



**Canterbury  
Connected**

**BUSINESS IMPROVEMENT DISTRICT**

**Canterbury City Centre**

**Performance Report**

**July 2016**

# Canterbury City Centre Performance Report – July 2016

## Executive summary

Welcome to the July 2016 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

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

● Signifies improvement ● Relative stability ● Decline

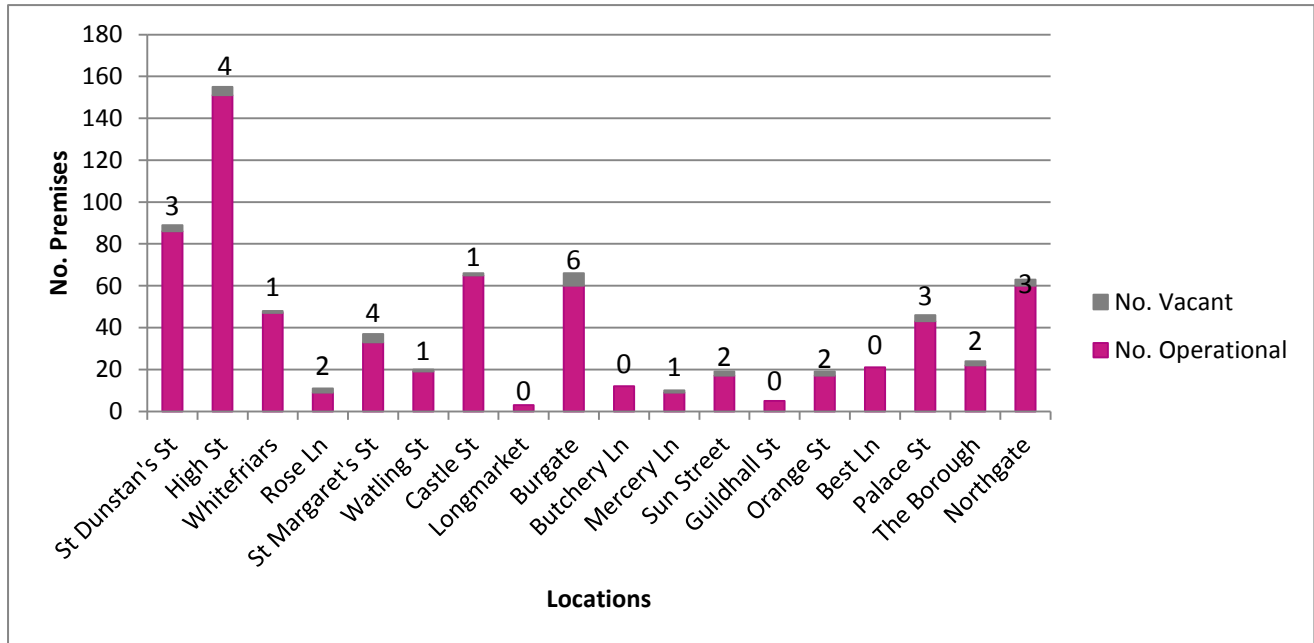
Indicator	Trend	Comment
Premises vacancy rates	●	The vacancy rate for Canterbury in July was 5.2%, 0.2% higher than June and 0.2% lower than July 2015. The vacancy rate for the Southeast in Q3 2016 was 7.7% and nationally it was 10.1% in July.
Premises type	●	Canterbury has a good healthy mix of premises types with food and drink (23%) and specialty (20%) having the highest presence. Overall 35% of Canterbury's retailers are multiples and 45% are independents.
Business start-up rates	●	For Canterbury there was a 130% YOY annual change in registered start-up businesses, which is +196% more than July 2015. 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	●	Footfall in Canterbury was down -1.2% YOY in July, -1.2% lower than the average for the South East and -1.2% lower than the national rate. The twelve month average for Canterbury is -0.2%.
Business Sales Performance	●	In July there was an overall +3.5% YOY change in sales performance, which is a +4.1% increase from June. A1 retailers had a good month with a +3.8% YOY change in sales performance and A3 Food and drink establishments had a reasonable month with a +1.6% YOY increase in trade.
Tourism	●	In July there was a -8.5% YOY annual change in visitor numbers to visitor attractions in Canterbury which is a +1.9% increase over the month from June. For Kent, there was a +26.7% YOY annual change in visitor numbers to visitor attractions which is a +28.3% increase over the month from June. 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 July a survey of 18 key streets within Canterbury City Centre was undertaken. A total number of 679 premises were recorded within the survey area. Below is a summary of the 18 key streets monitored and the vacancy rates in each street.

**Graph 1.1 - Premises vacancy rates**

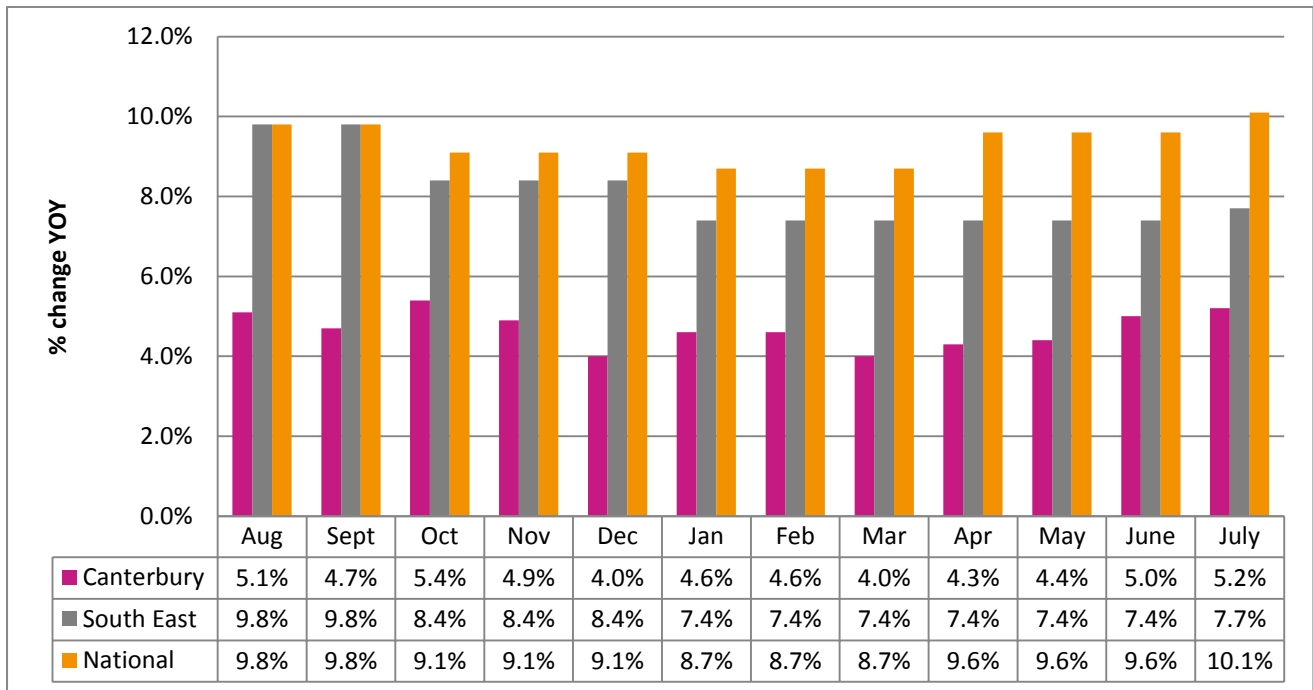


Source: Canterbury Connected BID monthly survey.

### Key findings:

- A total number of 35 businesses premises were recorded as vacant in July, 1 more than June and 1 less than in July 2015.
- The High Street, St Margarets Street and Burgate had the highest number of empty premises whilst Whitefriars, Longmarket, Butchery Lane, Guildhall Street and Best Lane had none.
- As a comparison to the total number of premises within each street, Rose Lane had the highest vacancy rate (22%).

**Graph 1.2 - Premises vacancy rates YOY**



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

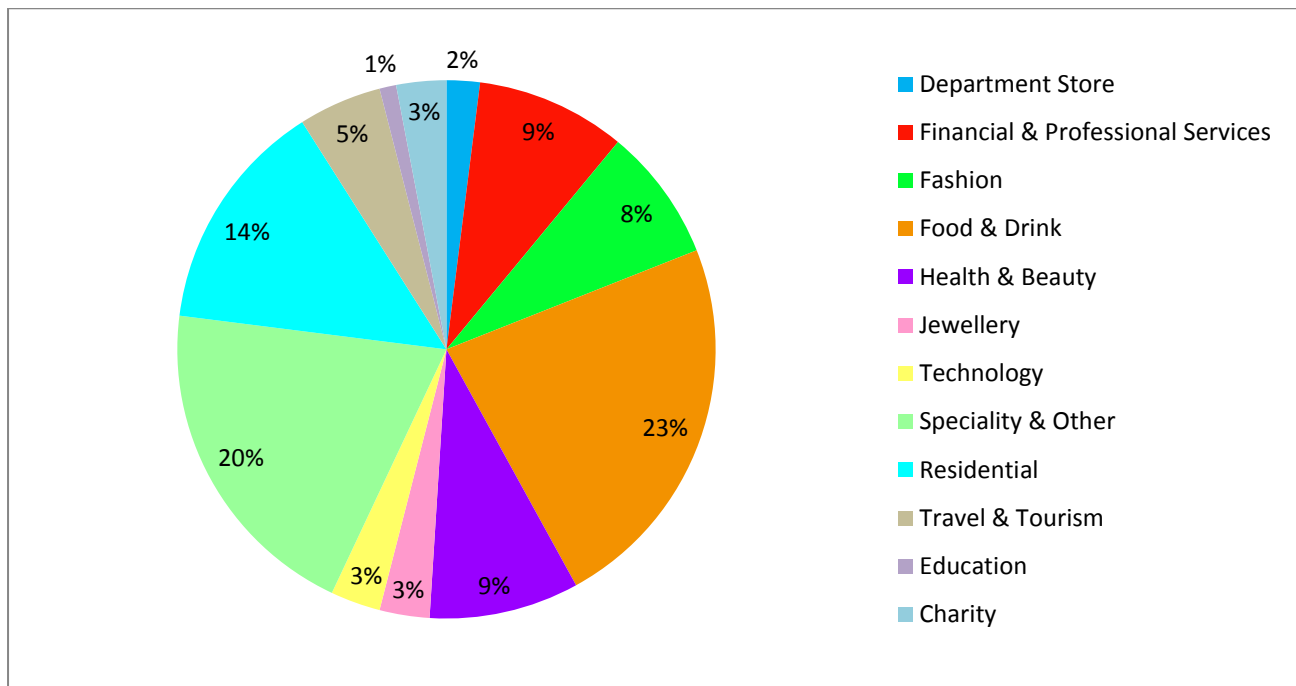
**Key findings:**

- The vacancy rate for Canterbury in July was 5.2%, 0.2% higher than June and 0.2% lower than July 2015.
- The vacancy rate for the Southeast in Q3 2016 was 7.7%, 0.3% higher than Q2 2016 and -2.1% lower compared to this time last year.
- Canterbury had the third lowest vacancy rate of the 14 towns in the South East that published their results in the Springboard Quarterly Vacancy Rate Survey Q3 2016.
- This quarter's survey saw another increase in national vacant units with a vacancy rate of 10.1% which is a 0.5% increase in vacant units across the UK. Vacant units have seen a rise of 0.3% compared to July 2015.

## 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**



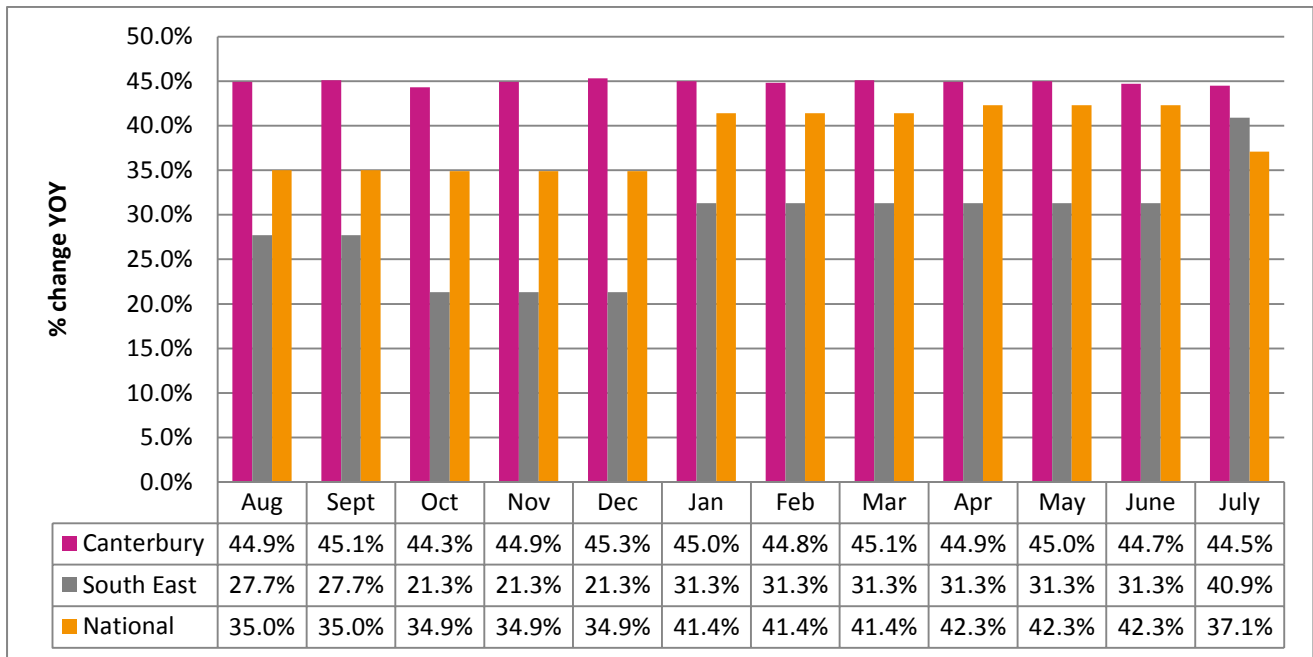
Source: Canterbury Connected BID monthly survey.

### Key findings:

- Overall Food and drink premises (23%), ‘speciality and other’ (20%) and residential (14%) had the highest presence in the city. Education establishments in the city centre (1%) and 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: Canterbury Connected BID monthly survey and Springboard’s quarterly reports which are gathered in January, April, July and October.

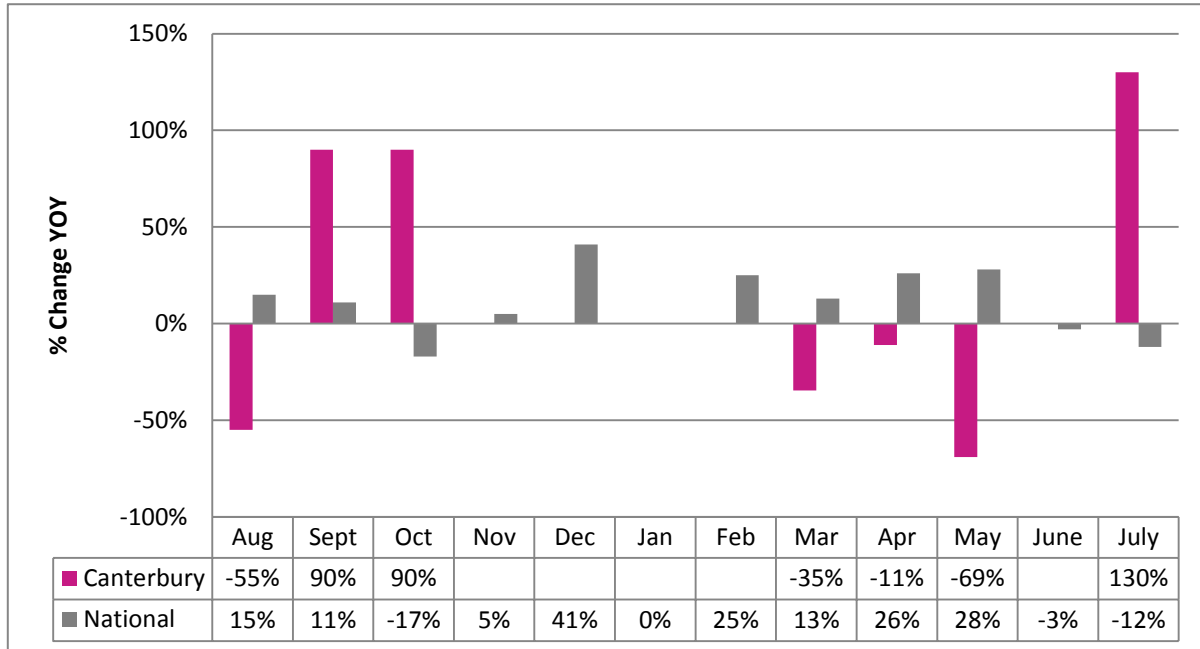
### Key findings

- 44.5% of businesses recorded in July were independents, -0.2% less than June, +0.2% more than July 2015, +3.6% more than the average for the South East and +7.4% more than the national average.
  - Longmarket (100%), Whitefriars (96%) and Rose Lane (78%) had the highest number of multiples, which is unsurprising as they are managed developments.
  - Palace Street (79%), Sun Street (76%) and The Borough (73%) had the highest number of independent businesses.
- 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. Please note data was not available from Canterbury City Council, Selecta Base for November, December, January and February.

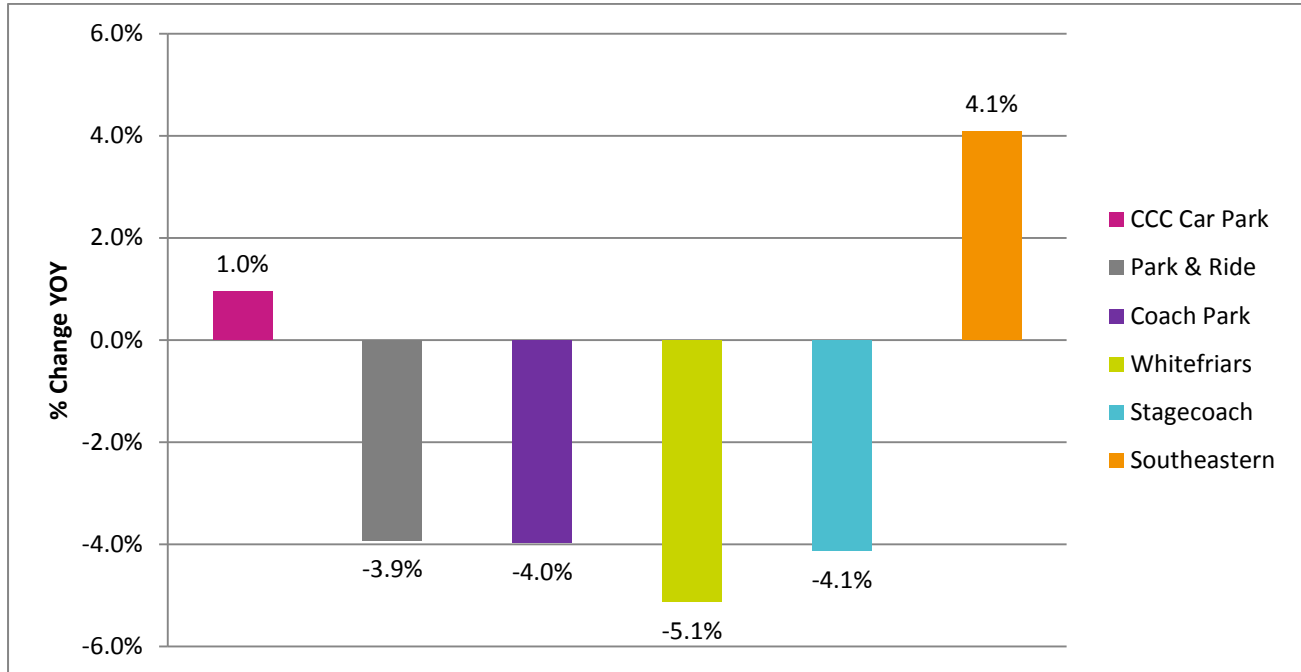
### Key findings:

- For Canterbury there was a 130% annual change in registered start-up businesses, which is +196% more than July 2015. 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.
- According to Start-up Britain there were 43,849 start-up businesses in July 2016, which equates to 11,221 less than June and a total of 647,720 over the last twelve months (an average of 53,977 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**



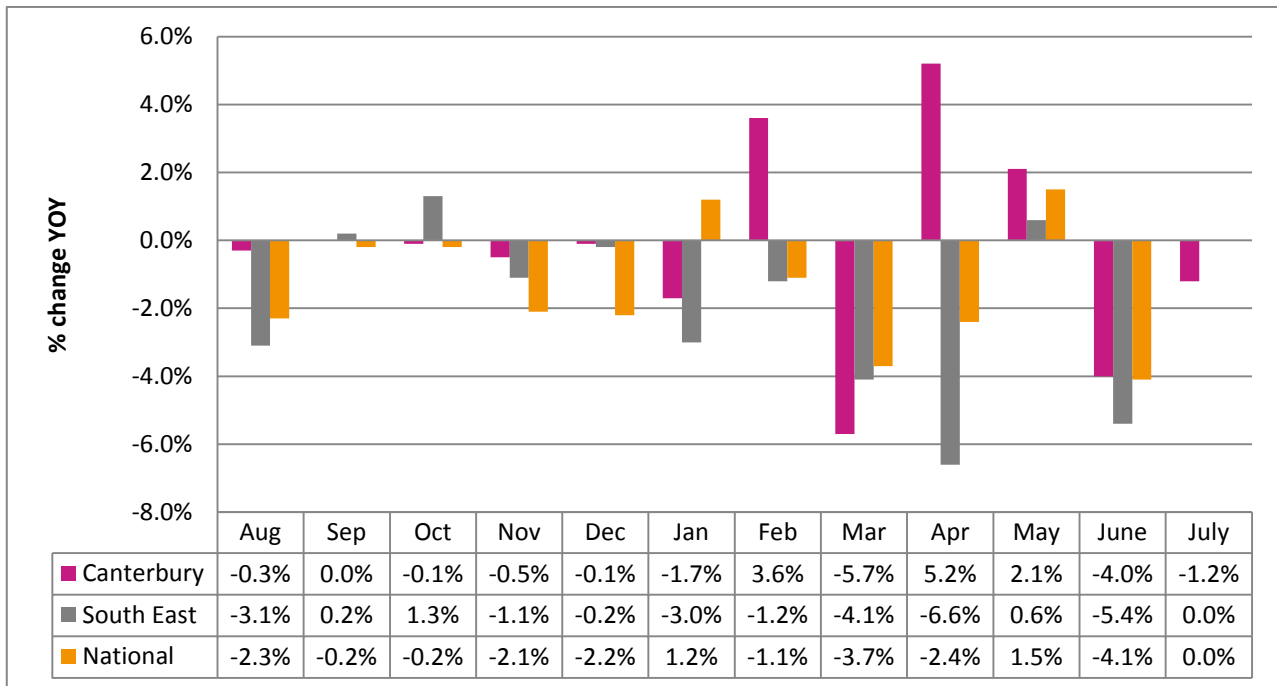
Source: Canterbury City Council Transportation Department, Stagecoach East Kent, Whitefriars shopping centre and Southeastern.

### Key Findings

- Overall footfall was down -1.2% YOY in July which is a +2.8% increase on June.
- July was a mixed picture with the majority of transportation methods reporting a decline in usage.



Graph 4.2 – Canterbury footfall rates YOY



Source: Canterbury Connected BID monthly survey and the BRC - Springboard Footfall and Vacancies Monitor.

## Key Findings

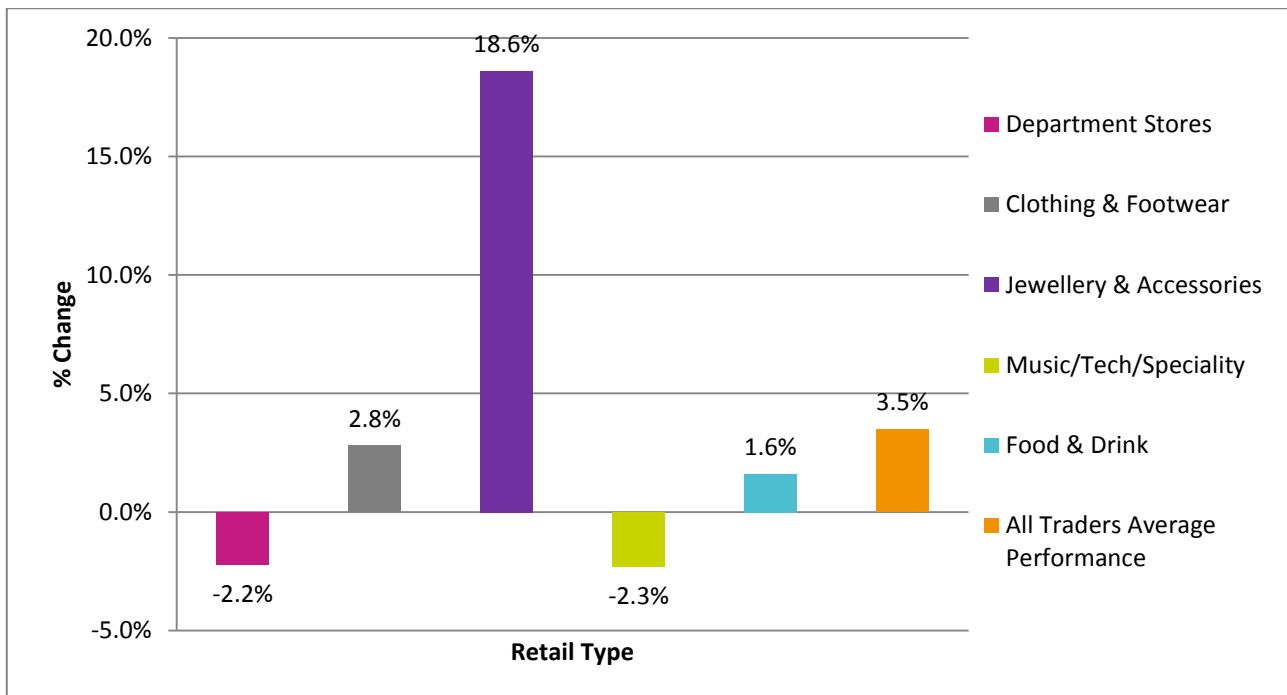
- Footfall in Canterbury was down -1.2% YOY in July, -1.2% lower than the average for the South East and -1.2% lower than the national rate. The twelve month average for Canterbury is -0.2%.
- Nationally:
  - Better weather and strong end of sale discounting helped to improve high street footfall in July. Part of this improvement is likely to have been a consequence of the weaker pound which will have supported footfall in some locations via increased overseas visitor numbers who could get incredible value, with seasonal sales and strong exchange rates providing an unbeatable shopping offer. This was reflected in the even better result for regional cities of +0.6% and +0.7% in historic towns which are appealing destinations for tourists.
  - The following table provides a breakdown of the footfall rates by region:

Location	% change YOY	Location	% change YOY
England		East	+1.0
Greater London	+0.1	North & Yorkshire	-0.4
West Midlands	-4.2		
South East	0.0	Northern Ireland	+0.5
South West	-0.6	Wales	+5.4
East Midlands	+2.1	Scotland	-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 illustrate business' average percentage change in sales compared to the same month in 2015.

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

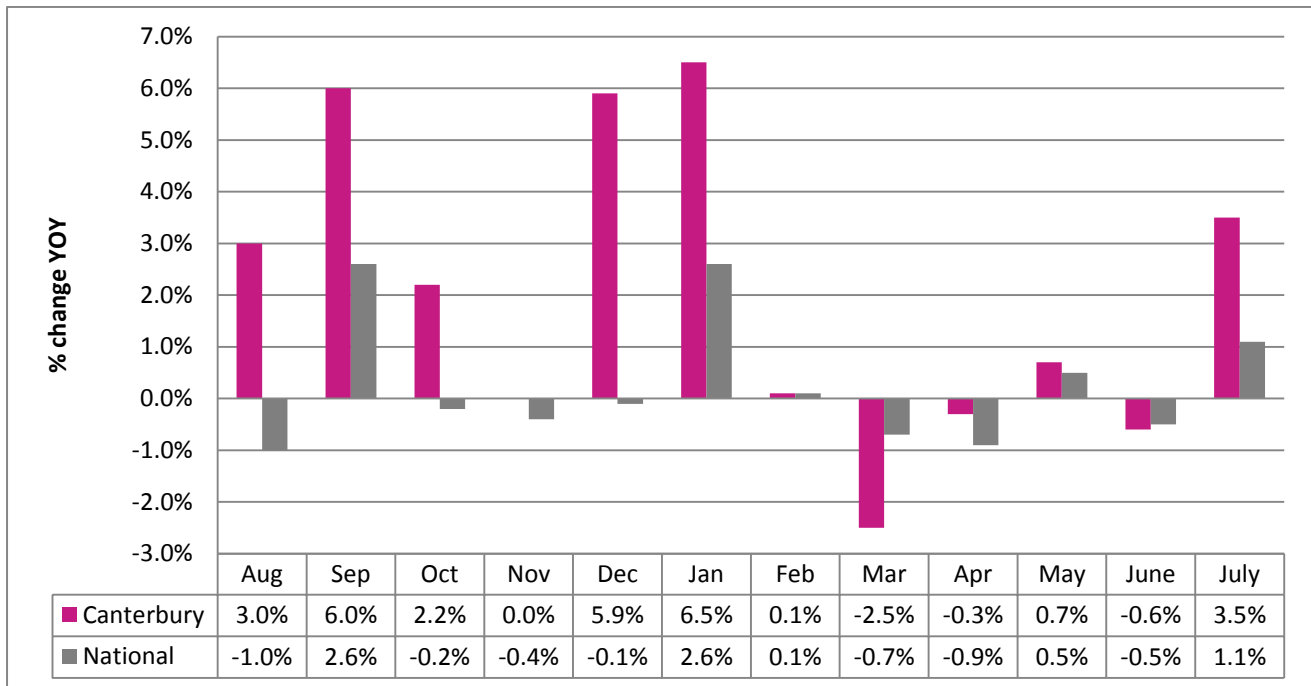


Source: Canterbury Connected BID Business Survey of Average Sales Performance based on 32 respondents.

### Key findings:

- In July there was an overall +3.5% YOY change in sales performance, which is a +4.1% increase from June.
- A1 retailers had a good month with a +3.8% change in sales performance YOY, which is a +4.4% increase from June and a +3.5% increase in comparison to the same month last year. Warm weather and heavy discounts have helped drive a rebound in retail sales, potentially tempering fears of the UK economy grinding to a halt following the Brexit vote. It was a stellar month for jewellery and accessories. The record growth in this luxury category is testament to consumers' continuing willingness to spend.
- A3 Food and drink establishments had a reasonable month with a +1.6% increase in trade which is a +2.3% increase from June and a +1.1% increase in comparison to the same month last year.

Graph 5.2 – Average Sales performance YOY



Source: Canterbury Connected BID Business Survey of Sales Performance and BRC-KPMG UK Retail Sales Monitor.

Key findings:

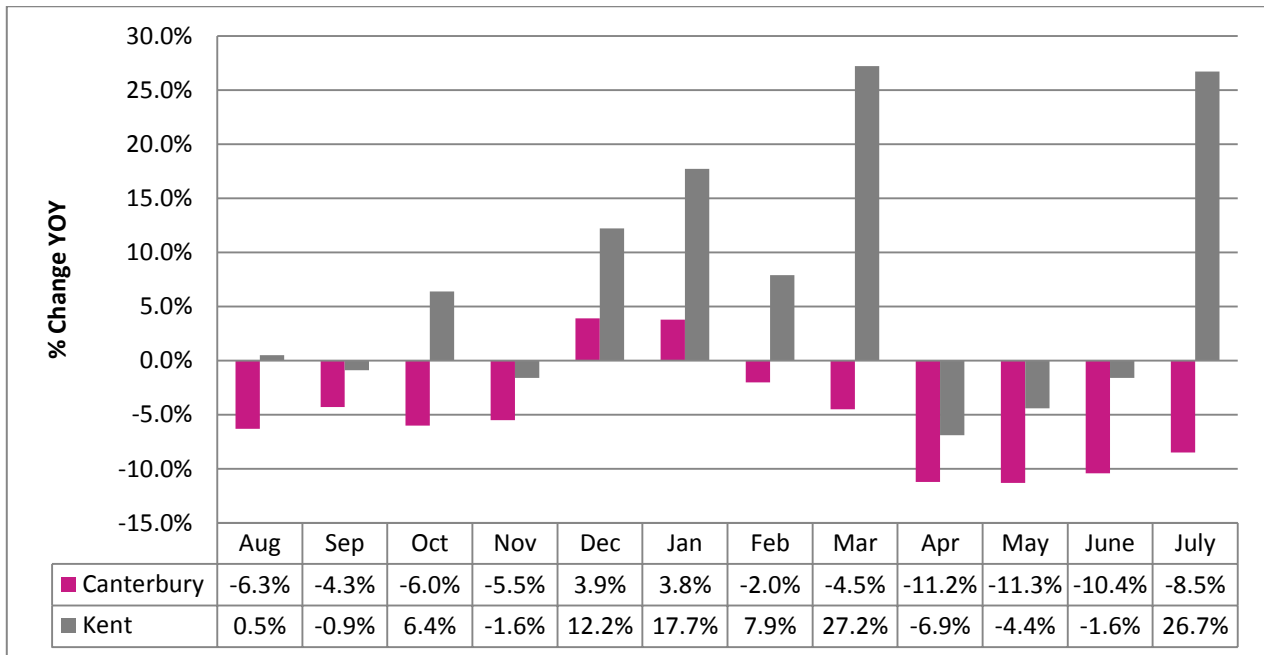
- Sales Performance in July was up +3.5% YOY, up +1.5% on the twelve month average of +2.0% for Canterbury, and up +2.4% on the national rate of +1.1% YOY.
- According to the BRC-KPMG UK Retail Sales Monitor:
  - Despite concerns Brexit might dent consumer spending, the latest BRC-KPMG Retail Sales Monitor shows like-for-like retail sales increased 1.1%. Meanwhile, total sales grew 1.9% in July – their strongest performance since January.
  - Warmer weather helped blow away some of the post-referendum blues, boosting the UK feel good factor and giving consumers a sense that ‘life goes on’ following the initial shock of the Brexit vote.
  - The July heatwave put picnics and barbeques high on the agenda lifting sales of food and drink back into the black. Meanwhile, fashion sales improved markedly versus June as well-timed promotions, holiday preparations and some sunshine prompted consumers to supplement their summer wardrobes. Sales of jewellery also improved as international consumers took advantage of the weaker sterling to splash out on more expensive purchases.
  - This first full month of retail sales figures post-vote suggests that UK shopping patterns haven’t changed versus previous years. For retailers, plans to improve productivity remain top of mind to guard against recent increases to their cost base as well as making sure they can weather what are likely to be more uncertain times ahead.

# Canterbury City Centre Performance Report – July 2016

## 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**

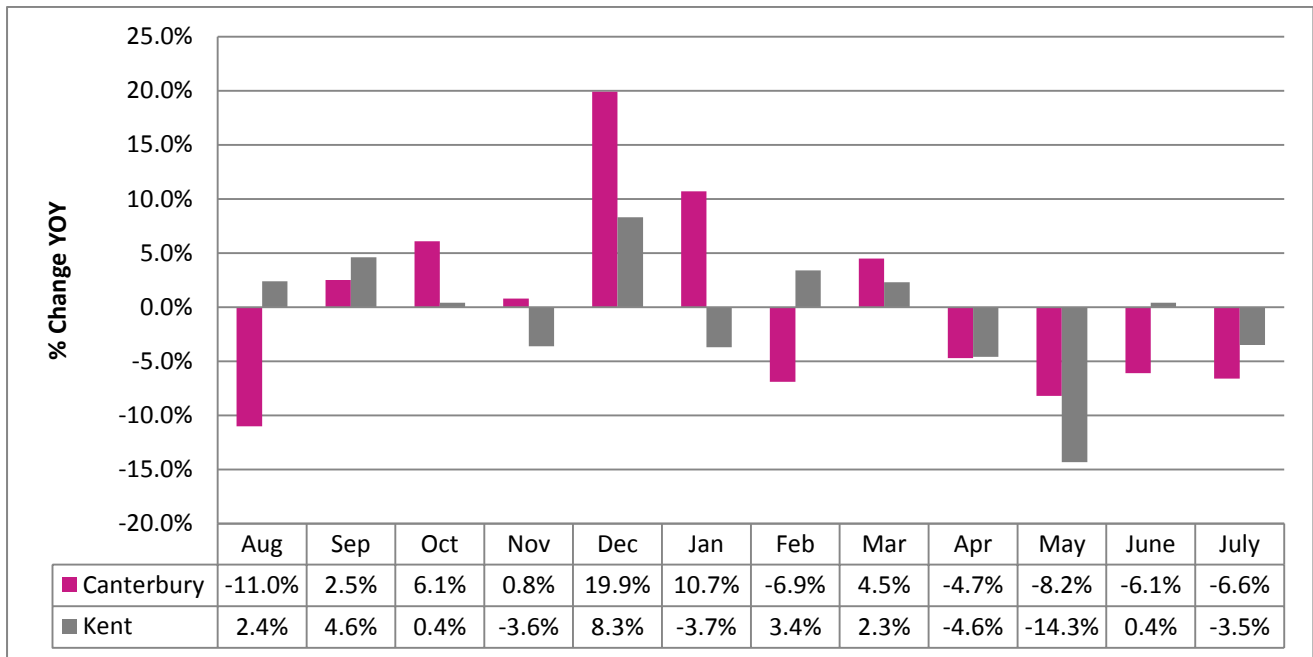


Source: Canterbury City Council attraction figures and Visit Kent Business Barometer

### Key findings:

- In July there was a -8.5% YOY annual change in visitor numbers to visitor attractions in Canterbury and a +1.9% increase over the month from June.
- For Kent, there was a +26.7% YOY annual change in visitor numbers to visitor attractions which is a +28.3% increase over the month from June.

**Graph 6.2 – Percentage change in Visitor Information Centre Enquires YOY**



Source: Visit Kent Business Barometer July 2016.

#### Key findings:

- For Canterbury there was a total -6.6% YOY annual change in visitor enquiries, a -0.5% decrease over the month from June.
- Visitor Information Centres in Kent had a +-3.5% YOY annual change in visitor enquiries, a -3.9% decrease over the month from June.
- According to Visit Kent’s May 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 July. These events both maintain and increase footfall to the city and in turn have an economic impact.

- 1 – 6: Kings Week
- 2: University of Kent Open Day
- 9: Medieval Pageant