



**Canterbury  
Connected**

**BUSINESS IMPROVEMENT DISTRICT**

**Canterbury City Centre**

**Performance Report**

**February 2015**

# Canterbury City Centre Performance Report – February 2015

## Executive summary

Welcome to the February 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

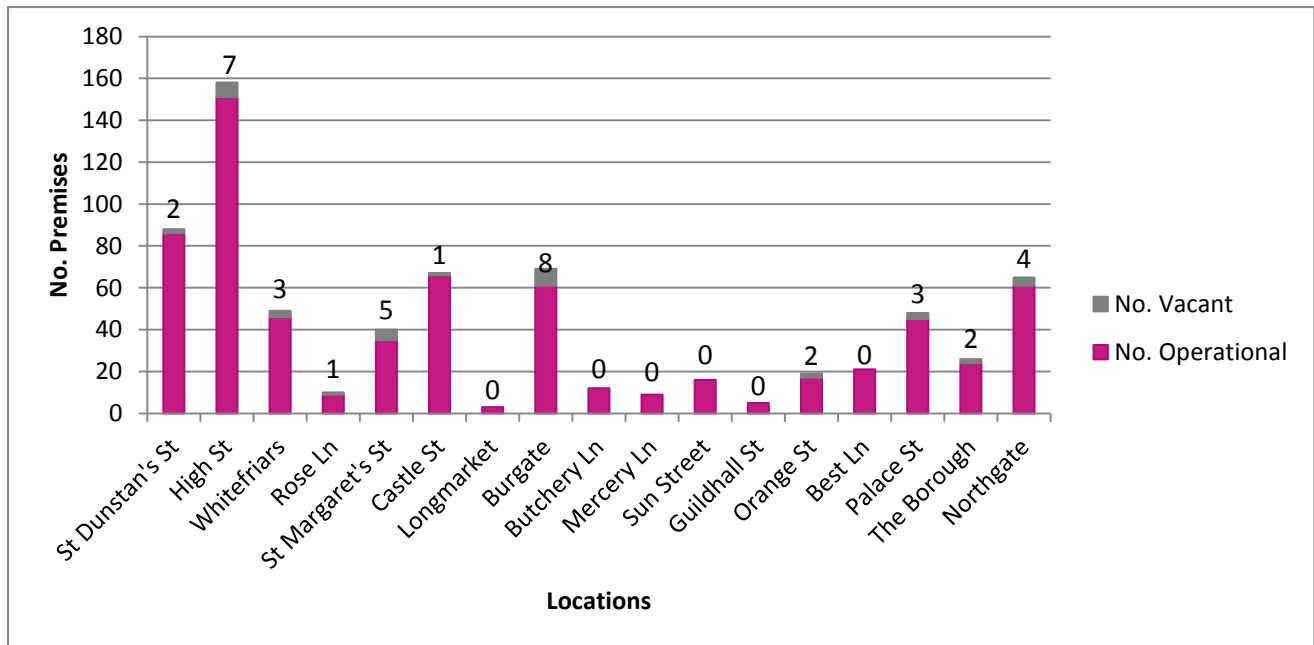
Indicator	Trend	Comment
Premises vacancy rates	●	The vacancy rate for Canterbury in February was 5.8%, +0.4% higher than January and the same as February 2014. The vacancy rate for the Southeast in Q1 2015 was 8.9% and the national town centre vacancy rate was 10.4%.
Premises type	●	Canterbury has a good healthy mix of premises types with specialty (24%) 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 -32% annual change in registered start-up businesses, a -682% decrease over the month from January and a -115% 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 +6.2% YOY in February which is a +1.8% increase on January (+4.4 YOY) and a +7.0% increase on February 2014, +5.8% higher than the average for the South East and +6.4% higher than the national average. The twelve month average for Canterbury is +4.7%.
Business Sales Performance	●	There was an overall +4.4% YOY change in sales performance, which is a -2.2% decrease from January and a +2.2% increase in comparison to the same time last year. A1 retailers had a good month up +5.2% YOY and food and drink establishments had a reasonable month up +1.8% YOY.
Tourism	●	Visitor numbers to visitor attractions in Canterbury were down -0.14% YOY (+2.4% YOY in January). For Kent, attraction visitor numbers were up +9.9% YOY (+1.9% YOY in January). 50% of visitors to Canterbury were domestic, 5% long haul and 45% 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 February a survey of 17 key streets within Canterbury City Centre was undertaken. A total number of 667 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**

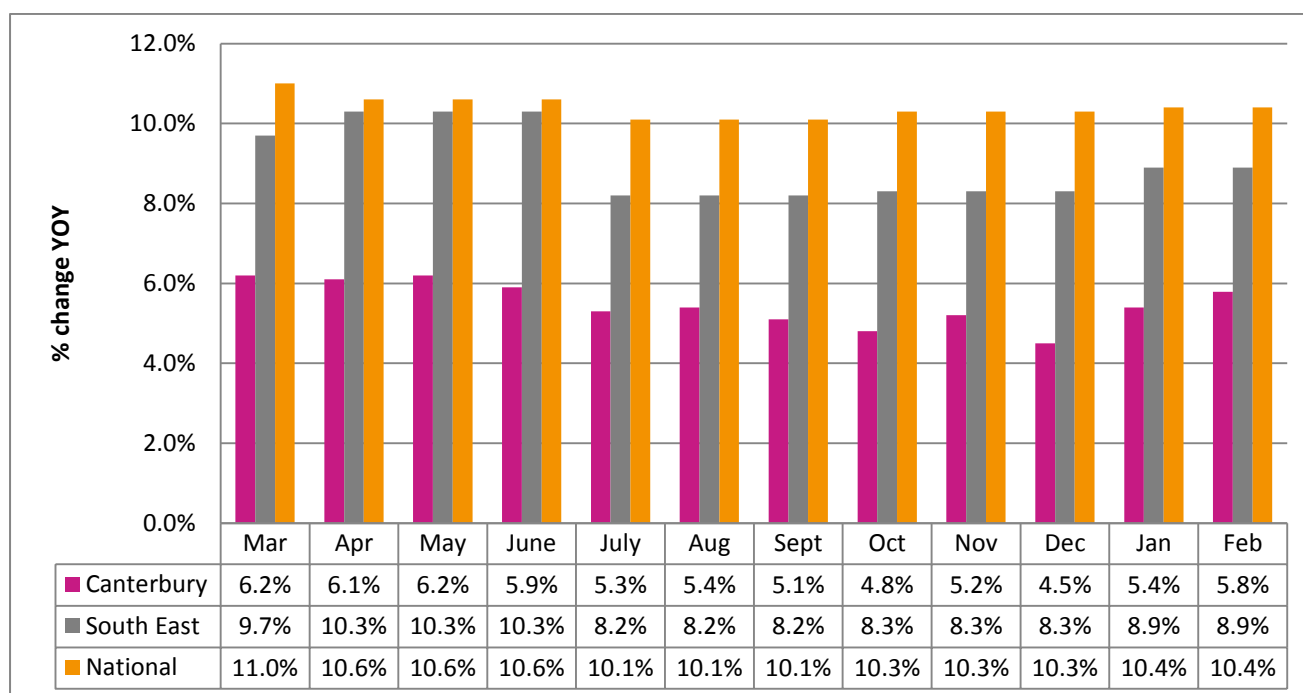


Source: CCP February survey 2015.

### Key findings:

- A total number of 38 businesses premises were recorded as vacant in February, which is 2 more than January and the same as February 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, St Margarets Street had the highest vacancy rate (14%).

**Graph 1.2 - Premises vacancy rates YOY**



Source: CCP February 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:**

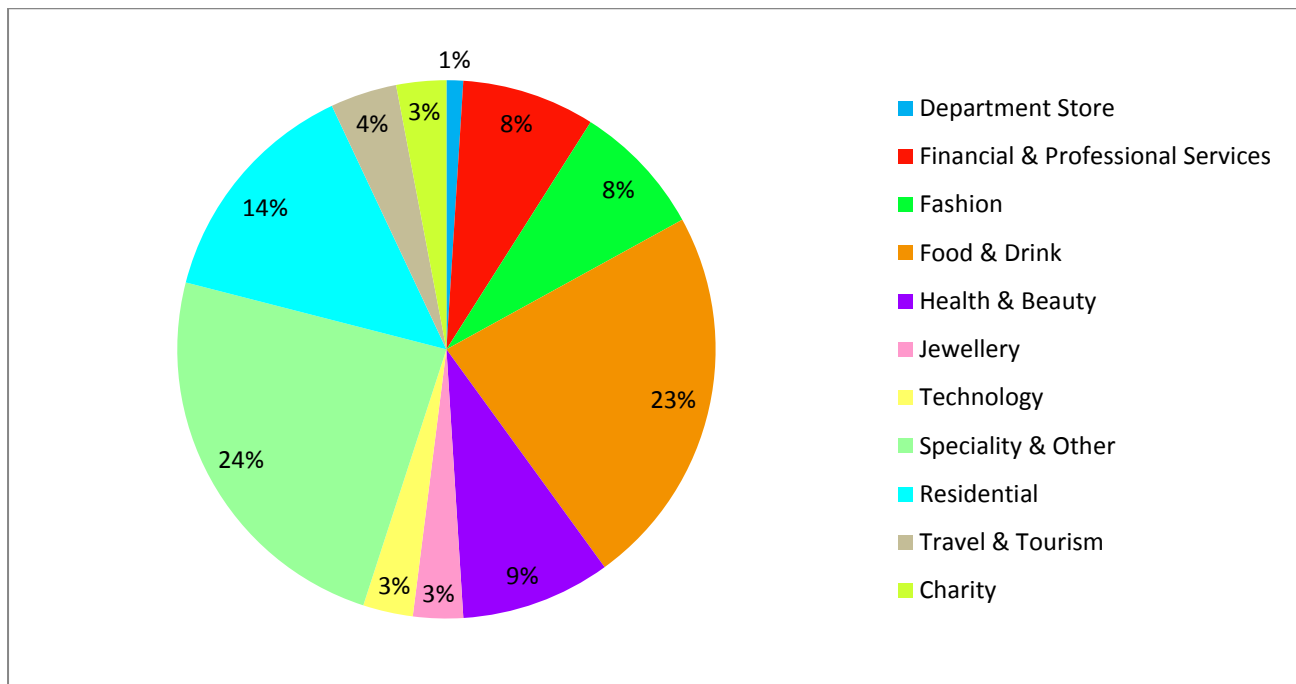
- The vacancy rate for Canterbury in February was 5.8%, +0.4% higher than January and the same as February 2014.
- The vacancy rate for the Southeast in Q1 2015 was 8.9% (+0.6% higher than in Q4 2014). Canterbury had the 8<sup>th</sup> lowest vacancy rate of the 26 towns in the South East that published their results in the Springboard Quarterly Vacancy Rate Survey Q1 2015.
- The national town centre vacancy rate was 10.4% in Q1 2015, +0.1% higher than Q4 2014 rate and -0.6% lower compared to this time last year.
- The following table provides a breakdown of the vacancy rates by region:

Location	Vacancy rates – Q1 2015	Springboard methodology
<b>England</b>		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	7.1%	
West Midlands	15.4%	
South East	8.9%	
South West	9.9%	
East Midlands	9.6%	
East	6.8%	
North & Yorkshire	10.3%	
<b>Northern Ireland</b>	16.3%	
<b>Wales</b>	9.9%	
<b>Scotland</b>	9.7%	
<b>National</b>	10.4%	

## 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**



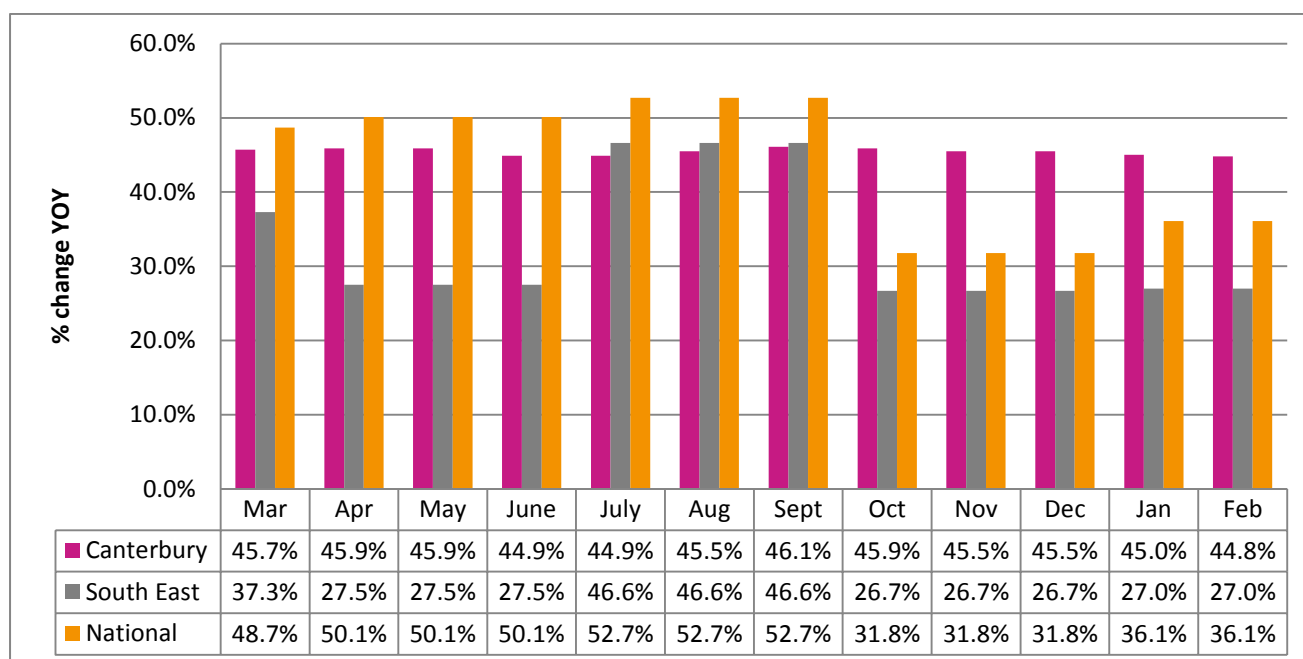
Source: CCP February survey 2015.

### Key findings:

- Overall ‘speciality and other’ and Food and drink premises type have the highest presence in the city (24% and 23% respectively) followed by residential (14%). Department stores had the lowest presence (1%).

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

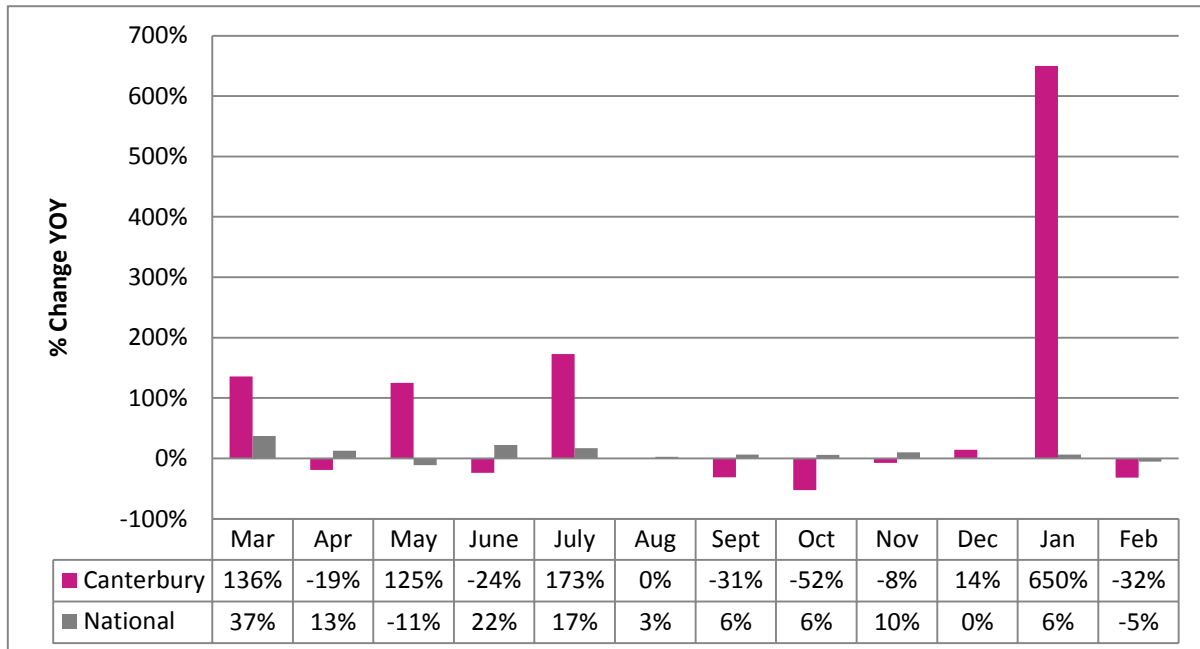
## Key findings

- 44.8% of businesses recorded in February were independents, which is -0.2% lower than in January 2015, -1% lower than February 2014, +17.8% higher than the average for the South East and +8.7% higher than the national average.
  - Longmarket had the highest number of multiples (100%) followed by Whitefriars (91%) and Rose Lane (89%) which is unsurprising as they are managed developments.
  - Sun Street had the highest number of independent businesses (81%) followed by Palace Street (78%) and The Borough (75%).
- Overall based on the survey area, 34% of retailers are multiples and 45% are independents and 21% 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.

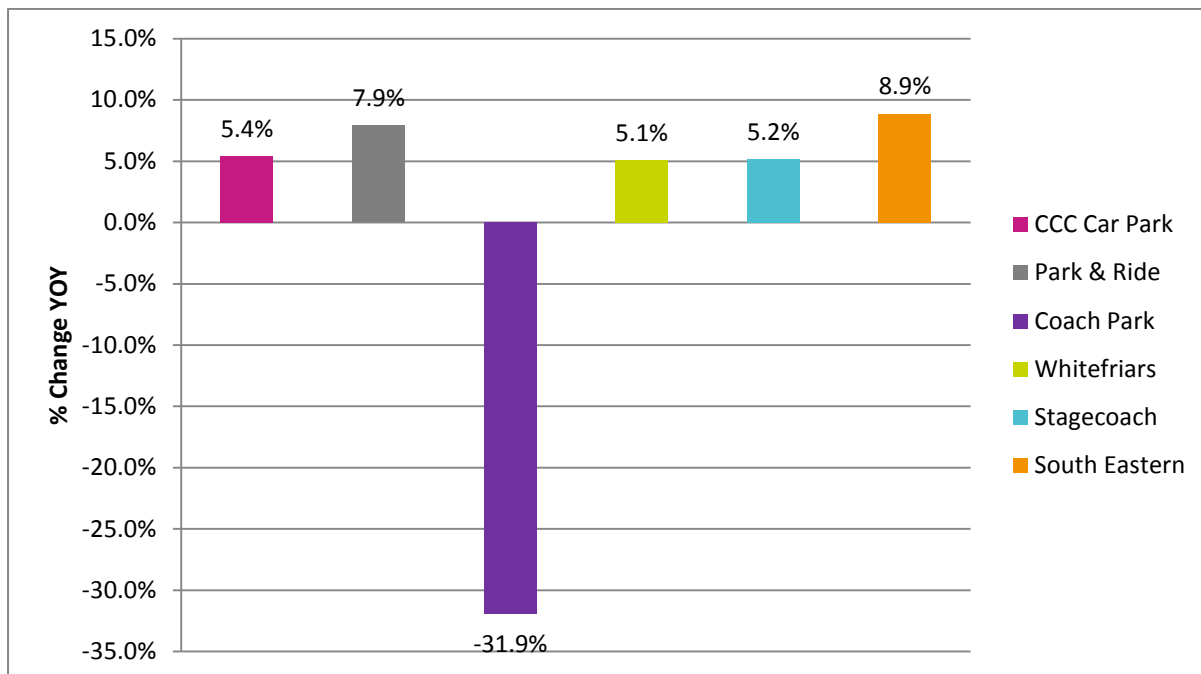
### Key findings:

- For Canterbury there was a -32% annual change in registered start-up businesses, a -682% decrease over the month from January and a -115% 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 209 registered start-up businesses which equates to an average of 17 per month in Canterbury.
- According to Start-up Britain there were 47,743 start-up businesses in February 2015, which equates to 493 less than in January and a total of 557,543 over the last twelve months (an average of 46,462 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**



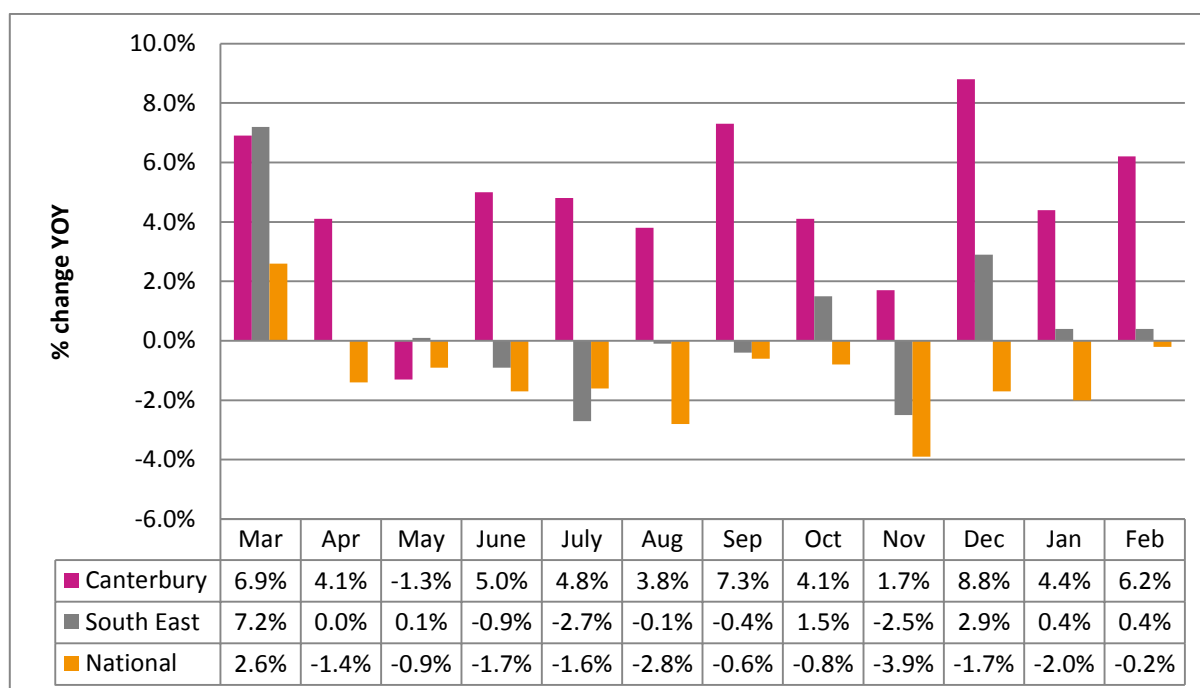
Source: Canterbury City Council Transportation Department Car Park data, Stagecoach East Kent, Whitefriars Car Park Data and Southeastern.

### Key Findings

- Overall footfall was up +6.2% YOY in February which is a +1.8% increase on January (+4.4 YOY) and a +7.0% increase on February 2014.
- All transportation methods saw an increase in usage YOY apart from the coach park which with the exception of September 2014 has seen up until now a decline in usage YOY over the last eighteen 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 February survey 2015 and Springboard - ATCM High Street Index monthly report.

## Key Findings

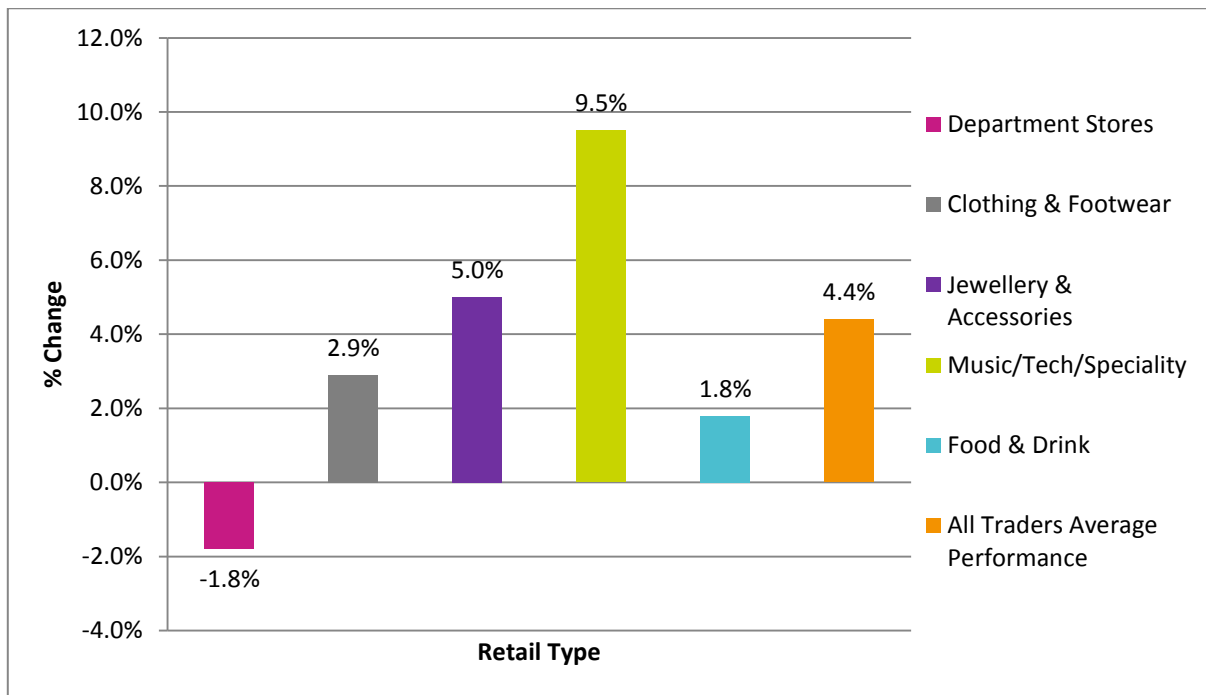
- Footfall in Canterbury was up +6.2% in January, +5.8% higher than the average for the South East and +6.4% higher than the national average. The twelve month average for Canterbury is +4.7%.
- Nationally:
  - High streets performed particularly strongly given the structural change in retailing that has led to a long term decline in high street footfall. In contrast to February 2014, footfall in high streets strengthened by a significant margin – a 5.3% drop in high street footfall in February 2014 has reduced to a marginal decline of just 0.2%.
  - The decline in high street locations is marginally better than the result across all retail locations in the UK, which fell by -0.5%, brought down by a significant drop in shopping centre footfall and a slow in the rise of retail park traffic.
  - The positive footfall performance is more widely spread across the UK than in previous months, with five of the ten areas and nations of the UK recording positive growth in February. This indicates a retail landscape that is broadening in strength and appeal.
  - The following table provides a breakdown of the footfall rates by region:

Location	% change YOY	Location	% change YOY
England		Northern Ireland	-3.8
Greater London	-1.9	Wales	-7.2
West Midlands	-2.7	Scotland	-6.9
South East	+0.4		
South West	-2.6		
East Midlands	-0.4		
East	-1.2		
North & Yorkshire	-0.6		

## 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 2014.

**Graph 5.1 – Average Sales performance of businesses YOY**

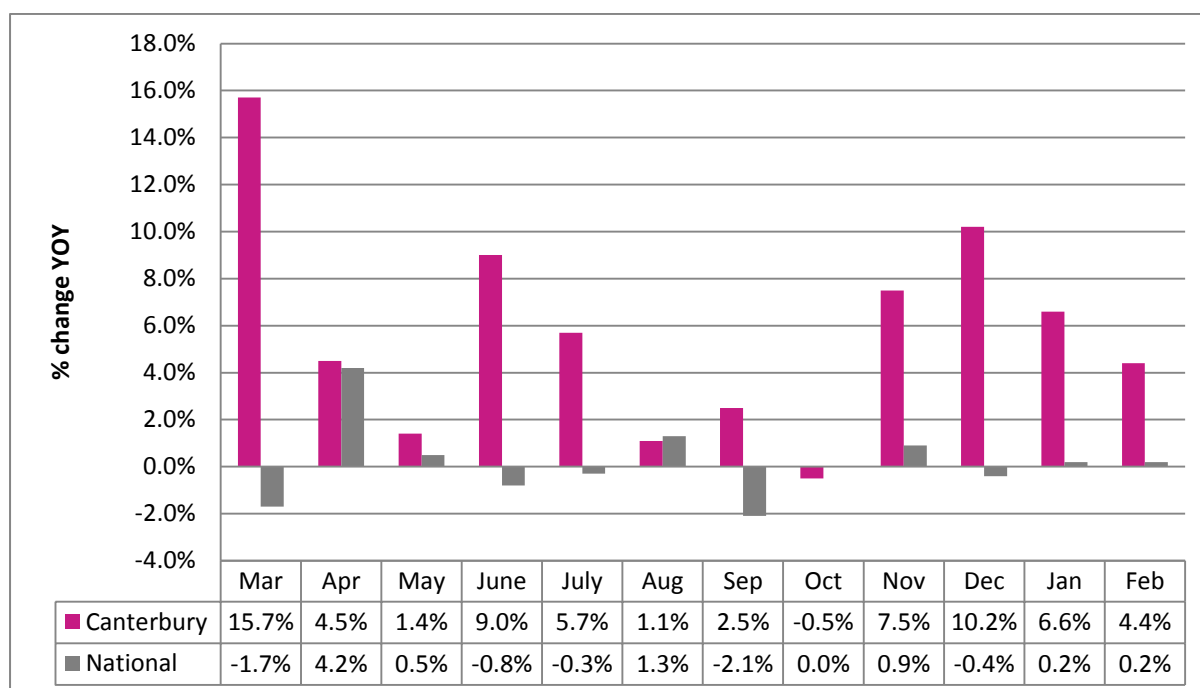


Source: CCP February 2015 Business Survey of Average Sales Performance based on 33 respondents.

### Key findings:

- In February there was an overall +4.4% YOY change in sales performance, which is a -2.2% decrease from January and a +2.2% increase in comparison to the same time last year.
- A1 retailers had a good month with a +5.2% change in sales performance YOY, which is a -0.8% decrease from January and a +4.1% increase in comparison to the same month last year. After Christmas and the January sales, February is usually a quiet month for retailers so it's heartening to see that retail sales continued to rise this month. What's interesting is that almost all categories of product saw increased sales.
- Food and drink had a reasonable month with a +1.8% increase in trade which is a -7.5% decrease from January and a -3.9% decrease in comparison to the same month last year.

Graph 5.2 – Average Sales performance YOY



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

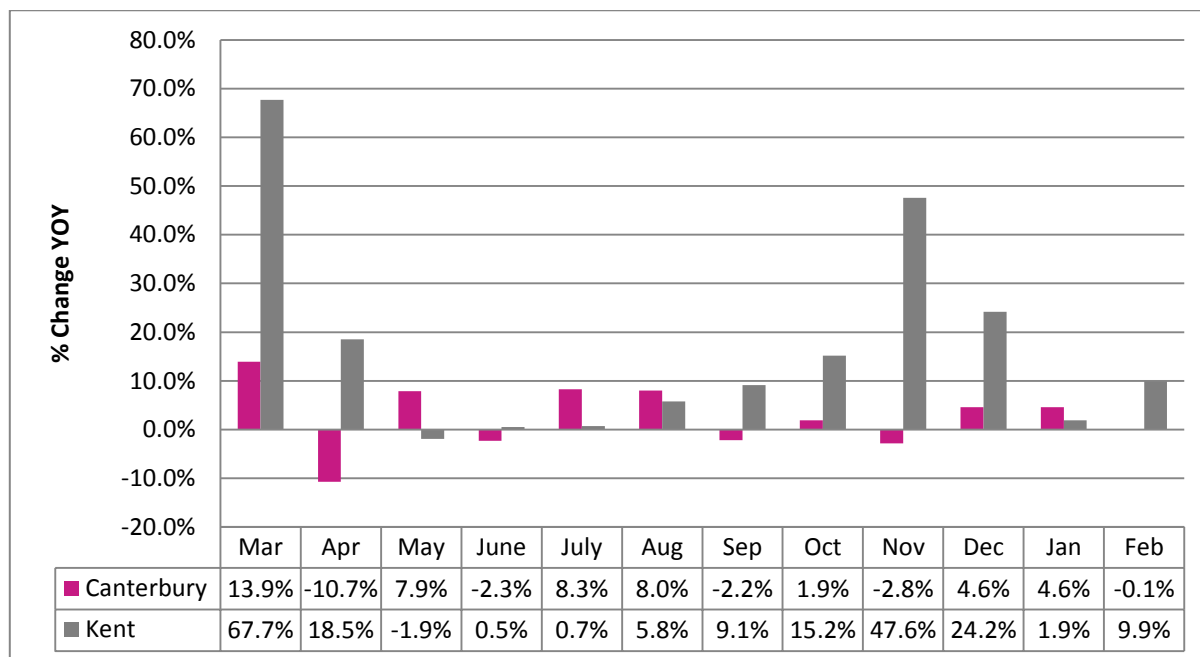
### Key findings:

- Sales Performance in February was up +4.4% YOY, down -1.3% on the twelve month average of +5.7% for Canterbury but +4.2% higher than the national rate of 0.2% YOY.
- According to the BRC-KPMG UK Retail Sales Monitor:
  - UK retail sales increased by +0.2% on a like-for-like basis from February 2014, when they had decreased 1.0% on the preceding year.
  - On a total basis, sales were up +1.7%, against a +0.7% rise in February 2014.
  - Adjusted for the BRC-Nielsen Shop Price Index deflation, total growth was 3.4%, above the 12-month average of 3.2%.
  - Total Food sales grew for the third consecutive month in February and showed an annual rise of 0.5% in the three months to February, its best performance since January 2014.
  - Online sales of non-food products in the UK grew +8.3% in February versus a year earlier, when it had grown +14.3%.

## 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**

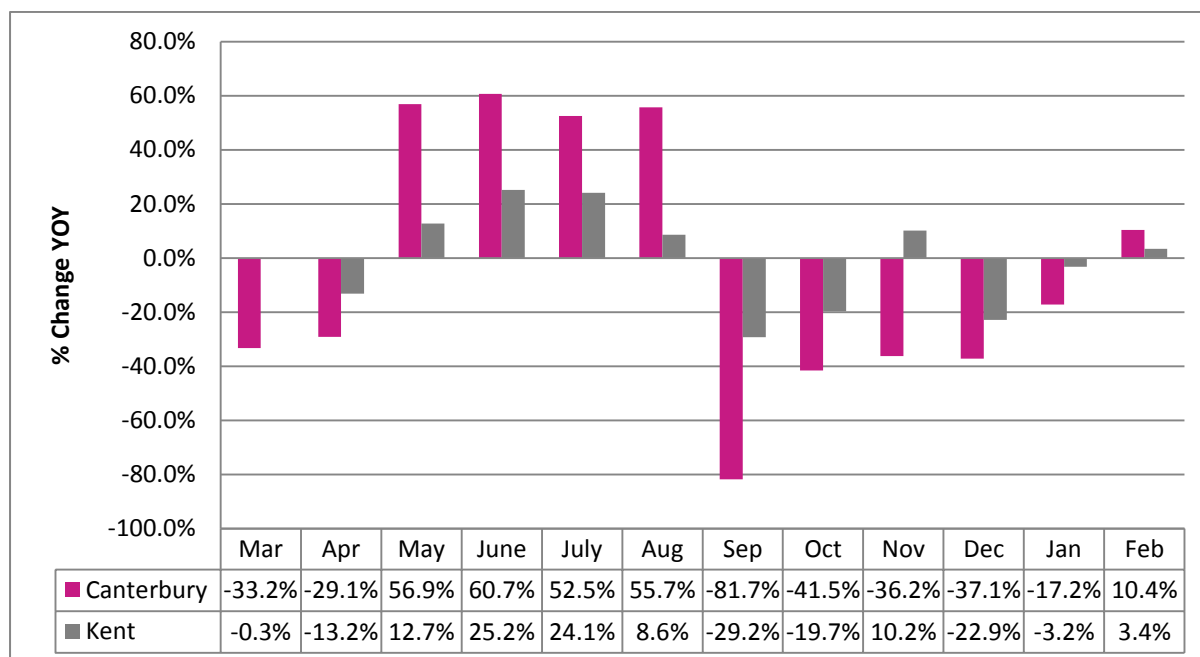


Source: CCP survey of members, Canterbury City Council attraction figures and Visit Kent Business Barometer, February 2015

### Key findings:

- In February there was a -0.1% annual change in visitor numbers to visitor attractions in Canterbury, a -4.7% decrease over the month from January and a -2.1% decrease in comparison to the same time last year.
- For Kent, there was a +9.9% annual change in visitor numbers to visitor attractions which is a +8.0% increase over the month from January and a +5.7% 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, February 2015.

#### Key findings:

- For Canterbury there was a total +10.4% annual change in visitor enquiries, a +27.6% increase over the month from January and a +45.3% increase in comparison to the same time last year.
- Visitor Information Centres in Kent had a +3.4% annual change in visitor enquiries, a +6.6% increase over the month from January and a +25.5% increase in comparison to the same time last year.
- According to Visit Kent’s February Business Barometer 50% of visitors to Canterbury’s VIC were domestic visitors, 5% long haul visitors and 45% were European visitors.

#### Events

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

- 14<sup>th</sup> – 22<sup>nd</sup> – School half term