



**Canterbury  
Connected**

**BUSINESS IMPROVEMENT DISTRICT**

**Canterbury City Centre**

**Performance Report**

**January 2015**

# Canterbury City Centre Performance Report – January 2015

## Executive summary

Welcome to the January 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

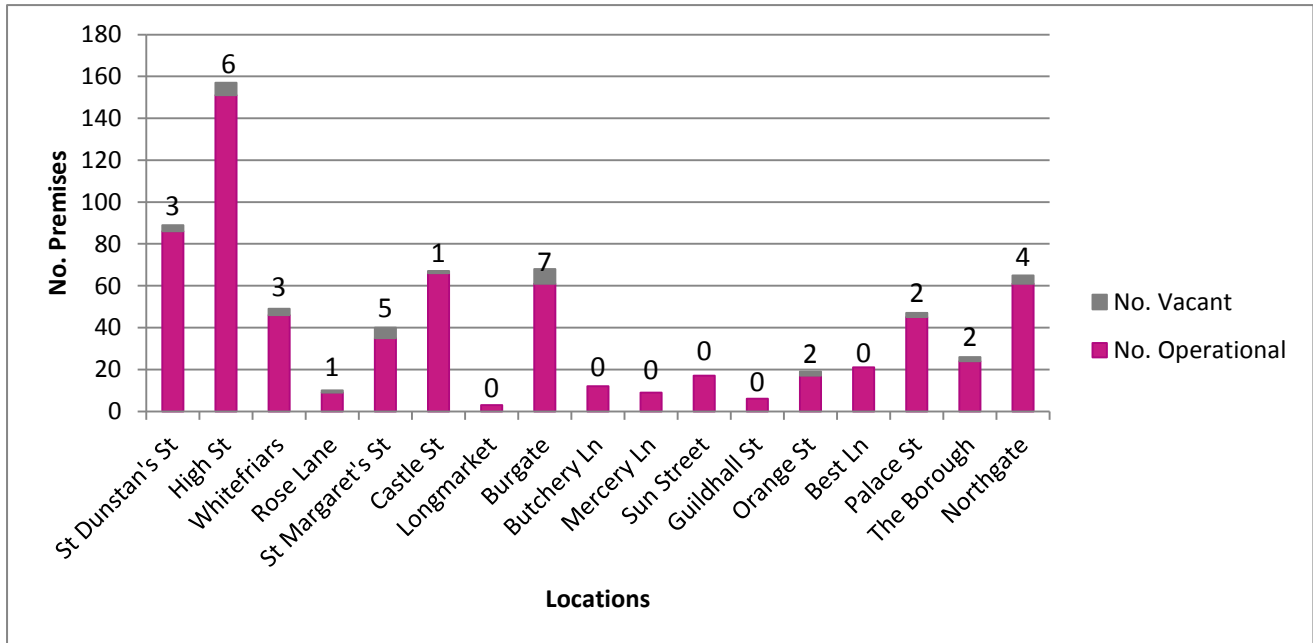
Indicator	Trend	Comment
Premises vacancy rates	●	The vacancy rate for Canterbury in January was 5.4%, 0.9% higher than December and 0.7% lower compared to the same time last year. The vacancy rate for the Southeast in Q1 2015 was 8.9% and the national town centre vacancy rate was 10.4%.
Premises type	●	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	●	For Canterbury there was a +650% annual change in registered start-up businesses, a +636% increase over the month from December and a +727% increase compared to the same time last year.
City Centre footfall	●	Overall footfall was up +4.4% YOY in January which is a -4.4% decrease on December (+8.8 YOY), a +2.2% increase on January 2014, +4% higher than the average for the South East and +4.6% higher than the national average. The twelve month average for Canterbury is +4.1%.
Business Sales Performance	●	There was an overall 10.2% YOY change in sales performance which is a +2.7% increase from December and a +11.2% increase in comparison to the same time last year. A1 retailers had a good month with a +6.0% change in sales performance YOY and so did food and drink establishments with a +9.3% increase in trade YOY.
Tourism	●	Visitor numbers to visitor attractions in Canterbury were up +2.4% YOY (+4.6% YOY in December). For Kent, attraction visitor numbers were up +1.9% YOY (+24.2% YOY in December). 80% of visitors to Canterbury were domestic, 5% long haul and 15% 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 January a survey of 17 key streets within Canterbury City Centre was undertaken. A total number of 669 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**

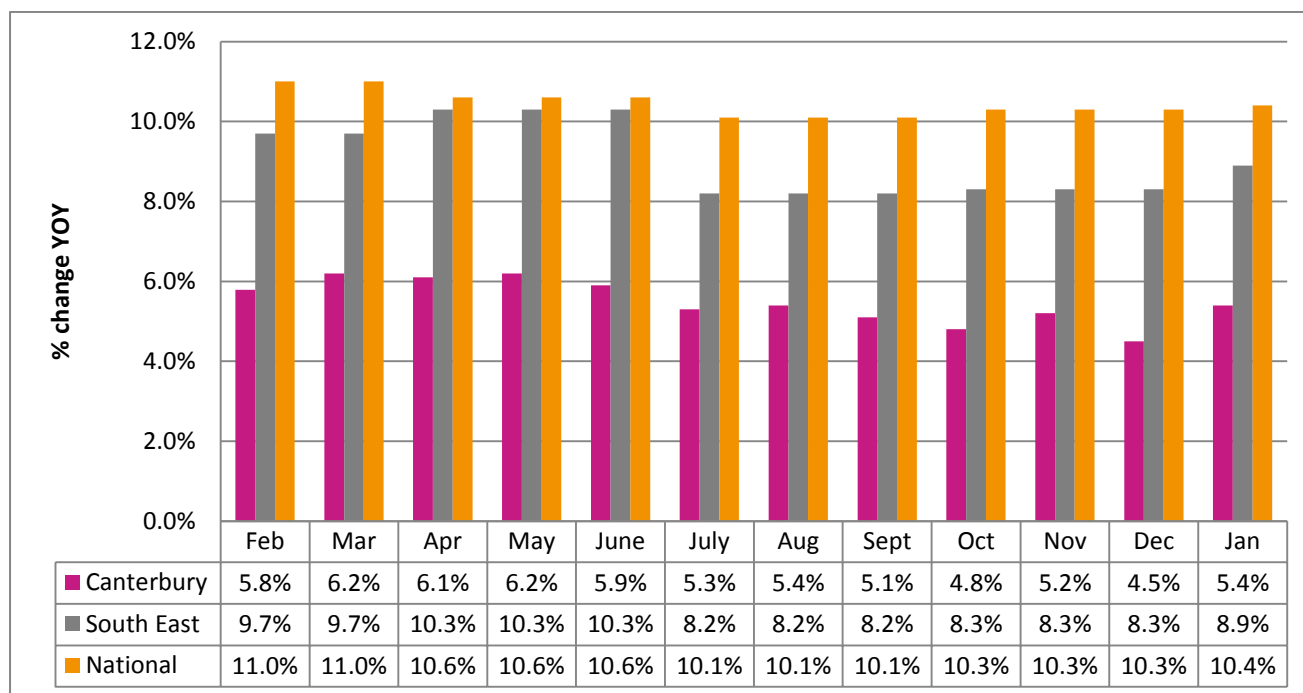


Source: CCP January survey 2015.

### Key findings:

- A total number of 36 businesses premises were recorded as vacant in January, which is 6 more than in December and 5 less than the same time last year.
- 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 January 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:

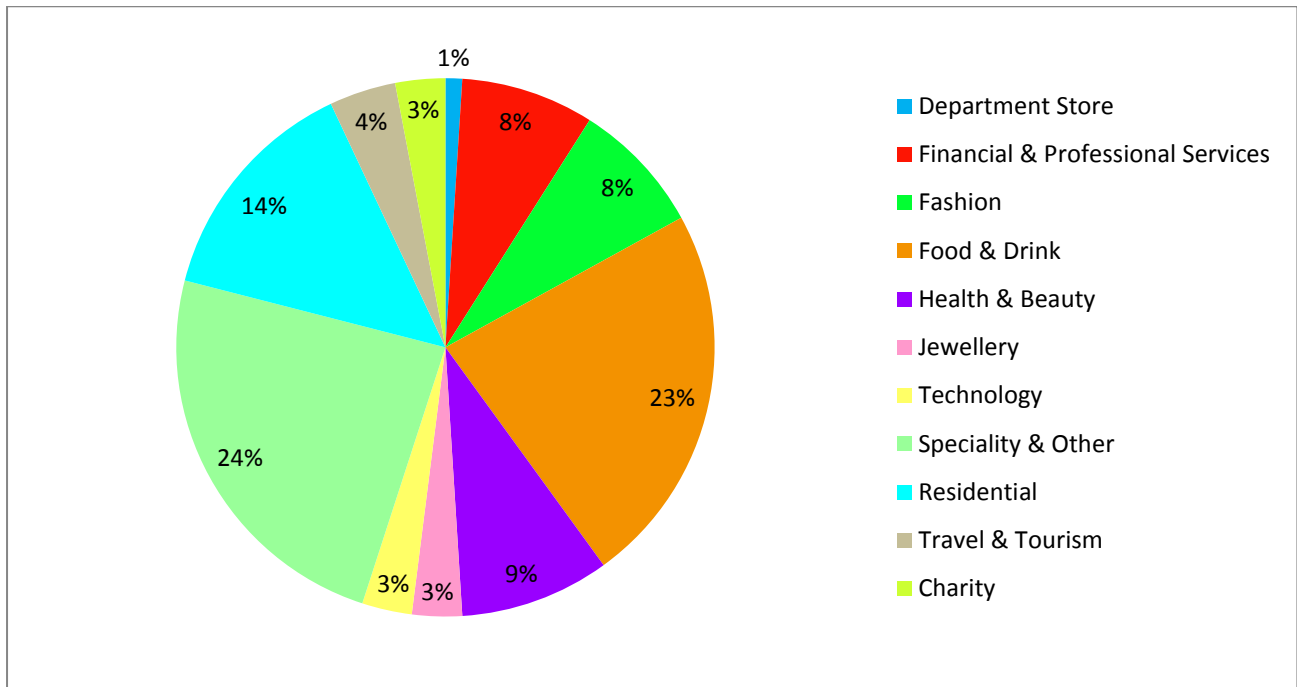
- The vacancy rate for Canterbury in January was 5.4%, +0.9% higher than December and -0.7% lower compared to the same time last year.
- The vacancy rate for the Southeast in Q1 2015 was 8.9% (+0.6% higher than in Q4 2014). Canterbury had the 8<sup>th</sup> lowest vacancy rate of the 26 towns in the 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**



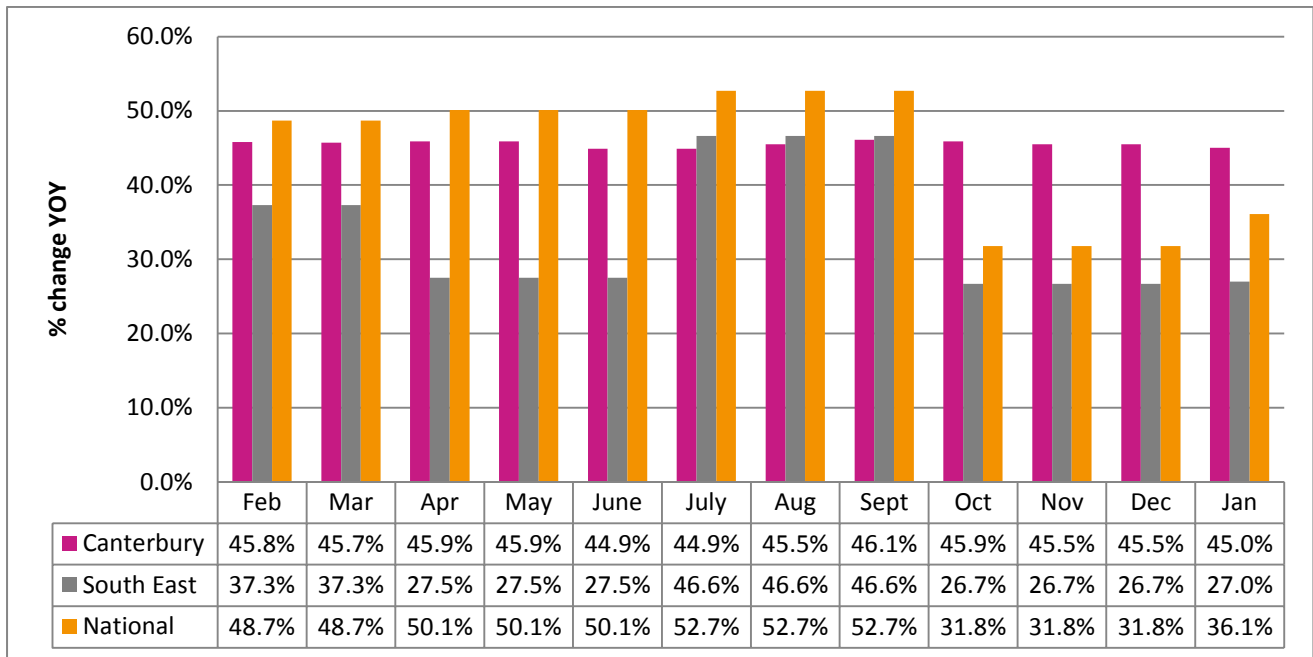
Source: CCP January survey 2015.

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

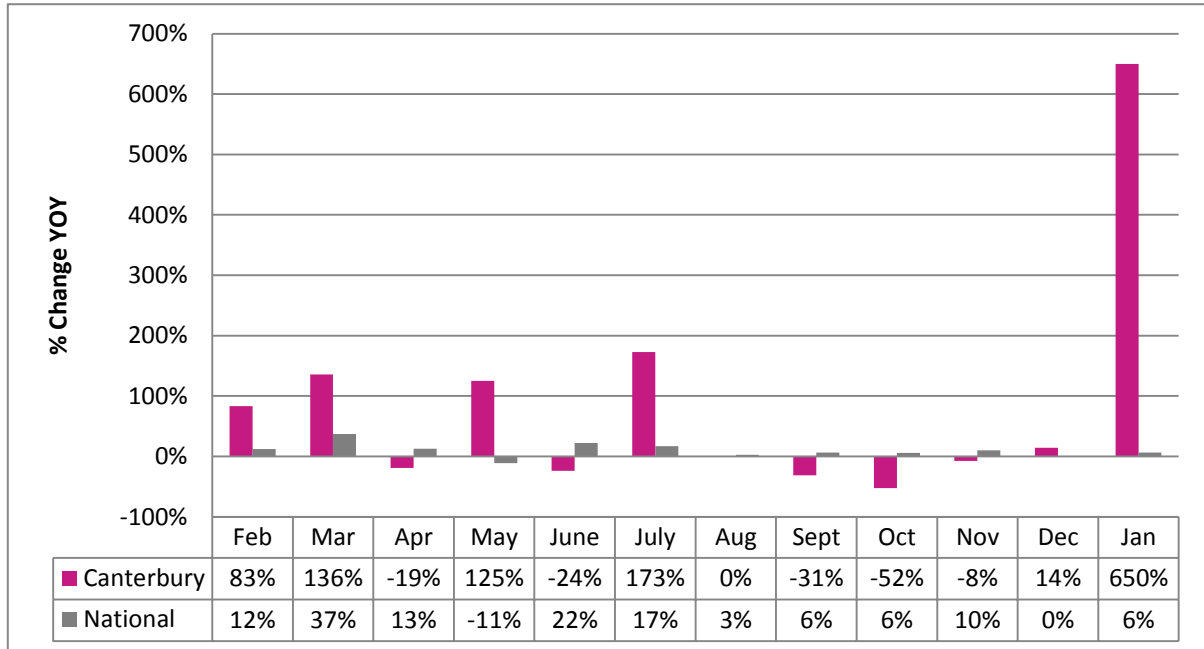
## Key findings

- 45% of businesses recorded in January were independents, which is -0.5% lower than in December 2014, +0.5% higher than January 2014, +18% higher than the average for the South East and +8.9% 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.
  - Palace Street had the highest number of independent businesses (80%) 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 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.

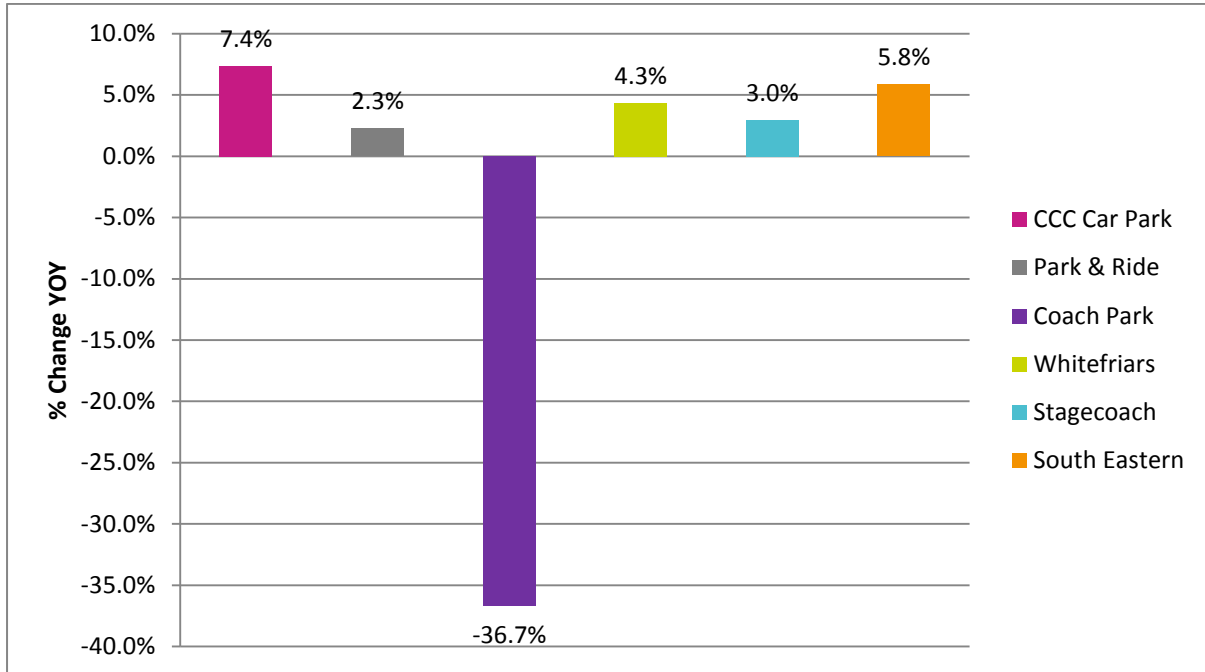
### Key findings:

- For Canterbury there was a +650% annual change in registered start-up businesses, a +636% increase over the month from December and a +727% increase 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 216 registered start-up businesses which equates to an average of 18 per month in Canterbury.
- According to Start-up Britain there were 48,236 start-up businesses in January 2015, which equates to 11,054 more than in December and a total of 559,958 over the last twelve months (an average of 46,663 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



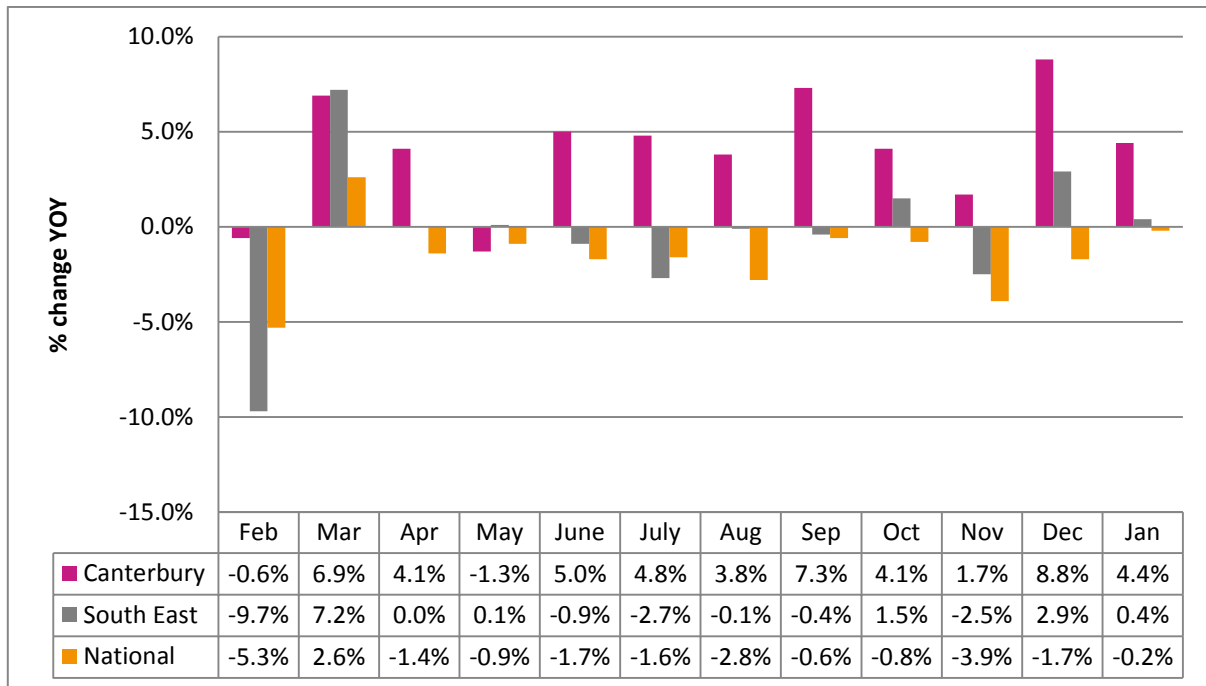
Source: Canterbury City Council Transportation Department Car Park data, Stagecoach East Kent, Whitefriars Car Park Data and Southeastern.

### Key Findings

- Overall footfall was up +4.4% YOY in January which is a -4.4% decrease on December (+8.8 YOY) and a +2.2% increase on January 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 seventeen 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 January survey 2015 and Springboard - ATCM High Street Index monthly report.

## Key Findings

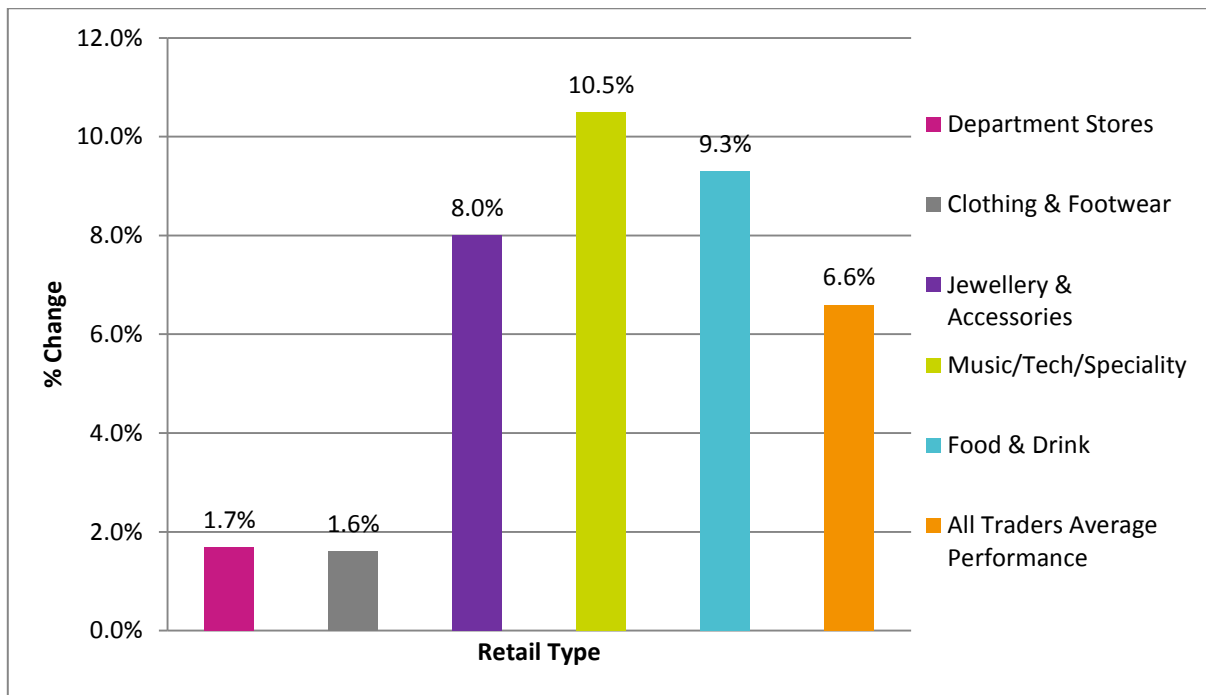
- Footfall in Canterbury was up +4.4% in January, +4% higher than the average for the South East and +4.6% higher than the national average. The twelve month average for Canterbury is +4.1%.
- Nationally:
  - The -2.0% drop in footfall is a stark contrast to the -0.6% decline in January 2014, and this contrast is heightened further by the fact that it also comes in the face of a modest increase in retail sales in January of +0.2%.
  - The decline in high streets is larger than the overall fall for retail locations of -1.6%, which combined with the rise on out of town footfall indicates that despite accounting for the majority of shopping floor space, urban shopping locations are losing market share.
  - The most positive result, however, is that footfall in high streets is in an improved position compared with both November and with December last year.
  - The month however did begin well, with consumers taking advantage of how the holiday period fell, high streets throughout the UK rose as consumers took advantage of final sales and leisure entertainment opportunities.
  - 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 illustrates business' average percentage change in sales compared to the same month in 2014.

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

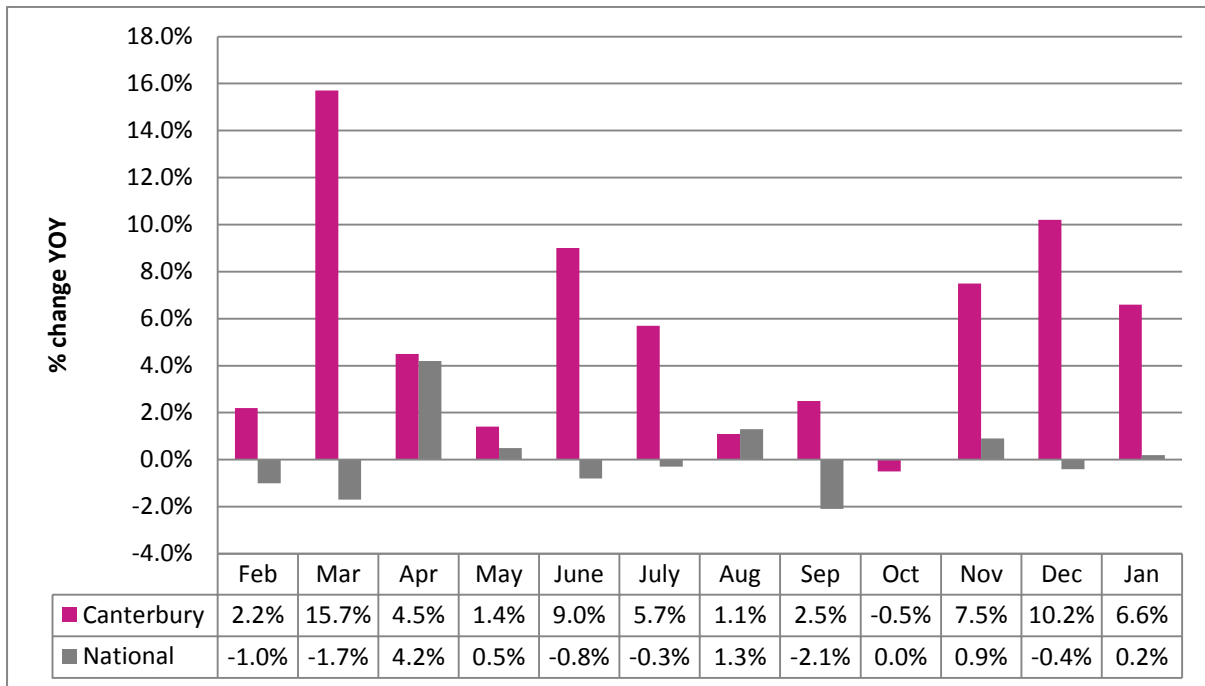


Source: CCP January 2015 Business Survey of Average Sales Performance based on 33 respondents.

### Key findings:

- In January there was an overall +6.6% YOY change in sales performance, which is a -18.6% decrease from December and a +2.6% increase in comparison to the same time last year.
- A1 retailers had a good month with a +6.0% change in sales performance YOY, which is a -21.9% decrease from December and a +2.3% increase in comparison to the same month last year. Last year retailers had a bumper January so to see growth against such a tough comparison shows the industry to be in rude health. However these figures demonstrate the potentially difficult cycle that retailers are trapped in as demand is now almost solely driven by discounts, with shoppers very reluctant to buy goods at full price.
- Food and drink had a good month with a +9.3% increase in trade which is a -2% decrease from December and a +4.1% increase 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.

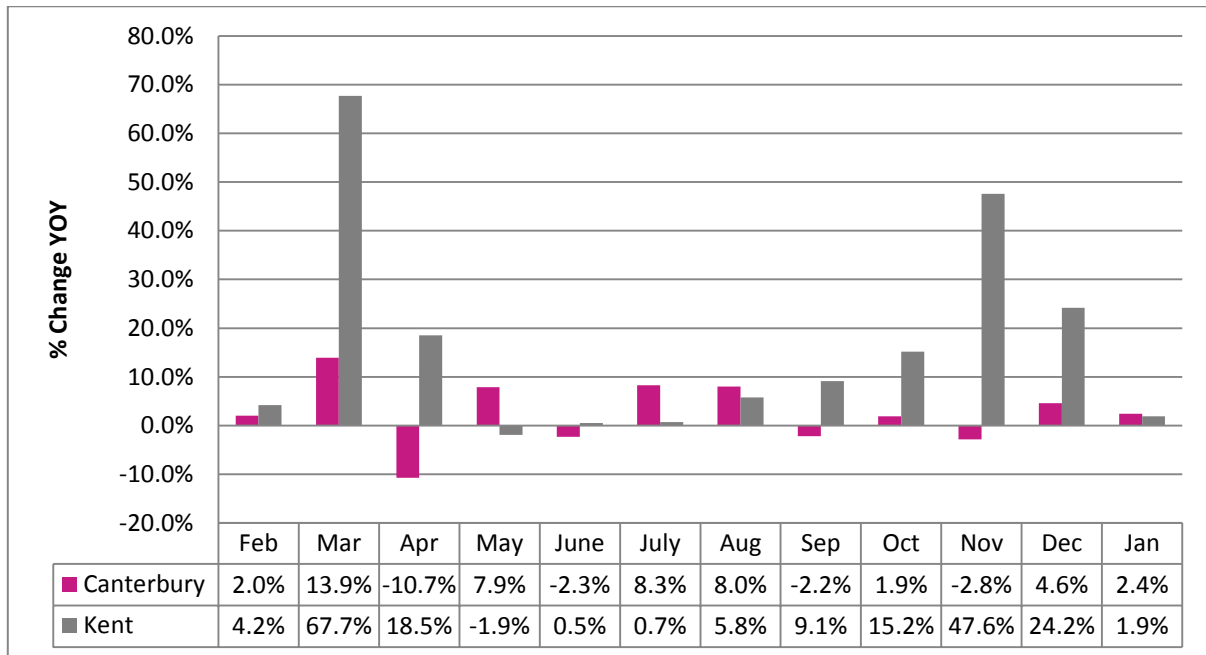
Key findings:

- Sales Performance in January was up +6.6% YOY, up +1.1% on the twelve month average of +5.5% for Canterbury and +6.4% 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 January 2014, when they had increased +3.9% on the preceding year.
  - On a total basis, sales were up +1.6%, against a +5.4% rise in January 2014 and above the 12-month average of 1.4%.
  - Total Food sales grew for the second consecutive month in January and showed a +0.2% rise over the last three months, its best performance since February 2014. The Non-Food performance was helped by the continuation of end-of-season sales into January.
  - Online sales of non-food products in the UK grew +11.7% in January versus a year earlier, when it had grown +19.2%.

## 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**

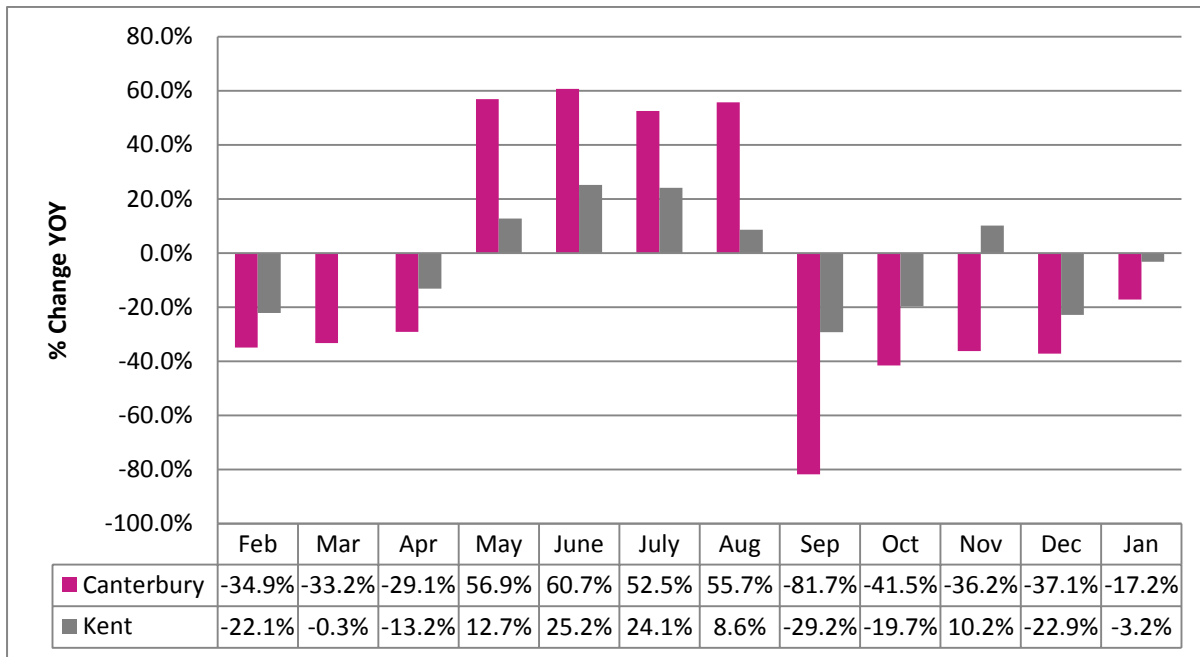


Source: CCP survey of members, Canterbury City Council attraction figures and Visit Kent Business Barometer, January 2015

### Key findings:

- In January there was a +2.4% annual change in visitor numbers to visitor attractions in Canterbury, a -2.2% decrease over the month from December and a -1% decrease in comparison to the same time last year.
- For Kent, there was a +1.9% annual change in visitor numbers to visitor attractions which is a -22.3% decrease over the month from December and a -22.2% 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, January 2015.

**Key findings:**

- For Canterbury there was a total -17.2% annual change in visitor enquiries, a +19.9% increase over the month from December and a +17.6% increase in comparison to the same time last year.
- Visitor Information Centres in Kent had a -3.2% decrease in visitor enquiries, a +19.7% increase over the month from December and a +10.8% increase in comparison to the same time last year.
- According to Visit Kent’s January Business Barometer 80% of visitors to Canterbury’s VIC were domestic visitors, 5% long haul visitors and 15% were European visitors.

**Events**

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

- 30<sup>th</sup> – Canterbury Christ Church University Graduation Ceremonies