



**Canterbury
Connected**

BUSINESS IMPROVEMENT DISTRICT

Canterbury City Centre

Performance Report

November 2014

Canterbury City Centre Performance Report – November 2014

Executive summary

Welcome to the November 2014 edition of Canterbury city centre's performance report. This report has been prepared by Canterbury Connected Business Improvement District (BID) to determine how the city centre is performing on a range of indicators. The objective of the report is to track the impact of economic activity on the city centre, and to provide a baseline from which future performance can be benchmarked. This report considers the following key indicators to determine the City's economic health:

- Business premises vacancy rates
- Business premises type
- Business start-up rates
- City Centre footfall
- Business Sales Performance
- Tourism

This report will be produced on a monthly basis and will be sent to the Local Economy team at Canterbury City Council. Topline figures will be sent to Canterbury BID members on a monthly basis.

The table below provides at-a-glance colour coded trend indicators:

Colour code as follows: ● signifies improvement ● relative stability ● decline

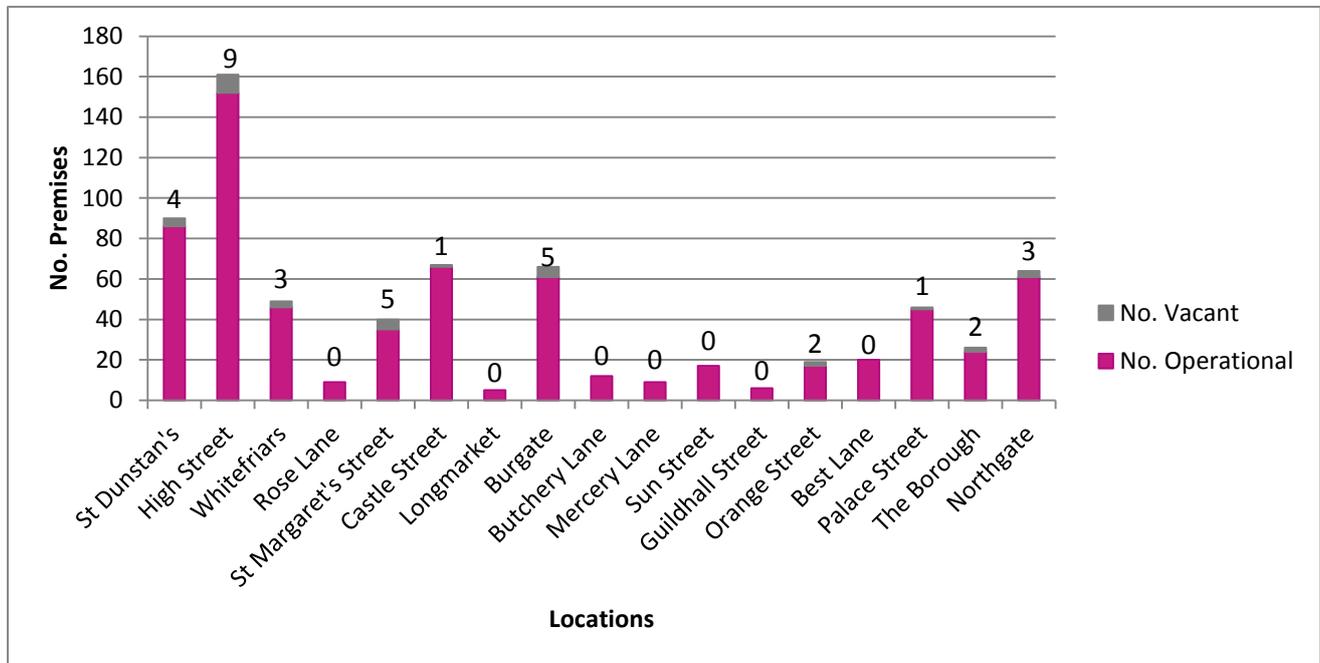
Indicator	Trend	Comment
Premises vacancy rates	●	The vacancy rate for Canterbury in November was 5.2%, +0.4% higher than October and -0.7% lower compared to the same time last year. The vacancy rate for the Southeast in Q4 2014 was 8.3% and the national town centre vacancy rate in the UK was 10.3% in Q4 2014.
Premises type	●	Canterbury has a good healthy mix of premises types with specialty (23%) and food outlets (23%) having the highest presence. Overall 34% of Canterbury's retailers are multiples and 45% are independents.
Business start-up rates	●	There was a -8% annual change in start-up businesses; however this is not a true reflection of the number of businesses that started up as these figures are based on the number of businesses that registered as new businesses.
City Centre footfall	●	Overall footfall was up +1.7% YOY in November which is a -2.4% decrease on October (+4.31 YOY), a +0.6% increase on November 2013, +4.2% higher than the average for the South East and +5.6% higher than the national average. The twelve month average for Canterbury is +3.4%.
Business Sales Performance	●	There was an overall +7.5% YOY change in sales performance, which is a +8.0% increase from October and a +3.4% increase in comparison to November 2013. A1 retailers had a good month with a +8.4% change in sales performance YOY and so did food and drink establishments with a +5.0% increase in trade YOY.
Tourism	●	Visitor numbers to visitor attractions in Canterbury were down -2.8% YOY (+1.9% YOY in October). For Kent, attraction visitor numbers were up +47.6% YOY (+9.1% YOY in October). 55% of visitors to Canterbury were domestic, 5% long haul and 40% were European visitors.

All data provided within this report is limited by the amount of information available at the time of the report being written. Where data is missing, it will be indicated at the end of each section. Over time this information will be enhanced and added to on a monthly basis allowing stronger comparisons to be made. YOY = Year on Year.

Business premises vacancy rates

In November a survey of 17 key streets within Canterbury City Centre was undertaken. A total number of 671 premises were recorded within the survey area. Below is a summary of the 17 key streets monitored and the vacancy rates in each street.

Graph 1.1 - Premises vacancy rates

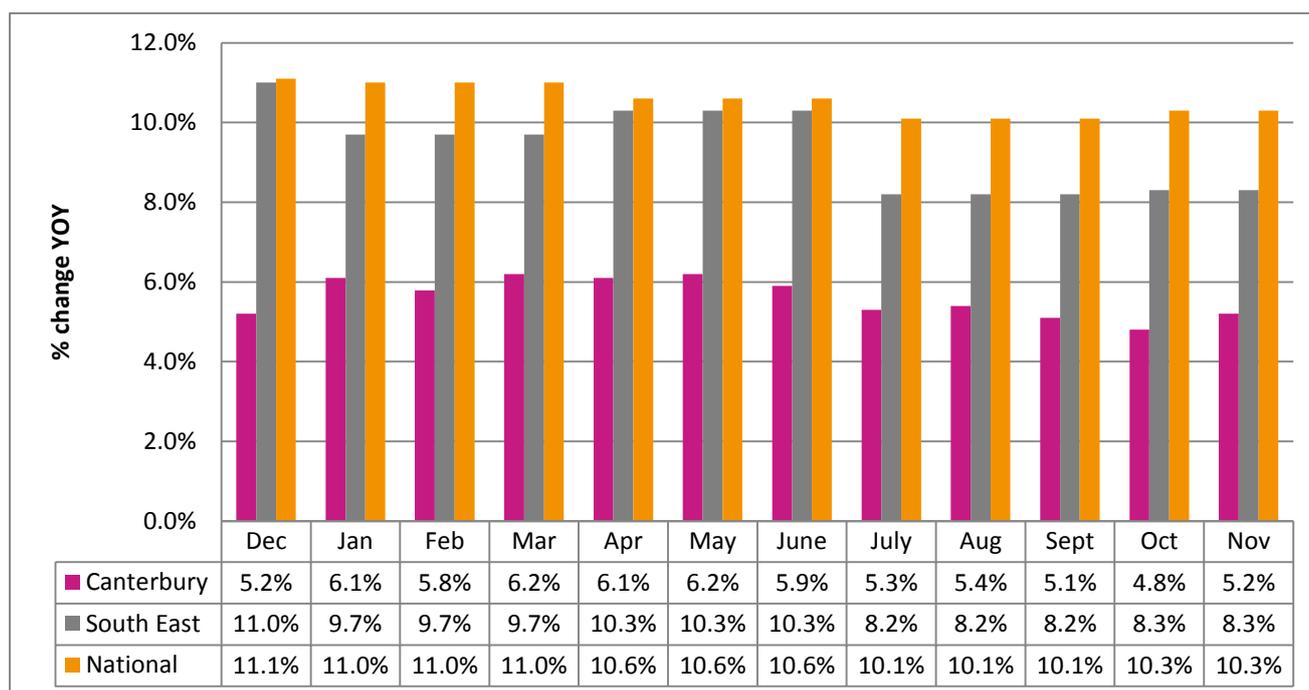


Source: CCP November survey 2014.

Key findings:

- A total number of 35 businesses premises were recorded as vacant in November, which is 3 more than in October and 5 less than the same time last year.
- St Dunstans, the High Street, St Margarets Street and Burgate had the highest number of empty premises whilst Rose Lane, Longmarket, Butchery Lane, Mercery Lane, Sun Street, Guildhall Street and Best Lane had none.
- As a comparison to the total number of premises within each street, St Margarets Street had the highest vacancy rate (14%).

Graph 1.2 - Premises vacancy rates YOY



Source: CCP November survey 2014 and the British Retail Consortium and Springboard reports which are gathered on a quarterly basis in January, April, July and October.

Key findings:

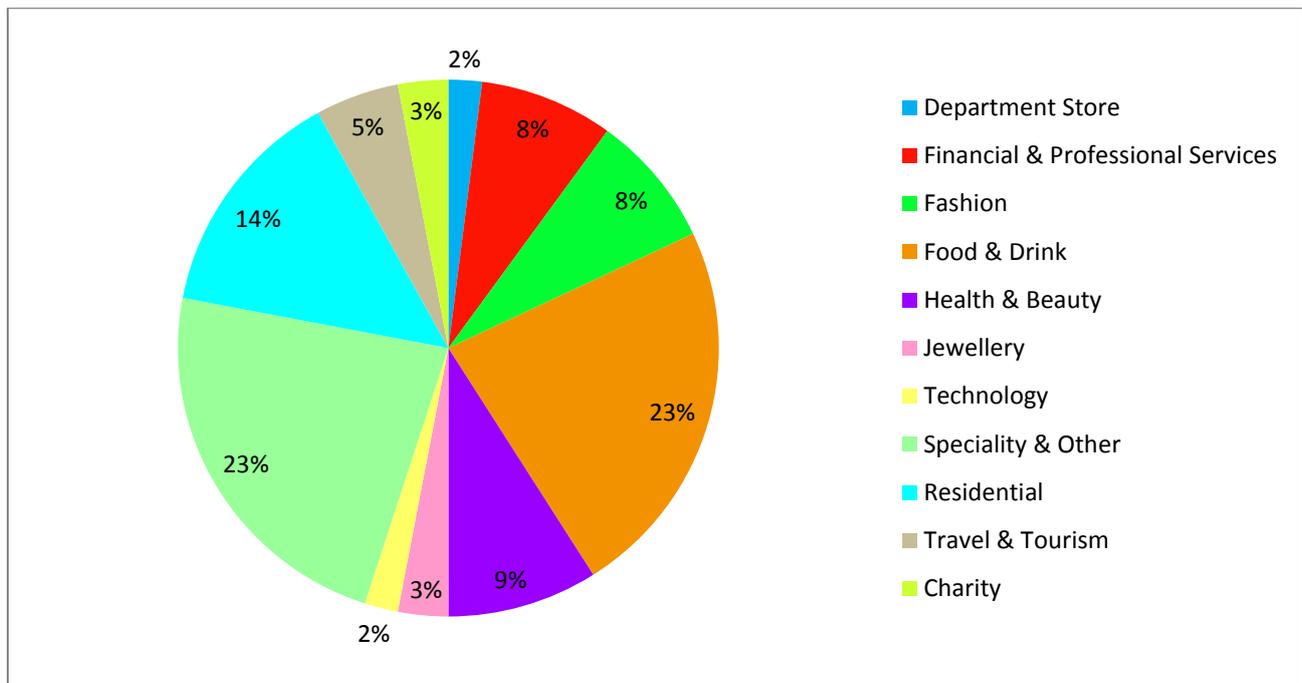
- The vacancy rate for Canterbury in November was 5.2%, +0.4% higher than October and -0.7% lower compared to the same time last year.
- The vacancy rate for the Southeast in Q4 2014 was 8.3% (+0.1% higher than in Q3 2014). Canterbury had the 4th lowest vacancy rate of the 18 towns in the South East that published their results in the Springboard Quarterly Vacancy Rate Survey Q4 2014.
- The national town centre vacancy rate in the UK was 10.3% in Q4 2014, +0.2% higher than Q3 2014 rate and -0.8% lower compared to this time last year.
- The following table provides a breakdown of the vacancy rates by region:

Location	Vacancy rates – Q4 2014	Springboard methodology
England		Vacancy rates are gathered quarterly via an online survey of 500 towns and cities nationally. The vacancy rate is defined as the percentage of total ground floor units, retail and non-retail, that are vacant. Results are amalgamated by Springboard, and regional averages and an average for the UK is derived. The average for the UK is weighted by regional spend so that the influence of specific regions on the national average is in line with their influence on the retail landscape.
Greater London	7.8%	
West Midlands	12.9%	
South East	8.3%	
South West	11.2%	
East Midlands	9.6%	
East	8.6%	
North & Yorkshire	11.8%	
Northern Ireland	16.6%	
Wales	14.2%	
Scotland	9.0%	
National	10.3%	

Business premises type

Business property plays an important role in an area’s ability to generate, attract and retain economic activity. The type of property available in Canterbury plays a key role in determining the extent, and also the type, of businesses that will locate here in the future. Each premise within the study area has been categorised into 11 categories. The following graph illustrates the premises type in Canterbury:

Graph 2.1 - Premises type in Canterbury



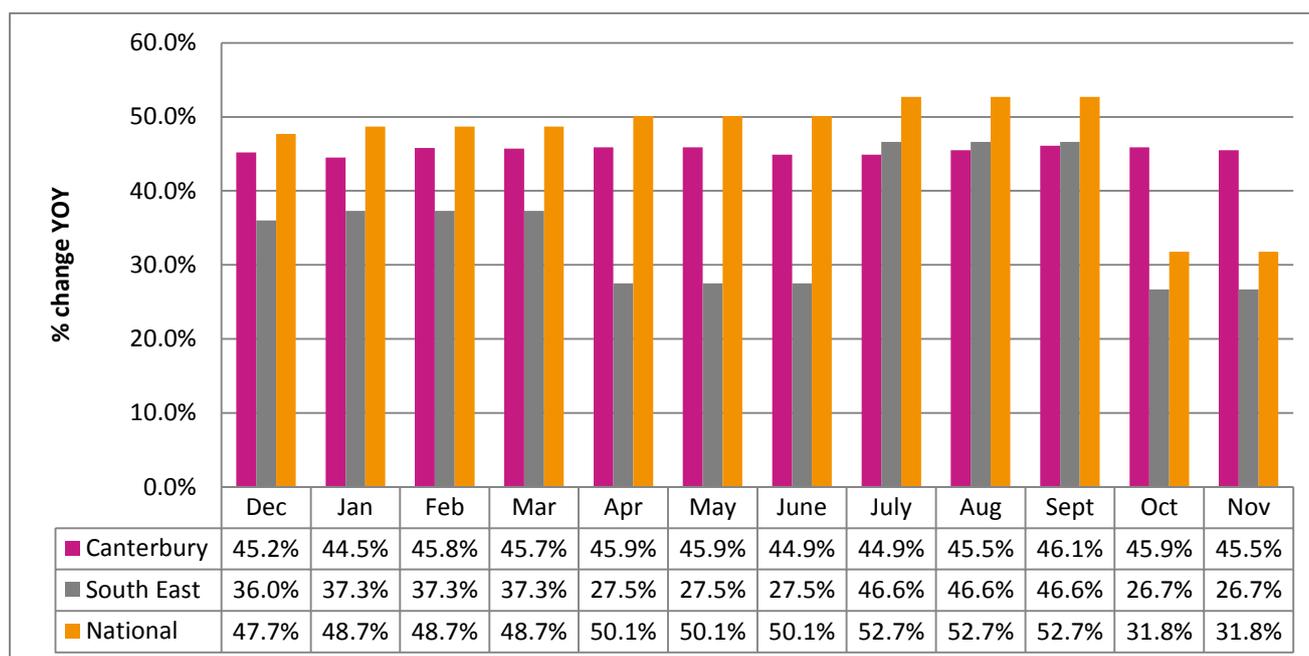
Source: CCP November survey 2014.

Key findings:

- Overall ‘speciality and other’ and Food and drink premises type have the highest presence in the city (23% each) followed by residential (14%). Department stores and technology premises had the lowest presence (2% each).

The following graph illustrates the number of Independent premises within the survey area benchmarked against the South East and National results:

Graph 2.2 Independent premises: Canterbury, the South East and Nationally



Source: CCP November survey 2014 and Springboard’s quarterly reports which are gathered in January, April, July and October.

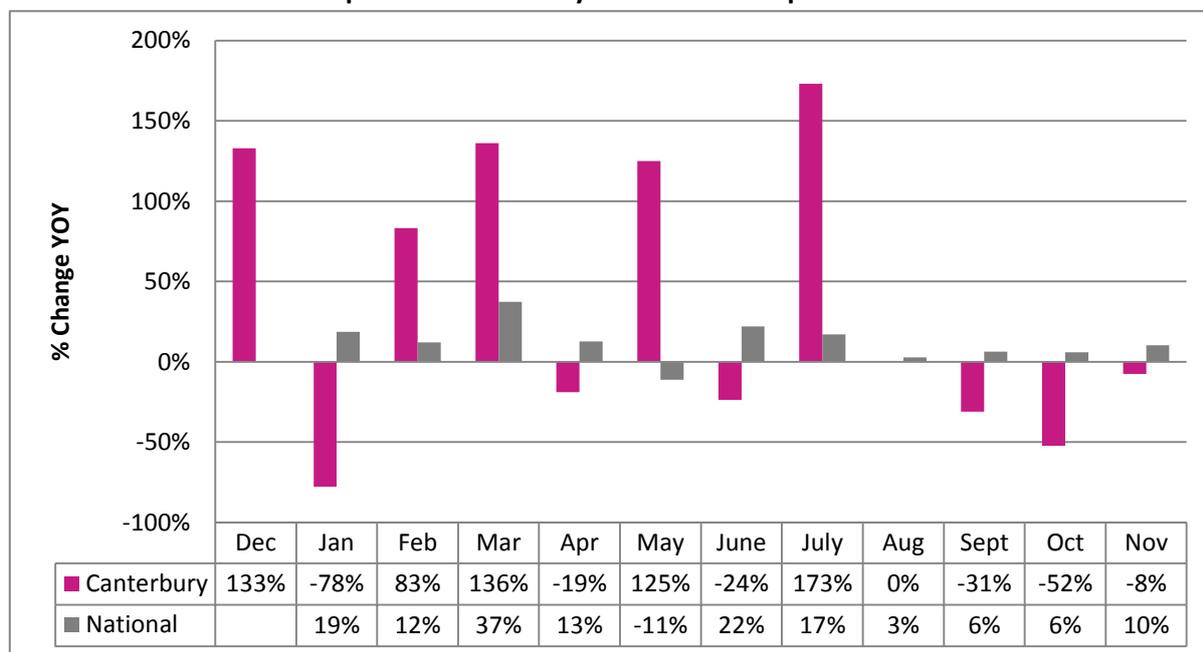
Key findings

- 45.5% of businesses recorded in November were independents, -0.4% lower than in October, +1.0% higher than November 2013, +18.8% higher than the average for the South East and +13.7% higher than the national average.
 - Longmarket and Rose Lane had the highest number of multiples (100%) followed by Whitefriars (91%) which is unsurprising as they are managed developments.
 - Palace Street had the highest number of independent businesses (82%) followed by Sun Street (76%) and The Borough (75%).
- Overall based on the survey area, 34% of retailers are multiples and 45% are independents and 20% were categorised as N/A.

Business start-up rates

Business start-up is the key to regional growth as well as finding and stimulating high growth businesses. As such it is important to monitor business start-up rates in Canterbury.

Graph 3.1 – Canterbury business start-up rates YOY



Source: Canterbury City Council, Selecta Base and Start-up Britain's Start-up Tracker. Please note that Start-up Britain's records only began in January 2013 and so it is only since then that a YOY comparison can be made.

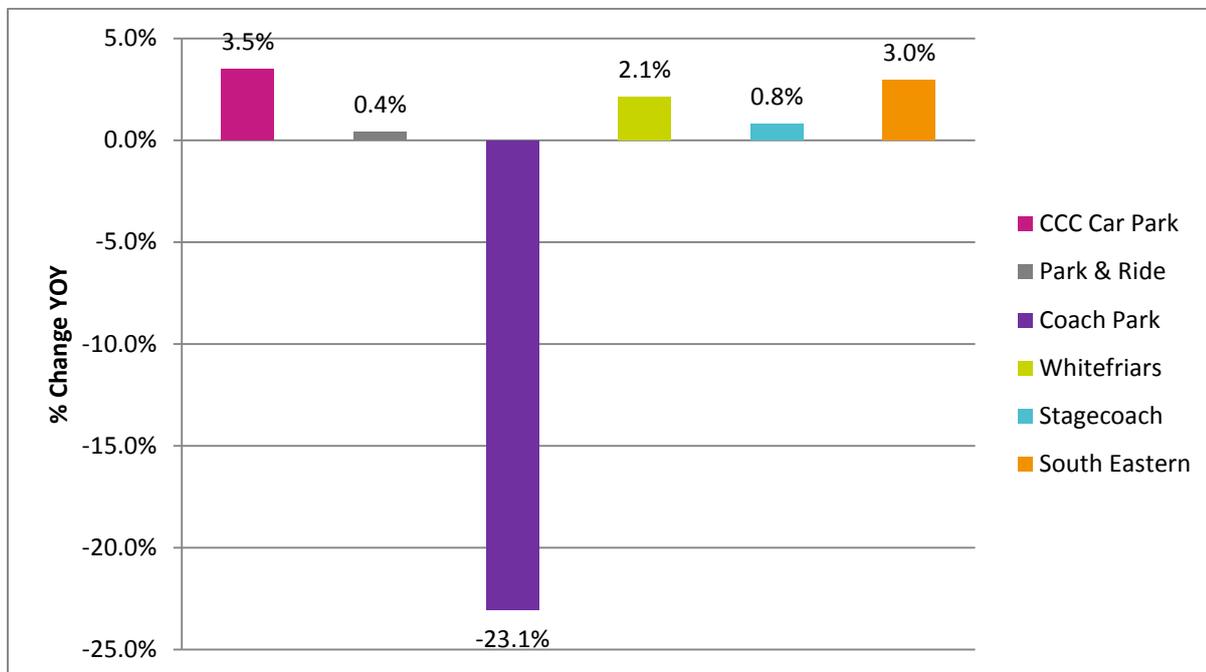
Key findings:

- For Canterbury there was a -8% annual change in registered start-up businesses, a +44% increase over the month from October and a -52% decrease compared to the same time last year. However this is not a true reflection of the number of businesses that started up as these figures are based on the number of businesses that registered as new businesses.
- Over the last twelve months there have been 201 registered start-up businesses which equates to an average of 16 per month in Canterbury.
- According to Start-up Britain there were 45,935 start-up businesses in November 2014, which equates to 2,191 less than in October and a total of 556,907 over the last twelve months (an average of 46,408 per month).

City centre footfall

The footfall of the City Centre is extremely hard to measure without investment however; the best indicator is to look at the car park and public transport user data:

Graph 4.1 – City centre transportation usage YOY

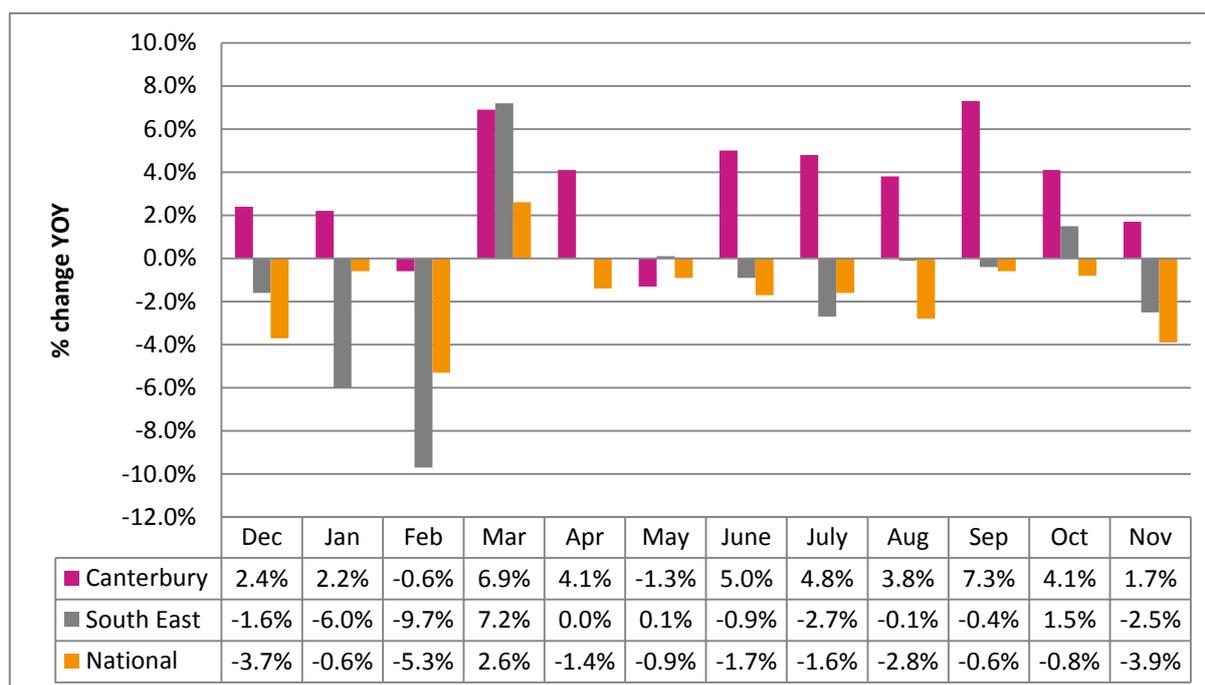


Source: Canterbury City Council Transportation Department Car Park data, Stagecoach East Kent, Whitefriars Car Park Data and Southeastern.

Key Findings

- Overall footfall was up +1.7% YOY in November which is a -2.4% decrease on October (+4.31 YOY) but a +0.6% increase on November 2013.
- All transportation methods saw an increase in usage YOY apart from the coach park which with the exception of September has seen up until now a decline in usage YOY over the last twelve months. The increase in the coach parking charges could have had an impact on this result.

Graph 4.2 – Canterbury footfall rates YOY



Source: CCP November survey 2014 and Springboard - ATCM High Street Index monthly report.

Key Findings

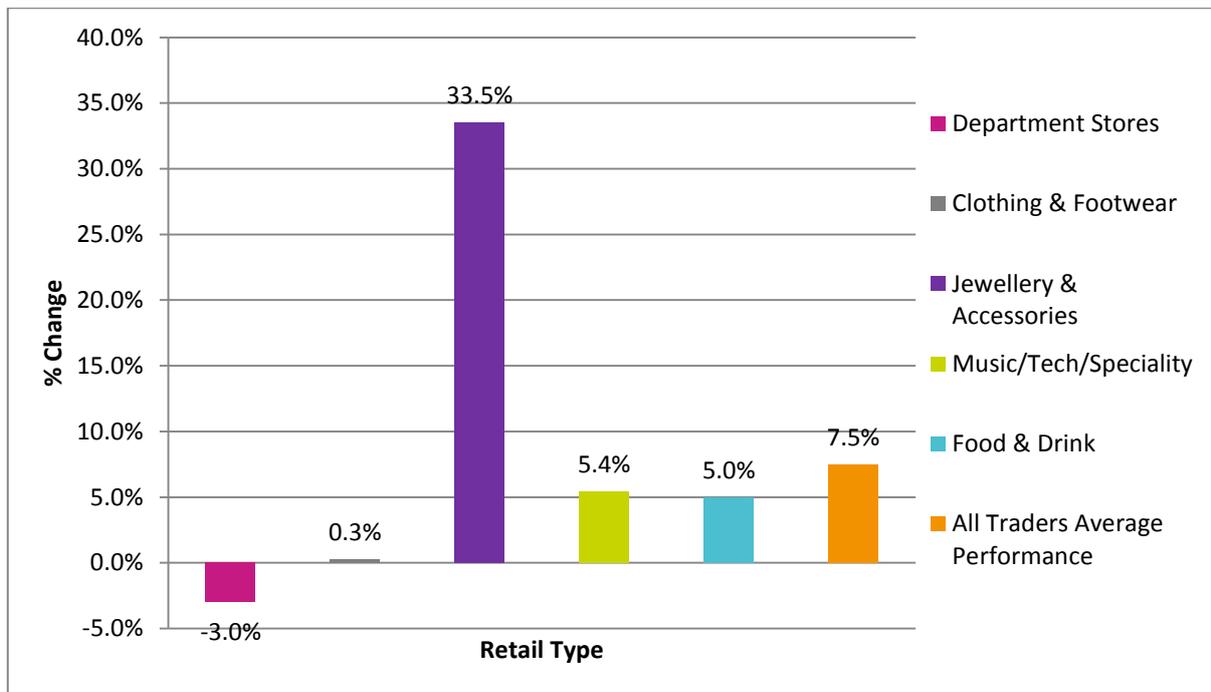
- Footfall in Canterbury was up +1.7% in November, +4.2% higher than the average for the South East and +5.6% higher than the national average. The twelve month average for Canterbury is +3.4%.
- Nationally:
 - Footfall across the UK saw the largest drop since February of this year. High streets are driving the decline in footfall, whilst footfall in retail parks remains positive which clearly indicates that the shift in consumer activity brought about by the internet is ongoing, and that it is largely out of town locations that are continuing to capitalise on this change.
 - It is particularly disappointing for high streets that the price promotions offered over the Black Friday weekend were not sufficient to turn the tide. Indeed, it suggests that if retailers are to encourage shoppers back into stores then there needs to be a greater focus on the enhancement of the customer experience, rather than offering discounts.
 - The following table provides a breakdown of the footfall rates by region:

Location	% change YOY
England	
Greater London	-5.1
West Midlands	-2.2
South East	-2.5
South West	-7.0
East Midlands	-4.0
East	0.6
North & Yorkshire	-3.1
Northern Ireland	-0.7
Wales	-5.0
Scotland	2.7

Business Sales performance

Canterbury has no problem getting large numbers of people in the city but distributing them across the centre and getting them to part with their hard earned cash is more of a challenge. Therefore footfall tells only part of the story and trader sales performance figures are important. The below graph illustrate business' average percentage change in sales compared to the same month in 2013.

Graph 5.1 – Average Sales performance of businesses YOY

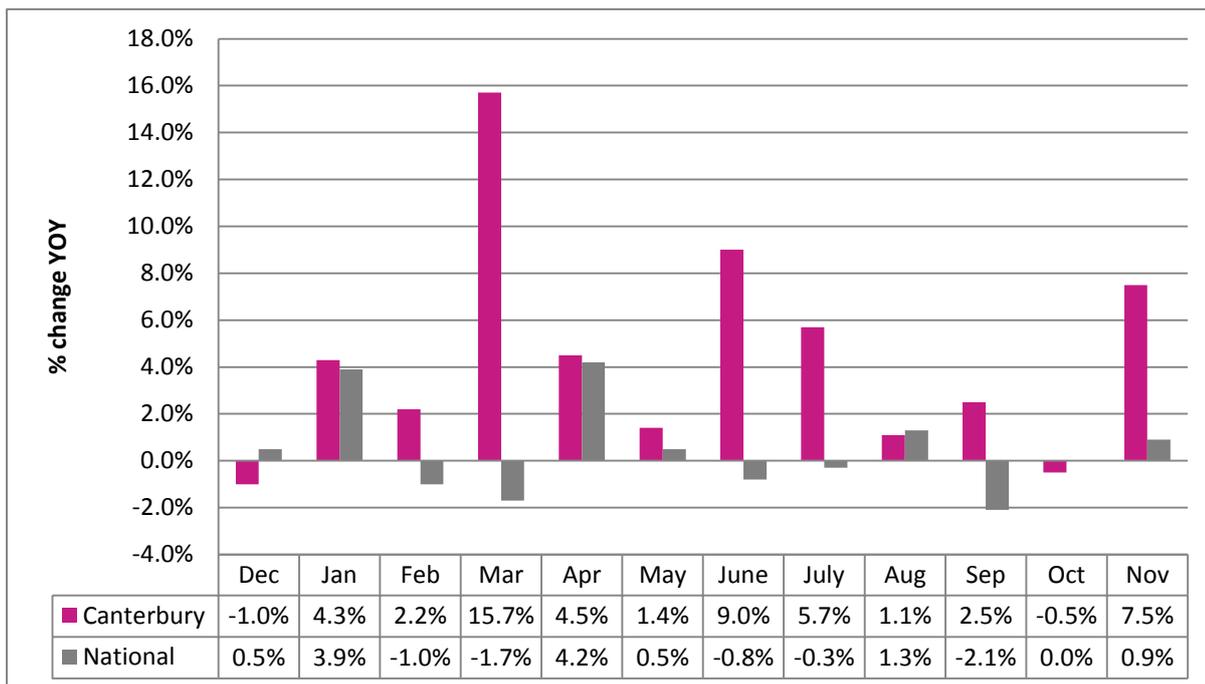


Source: CCP November 2014 Business Survey of Average Sales Performance based on 25 respondents.

Key findings:

- In November there was an overall +7.5% YOY change in sales performance, which is a +8.0% increase from October and a +3.4% increase in comparison to the same time last year.
- A1 retailers had a good month with a +8.4% change in sales performance YOY, a +10.2% increase from October and a +4.7% increase in comparison to the same time last year. The huge demand for Black Friday meant that electrical items were the stand out category in terms of sales growth. However all retailers took advantage of the increased footfall generated by Black Friday to sell stock, in particular the jewellery and accessories categories, effectively bringing forward the start of Christmas sales reductions.
- Food and drink had a good month with a +5.0% increase in trade which is a +1.8% increase from October but a -0.3% decrease in comparison to the same time last year.

Graph 5.2 – Average Sales performance YOY



Source: CCP Business Survey of Sales Performance and BRC-KPMG UK Retail Sales Monitor.

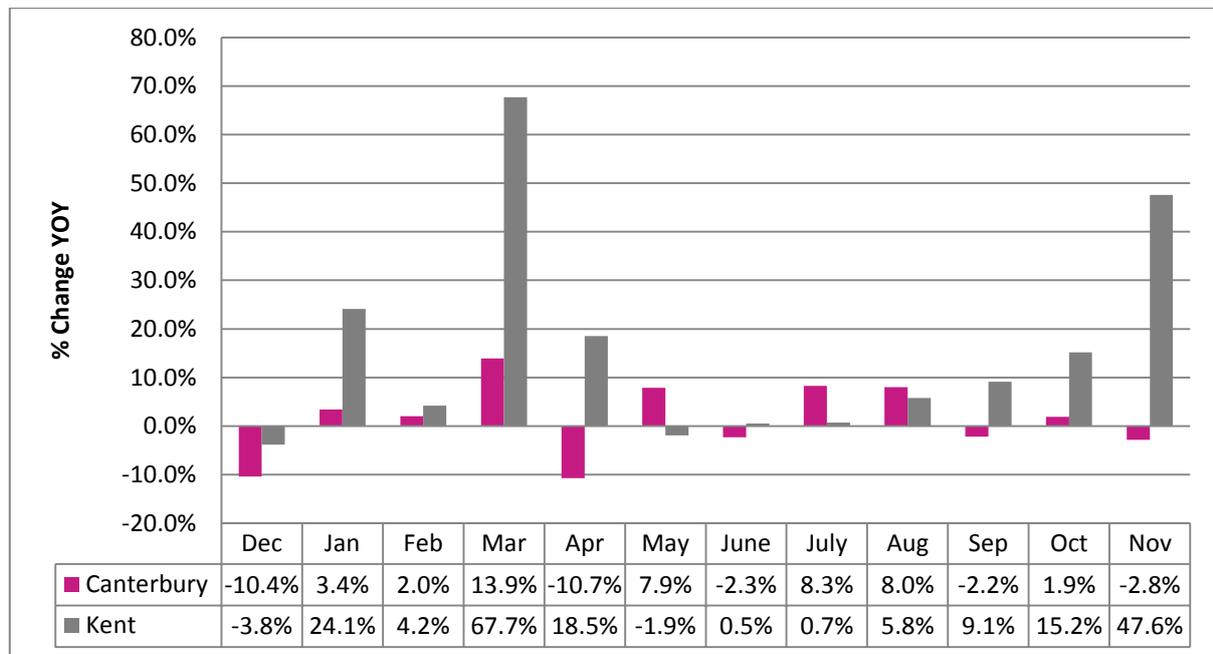
Key findings:

- Sales Performance in November was up +7.5% YOY, up +3.1% on the twelve month average of +4.4% for Canterbury and +6.6% higher than the national rate of 0.9% YOY.
- According to the BRC-KPMG UK Retail Sales Monitor:
 - UK retail sales grew +0.9%, on a like-for-like basis from November 2013, when they had increased +0.6% on the preceding year. On a total basis, sales were up +2.2%, against a +2.3% rise in November 2013. This is the best performance in three months.
 - Household Appliances was the best performing category, testament to a successful Black Friday, followed by Furniture and the home categories.
 - Over the last three months, food showed a decline of -1.2%. Even though November was the seventh consecutive month of decline, there was an improvement over the three months to October.
 - Online sales of non-food products in the UK grew +12.0% in November versus a year earlier, when it had grown +16.0%. The Non-Food online penetration rate was 21.0% in November, the highest on record.

Tourism: Visitor numbers

Canterbury is a popular tourist destination; consistently one of the most visited cities in the United Kingdom. The city's economy is heavily reliant upon tourism. Consequently it is important to monitor visitor numbers. The following graphs look at the number of visitors visiting attractions and the number of visitor enquiries received by Visitor Information Centre's.

Graph 6.1 – Percentage change in visitor numbers to Canterbury attractions YOY

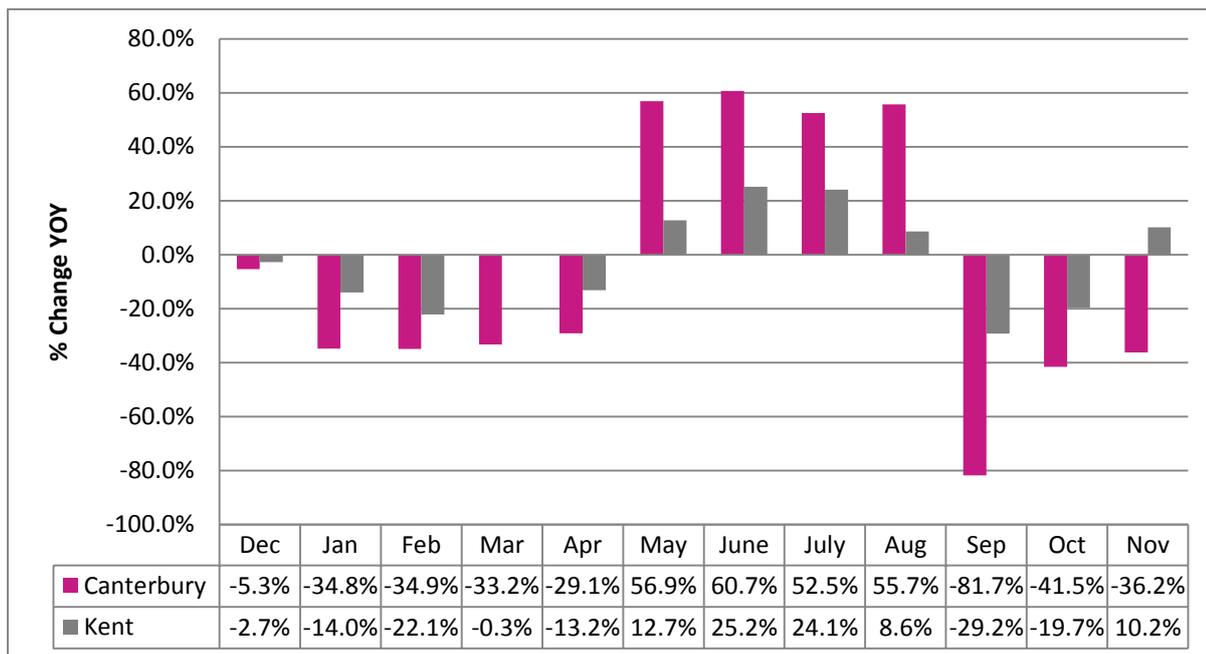


Source: CCP survey of members, Canterbury City Council attraction figures and Visit Kent Business Barometer, November 2014

Key findings:

- In November there was a -2.8% annual change in visitor numbers to visitor attractions in Canterbury, a -4.7% decrease over the month from October and a -4.3% decrease in comparison to the same time last year.
- For Kent, there was a +47.6% annual change in visitor numbers to visitor attractions which is a +32.4% increase over the month from October and a +47.3% increase in comparison to the same time last year.

Graph 6.2 – Percentage change in Visitor Information Centre Enquires YOY



Source: Visit Kent Business Barometer, November 2014.

Key findings:

- For Canterbury there was a total -36.2% annual change in visitor enquiries, a +5.3% increase over the month from October but a -26.8% decrease in comparison to the same time last year.
- Visitor Information Centres in Kent fared well with a +10.2% increase in visitor enquiries, a +29.9% increase over the month from October and a +20.9% increase in comparison to the same time last year.
- According to Visit Kent’s November Business Barometer 55% of visitors to Canterbury’s VIC were domestic visitors, 5% long haul visitors and 40% were European visitors.

Events

Below is a list of events which took place in Canterbury in November. These events both maintain and increase footfall to the city and in turn have an economic impact.

- 5th – Canterbury College open Day
- 8th – Canterbury Christ Church University Undergraduate Open Day
- 20th Christmas Light Switch on
- 20th – University of Kent Winter Graduation Ceremonies
- 20th – 30th – Whitefriars Christmas Market