11.1%									3.3%				
Carlisle						2.8%								
Midlothian	30.8%			2.7%						3.3%				

Table 41
Preferred Comparison Shopping Destinations by Zone
 by value (£m)

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
Peebles	1.93	11.11	1.63	0.17	0.21	0.00	0.00	0.10	0.00	0.00	0.00	0.00	0.00	15.15
Innerleithen	0.00	0.00	1.01	0.04	0.00	0.02	0.00	0.00	0.03	0.00	0.00	0.00	0.00	1.10
Galashiels	0.86	5.80	6.72	37.30	12.38	15.64	7.19	14.50	12.45	8.32	3.27	3.22	0.81	128.46
Selkirk	0.04	0.10	0.11	1.81	4.33	0.80	0.26	0.81	0.41	0.51	0.19	0.42	0.07	9.85
Hawick	0.00	0.12	0.08	0.93	0.84	24.38	2.53	1.00	0.46	0.10	0.09	0.11	0.00	30.61
Jedburgh	0.00	0.00	0.03	0.08	0.00	0.22	3.18	0.21	0.06	0.10	0.00	0.08	0.00	3.96
Melrose	0.00	0.00	0.00	0.19	0.08	0.03	0.01	1.20	0.00	0.19	0.00	0.00	0.05	1.74
Kelso	0.00	0.00	0.09	0.20	0.03	0.13	0.16	0.67	10.26	0.59	1.13	0.52	0.00	13.77
Duns	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.09	0.15	2.26	0.08	2.61
Coldstream	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70	0.09	0.00	0.78
Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.12	0.12	1.40	1.64
Berwick	0.04	0.00	0.00	0.30	0.04	0.06	0.06	0.10	1.19	0.26	3.40	10.87	11.79	28.09
Edinburgh	3.57	7.71	1.42	6.07	2.15	2.30	1.66	2.69	5.15	4.57	1.44	4.74	4.67	48.14
Newcastle	0.05	0.00	0.00	0.04	0.24	0.68	0.75	0.04	0.60	0.02	0.77	0.56	0.23	3.97
Carlisle	0.00	0.03	0.00	0.08	0.00	3.98	0.10	0.02	0.22	0.00	0.00	0.00	0.00	4.44
Midlothian	3.69	3.51	0.42	1.43	0.43	0.20	0.37	0.62	0.65	0.81	0.18	0.22	0.30	12.83

Table 42
Preferred Comparison Shopping Destinations by Zone
 by percentage of total spend (2.5% or more of spend)

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
Peebles	13.3%	33.2%	11.9%											4.1%
Innerleithen			7.4%											
Galashiels	5.9%	17.3%	49.1%	65.0%	51.0%	27.0%	36.6%	55.6%	33.8%	42.7%	24.8%	11.8%	3.5%	35.0%
Selkirk				3.2%	17.8%			3.1%		2.6%				2.7%
Hawick					3.4%	42.0%		3.8%						8.3%
Jedburgh								16.2%						
Melrose								4.6%						
Kelso								2.6%	27.8%	3.0%	8.5%			3.8%
Duns												8.3%		
Coldstream											5.3%			
Eyemouth													6.1%	
Berwick									3.2%		25.8%	39.8%	51.5%	7.7%
Edinburgh	24.6%	23.0%	10.4%	10.6%	8.9%	4.0%	8.4%	10.3%	14.0%	23.4%	10.9%	17.4%	20.4%	13.1%
Newcastle							3.8%				5.8%			
Carlisle						6.9%								
Midlothian	25.5%	10.5%	3.1%	2.5%						4.1%				3.5%

Table 43
Ranking of Retail Destinations in 2011
by Spending

Rank	Convenience			Comparison			Total	
	Centre	Spend £m		Centre	Spend £m		Centre	Spend £m
1	Galashiels	77.56		Galashiels	128.46		Galashiels	206.03
2	Hawick	36.14		Edinburgh	48.14		Hawick	66.75
3	Peebles	20.35		Hawick	30.61		Edinburgh	50.85
4	Berwick	19.56		Berwick	28.09		Berwick	47.65
5	Kelso	15.66		Peebles	15.15		Peebles	35.50
6	Selkirk	5.87		Kelso	13.77		Kelso	29.43
7	Jedburgh	5.86		Midlothian	12.83		Midlothian	17.07
8	Duns	4.26		Selkirk	9.85		Selkirk	15.72
9	Midlothian	4.24		Carlisle	4.44		Jedburgh	9.82
10	Innerleithen	3.20		Newcastle	3.97		Duns	6.87
11	Coldstream	2.93		Jedburgh	3.96		Carlisle	5.81
12	Edinburgh	2.72		Duns	2.61		Innerleithen	4.30
13	Eyemouth	2.34		Melrose	1.74		Melrose	4.01
14	Melrose	2.27		Eyemouth	1.64		Eyemouth	3.98
15	Chirnside	1.66		Innerleithen	1.10		Newcastle	3.97
16	Carlisle	1.37		Coldstream	0.78		Coldstream	3.71

Table 45 Assessment of Convenience Trading Balance, 2011 2009 prices						
	Convenience			Turnover Allowance		Over/under trading £m
	Floorspace sq m net	Turnover £m	Turnover £ / sq m	Turnover £ / sq m	Turnover £m	
Zone 1	233	1.70	£7,277	£2,750	0.64	1.05
Peebles Town Centre	1,766	12.42	£7,031	£6,000	10.60	1.82
Other	1,195	7.93	£6,638	£7,000	8.37	-0.43
Total Zone 2	2,961	20.35			18.96	1.39
Total Zone 3	751	3.20	£4,258	£2,750	2.07	1.13
Galashiels Town Centre	8,505	75.89	£8,505	£8,000	68.04	7.85
Comely Bank Retail Park						
Low Buckholmside						
Other floorspace	615	1.67	£2,714	£2,000	1.23	0.44
Total Zone 4	9,120	77.56			69.27	8.29
Selkirk Town Centre	1,202	5.84	£4,855	£4,500	5.41	0.43
Out of centre	867	0.04	£43	£2,000	1.73	-1.70
Total Zone 5	2,069	5.87			7.14	-1.27
Hawick Town Centre	3,938	25.76	£6,542	£6,500	25.60	0.17
Other outside town centre	3,521	10.37	£2,946	£6,000	21.13	-10.75
Newcastleton	329	0.55	£1,679	£2,000	0.66	-0.11
Total Zone 6	7,788	36.69			47.38	-10.69
Jedburgh	1,373	5.86	£4,270	£4,500	6.18	-0.32
Total Zone 7	1,373	5.86			6.18	-0.32

	Convenience			Turnover Allowance		Over/under trading £m
	Floorspace sq m net	Turnover £m	Turnover £ / sq m	Turnover £ / sq m	Turnover £m	
St Boswells / Newton StB	339	2.18	£6,437	£2,500	0.85	1.33
Melrose	632	2.27	£3,597	£3,000	1.90	0.38
Total Zone 8	971	4.46	£4,589		2.74	1.71
Kelso Town Centre	2,308	8.88	£3,846	£4,000	9.23	-0.35
Other in Kelso area	961	6.78	£7,058	£3,500	3.36	3.42
Total Zone 9	3,269	15.66	£4,790		12.60	3.06
Lauder	309	1.05	£3,386	£2,500	0.77	0.27
Earlston	399	1.03	£2,575	£2,500	1.00	0.03
Other	76	0.10	£1,272	£2,000	0.15	-0.06
Total Zone 10	784	2.17	£2,769		1.92	0.25
Greenlaw	171	0.04	£238	£2,500	0.43	-0.39
Coldstream	569	2.93	£5,153	£4,000	2.28	0.66
Total Zone 11	740	2.97	£4,017		2.70	0.27
Chirnside	205	1.66	£8,116	£3,500	0.72	0.95
Duns	837	4.26	£5,085	£4,000	3.35	0.91
Total Zone 12	1,042	5.92	£5,682		4.07	1.85
Eyemouth	1,023	2.10	£2,055	£3,000	3.07	-0.97
Villages	283	0.23	£824	£2,000	0.57	-0.33
Total Zone 13	1,306	2.34	£1,788		3.64	-1.30
Total - Scottish Borders	32,407	184.74			179.30	5.44

Table 47
Development Commitments and Potential Opportunities

Convenience Commitments				
Kelso store (Sainsbury)	sq m	Turnover		
		p sq m £	£m	
Gross floorspace	4,500			
Sales floorspace	2,787			
Convenience	2,230	£9,000	20.07	
Comparison (20% limit)	557			
Chirnside				
Chirnside	sq m	Turnover		
		p sq m £	£m	
Gross floorspace	465			
Convenience sales	325	£6,000	1.95	
Selkirk Dunsdale Haugh				
Selkirk Dunsdale Haugh	sq m	Turnover		
		p sq m £	£m	
Convenience sales	250	£6,000	1.50	
Convenience Proposals / Opportunities				
Jedburgh	sq m	Turnover		
		p sq m £	£m	
Gross floorspace	1,300			
Sales floorspace	929			
Convenience	836	£6,000	5.02	
Comparison	93			
Selkirk				
Selkirk	sq m	Turnover		
		p sq m £	£m	
Gross floorspace	1,300			
Sales floorspace	929			
Convenience	836	£6,000	5.02	
Comparison	93			
Eyemouth (proposed)				
Eyemouth (proposed)	sq m	Turnover		
		p sq m £	£m	
Gross floorspace	1,300			
Sales floorspace	929			
Convenience	836	£6,000	5.02	
Comparison	93			

Comparison Commitments				
Innerleithen	gross sq m	sales sq m	Turnover	
			p sq m £	£m
	150	90	£1,750	0.16
Selkirk Dunsdale Haugh				
Selkirk Dunsdale Haugh	gross sq m	sales sq m	Turnover	
			p sq m £	£m
Unit 1 comparison	485	316	£2,250	0.71
Unit 1 convenience	385	250		
Unit 2 comparison	630	410	£2,250	0.92
Unit 3 comparison	455	296	£2,250	0.67
Unit 4 comparison	488	317	£2,250	0.71
Unit 5 comparison	455	296	£2,250	0.67
	2,898			3.68
Kelso Sainsbury				
Kelso Sainsbury		sales sq m	Turnover	
			p sq m £	£m
		557	£3,500	1.95

Table 48 Convenience Spending Distribution by Zone 2016 if no change in shopping patterns		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
		£m	£m	£m	£m	£m									
Zone 1	A701 corridor / Rural West	1.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.74
Zone 2	Peebles area	1.35	18.21	1.79	0.00	0.11	0.00	0.00	0.00	0.00	0.20	0.00	0.00	0.00	21.65
Zone 3	Innerleithen / Walkerburn	0.00	0.00	3.35	0.00	0.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.46
Zone 4	Galashiels / A7 North	0.26	1.87	3.33	34.35	7.29	2.45	3.58	11.25	6.71	8.03	1.51	1.69	0.06	82.38
Zone 5	Selkirk / Ettrick	0.00	0.00	0.00	0.00	6.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.03
Zone 6	Hawick / Liddesdale	0.00	0.05	0.25	0.15	1.36	32.11	2.59	0.51	0.37	0.06	0.14	0.00	0.00	37.61
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.28	5.39	0.00	0.12	0.29	0.00	0.00	0.00	6.08
Zone 8	Melrose / St.Boswells	0.00	0.00	0.00	0.40	0.00	0.00	0.00	4.36	0.00	0.05	0.00	0.00	0.00	4.81
Zone 9	Kelso / Yetholm	0.13	0.00	0.00	0.05	0.00	0.00	0.19	0.00	14.87	0.32	0.93	0.18	0.00	16.66
Zone 10	Lauder / Earlston / Gordon	0.00	0.00	0.00	0.05	0.00	0.00	0.00	0.05	0.05	2.27	0.00	0.00	0.00	2.41
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.83	0.29	0.00	3.12
Zone 12	Duns / Chirnside	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.14	0.21	5.90	0.00	6.29
Zone 13	Eyemouth / Berwickshire Coast	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.44	2.44
	Total spend in Scottish Borders	3.47	20.13	8.72	35.00	14.90	34.84	11.79	16.15	22.12	11.36	5.61	8.06	2.50	194.67
	Leakage	4.65	0.60	0.14	1.24	0.00	1.14	0.00	0.40	0.56	1.15	2.59	8.76	11.86	33.09
	Internet	0.26	0.18	0.13	0.00	0.05	0.57	0.49	0.15	0.97	0.21	0.29	0.79	0.27	4.35
	Total Expenditure	8.38	20.91	8.98	36.25	14.95	36.55	12.29	16.70	23.65	12.71	8.50	17.61	14.64	232.12
	Total Turnover	1.74	21.65	3.46	82.38	6.03	37.61	6.08	4.81	16.66	2.41	3.12	6.29	2.44	194.67

Table 49 Convenience Spending Distribution by Zone 2016 allowing for commitments		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
		£m	£m	£m	£m	£m									
Zone 1	A701 corridor / Rural West	1.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.74
Zone 2	Peebles area	1.35	18.21	1.79	0.00	0.11	0.00	0.00	0.00	0.00	0.20	0.00	0.00	0.00	21.65
Zone 3	Innerleithen / Walkerburn	0.00	0.00	3.35	0.00	0.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.46
Zone 4	Galashiels / A7 North	0.26	1.87	3.33	34.35	7.29	2.45	3.05	11.25	2.01	8.03	0.76	1.18	0.06	75.88
Zone 5	Selkirk / Ettrick	0.00	0.00	0.00	0.00	6.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.03
Zone 6	Hawick / Liddesdale	0.00	0.05	0.25	0.15	1.36	32.11	2.33	0.51	0.00	0.06	0.14	0.00	0.00	36.98
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.28	4.85	0.00	0.12	0.29	0.00	0.00	0.00	5.54
Zone 8	Melrose / St.Boswells	0.00	0.00	0.00	0.40	0.00	0.00	4.36	0.00	0.05	0.00	0.00	0.00	0.00	4.81
Zone 9	Kelso / Yetholm	0.13	0.00	0.00	0.05	0.00	0.00	1.52	0.00	19.94	0.32	3.26	0.18	0.00	25.40
Zone 10	Lauder / Earlston / Gordon	0.00	0.00	0.00	0.05	0.00	0.00	0.00	0.05	0.05	2.27	0.00	0.00	0.00	2.41
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.54	0.15	0.00	2.69
Zone 12	Duns / Chirnside	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.14	0.21	7.43	0.00	7.82
Zone 13	Eyemouth / Berwickshire Coast	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.44	2.44
	Total spend in Scottish Borders	3.47	20.13	8.72	35.00	14.90	34.84	11.79	16.15	22.12	11.36	6.91	8.94	2.50	196.85
	Leakage	4.65	0.60	0.14	1.24	0.00	1.14	0.00	0.40	0.56	1.15	1.30	7.88	11.86	30.91
	Internet	0.26	0.18	0.13	0.00	0.05	0.57	0.49	0.15	0.97	0.21	0.29	0.79	0.27	4.35
	Total Expenditure	8.38	20.91	8.98	36.25	14.95	36.55	12.29	16.70	23.65	12.71	8.50	17.61	14.64	232.12
	Total Turnover	1.74	21.65	3.46	75.88	6.03	36.98	5.54	4.81	25.40	2.41	2.69	7.82	2.44	196.85

Note 1: assumes 70% reduction in expenditure flow from Zone 9 to Zone 4, cessation of flow from Zone 9 to Zone 6, and corresponding increase in retention level in Zone 9

Note 2: assumes 50% reduction in flows from Zone 11 to Zone 4 and leakage, and diverts to Zone 9; also 10% diversion from Zone 11 to Zone 9

Note 3: assumes 10% reduction in flow from Zone 12 to leakage, 30% reduction in flow to Zone 4, and corresponding increase in retention in Zone 12

Note 4: assumes 10% reduction in flow from Zone 7 to Zone 6 and switch to Zone 9, 15% reduction in flow to Zone 4 and switch to Zone 9, and 10% reduction in retention in Zone 7 and switch to Zone 9

Table 50 Convenience Spending Distribution by Zone		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
2016 allowing for commitments and increased retention of spending in Zones 5, 7 and 13		£m	£m	£m	£m	£m									
Zone 1	A701 corridor / Rural West	1.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.74
Zone 2	Peebles area	1.35	18.21	1.79	0.00	0.11	0.00	0.00	0.00	0.00	0.20	0.00	0.00	0.00	21.65
Zone 3	Innerleithen / Walkerburn	0.00	0.00	3.35	0.00	0.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.46
Zone 4	Galashiels / A7 North	0.26	1.87	3.33	34.35	3.64	2.45	1.52	11.25	2.01	8.03	0.76	1.18	0.06	70.71
Zone 5	Selkirk / Ettrick	0.00	0.00	0.00	0.00	10.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.35
Zone 6	Hawick / Liddesdale	0.00	0.05	0.25	0.15	0.68	32.11	1.17	0.51	0.00	0.06	0.14	0.00	0.00	35.13
Zone 7	Jedburgh	0.00	0.00	0.00	0.00	0.00	0.28	7.70	0.00	0.12	0.29	0.00	0.00	0.00	8.38
Zone 8	Melrose / St.Boswells	0.00	0.00	0.00	0.40	0.00	0.00	0.00	4.36	0.00	0.05	0.00	0.00	0.00	4.81
Zone 9	Kelso / Yetholm	0.13	0.00	0.00	0.05	0.00	0.00	1.37	0.00	19.94	0.32	3.26	0.18	0.00	25.25
Zone 10	Lauder / Earlston / Gordon	0.00	0.00	0.00	0.05	0.00	0.00	0.00	0.05	0.05	2.27	0.00	0.00	0.00	2.41
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.54	0.15	0.00	2.69
Zone 12	Duns / Chirnside	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.14	0.21	7.43	0.00	7.82
Zone 13	Eyemouth / Berwickshire Coast	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.88	5.41	6.28
	Total spend in Scottish Borders	3.47	20.13	8.72	35.00	14.90	34.84	11.79	16.15	22.12	11.36	6.91	9.81	5.47	200.69
	Leakage	4.65	0.60	0.14	1.24	0.00	1.14	0.00	0.40	0.56	1.15	1.30	7.01	8.90	27.07
	Internet	0.26	0.18	0.13	0.00	0.05	0.57	0.49	0.15	0.97	0.21	0.29	0.79	0.27	4.35
	Total Expenditure	8.38	20.91	8.98	36.25	14.95	36.55	12.29	16.70	23.65	12.71	8.50	17.61	14.64	232.12
	Total Turnover	1.74	21.65	3.46	70.71	10.35	35.13	8.38	4.81	25.25	2.41	2.69	7.82	6.28	200.69

Note 1: assumes 50% reduction in expenditure flow from Zone 5 to Zones 4 and 6, 70% reduction in expenditure flow from Zone 9 to Zone 4, no flow from Zone 9 to Zone 6, and corresponding increase in retention levels in Zones 5 and 9

Note 2: assumes 50% reduction in expenditure flow from Zone 7 to Zones 4 and 6, and corresponding increase in retention level in Zone 7; also 10% reduction in flow to Zone 9 and corresponding increase in retention level in Zone 7

Note 3: assumes 50% reduction in flows from Zone 11 to Zone 4 and leakage, and diverts to Zone 9; also 10% diversion from Zone 11 to Zone 9

Note 4: assumes 20% reduction in flow from Zone 12 to leakage, 30% reduction in flow to Zone 4, and corresponding increase in retention in Zone 12, plus increased flow to Zone 13

Note 5: assumes 25% reduction in flow from Zone 13 to leakage, and corresponding increase in retention

Table 51
Capacity for Additional Convenience Floorspace by Zone, 2016

assuming no change in shopping patterns

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
Available Expenditure 2011 (£m)	8.17	19.64	8.29	34.29	14.56	35.77	11.89	15.45	22.21	11.44	8.11	16.58	13.99	220.38
Actual Turnover 2011 (£m)	1.70	20.35	3.20	77.56	5.87	36.69	5.86	4.46	15.66	2.17	2.97	5.92	2.34	184.74
Net leakage £m (minus denotes inflow)	6.48	-0.71	5.10	-43.27	8.68	-0.92	6.02	10.99	6.55	9.27	5.14	10.66	11.66	35.64
Net leakage % (minus denotes inflow)	79.3%	-3.6%	61.4%	-126.2%	59.7%	-2.6%	50.7%	71.2%	29.5%	81.0%	63.4%	64.3%	83.3%	16.2%
Turnover Allowance 2011 (£m)	0.64	18.96	2.07	69.27	7.14	47.38	6.18	2.74	12.60	1.92	2.70	4.07	3.64	179.30
Turnover Allowance 2016 * (£m)	0.65	19.20	2.09	70.14	7.23	47.98	6.26	2.78	12.75	1.95	2.74	4.12	3.68	181.56
Available Expenditure 2016 (£m)	8.38	20.91	8.98	36.25	14.95	36.55	12.29	16.70	23.65	12.71	8.50	17.61	14.64	232.12
Net leakage (if proportion unchanged) (£m)	6.64	-0.76	5.52	-45.74	8.92	-0.95	6.23	11.89	6.97	10.30	5.38	11.32	12.19	37.92
Residual expenditure available in Zone	1.74	21.67	3.46	81.98	6.03	37.50	6.06	4.82	16.68	2.41	3.11	6.29	2.44	194.19
Surplus / Deficit (£m)	1.09	2.47	1.37	11.84	-1.20	-10.48	-0.20	2.04	3.92	0.47	0.38	2.17	-1.24	12.64

* allows 0.25% increase in efficiency per annum

Table 52
Capacity for Additional Convenience Floorspace by Notional Catchments, 2016

assuming no change in shopping patterns

	Zone 1	Zone 2	Zones 3,4,8,10	Zone 5	Zones 3,4,5,8,10	Zone 6	Zone 7	Zone 9	Zones 9, 11	Zone 12	Zones 11,12,13
Available Expenditure 2011 (£m)	8.17	19.64	69.47	14.56	84.03	35.77	11.89	22.21	30.32	16.58	38.68
Actual Turnover 2011 (£m)	1.70	20.35	87.39	5.87	93.26	36.69	5.86	15.66	18.63	5.92	11.23
Net leakage £m (minus denotes inflow)	6.48	-0.71	-17.91	8.68	-9.23	-0.92	6.02	6.55	11.69	10.66	27.46
Net leakage % (minus denotes inflow)	79.3%	-3.6%	-25.8%	59.7%	-11.0%	-2.6%	50.7%	29.5%	38.5%	64.3%	71.0%
Turnover Allowance 2011 (£m)	0.64	18.96	76.00	7.14	83.14	47.38	6.18	12.60	15.30	4.07	10.40
Turnover Allowance 2016 * (£m)	0.65	19.20	76.96	7.23	84.19	47.98	6.26	12.75	15.49	4.12	10.53
Available Expenditure 2016 (£m)	8.38	20.91	74.64	14.95	89.58	36.55	12.29	23.65	32.15	17.61	40.75
Net leakage (if proportion unchanged) (£m)	6.64	-0.76	-19.25	8.92	-9.84	-0.95	6.23	6.97	12.39	11.32	28.92
Residual expenditure available in Zone	1.74	21.67	93.89	6.03	99.42	37.50	6.06	16.68	19.75	6.29	11.83
Surplus / Deficit (£m)	1.09	2.47	16.93	-1.20	15.24	-10.48	-0.20	3.92	4.26	2.17	1.29

* allows 0.25% increase in efficiency per annum

Table 53
Capacity for Additional Convenience Floorspace by Zone, 2016

allowing for effect of commitments

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Turnover Allowance 2011	0.64	18.96	2.07	69.27	7.14	47.38	6.18	2.74	12.60	1.92	2.70	4.07	3.64	179.30
Turnover Allowance 2016 *	0.65	19.20	2.09	70.14	7.23	47.98	6.26	2.78	12.75	1.95	2.74	4.12	3.68	181.56
Turnover Draw to Zone (Table 49)	1.74	21.65	3.46	75.88	6.03	36.98	5.54	4.81	25.40	2.41	2.69	7.82	2.44	196.85
Surplus / Deficit	1.09	2.45	1.37	5.74	-1.20	-11.00	-0.71	2.03	12.65	0.46	-0.05	3.70	-1.24	15.29
Less Commitments #	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	20.07	0.00	0.00	1.95	0.00	23.52
Final Surplus / Deficit	1.09	2.45	1.37	5.74	-2.70	-11.00	-0.71	2.03	-7.42	0.46	-0.05	1.75	-1.24	-8.23

From Table 47 - new supermarkets in Kelso and Chirnside

* allows 0.25% increase in efficiency per annum

Table 54
Capacity for Additional Convenience Floorspace by Notional Catchments, 2016

allowing for effect of commitments

	Zone 1	Zone 2	Zones 3,4,8,10	Zone 5	Zones 3,4,5,8,10	Zone 6	Zone 7	Zone 9	Zones 9, 11	Zone 12	Zones 11,12,13
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Turnover Allowance 2011	0.64	18.96	76.00	7.14	83.14	47.38	6.18	12.60	15.30	4.07	10.40
Turnover Allowance 2016 *	0.65	19.20	76.96	7.23	84.19	47.98	6.26	12.75	15.49	4.12	10.53
Turnover Draw to Zone (Table 49)	1.74	21.65	86.55	6.03	92.58	36.98	5.54	25.40	28.09	7.82	12.95
Surplus / Deficit	1.09	2.45	9.59	-1.20	8.39	-11.00	-0.71	12.65	12.60	3.70	2.42
Less Commitments #	0.00	0.00	0.00	1.50	1.50	0.00	0.00	20.07	20.07	1.95	1.95
Final Surplus / Deficit	1.09	2.45	9.59	-2.70	6.89	-11.00	-0.71	-7.42	-7.47	1.75	0.47

From Table 47 - new supermarkets in Kelso and Chirnside and small retail unit in Selkirk

* allows 0.25% increase in efficiency per annum

Table 55
Capacity for Additional Convenience Floorspace by Zone, 2016

allowing for commitments and
increased retention of spending in Zones 5, 7 and 13

	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Turnover Allowance 2011	0.64	18.96	2.07	69.27	7.14	47.38	6.18	2.74	12.60	1.92	2.70	4.07	3.64	179.30
Turnover Allowance 2016 *	0.65	19.20	2.09	70.14	7.23	47.98	6.26	2.78	12.75	1.95	2.74	4.12	3.68	181.56
Turnover Draw to Zone (Table 50)	1.74	21.65	3.46	70.71	10.35	35.13	8.38	4.81	25.25	2.41	2.69	7.82	6.28	200.69
Surplus / Deficit	1.09	2.45	1.37	0.57	3.12	-12.85	2.13	2.03	12.50	0.46	-0.05	3.70	2.60	19.13
Less Commitments #	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	20.07	0.00	0.00	1.95	0.00	23.52
Less assumed additional turnover (supermarkets in Zones 5, 7 and 13)	0.00	0.00	0.00	0.00	5.02	0.00	5.02	0.00	0.00	0.00	0.00	0.00	5.02	15.06
Final Surplus / Deficit	1.09	2.45	1.37	0.57	-3.40	-12.85	-2.89	2.03	-7.57	0.46	-0.05	1.75	-2.42	-19.45

From Table 47 - new supermarkets in Kelso, Chirnside, Selkirk, Jedburgh and Eyemouth, and small retail unit in Selkirk

* allows 0.25% increase in efficiency per annum

Table 56
Capacity for Additional Convenience Floorspace by Notional Catchments, 2016

allowing for commitments and
increased retention of spending in Zones 5, 7 and 13

	Zone 1	Zone 2	Zones 3,4,8,10	Zone 5	Zones 3,4,5,8,10	Zone 6	Zone 7	Zone 9	Zones 9, 11	Zone 12	Zones 11,12,13
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Turnover Allowance 2011	0.64	18.96	76.00	7.14	83.14	47.38	6.18	12.60	15.30	4.07	10.40
Turnover Allowance 2016 *	0.65	19.20	76.96	7.23	84.19	47.98	6.26	12.75	15.49	4.12	10.53
Turnover Draw to Zone (Table 50)	1.74	21.65	81.38	10.35	91.74	35.13	8.38	25.25	27.94	7.82	16.79
Surplus / Deficit	1.09	2.45	4.43	3.12	7.55	-12.85	2.13	12.50	12.45	3.70	6.26
Less Commitments #	0.00	0.00	0.00	1.50	1.50	0.00	0.00	20.07	20.07	1.95	1.95
Less assumed additional turnover (supermarkets in Zones 5, 7 and 13)	0.00	0.00	0.00	5.02	5.02	0.00	5.02	0.00	0.00	0.00	5.02
Final Surplus / Deficit	1.09	2.45	4.43	-3.40	1.03	-12.85	-2.89	-7.57	-7.62	1.75	-0.71

From Table 47 - new supermarkets in Kelso, Chirnside, Selkirk, Jedburgh and Eyemouth

* allows 0.25% increase in efficiency per annum

Table 57 Comparison Spending Distribution by Zone, 2016 (2009 prices) assuming no change in shopping patterns		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
		£m	£m	£m	£m	£m									
Zone 1	West Linton	0.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.73
Zone 2	Peebles	2.33	13.92	2.08	0.21	0.25	0.00	0.00	0.13	0.00	0.00	0.00	0.00	0.00	18.92
Zone 3	Innerleithen	0.00	0.00	1.29	0.04	0.00	0.02	0.00	0.00	0.04	0.00	0.00	0.00	0.00	1.40
Zone 4	Galashiels	1.03	7.27	8.57	46.39	14.96	18.81	8.74	18.45	15.60	10.88	4.02	4.02	1.00	159.75
Zone 5	Selkirk	0.04	0.13	0.14	2.25	5.23	0.96	0.31	1.03	0.51	0.67	0.23	0.53	0.08	12.12
Zone 6	Hawick / Newcastleton	0.00	0.15	0.10	1.15	1.01	29.42	3.07	1.27	0.57	0.13	0.11	0.13	0.00	37.11
Zone 7	Jedburgh	0.00	0.00	0.04	0.10	0.00	0.27	3.87	0.26	0.08	0.13	0.00	0.10	0.00	4.84
Zone 8	Melrose / Newtown / St.Boswells	0.00	0.00	0.00	0.24	0.15	0.04	0.04	2.22	0.07	0.35	0.00	0.00	0.06	3.16
Zone 9	Kelso	0.00	0.00	0.11	0.25	0.04	0.16	0.20	0.85	12.85	0.77	1.39	0.65	0.00	17.26
Zone 10	Lauder / Earlston	0.00	0.00	0.00	0.01	0.07	0.06	0.00	0.01	0.00	0.81	0.04	0.01	0.00	1.00
Zone 11	Coldstream / Greenlaw	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.05	1.00	0.11	0.00	1.16
Zone 12	Duns / Chirnside	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.11	0.18	3.10	0.20	3.64
Zone 13	Eyemouth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.15	0.15	1.73	2.02
	Total spend in Scottish Borders	4.14	21.46	12.32	50.64	21.70	49.73	16.23	24.22	29.77	13.90	7.13	8.80	3.07	263.10
	Leakage	10.53	14.69	3.21	12.19	4.22	10.88	4.32	4.73	10.70	8.18	7.48	21.33	21.86	134.33
	Internet	2.82	5.78	1.91	8.50	3.39	9.17	3.32	4.24	5.69	3.38	1.64	4.00	3.23	57.07
	Total Expenditure	17.48	41.92	17.44	71.34	29.32	69.77	23.87	33.19	46.16	25.46	16.25	34.12	28.16	454.49
	Total Potential Turnover	0.73	18.92	1.40	159.75	12.12	37.11	4.84	3.16	17.26	1.00	1.16	3.64	2.02	263.10
	Turnover as percentage of Expenditure	4.2%	45.1%	8.0%	223.9%	41.3%	53.2%	20.3%	9.5%	37.4%	3.9%	7.1%	10.7%	7.2%	57.9%

Table 58 Capacity for Additional Comparison Floorspace in 2016		Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10	Zone 11	Zone 12	Zone 13	Total
		£m	£m	£m	£m	£m									
	Potential Turnover (from Table 57)	0.73	18.92	1.40	159.75	12.12	37.11	4.84	3.16	17.26	1.00	1.16	3.64	2.02	263.10
	Turnover Allowance in 2011 (from Table 46)	0.29	12.40	1.12	101.86	7.33	35.02	4.73	3.44	15.13	0.61	1.27	1.66	1.30	186.18
	Turnover Allowance in 2016 (2% increase p/a)	0.32	13.70	1.24	112.47	8.09	38.67	5.23	3.80	16.71	0.68	1.41	1.83	1.44	205.55
	Surplus / Deficit	0.41	5.23	0.16	47.28	4.03	-1.56	-0.39	-0.64	0.55	0.32	-0.24	1.81	0.58	57.55
	Less Commitments	0.00	0.00	0.16	0.00	3.68	0.00	0.00	0.00	1.95	0.00	0.00	0.00	0.00	5.79
	Final Surplus / Deficit	0.41	5.23	0.00	47.28	0.35	-1.56	-0.39	-0.64	-1.40	0.32	-0.24	1.81	0.58	51.76

Table 59 Comparison Retail Development Commitments				
Comparison Commitments				
Innerleithen	gross sq m	sales sq m	Turnover p sq m £ £m	
	150	90	£1,750	0.16
Selkirk Dunsdale Haugh	gross sq m	sales sq m	Turnover p sq m £ £m	
Unit 1 comparison	485	316	£2,250	0.71
Unit 1 convenience	385	250		
Unit 2 comparison	630	410	£2,250	0.92
Unit 3 comparison	455	296	£2,250	0.67
Unit 4 comparison	488	317	£2,250	0.71
Unit 5 comparison	455	296	£2,250	0.67
	2,898			3.68
Kelso Sainsbury		sales sq m	Turnover p sq m £ £m	
		557	£3,500	1.95

Table 60
Galashiels Market Share in 2011

	Zones 3 - 5, 8, 10		Zones 3 - 5, 7 - 10	
	£m	%	£m	%
Convenience				
Spend in Galashiels	60.30		70.07	
Total Zone Spend in Borders	80.83	74.6%	113.50	61.7%
Total Zone Spend	84.03	71.8%	118.12	59.3%
	Zones 3 - 5, 7 - 10		Zones 3 - 11	
Comparison	£m	%	£m	%
Spend in Galashiels	98.87		117.78	
Total Zone Spend in Borders	135.13	73.2%	182.26	64.6%
Total Zone Spend	197.35	50.1%	268.56	43.9%