

AGENDA ITEM 7

RURAL, ECONOMIC & ENVIRONMENTAL AFFAIRS

11 JANUARY 2017

HEAD OF COMMUNITIES & NEIGHBOURHOODS

TOWN BENCHMARKING REPORT 2015

1.0 PURPOSE OF REPORT

- 1.1 For members to note and comment on the People & Places Town Benchmarking Report 2015, 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 2015, summarising the town centre's overall performance in 2015, 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 B, 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. Footfall data is now also recorded on a 24 hour basis, by the Springboard Footfall Counter which is located in the Market Place. 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 2015 (Appendix B), the town centre performance is also compared against other Small and Large market towns. Melton, with 447 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 65%, in comparison with other East Midlands large towns at 62% and nationally 45%. Whilst there has been a slight independent decrease of 1% since 2014, with some independent lease ends and a small increase in regionals, independents continue to be indicative of the town centre's USP and business start-up trend. 2015 saw the start of 11 new businesses in the town centre, all of which were independents. This is reflective too of the high independent business longevity within the town centre, with 64% of businesses questioned being within the town centre for more than 10 years and 14% between 5-10 years.

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 10% within the A3 category. Nationally large towns represent 53% A1 and 11% A3. A higher percentage of B2 businesses continue to be represented in the town at 10% compared to the East Midlands figure of 5%, which is reflective of the Snow Hill Industrial estate's inclusion within the town centre boundary and its growth in 2015, 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 86% and 14% respectively. Positively the comparison percentage has increased in the town centre in 2015 from 83% in 2014, which reflects the increase of independent clothing and gift shop business start ups.

3.5.4 The town centre market has remained consistent over the last year with a total of 116 traders. Melton's average number of traders at 78% also remains higher than the national large town average of 66%, though below the East Midlands Large town percentage of 102%. 2017 will see a regeneration of the town's market, including new location and new stalls/gazebos, which it is hoped will attract new market traders and revigorate the town's market.

3.5.5 Melton continues to attract high visitor numbers in comparison to other large towns nationally, 42% compared to 24% respectively in 2015, which supports Melton Mowbray as a growing tourist destination. Tourist and visitors numbers have also increased by 1% since 2014, which continues to reflect Melton's promotion 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 have again shown an increase again in 2015, with 50% of businesses surveyed experiencing an increase in turnover, compared to 44% in 2014. 41% also showed an increase in profit, with 67% expecting turnover to increase moderately within the next year, compared to 46% in 2014.
- 3.6.2 Whilst staff numbers within businesses have remained static during 2015, 25% of businesses expected their staff numbers to increase moderately over the next year, with 52% of businesses also planning to expand their business over the next year. This has been again reflected in the number of business relocations within the town centre again in 2015 and also the need for larger town centre premises, with attractive rate and rental offers and funding support.
- 3.6.3 Business survey analysis highlights that 56% of businesses still feel competition to be a barrier to growth, an increase from 50% in 2014, with 50% of that being online competition and 33% from out of town shopping centres. In support, the Town Centre App has proved an invaluable marketing tool for businesses, offering an online own centre business directory, with website, google and social media links to support and promote town centre businesses and footfall. An enhanced Town Centre App, including Events, Campaigns, Car Parking and News will launch in 2016. Social Media workshops have also been delivered to encourage and support businesses digitally and get their businesses online, including Facebook, Twitter, Pinterest, Blogging and LinkedIn. 75% of businesses surveyed requested support with local training courses and 50% with local seminars and events. Ongoing business training workshops will this continue to be delivered throughout 2016, to include marketing, social media and website support.
- 3.6.4 Increased business costs (41%) and rental values (30%) continue to remain key barriers for businesses and growth in the town centre. Financial support is being offered to businesses with the Small Business Rate Relief Scheme and the Business Support Grant Scheme, which offers £250 grant funding to town centre businesses towards business premises improvements. Further rate relief would support those businesses seeking to expand into larger premises, with high rental and rate demands, as well as encouraging greater business start up within the town.
- 3.6.5 Positive aspects of the town centre, rated in the business survey as excellent, included accessibility on foot, landscaping, daytime safety and the variety of cafes/eating places/pubs. Physical appearance, landscaping, cleanliness, signage/information and town centre image were also highly rated by businesses as acceptable. This positive image of the town centre may potentially reflect the ongoing investment in the town centre, in terms of In Bloom campaigns and planting schemes, business support with frontages, enhanced fingerpost signage and the town centre's ongoing street furniture maintenance scheme. Positively, 85% of businesses felt that evening safety was excellent or acceptable, a significant increase on 73% in 2014, which shows the successful work of the Purple Flag Steering group and partners in driving forward Melton's evening economy.
- 3.6.6 Poorly rated aspects however continue to include car parking provision and costs at 25% and 39%. Schemes such as the Free After Three pilot and Free 20 minute Click & Collect seek to drive footfall into the town centre, whilst the BID is exploring opportunities for subsidised business parking.

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 2015, with an average number of 719 recorded on a Tuesday/market day, compared to 596 in 2014 and the national large town figure of 380. It is also above the East Midlands Large Town average of 663. This can again be attributed to the significant marketing and promotion of the town as a tourism destination, with increasing visitor numbers in 2015. Whilst Thursday's footfall has slightly decreased in 2015 to an average of 232, compared to 258 in 2014, it still remains higher than the national large town average of 199.
- 3.7.2 A Springboard Footfall Counter was installed in the Market Place in January 2015. The Springboard Footfall reports provide an invaluable detailed analysis of our High Street, with regards footfall trends and performance. They allow comparisons on a weekly, monthly and yearly basis, for the first time in town centre reporting, whilst also measuring performance against regional and UK averages. Weekly footfall reporting commenced on 5th January 2015 and includes the below:
- Long term weekly footfall trends and headlines, compared against regional area and UK as a whole.
 - Total weekly footfall compared with the previous week and the same week last year.
 - Footfall by day of the week and by hour compared with the previous week and the same week last year.
 - Daily weather and temperature readings against weekly footfall counts.

Monthly footfall reporting commenced on April 2015 and includes the below:

- Long term monthly footfall trends and headlines, compared against regional area and UK as a whole.
 - Total monthly footfall, compared against the month on month % change and the annual % change from the same month last year.
 - Footfall by hour, based upon a weekly average.
 - Footfall by day, compared against the previous month and month on month % change.
 - Average weather and temperature readings for the month, in comparison with previous year
- 3.7.3 At the close of 2015, December's monthly report shows a consistency of footfall throughout 2015, with monthly footfall of 422,064. The busiest footfall day was consistently a Saturday, with a peak hour of 11.00am and average footfall of 3,531. Visitor numbers on a Saturday averaged 22,703.
- 3.7.4 Overall, the highest footfall counts are recorded on Saturdays and Tuesdays, with the lowest footfall counts recorded on Sundays. High footfall figures on a Tuesday and Saturday support the importance of our markets and our branding, in driving our town centre forward as a local, visitor and tourist destination. Hourly footfall count trends are predominantly higher within the daytime economy, supporting work and retail patterns. The weekly reports show that footfall increases from 8.00am and continues to rise to a peak from 11.00am-1.00pm, with a gradual decline then to 5.00pm and decreasing footfall to 7.00pm.
- 3.7.5 Footfall counts from 5.00pm and evening economy are significantly low, but with an increase on Fridays and Saturdays, as would be expected. This trend supports the need to promote the town centre's evening economy, its café culture and leisure offer, to drive footfall into the town centre into early evening periods. Reports also show a shift in footfall and visitor patterns, from Saturdays to weekdays during holiday periods, such as Half Term and Bank holiday weekends. Events, speciality markets and marketing campaigns will continue to play a key

role here in driving footfall to the town centre on lower footfall days such as Wednesdays, Thursdays and Sundays.

3.7.6 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, and with a significant increase to 91% occupancy in 2015, compared to 85% occupancy in 2014. Non-market days in 2015 recorded an occupancy of 61%, a slight increase to 2014 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 the recently introduced Click & Collect scheme in St Mary's Way Car park and the BID's Free After Three pilot. As detailed within the Coach & Car Parking Strategy 2015, a business parking scheme for town centre businesses and payment schemes will also seek 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 2015 at 7%, compared to the national large town average of 12% and East Midlands comparator figure of 8%, and independents continue to predominate town centre start ups. Springboard figures in January 2016 showed a national vacant unit average of 9.6%% and East Midlands average of 8.7%, 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, to enhance the physical appearance of large units, particularly on Sherrard Street. The BID, in partnership with City Dressing has produced an In Bloom virtual window on the long-term vacant Polish Shop premises on Sherrard Street, with further displays scheduled for vacant units in the Bell Centre.

3.8.3 The Town Centre Investment Management pilot has been successful in identifying a core investment opportunity within the town centre, including the Bell Centre. Working with partners MBC, LCC, Melton Town Estate and the Melton BID a funding bid has been submitted to produce a business case for phase 2 of the investment pilot.

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 survey analysis has shown a positive increase in perception to evening safety and the diversity of cafes, restaurants and pubs, supported by a successful Purple Flag award and strong partnership working. Evening footfall figures however continue to demonstrate the need to continue 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 Purple Flag Steering Group, and will include the Evening & Eating Out Guide, Evening Markets and Events. It is hoped that the launch of the Melton Night Rider pilot, a bus service operating to the north and south of the town centre on Fridays and Saturdays, from 8pm-1am, will also support access and drive footfall into the town centre.

- 3.11 Car parking provision and costs remains a barrier for businesses and visitors alike. Pilot car parking initiatives such as Free After Three, Click & Collect and Business Parking schemes will be used to support businesses, events and campaigns, to drive footfall into the town centre.
- 3.12 Business Support with increasing business and online competition is paramount in supporting business longevity and inward investment in the town centre. Business funding, digital training, networking and the town centre investment management pilot will all play a business support role here, in a Digital High Street.
- 3.13 Continued enhancement of landscaping and the physical appearance of the town centre and its buildings, particularly on Sherrard Street, will seek to enhance this historical gateway and attract investment in long term vacant units.
- 3.14 This will be supported by investment in the town's market infrastructure in 2016, to increase market trader numbers and the market offer overall, to locals and visitors alike.
- 3.15 Inward investment will also 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. Only 35% of businesses surveyed believed that the variety of shops was acceptable, 42% felt that they were unsatisfactory and the TCIM pilot will play a key role here.
- 3.16 Similarly, whilst the visitor/business perception of the variety of cafes/eating places/pubs was high at 87%, there is also a suggestion that greater diversity is still required for the evening economy. The suggestion for the Cumulative Impact Zone to be removed to facilitate this will be progressed by the Purple Flag Steering Group, ahead of the Purple Flag renewal in June 2017.

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 447 town centre businesses, including landlords, agents and partners.

12.0 **WARDS AFFECTED**

12.1 All the wards directly affected.

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Date: 15 December 2015

Appendices : A - Town Centre Year on Year Comparison Report 2015
 B – Melton Town Benchmarking Report 2015

Background None
Papers: