AGENDA ITEM 11

RURAL, ECONOMIC & ENVIRONMENTAL AFFAIRS

3 SEPTEMBER 2014

HEAD OF COMMUNITIES & NEIGHBOURHOODS

AMT TOWN CENTRE BENCHMARKING REPORT 2013

1.0 PURPOSE OF REPORT

1.1 For members to note and comment on the AMT Town Centre Benchmarking Report 2013, comparing the town centre's annual performance against comparable large market towns and against national statistics.

2.0 RECOMMENDATIONS

2.1 **Members to note and comment on the AMT Town Centre Benchmarking Report 2013, summarising the town centre's overall performance in 2013, in comparison against other similar large towns and national averages**.

3.0 BACKGROUND

3.1 **Town Centre Performance and Benchmarking.**

Benchmarking data is collected on a quarterly and annual basis within the town centre, with the aim of providing consistent data to monitor the town centre's year on year performance. This report seeks to provide a full evaluation of the town centre's performance and to compare performance on a year on year basis with comparable market towns and against national statistics. The report also seeks to provide a greater understanding of our High Street, to support the development of action planning and a strategic vision for our town centre.

3.2 The benchmarking and data collection comprises 12 key performance indicators, as detailed in Appendix A, which include business confidence surveys, footfall counts, car park usage, vacant unit rates etc. The data is collected predominantly by visual surveys and counts (footfall and car park usage), individual surveys and consultation (business confidence surveys, postcode origins, retail yields, vacant units etc). Car park usage and footfall counts are recorded in April and September each year, at the same times and at the same town centre locations. The remaining surveys and data are collected in September each year, to provide a more comprehensive and accurate year on year comparison.

3.3 Within the Town Centre Benchmarking Report 2013 (Appendix A), the town centre performance is also compared against other Small and Large market towns. Melton, with 443 businesses is classed as a Large Town and a Typology 2 town. It is to be noted that Melton was the only town in the East Midlands participating in the AMT annual benchmarking and cannot therefore be compared against other East Midlands comparator towns. It is also worth noting, that the national average in this report refers to the average of all those towns taking part in the benchmarking and not the UK national average.

3.4 The Town Centre Benchmarking Report is comprised of 12 key performance indicators, which, for evaluation purposes can be summarised within 4 key areas:

- Town Centre Diversity & Vitality
- Consumer & Business Perception
- People & Footfall
- Economic Characteristics

3.5 **Town Centre Diversity and Vitality**

The diversity and vitality of the town centre includes the town's retail offer and mix, its culture and leisure offer, events and markets.

3.5.1 Independent businesses continue to represent a high proportion of Melton's town centre businesses at 68%, in comparison with other large towns at 57%, which is also indicative of the town centre's USP and business start-up trend. 2013 saw the start of 20 new businesses in the town centre, 19 of which were independents. This is reflective too of the high independent business longevity within the town centre, with 65% of businesses being within the town centre for more than 10 years (63% nationally) and 20% between 5-10 years (13% nationally). Springboard figures in October 2013 showed an average of 50.9% independents within the East Midlands, nationally 47.7%.

3.5.2 The commercial offering within the town centre is also indicative of other large market towns, with 49% of businesses within the A1 category and 11% within the A3 category, reflective of the town's increasing restaurant and café culture. A higher percentage of B2 businesses are represented in the town at 9% compared to the national figure of 1%, which is reflective of the Snow Hill Industrial estate's inclusion within the town centre boundary.

3.5.3 The percentage of A1 businesses selling comparison goods compared to convenience goods is also comparative nationally, at 78% and 22% respectively.

3.5.4 The town centre market continues to grow year on year, with the total number of market traders rising to 142 in 2013, compared to the national average of just 30. The market is increasingly recognised as an invaluable asset to the town and in its draw of tourists, visitors and locals alike, with 87% rating the market offer as excellent or acceptable. This is also reflective of the continued marketing and promotion of the town's offer, its traditional and speciality markets and events, to group travel operators.

3.5.5 Melton attracts high visitor numbers in comparison to other large towns nationally, 44% compared to 33% respectively, which supports Melton Mowbray as a growing tourist destination. Visitor figures have risen slightly again in 2013 to represent 44% of surveyed shoppers, continuing to reflect the promotion of Melton as a destination town.

3.6 **Consumer and Business Perception**

Consumer and Business Perception include business confidence, visitor satisfaction performance indicators and the crime/safety perception of the town centre.

3.6.1 Town centre business turnover and profit figures have shown a significant increase in 2013, with 37.5% of businesses surveyed experiencing an increase in turnover, compared to the national average of 27%. 26% also showed an increase in profit, with a high number of those businesses notably professional/commercial sector businesses. Businesses showing a decrease in turnover and profit have also decreased in number.

3.6.2 91% of businesses also expected their turnover to remain the same or increase moderately in the next 12 months, compared to 73% nationally, with just 6% expecting their turnover to decrease; significantly less than the national average of 27%.

3.6.3 Whilst staff numbers within businesses have remained static during 2013 at 68%, positively, 64% of businesses surveyed in 2013 were also planning to expand their business over the next year, with 26% potentially increasing employee numbers. This is reflected in the increased number of business relocations within the town centre in 2013 to larger premises, including Loros, Cottages, Doors, Gates & Floors, Mark 1 IT Solutions and Digital Deadline.

3.6.4 Business survey analysis highlights however that 38% of businesses feel competition to be a barrier to growth, with 38% of that competition felt from other town centre businesses and 31% from major cities such as Leicester and Nottingham, in addition to internet and online. In response, a Town Centre App and the Town Centre Business Directory will be launched in September, to support, market and promote town centre businesses and footfall. The Digital High Street Skills programme and free Social Media training for businesses will also continue to support businesses with online competition.

3.6.5 Whilst local labour pool and staff skills were seen as key growth barriers for businesses in 2012, significantly in 2013 this was not the case. Labour pool/recruitment problems and staff skills represented just 0% and 3% of businesses surveyed respectively. Business support has and is being offered to those 37% of businesses requesting one to one advice, local business events and training, with training schemes, business events and business grants. Business Skills training has included an ongoing series of free Social Media Training workshops throughout 2013, including Website Design, SEO, Facebook, Blogging, Pinterest and Twitter. Similarly, the Digital High Street Skills training workshops will be delivered in October, supporting businesses with Marketing & Business Planning, Business Websites and Social Media training. The series of Job Fairs also continue to support local recruitment and engagement with local employers and promotion of local volunteering, work experience placements and apprenticeships.

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3.6.6 Increasing business costs (41%), rental values (47%) and town centre business competition (38%) remain key barriers for businesses and growth in the town centre, as also reflected in survey comments. Financial support is being offered to businesses with the recent introduction of the Retail Rate Relief Scheme and the Business Support Grant Scheme, which offers £250 grant funding to town centre businesses towards business premises improvements.

3.6.7 41% rated the variety of shops in the town centre as unsatisfactory, a positive decrease in last year's figure of 57% and a reflection of the new mix of business start-up in 2013. However, this is still indicative of the need for a greater retail mix in the town centre, as also reflected in surveys. Inward investment will be a priority action, providing a key understanding of national indicators, but also the potential to attract a greater mix of nationals and regionals to the town centre where possible.

3.6.8 32% of businesses surveyed also reported car parking as a growth barrier, with 48% of businesses rating accessibility by car as unsatisfactory and 45% unsatisfactory car parking provision and traffic management. This is also reflected within the survey comments.

3.6.9 In terms of town centre visitor satisfaction, highly rated (excellent) positive aspects of the town centre included ease of walking (41%), variety of cafes and eating places (36%), and the market offer. Positive ratings (excellent/acceptable) also included the physical appearance of the town (68%), landscaping (91%), image of the town centre (71%), signage/information (73%) and lighting levels (74%). This positive image of the town centre may potentially reflect recent investment in the town centre, with the Market Place Enhancement Scheme enhancing landscaping of the Market Place, with new seating, trees, planters and enhanced fingerpost signage. Other schemes have included the Signage Enhancement Street and Street Furniture scheme, with a repair & maintenance schedule of street furniture, railings, lamp post columns, bins and signage.

3.6.10 Business crime figures in 2013 are comparative to national figures, though robbery/theft is significantly higher nationally at 90%, compared to 60% locally.

3.6.11 Significant increases in perception and rating in 2013 were town centre safety, with daytime safety rated as 94% excellent/acceptable and evening safety as 76%. This is reflective of the marketing and business drive now behind the town centre's evening economy, with campaigns such as Dine Before Nine and the After Dark Business Award encouraging local footfall and spend. It is also reflective of the growing leisure and culture offer within the town and the evening economy. The success of the Regal Cinema and Melton Theatre has been key in the development of this offer, increasing footfall and visitor/resident flow to the town centre. This is increasingly supported by the town's restaurants/cafes with pre-theatre and post-dining campaigns, increasing music venues and evening events, such as the Midsummer Music Festival.

3.6.12 75% of visitor satisfaction surveys similarly rated the town centre's restaurants and cafes as excellent or average, reflecting the town's niche and USP as the Rural Capital of Food. This also supports the need to continue to promote and brand the evening economy, as supported with the Revive & Thrive "Think Melton Taste Melton" campaign, to promote evening campaigns, such as Dine Before Nine and After Dark and to drive footfall into the town centre.

3.7 People and Footfall

Consumer and Business Perception includes town centre footfall, access and car parking.

3.7.1 Footfall figures have slightly decreased in 2013, which is indicative of the national decline in footfall on the High Street and the national large town average. An average number of 279 was recorded on a Tuesday/market day, comparative to the national large town figure of 281. In 2013 the most significant footfall drop was in October-December, with significant online spend and competition. A Springboard Footfall Counter will be installed in the town centre in September, to enable detailed Springboard hourly and comparable footfall data within the town centre over a three year period. Events and campaigns, such as Dine Before Nine, After Dark Business Awards, the Christmas Shopping Crawl and Shop Local campaigns, seek to increase local spend and footfall, with focus now upon branding and marketing the town's evening economy offer, to increase evening footfall.

3.7.2 Car park occupancy on a Tuesday reflects the continued successful draw of the town's markets in driving footfall and occupancy to the town centre, with occupancy higher than the national average, but with a slight decrease in 2013. This may also reflect the fall in footfall in the town centre, in line with national High Street trends. Market days showed an average of 89% occupancy, compared to a national average of 72% occupancy.

3.8 Economic Characteristics

Economic Characteristics includes partnership working and vacant unit rates.

3.8.1 Vacancy rates have seen a fall in the last year to 7%, despite national town centre closures such as Game Station and Blockbuster, reflective again of the increasing number of independent business start ups. The national vacant unit figure for large towns in 2013 is 10%. Springboard figures in October 2013 showed a national vacant unit average of 11.1% and East Midlands average of 10.2%, which has shown little movement in the last year. Other comparative Leicestershire towns recorded a vacant unit rate in Hinckley of 8.3%, Coalville 17.5%. A comparator large town, Trowbridge in 2013 had a vacancy rate of 15%.

3.8.2 Long term vacant units in the town centre are being reviewed, in consultation with landlords and agents, as potential Pop Up Shops for short-term lease tasters and potential new business start ups. Discussions are also underway for a Future art project, in partnership with Revive & Thrive Challenge judge, Coality, Soft Touch and Mediorite.

Next Steps

3.9 The report seeks to provide a greater understanding of our High Street, to support the development of action planning and a strategic vision for our town centre.

3.10 Business and visitor survey analysis supports the need to brand the town's evening economy, to support the evening economy businesses and increase evening footfall. This will be delivered in conjunction with the town's Revive & Thrive Challenge, the "Think Melton Taste Melton" campaign, which aims to attract residents and visitors of all age groups to enjoy the experience of Melton's town centre.

3.11 Business Support with increasing business and online competition and decreasing High Street footfall and local spend, with Shop Local campaigns to increase both evening and daytime footfall. Marketing and promotion, such as the Town Centre App and Town Centre Business Directory, together with business training and the Digital High Street Skills programme will play a business support role here.

3.12 Maximise use of long-term vacant units, in partnership with landlords and agents, to promote potential pop up shops for potential new business start ups, businesses seeking to grow and projects, such as the future Coality project and exhibitions.

3.13 Inward investment will be a priority action, providing a key understanding of national and regional indicators, but also the potential to attract a greater mix of retail offer to the town centre.

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 the Borough
- Maximise the potential of Melton Mowbray Town centre

5.0 **FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

5.1 There are no financial or other resource implications directly arising from this report.

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 direct links have been identified from recommendations within this report, any projects and initiatives developed, will be subject to their own Equalities Impacts assessment.

9.0 **RISKS**

9.1 As section 4 highlights, corporate priorities are subject to a service and corporate risk register contained in the Communities & Neighbourhoods Service Plan. There are no specific risks around this report and projects affecting the town centre are subject to their own risk management matrix.

10.0 **CLIMATE CHANGE**

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

11.0 **CONSULTATION**

11.1 The benchmarking data collection has included consultation with 443 town centre businesses, including landlords, agents and partners.

12.0 **WARDS AFFECTED**

12.1 All the wards directly affected.

Contact Officer Shelagh Core – Town Centre Manager

Date: 15 August

Appendices : A - Town Centre Benchmarking Report 2013

Background Papers: None

Reference :