



**Canterbury
Connected**

BUSINESS IMPROVEMENT DISTRICT

Canterbury City Centre

Performance Report

April 2015

Canterbury City Centre Performance Report – April 2015

Executive summary

Welcome to the April 2015 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

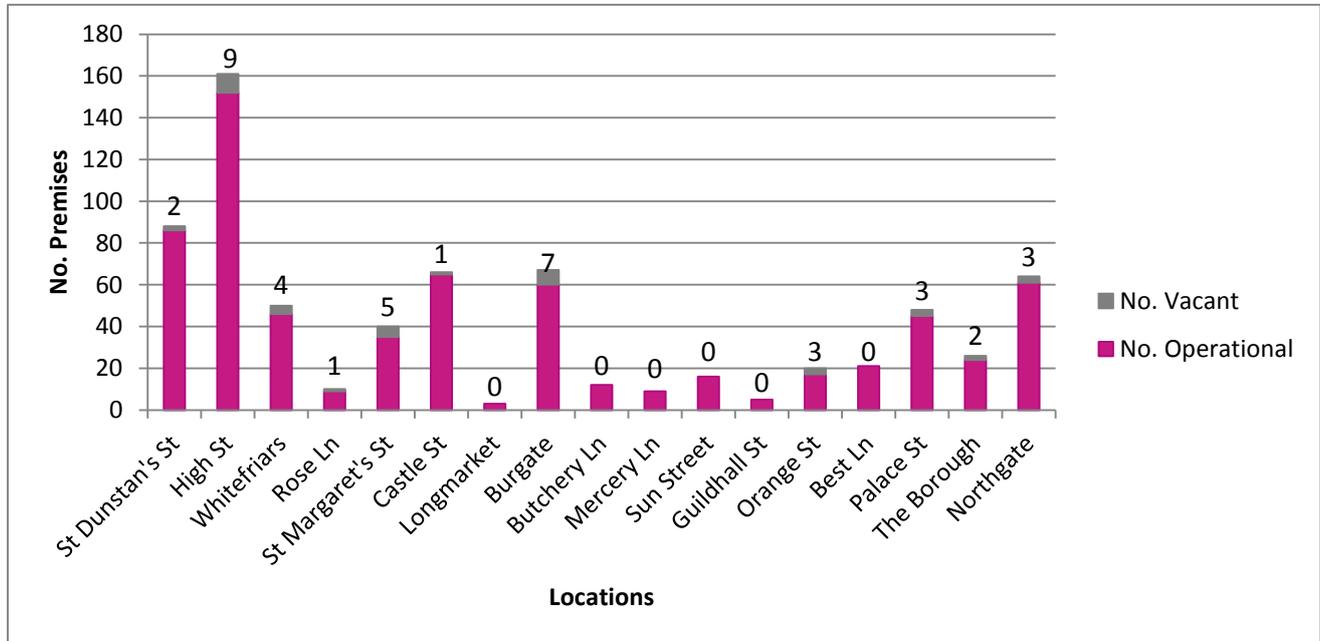
Indicator	Trend	Comment
Premises vacancy rates	●	The vacancy rate for Canterbury in April was 6.0%, +0.4% higher than March and -0.1% lower than April 2014. The vacancy rate for the Southeast in Q1 2015 was 8.8% and the national town centre vacancy rate was 10.2%.
Premises type	●	Canterbury has a good healthy mix of premises types with specialty (24%) and food outlets (23%) having the highest presence. Overall 33% of Canterbury's retailers are multiples and 45% are independents.
Business start-up rates	●	For Canterbury there was a -31% annual change in registered start-up businesses, a +4% increase over the month from March and a -12% 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.
City Centre footfall	●	Overall footfall was up +1.8% YOY in April which is a -1.1% decrease on March (+2.9 YOY), a -2.3% decrease on April 2014, +4.0% higher than the average for the South East and +2.6% higher than the national average. The twelve month average for Canterbury is +4.1%.
Business Sales Performance	●	In April there was an overall +2.0% YOY change in sales performance, which is a -2.0% decrease from March and a -2.5% decrease in comparison to the same time last year. A1 retailers had a reasonable month up +1.8% YOY and food and drink establishments had a good month up +4.2% YOY.
Tourism	●	Visitor numbers to visitor attractions in Canterbury were down -5.3% YOY (-1.4% YOY in March). For Kent, attraction visitor numbers were up +8.1% YOY (+7.0% YOY in March). 45% of visitors to Canterbury were domestic, 5% long haul and 50% 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 April a survey of 17 key streets within Canterbury City Centre was undertaken. A total number of 666 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

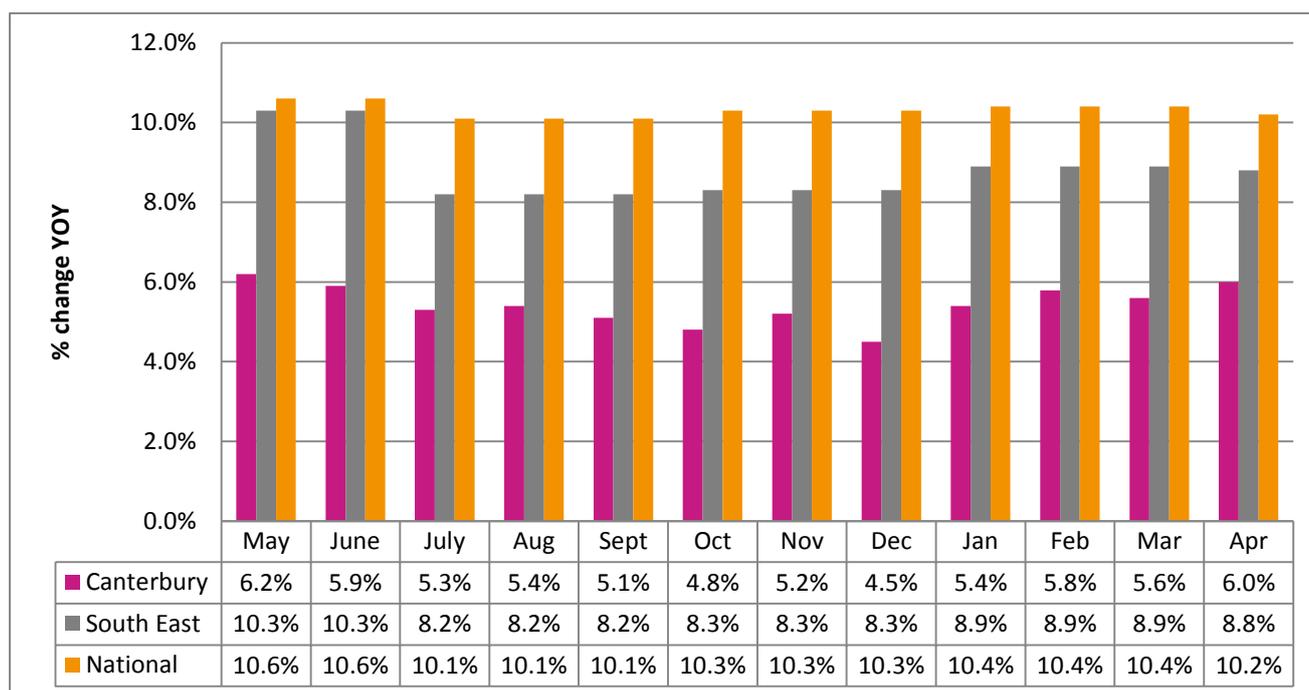


Source: CCP April survey 2015.

Key findings:

- A total number of 40 businesses premises were recorded as vacant in April, which is 3 more than March and the same as April 2014.
- The High Street, St Margarets Street and Burgate had the highest number of empty premises whilst 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, Orange Street had the highest vacancy rate (18%).

Graph 1.2 - Premises vacancy rates YOY



Source: CCP April survey 2015 and the British Retail Consortium and Springboard reports which are gathered on a quarterly basis in January, April, July and October.

Key findings:

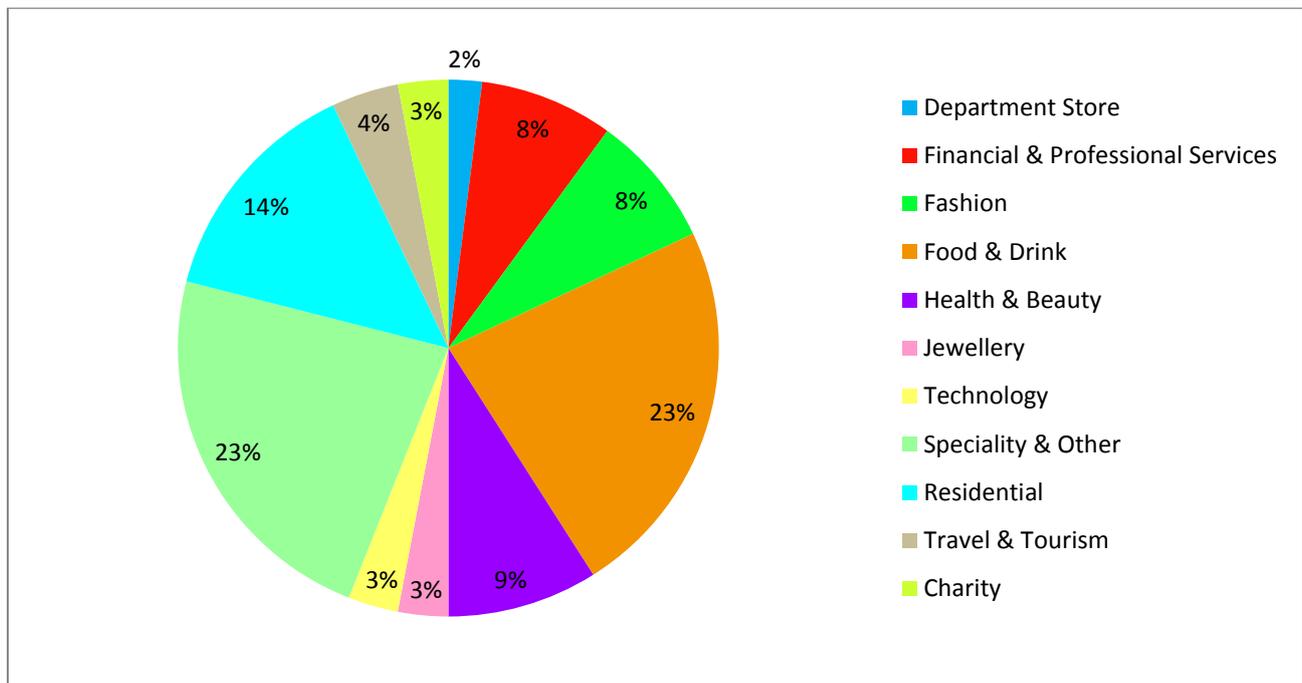
- The vacancy rate for Canterbury in April was 6.0%, +0.4% higher than March and -0.1% lower than April 2014.
- The vacancy rate for the Southeast in Q2 2015 was 8.8% (-0.1% lower than in Q1). Canterbury had the 6th lowest vacancy rate of the 18 towns in the South East that published their results in the Springboard Quarterly Vacancy Rate Survey Q2 2015.
- The national town centre vacancy rate was 10.2% in Q2 2015, -0.2% lower than Q1 rate and -0.4% lower compared to this time last year.
- The following table provides a breakdown of the vacancy rates by region:

Location	Vacancy rates – Q2 2015	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	6.8%	
West Midlands	14.7%	
South East	8.8%	
South West	8.9%	
East Midlands	8.3%	
East	7.7%	
North & Yorkshire	12.6%	
Northern Ireland	16.4%	
Wales	12.7%	
Scotland	10.4%	
National	10.2%	

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



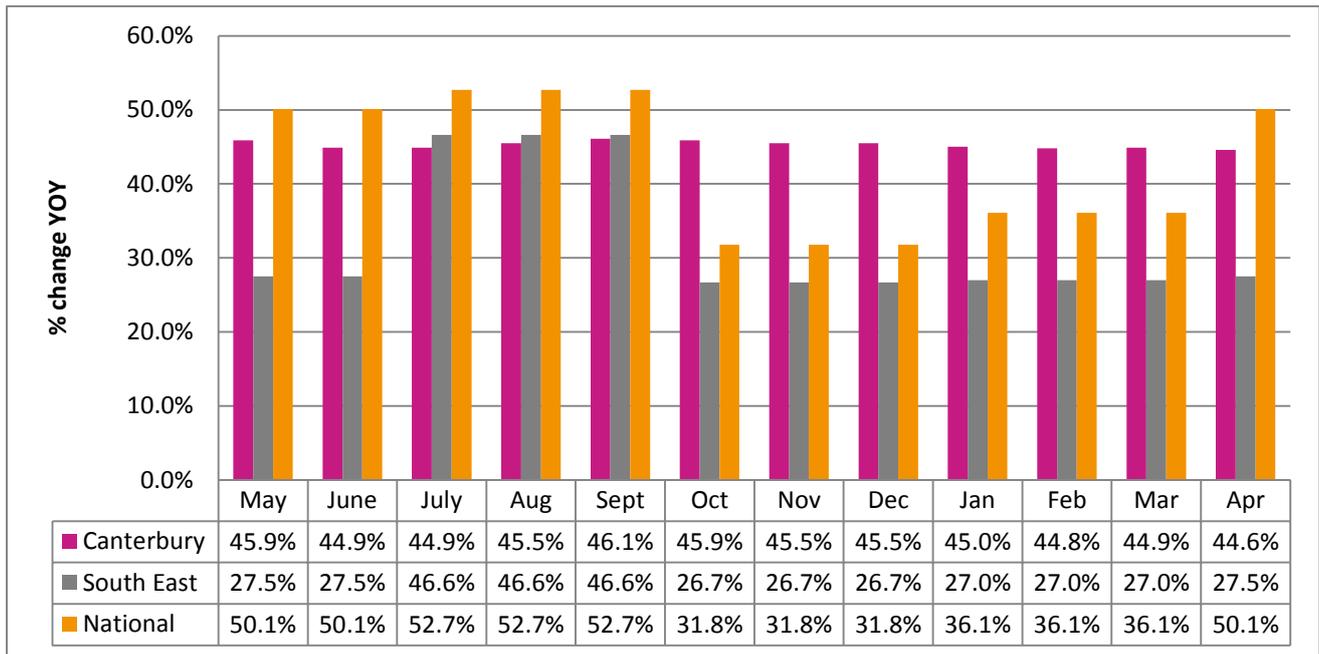
Source: CCP April survey 2015.

Key findings:

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

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 April survey 2015 and Springboard’s quarterly reports which are gathered in January, April, July and October.

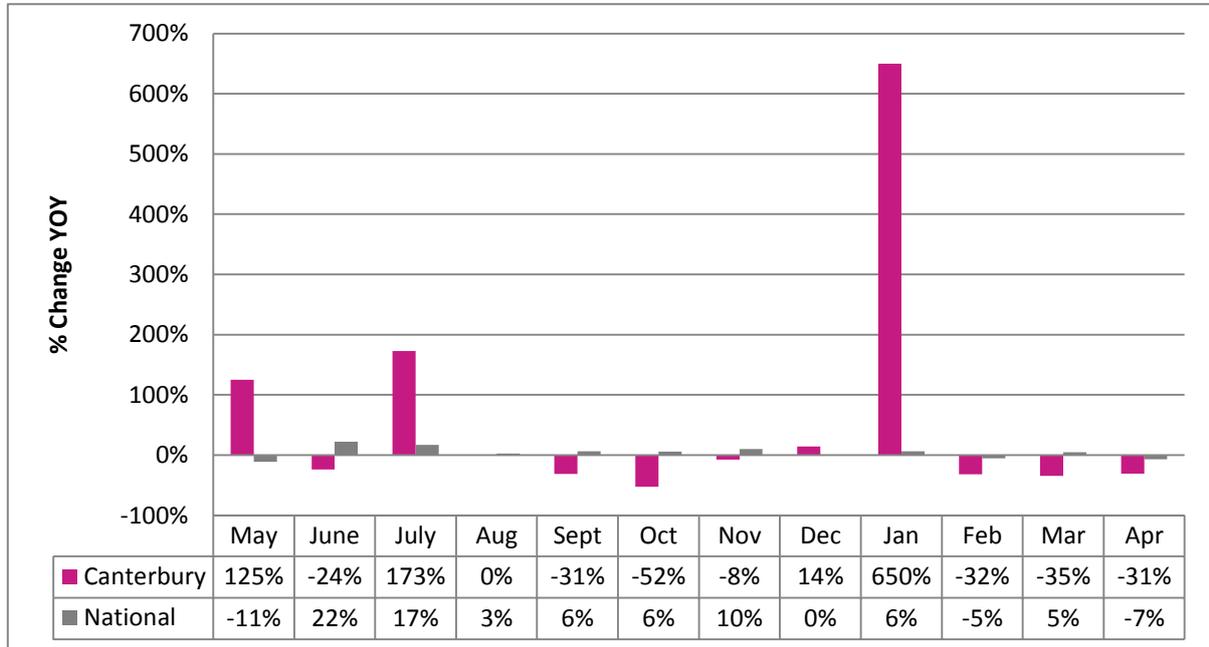
Key findings

- 44.6% of businesses recorded in April were independents, which is -0.3% lower than in March 2015, -1.3% lower than April 2014, +17.1% higher than the average for the South East and -5.5% lower than the national average.
 - Longmarket had the highest number of multiples (100%) followed by Whitefriars (89%) and Rose Lane (89%) which is unsurprising as they are managed developments.
 - Sun Street had the highest number of independent businesses (88%) followed by Palace Street (78%) and The Borough (75%).
- Overall based on the survey area, 33% of retailers are multiples and 45% are independents and 22% 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.

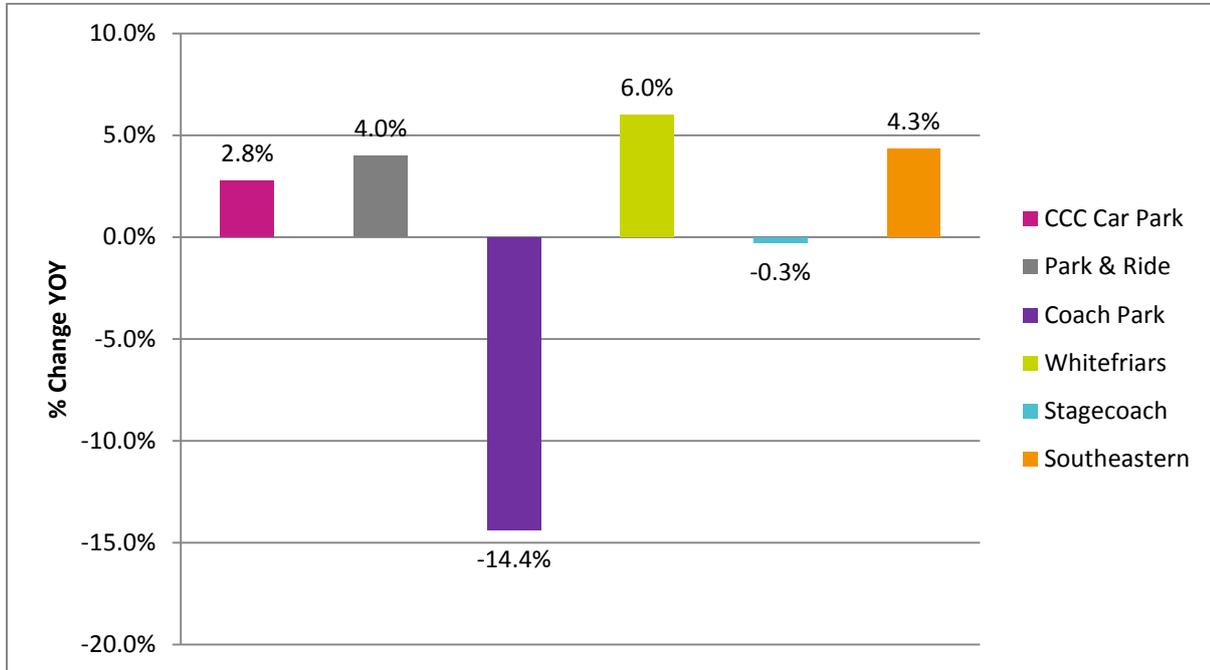
Key findings:

- For Canterbury there was a -31% annual change in registered start-up businesses, a +4% increase over the month from March but a -12% 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 189 registered start-up businesses which equates to an average of 15 per month in Canterbury.
- According to Start-up Britain there were 50,640 start-up businesses in April 2015, which equates to 7,873 less than in March and a total of 580,551 over the last twelve months (an average of 48,379 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

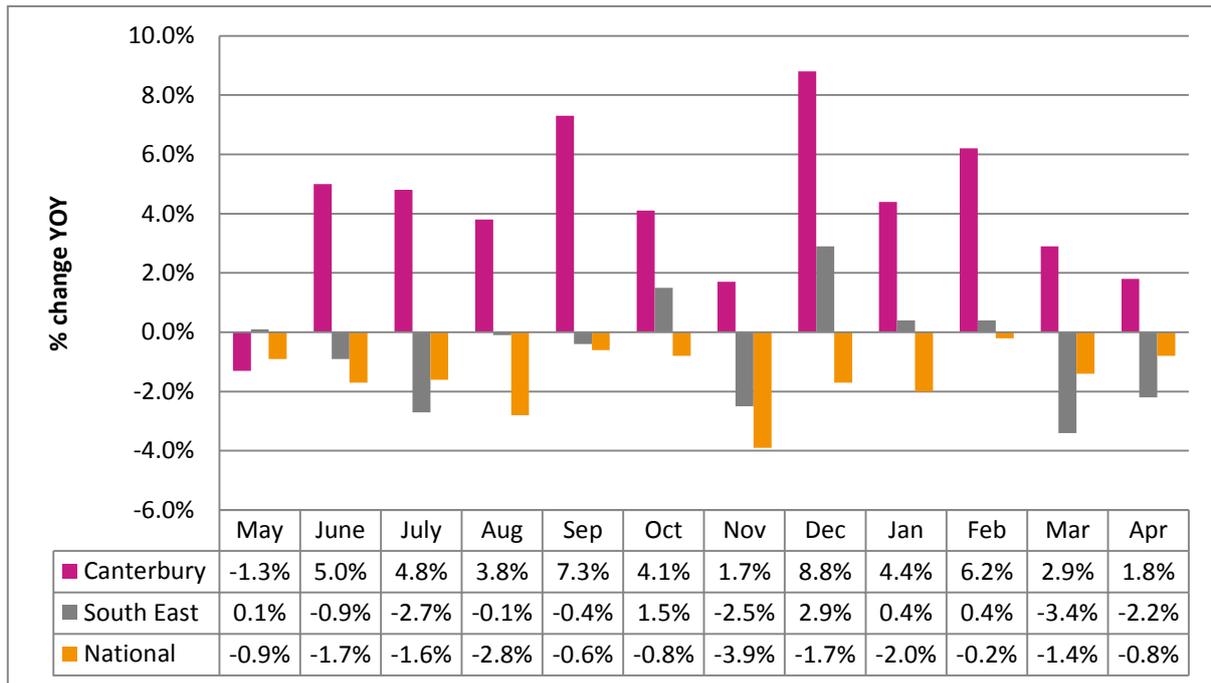


Source: Canterbury City Council Transportation Department Car Park data, Stagecoach East Kent, Whitefriars Car Park Data and Southeastern.

Key Findings

- Overall footfall was up +1.8% YOY in April which is a -1.1% decrease on March (+2.9 %YOY) and a -2.3% decrease on April 2014.
- All transportation methods saw an increase in usage YOY apart from the coach park which with the exception of September 2014 has seen a decline in usage YOY over the last twenty months, and bus usage. The increase in the coach parking charges could have had an impact on this result.

Graph 4.2 – Canterbury footfall rates YOY



Source: CCP April survey 2015 and Springboard - ATCM High Street Index monthly report.

Key Findings

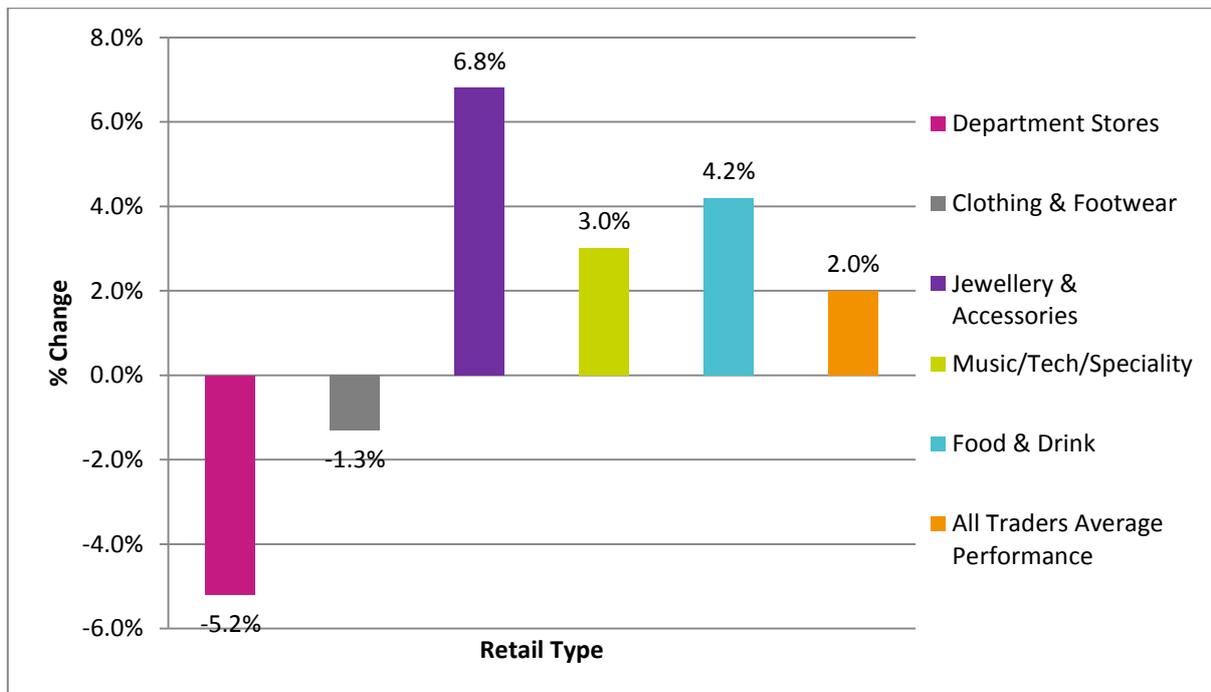
- Footfall in Canterbury was up +1.8% in April, +4.0% higher than the average for the South East and +2.6% higher than the national average. The twelve month average for Canterbury is +4.1%.
- Nationally:
 - Footfall in April was -0.8% lower than a year ago, down from the +0.2% rise in March. This is below the three-month average of -0.3%.
 - Both High Streets and Shopping Centres reported a decline, falling -0.1% and -3.0% respectively.
 - Footfall in out-of-town locations fared the best with a 0.5% increase year-on-year, but this is the lowest figure since September 2014.
 - Four regions and countries reported footfall above the UK average, with the East, Northern Ireland, Scotland and Greater London all reporting positive footfall growth.
 - The following table provides a breakdown of the footfall rates by region:

Location	% change YOY	Location	% change YOY
England		Northern Ireland	+1.2
Greater London	+1.1	Wales	-3.6
West Midlands	-2.1	Scotland	+1.1
South East	-2.2		
South West	-1.1		
East Midlands	-1.6		
East	+1.9		
North & Yorkshire	-1.3		

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 illustrates business' average percentage change in sales compared to the same month in 2014.

Graph 5.1 – Average Sales performance of businesses YOY

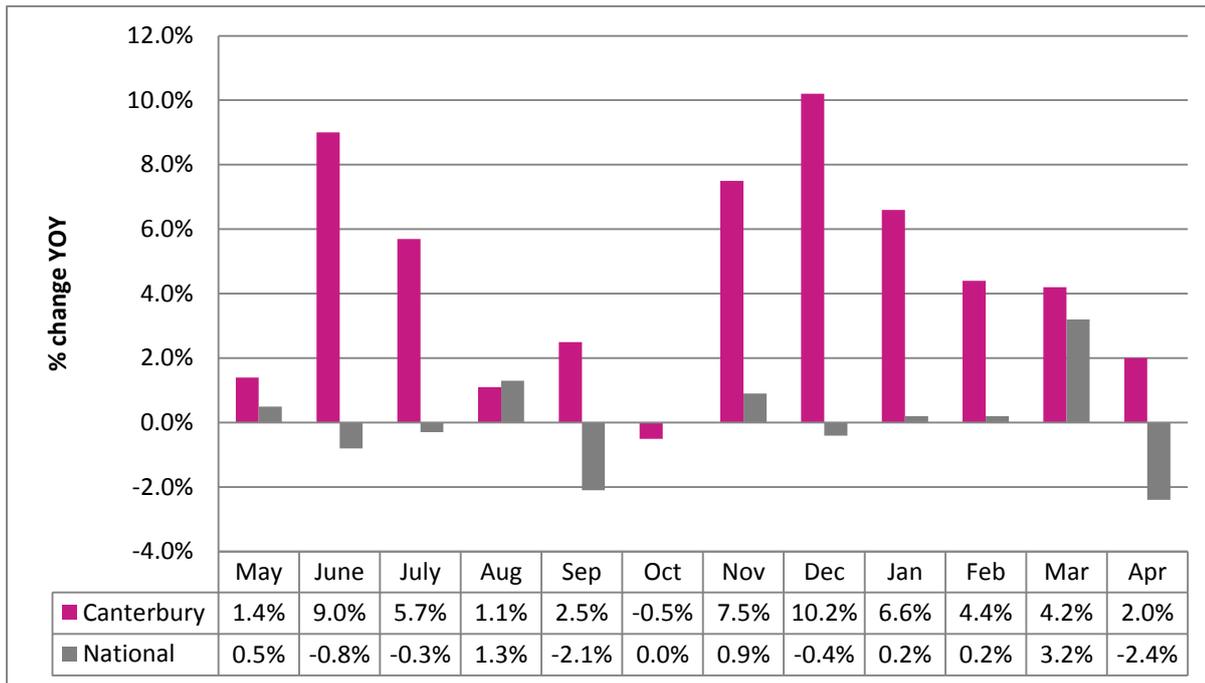


Source: CCP April 2015 Business Survey of Average Sales Performance based on 33 respondents.

Key findings:

- In April there was an overall +2.0% YOY change in sales performance, which is a -2.0% decrease from March and a -2.5% decrease in comparison to the same time last year.
- A1 retailers had a mixed month with a +1.8% change in sales performance YOY, which is a -2.1% decrease from March and a -2.4% decrease in comparison to the same month last year. Given that it was the sunniest April since records began it is surprising to see that demand was low for spring/summer clothing and footwear and that consumers weren't taking advantage of Easter sales. Department stores suffered the worst given the natural dip in the sale of homeware which traditionally occurs at Easter.
- Food and drink had an even better month with a +4.2% increase in trade which is a -1.4% decrease from March and a -1.2% decrease in comparison to the same month last year. The weather helped these results with many people venturing out and taking the time to enjoy the sunshine.

Graph 5.2 – Average Sales performance YOY



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

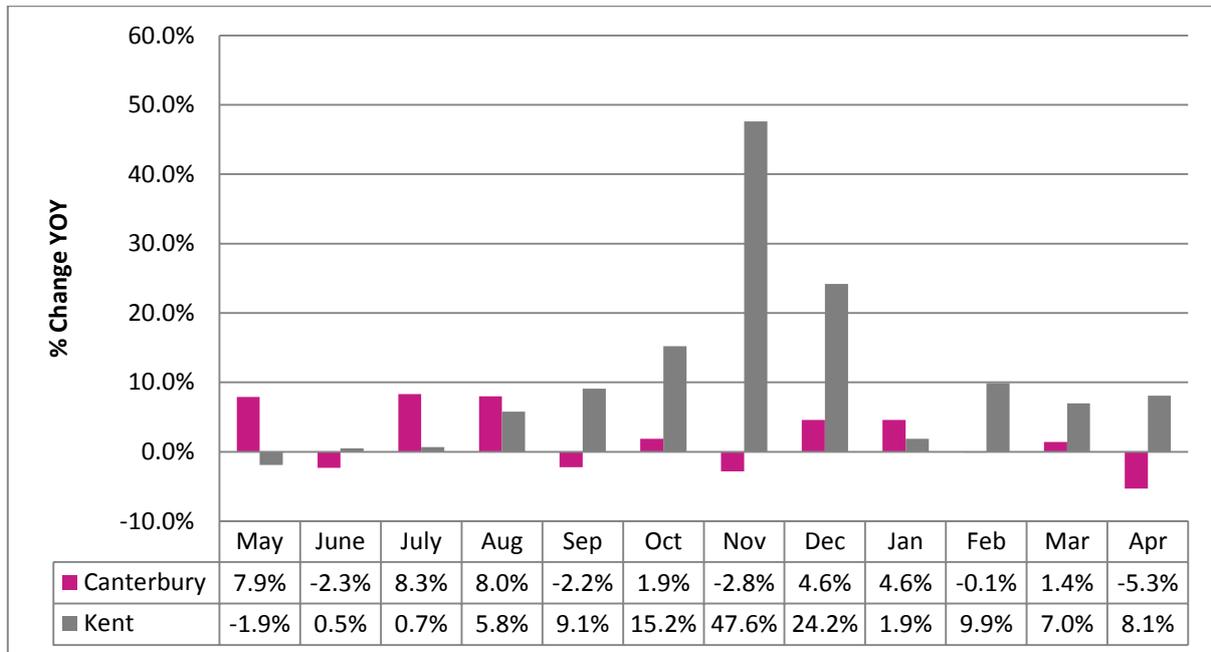
Key findings:

- Sales Performance in April was up +2.0% YOY, down -2.5% on the twelve month average of +4.5% for Canterbury and +4.4% higher than the national rate of -2.4% YOY.
- According to the BRC-KPMG UK Retail Sales Monitor:
 - UK retail sales decreased by -2.4% on a like-for-like basis from April 2014, when they had increased +4.2% on the preceding year.
 - On a total basis, sales were down -1.3%, against a +5.7% rise in April 2014. Adjusted for the BRC-Nielsen Shop Price Index deflation, total growth was +0.6%.
 - The figures are negatively distorted by the inclusion of the build-up to Easter in March this year against April last year. The 3-month average, which removes the distorting effect of Easter, showed the strongest underlying growth since last June.
 - Total Food sales grew +0.4% over the 3 months to April, ahead of their -0.6% decline over the last 12 months. Total Non-Food sales grew +3.2% over the same period and also outperformed their 12-month average growth of +3.0%. The fashion and beauty categories outperformed while the home ones underperformed.
 - Online sales of Non-Food products in the UK grew +15.4% in April versus a year earlier, when they had grown +11.2%. The Non-Food online penetration rate was +17.6%, up from +15.9% in April 2014.

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

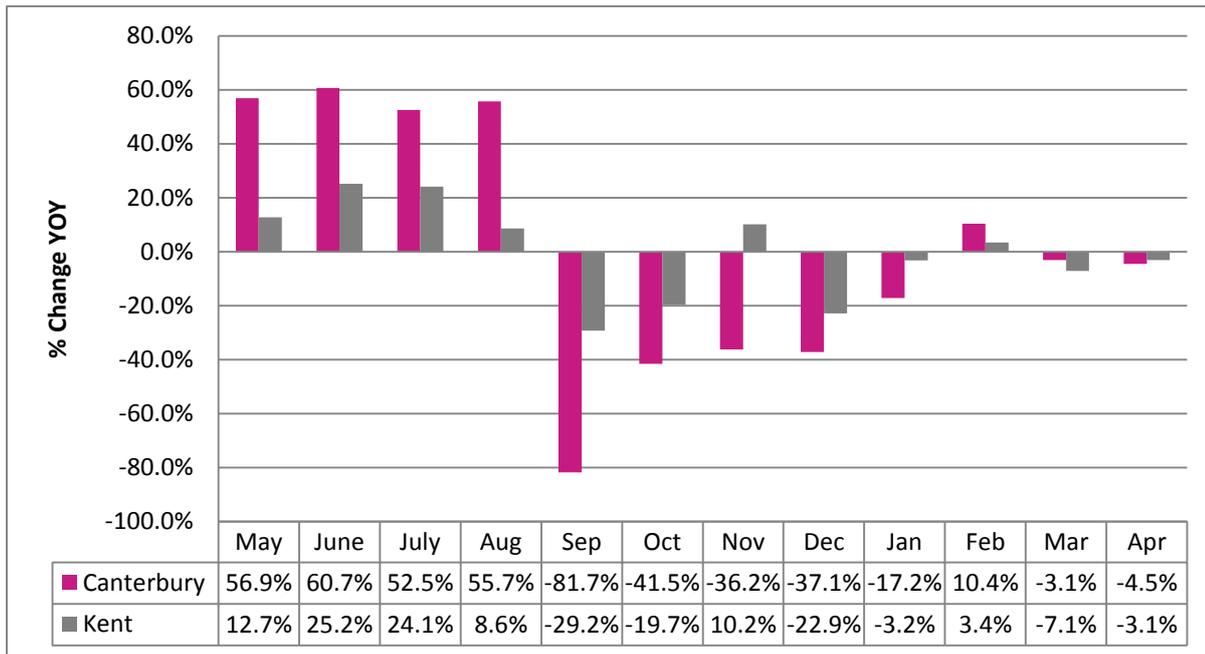


Source: CCP survey of members, Canterbury City Council attraction figures and Visit Kent Business Barometer, April 2015

Key findings:

- In April there was a -5.3% annual change in visitor numbers to visitor attractions in Canterbury, a -6.7% decrease over the month from March but a +5.4% increase in comparison to the same time last year.
- For Kent, there was a +8.1% annual change in visitor numbers to visitor attractions which is a +1.1% increase over the month from March but a -10.4% decrease in comparison to the same time last year.

Graph 6.2 – Percentage change in Visitor Information Centre Enquires YOY



Source: Visit Kent Business Barometer, April 2015.

Key findings:

- For Canterbury there was a total -4.5% annual change in visitor enquiries, a -1.4% decrease over the month from March but a +24.6% increase in comparison to the same time last year.
- Visitor Information Centres in Kent had a -3.1% annual change in visitor enquiries, a +4.0% increase over the month from March and a +10.1% increase in comparison to the same time last year.
- According to Visit Kent’s April Business Barometer 45% of visitors to Canterbury’s VIC were domestic visitors, 5% long haul visitors and 50% were European visitors.

Events

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

- 2 – 19: Schools Easter Holidays
- 3 – 7: Whitefriars Easter Activity weekend
- 25: Whitefriars Spring Fashion Event