

AGENDA ITEM 13

RURAL, ECONOMIC & ENVIRONMENTAL AFFAIRS

31 OCTOBER 2012

REPORT OF HEAD OF COMMUNITIES & NEIGHBOURHOODS

TOWN CENTRE FUTURE 2020 REPORT & TOWN GUIDE APP

1.0 PURPOSE OF REPORT

- 1.1 To update members of the summary results of the recent Town Centre Futures 2020 report, which were presented in a webinar to ATCM members and the Town Guide App.

2.0 RECOMMENDATIONS

- 2.1 **That members of the Rural, Economic and Environmental Affairs Committee note the initial summary of the Town Centre Futures 2020 report, and a way forward through the Town Guide App.**

3.0 KEY ISSUES / BACKGROUND

- 3.1 Experian, in conjunction with the ATCM has carried out research into the key drivers which will impact town centres between 2012 and 2020. The results of the research were presented in a webinar to ATCM members and are detailed in Appendix A.
- 3.2 Experian's report supports the findings of the Portas Review and highlights that town centre managers are the enablers of change, in responding to the Portas review and in understanding the impact of changing town centre demographics.
- 3.3 Britain has an ageing population; between 2012 and 2020 80% of town centres will see a 10% increase in populations of over 50's. To this end town centre management and town centre teams are pivotal in developing plans that are unique to the town centre and the people that use it.
- 3.4 Town centres have reached crisis point. This has includes declining sales, declining number of shops and declining footfall (down 5% since 2009). The number of convenience stores is increasing and vacancy rates are rising, some town centres as high as 20%.
- 3.5 Key drivers of change include economic resilience, with reduced investment and low consumer spend, competition and technology. In support of these findings, the report predicts that 62% of the town centres in the East Midlands in 2020 will include a high proportion of e-commerce users.
- 3.6 Looking towards 2020, economic resilience will be a key issue. Consumers are faced with higher fuel costs, high unemployment, low income growth and increased taxation. By 2020 on average 30% of the population will be 60 and in essence, this will mean a population spending less and growing older.

- 3.7 Town centres will also have to face the growth in technology and e-commerce, which will take an increasing proportion of consumer spend. Social media will also be a key factor in spending patterns.
- 3.8 The report highlights that key consumer trends to 2020 will include choice expectation, which will be driven by value; use of technology and ageing population with focus upon good service and leisure.
- 3.9 The future for the retailer is multi-channel, with fashion retailers such as Next and M&S already embracing this, with on-line sales. Consumers are also increasingly using the internet for price comparison sites and discount vouchers.
- 3.10 Experian data collected from 1200 towns across the country on spend patterns and demographics, supports that 50% of towns are experiencing an ageing population, with the East Midlands reflecting the highest growth at 50.7%.
- 3.11 Key development plans for town centres on this basis, will include review of access, safety, service, community engagement and facilities/public services.
- 3.12 Many areas are also experiencing low economic growth, particularly the North East and Wales, which will demand focus on rentals/leases, business support and training packages and balance of retail mix.
- 3.13 Those town centres with poor local business resilience, must focus upon the town's "local uniqueness", through shop local marketing campaigns, community support and focus upon improving the town centre environment.
- 3.14 The increase in technology and social media will impact every town centre, with the East Midlands showing the highest number of e-commerce users at 62.3%. Town Centre Apps and QR codes, which reward high street shopping and drive footfall to town centres, will be embraced by innovative retailers.
- 3.15 The Experian report has classified future consumers into 7 categories, as detailed in Appendix A. Town centres in the East Midlands have been classified as "Family Value", with focus upon value and experience with their shopping, using technology for purchasing and price comparisons.
- 3.16 In summary, the future of a town centre's success will depend on the ability to offer and deliver value, experience and choice of technology, and to "Give People What They Want".

Key Findings

- Medium % spend to Growth Comparison (7%)
- Output GVA to grow by 16% (low/medium)
- A decreasing usage of internet (but still over 50%)
- A high resilience to change
- Workforce to grow by 4%

Next Steps

- 3.17 The results of the report have been shared with the Melton BID Board and Melton Promotions Board, with the view to addressing some key findings within the report.

3.18 Melton Borough Council has purchased the ATCM / Experian Town Centre Futures 2020 whitepaper and individual town centre report for Melton's town centre which is shown as Appendix A, this will provide areas of further analysis.

3.20 Melton BID, Melton Promotions and Melton Borough Council have purchased a Town Guide App for Melton's town centre. The app will include a town centre visitor map, A-Z business directory listing for each town centre business, tourism and business promotions. It will also include the Audio and Heritage trail.

4.0 POLICY AND CORPORATE IMPLICATIONS

4.1 There are clear links to priorities within the corporate plan:

- Support people and businesses through the economic downturn
- Meet the Economic needs of Borough
- Maximise the potential of Melton Mowbray Town centre

5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

5.1 Melton Borough has purchased the ATCM / Experian Town Centre Futures 2020 whitepaper and individual town centre report for Melton's town centre. Melton Borough Council has also contributed to the cost of the Town Guide App over a three year period, with Melton Promotions and the Melton Mowbray BID.

6.0 LEGAL IMPLICATIONS/POWERS

6.1 No direct legal implications have been identified.

7.0 COMMUNITY SAFETY

7.1 There are no direct community safety implications arising from this report.

8.0 EQUALITIES

8.1 No equality impact assessment implications at this stage, should the next steps result in further actions then where applicable they will

9.0 RISKS

10.0 CLIMATE CHANGE

10.1 There are no climate change implications arising from this report.

11.0 CONSULTATION

11.1 Consultation was undertaken with BID Board members, Melton Borough Council & Melton Promotions

12.0 **WARDS AFFECTED**

12.1 Melton Egerton, Melton Dorian, Melton Warwick and Melton Craven are the wards directly affected.

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Appendices Appendix A- Town Centre Futures 2020 report

Date: 11 October 2012