AGENDA ITEM 11

RURAL, ECONOMIC & ENVIRONMENTAL AFFAIRS

3 JUNE 2015

HEAD OF COMMUNITIES & NEIGHBOURHOODS

TOWN BENCHMARKING REPORT 2014

1.0 PURPOSE OF REPORT

1.1 For members to note and comment on the People & Places Town Benchmarking Report 2014, comparing the town centre's overall annual performance against comparable large market towns and national statistics. Town Centre performance will also be compared on a year on year basis.

2.0 RECOMMENDATIONS

2.1 **Members to note and comment on the People & Places Town Benchmarking Report 2014, summarising the town centre's overall performance on the High Street in 2014, against other similar large towns and national averages.**

2.2 Members to approve the next steps and activities identified from section 3.9 -3.16

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 2014 (Appendix B), 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 Typology 2 town. It is to be noted that other large towns within the East Midlands comparator towns include Loughborough, Hucknall, Retford and Worksop. 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.

.

Appendix A also compares the town centre performance on a year on year basis.

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 66%, in comparison with other East Midlands large towns at 59% and nationally 60%. Whilst there has been a slight independent decrease of 2% since 2013, with some independent lease ends and a small increase in multiples, such as the opening of Subway, independents continue to be indicative of the town centre's USP and business start-up trend. 2014 saw the start of 13 new businesses in the town centre, 11 of which were independents. This is reflective too of the high independent business longevity within the town centre, with 58% of businesses being within the town centre for more than 10 years (60% nationally) and 24% between 5-10 years (21% nationally). Springboard figures in October 2014 showed an average of 40.8% independents within the East Midlands, nationally 31.8%. In Melton the independents represented 71.8%.

3.5.2 The commercial offering within the town centre is also indicative of other large market towns, with 48% of businesses within the A1 category and 9% within the A3 category. A higher percentage of B2 businesses continue to be represented in the town at 10% compared to the national figure of 2%, which is reflective of the Snow Hill Industrial estate's inclusion within the town centre boundary and its growth in 2014, with business expansions and relocations.

3.5.3 The percentage of A1 businesses selling comparison goods compared to convenience goods is also comparative nationally, at 83% and 17% respectively.

3.5.4 The town centre market has seen a decline in traders in 2014, from 143 traders in 2013 to 116 in 2014, predominantly with a decrease in Saturday traders. This is in part due to the increasing competition of other local Saturday markets. Melton's average number of traders at 78%, still remains higher however than the national large town average of 61%. This is also reflective of the continued marketing and promotion of the town's offer, markets and events to group travel operators.

3.5.5 Melton continues to attract high visitor numbers in comparison to other large towns nationally, 41% compared to 35% respectively, which supports Melton Mowbray as a growing tourist destination. Whilst visitor figures have dropped slightly in 2014 from 44% in 2013 to 41%, tourist figures have risen from 15% to 17%, which continues to reflect Melton's promotion as a destination town.

3.5.6 <u>Town Centre Strategy</u>

Members of this Committee at their previous meeting in October 2014 approved officer's request to participate in the Town Centre Investment Pilot (TCIM) and members are asked to note that this is progressing and the outcome of the pilot as well as other evidence i.e. footfall counter information will inform officers as they develop a Town Centre Strategy for this committee to approve during 2015/16.

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 again in 2014, with 44%% of businesses surveyed experiencing an increase in turnover, compared to 37.5% in 2013 and a national average of 41%. 44% also showed an increase in profit, compared to 26% in 2013 and a national average of 37%, with a high number of those businesses notably professional/commercial sector businesses. 46% also expected turnover to increase moderately within the next year.

3.6.2 Whilst staff numbers within businesses have remained static during 2014 at 52%, 32% of businesses expected their staff numbers to increase moderately over the next year, with 40% of businesses also planning to expand their business over the next year. This has been again reflected in the increasing number of business relocations within the town centre in 2014 to larger premises, including Jonathan Flint Photography, Cottages, Doors, Gates & Floors and Melton Care Services. The series of Job Fairs continues to support local recruitment and engagement with local employers and promotion of local volunteering, work experience placements and apprenticeships. Local funding schemes, such as the Business Support Grant Scheme also continue to support business growth and development.

3.6.3 Business survey analysis highlights however that 50% of businesses feel competition to be a barrier to growth, an increase from 37% in 2013, with 27% of that competition felt from other town centre businesses and 22% from local supermarkets. In support, a Town Centre App was launched in September 2014, with a Town Centre Business Directory scheduled for June, to support and and promote town centre businesses and footfall. The Digital High Street Skills training workshops will be delivered in 2015, to support businesses with online competition, with Marketing and Business Planning, Business Websites and Social Media training.

3.6.4 Car parking costs (50%) and rental values (50%) continue to 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 Retail Rate Relief Scheme, Small Business Rate Relief Scheme and the Business Support Grant Scheme, which offers £250 grant funding to town centre businesses towards business premises improvements. Business car parking schemes and initiatives for town centre businesses are also being considered.

3.6.5 Positive aspects of the town centre, rated in the business survey as excellent, included accessibility and range with shops. This is positive in comparison to last year's rating, where 41% of businesses rated the variety of shops in the town centre as unsatisfactory and is perhaps a reflection of the new mix of start ups in 2014. Landscaping, financial/professional services, safety and lighting levels were also rated by businesses as acceptable. Poorly rated aspects however included traffic management and car parking, which reflects a national trend. 68% of large towns nationally believed car parking to be a negative aspect of town centres and 67% within East Midlands comparator towns.

3.6.6 In terms of town centre visitor satisfaction, highly rated positive aspects of the town centre included ease of walking (95%), access to services (92%), convenience (84%) and physical appearance (84%). This was notably higher than national statistics, but representative against other East Midlands comparator towns. This positive image of the town centre may potentially reflect the ongoing investment in the town centre, with the Market Place Enhancement Scheme enhancing the landscaping of the Market Place, enhanced fingerpost signage and the town centre's ongoing street furniture maintenance scheme. The cafes/restaurants (74%) and markets (68%) are also rated positively and above both national and East Midland averages, indicative of the town's USP as an historical market town and rural capital of food.

3.6.7 Negative aspects of the town centre were leisure facilities (69%), pubs/bars/nightclubs (62%) safety (54%) and car parking (58%) This continues to support the need to continue to promote and brand the evening economy, in line with the "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. An Evening & Eating Out Guide will be produced for the town centre in June, to support this campaign and to promote evening economy businesses and their offer. Music and cultural events will be held in the Market Place during the month of August to promote the town's café culture and leisure/cultural offer. Car parking initiatives will also be considered to increase and drive footfall into the town centre in the evening, this could include Free After Three and Click & Collect/Pop In pilot schemes.

3.6.8 Positively, 92% visitors would however recommend a visit to 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 significantly increased in 2014, with an average number of 596 recorded on a Tuesday/market day, compared to 279 in 2013 and the national large town figure of 314. Thursday's footfall has also increased to its highest level at 258, an increase again from 2013's recording of 156 and national average of 193. This may again be attributed to the significant marketing and promotion of the town as a tourism destination, with increasing tourist numbers in 2014. A Springboard Footfall Counter was installed in the Market Place in January 2015, which now provides detailed Springboard hourly, weekly and monthly reports, with comparable footfall data within the town centre. Events and campaigns, such as Dine Before Nine, After Dark Business Awards, the Christmas Shopping Crawl and Shop Local campaigns, seek to maximise local spend and footfall. The Footfall Counter will also provide evening footfall counts for the first time in the town centre, so that accurate data can now drive forward targeted evening economy campaigns and events.

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 since 2013 to 85% occupancy (89% in 2013). Non-market days in 2014 recorded an occupancy of 59%, which is consistent with national and East Midland town comparators. Car parking initiatives will again be considered to drive higher occupancy in the car parks on non-market days, such as a Click & Collect / Pop In pilot scheme, Free After Three initiative, a business parking scheme for town centre businesses and payment schemes to encourage increased car park occupancy, whilst encouraging greater visitor dwell time in the town centre and visitor spend.

3.8 Economic Characteristics

Economic Characteristics includes partnership working and vacant unit rates.

3.8.1 Vacancy rates have remained static throughout 2014 at 7%, compared to the national average of 9% and East Midlands comparator figure of 10%, and independents continue to predominate town centre start ups. Springboard figures in October 2014 showed a national vacant unit average of 10.3% and East Midlands average of 9.6%, which has shown little movement in the last year.

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, particularly within the Bell Centre with an increasing vacancy rate in 2014. Discussions are also underway for a Future art project, in partnership Coality, Soft Touch and Mediorite, linked again to these said units. A proposal has also been produced by City Dressing to dress long-term vacant units in Sherrard Street, including the former QS, Bargain Booze and Polish shop units. This will also incorporate an historical and In Bloom theme, in line with the town's Britain in Bloom national final shortlisting this year.

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 "Think Melton Taste Melton" campaign, which aims to attract visitors of all age groups to enjoy the experience of Melton's town centre. Marketing and promotion will include a Town Centre Business Directory, Evening & Eating Out Guide, Evening Markets and Events,

3.11 Car parking is indicated as a barrier for businesses and visitors alike. Pilot car parking initiatives such as Free After Three, Click & Collect / Pop In schemes will be explored to support evening economy campaigns and to drive footfall into the town centre. These would need to be subject to member approval and subject to their own report to members.

3.12 Business Support with increasing business and online competition, with continued Business Support Grants and access to local funding schemes. Business training and the Digital High Street Skills programme will play a business support role here.

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

3.14 Maximise the visual appearance of prominent long-term vacant units, particularly on Sherrard Street with the City Dressing Scheme, including historical and In Bloom themes.

3.15 Enhance the landscaping and physical appearance of the town centre, with additional planting schemes on Nottingham Street, High Street, Market Place and Sherrard Street, to support East Midlands in Bloom entry and Britain in Bloom final 2015.

3.16 Inward investment will be a priority action, providing a key understanding of national and regional indicators, but also to attract a greater mix of retail offer to the town centre. The TCIM pilot will also play a key role here.

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 Any growth in businesses will benefit the council through the retention of business rates. With regard to the car parking proposals these will have financial implications and these will need to be analysed and brought back to members along with more detailed proposals.

6.0 LEGAL IMPLICATIONS/POWERS

6.1 There could be legal implications associated with the car parking orders which would need to be considered before any car parking initiatives are implemented.

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:	14 May 2015
Appendices :	A - Town Centre Year on Year Comparison Report 2014 B – Melton Town Benchmarking Report 2014
Background Papers:	None
Reference :	X Cttee/REEA/2015-16/030615/HR- Town centre benckmarking