



**Canterbury City Centre**

**Performance Report**

**October 2019**

# Canterbury City Centre Performance Report – October 2019

## Executive summary:

Welcome to the October 2019 edition of Canterbury city centre performance report. This report has been prepared by Canterbury 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
- 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 October 2019 was 6.7%, +0.3% higher than September 2019 and +0.1% higher than October 2018. The twelve-month average for Canterbury is 6.3%.
Premises type	●	Overall food and drink premises (24%), speciality and other (20%) and residential (15%) had the highest presence in the city. Education establishments in the city centre (1%) department stores (1%) and technology premises (2%) had the lowest presence. In total, retail (department stores, fashion, jewellery, speciality and other) occupied 31% of city centre premises.
City Centre footfall	●	Footfall in Canterbury increased by 8.9% YOY in October 2019, +15.5 higher than the average for the South East, +13.6 higher than other historic centres and +13.6 higher than the national rate. The twelve-month average for Canterbury is +1.5% YOY.
Business Sales Performance	●	Sales in October decreased by -2% compared to September and it is -3.2% down on the twelve-month average of -1.7% for Canterbury and -5% lower than the national rate YOY.
Tourism	●	In October there was a -11.9% YOY change in visitor numbers to visitor attractions in Canterbury and -8.8% decrease over the month from September. For Kent, there was a -9.5% YOY change in visitor numbers to visitor attractions which is a -25.7% decrease over the month from September.

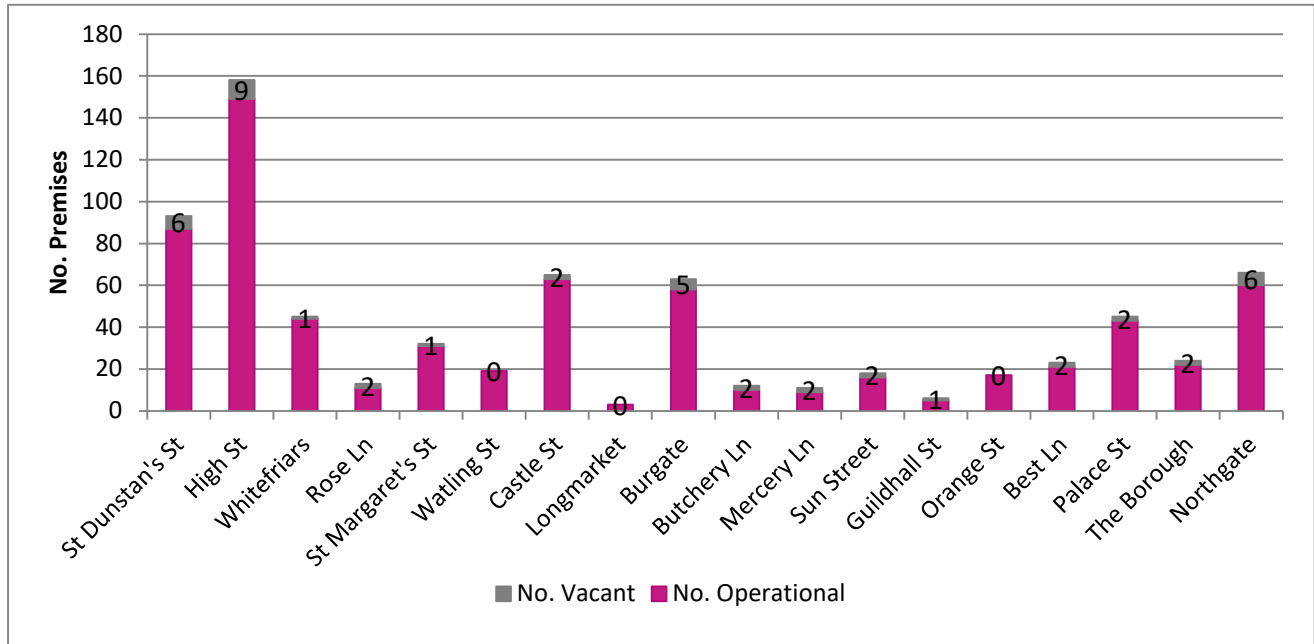
*All data provided within this report is limited by the amount of information available at the time of the report being written. Where data is missing, it will be indicated at the end of each section. YOY = Year on Year.*

# Canterbury City Centre Performance Report – October 2019

## Business premises vacancy rates

In October a survey of 18 key streets within Canterbury City Centre was undertaken. A total number of 668 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**



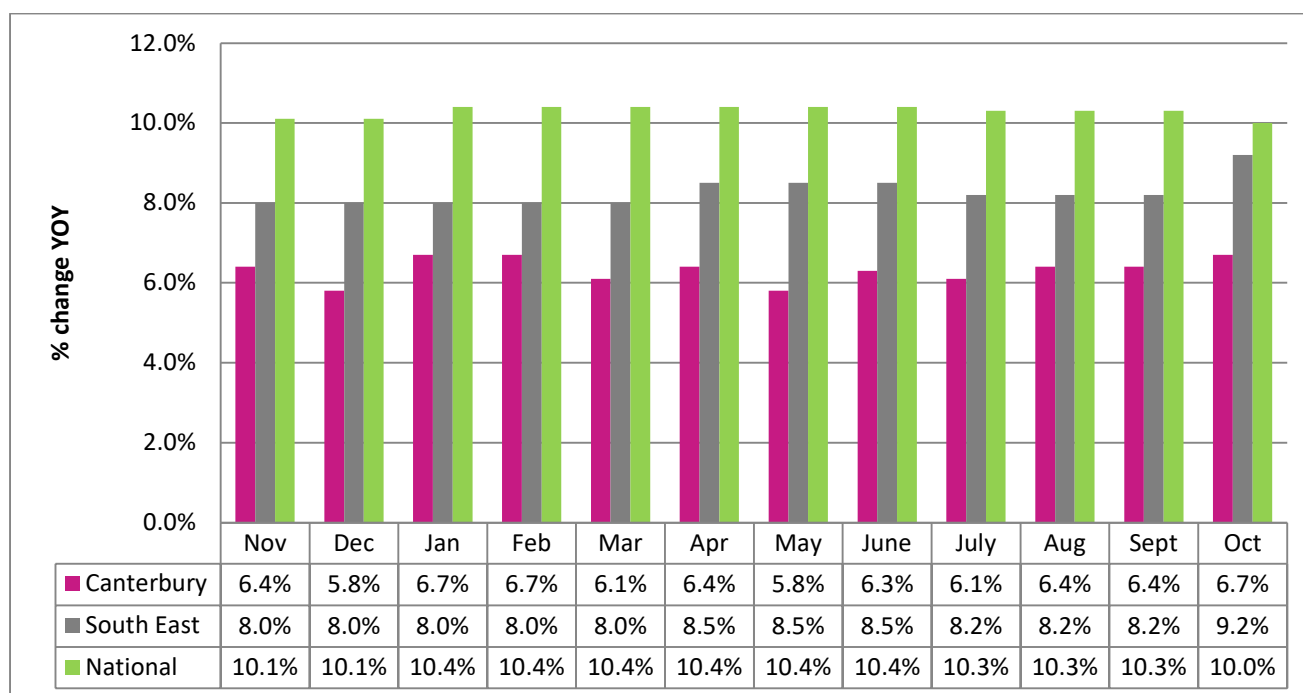
Source: Canterbury BID monthly survey.

### Key findings:

- A total number of 45 businesses premises were recorded as vacant in October, two more than in September.
- St Dunstan's Street, the High Street, Burgate and Northgate had the highest number of empty premises whilst Watling Street, Longmarket and Orange Street had none.
- As a comparison to the total number of premises within each street, Mercery Lane had the highest vacancy rate (22%).

# Canterbury City Centre Performance Report – October 2019

**Graph 1.2 - Premises vacancy rates YOY**



Source: Canterbury BID monthly survey and the British Retail Consortium and Springboard reports which are gathered on a quarterly basis in January, April, July and October. Please note that the Q4 vacancy rate survey will be compiled in January and released in February 2020.

## Key findings:

The vacancy rate for Canterbury in October 2019 was 6.7%, +0.3% higher than September 2019 and +0.1% higher than October 2018. The twelve-month average for Canterbury is 6.3%.

- The vacancy rate for the Southeast in October 2019 was 9.2%, +1% higher than Q2 2019 and +1.2% higher compared to the same quarter last year.
- Canterbury had the 6<sup>th</sup> lowest vacancy rate of the 27 towns in the South East that published their results in the Springboard Vacancy Rate Survey October 2019.
- The National Town Centre Vacancy Rate was 10% in October 2019. This is lower than the vacancy rate of 10.4% in February and May 2019 and 10.3% in July 2019.

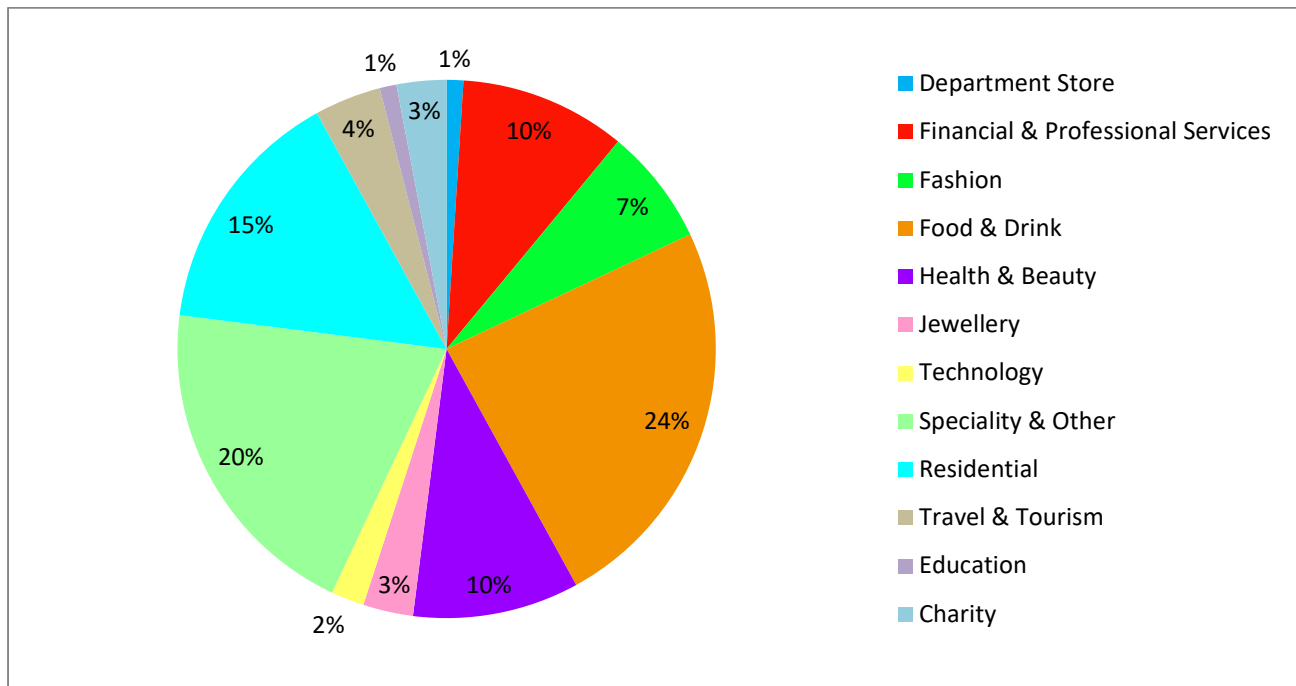
The result this October is also -0.1% lower than the same month last year and remains higher than the benchmark low of 8.7% recorded in January 2016.

<b>Regional Vacancy Rates October 2019</b>			
London	6.0%	North East Yorkshire	13.1%
South East	9.2%	North West	12.0%
South West	9.8%	Scotland	10.5%
East	8.5%	Northern Ireland	14.3%
East Midlands	9.0%	Wales	13.4%
West Midlands	10.2%		

## 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 the type of businesses that will locate here in the future. Each premise within the study area has been categorised into 12 categories. The following graph illustrates the premises type in Canterbury:

**Graph 2.1 - Premises type in Canterbury**



Source: Canterbury BID monthly survey.

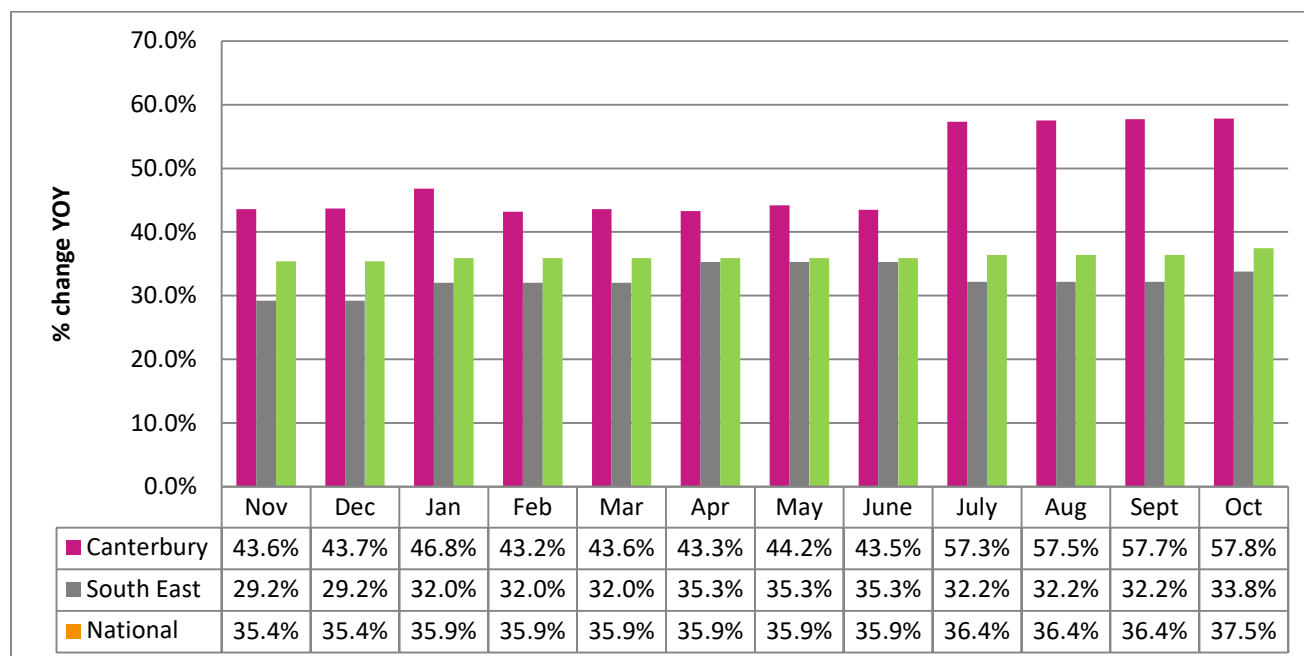
### Key findings:

- Overall food and drink premises (24%), speciality and other (20%) and residential (15%) had the highest presence in the city. Education establishments in the city centre (1%) department stores (1%) and technology premises (2%) had the lowest presence. In total, retail (department stores, fashion, jewellery, speciality and other) occupied 31% of city centre premises.

## Canterbury City Centre Performance Report – October 2019

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 BID monthly survey and Springboard's quarterly reports which are gathered in January, April, July and October. Please note that the Q4 vacancy rate survey will be compiled in January and released in February 2020.

### Key findings:

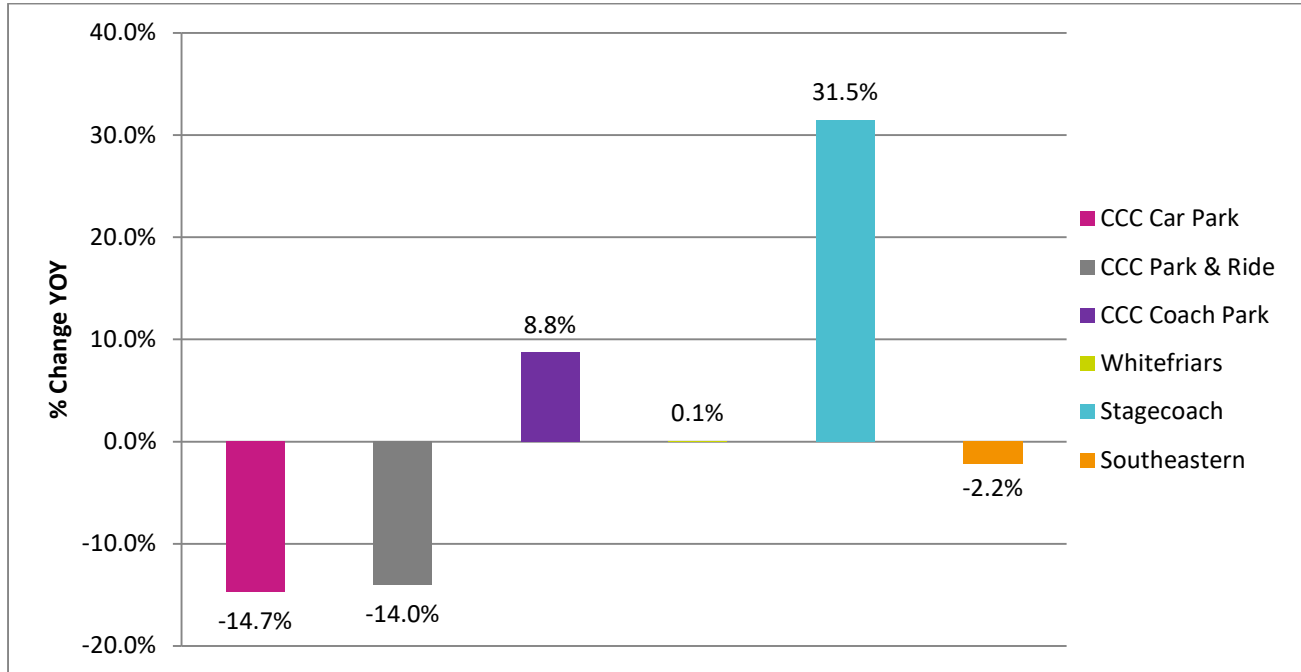
- 57.8% of businesses recorded in October were independent, +24% more than the average for the South East and +20.3% more than the national average.
  - Longmarket (100%), Whitefriars (98%) and Rose Lane (89%) had the highest number of multiples, which is unsurprising as they are managed developments.
  - Orange Street (100%), Palace Street (95%) and The Borough (94%) had the highest number of independent businesses.
- Overall based on the survey area, 42.2% of retailers are multiples and 57.8% are independent.

# Canterbury City Centre Performance Report – October 2019

## 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 3.1 – City centre transportation usage YOY**



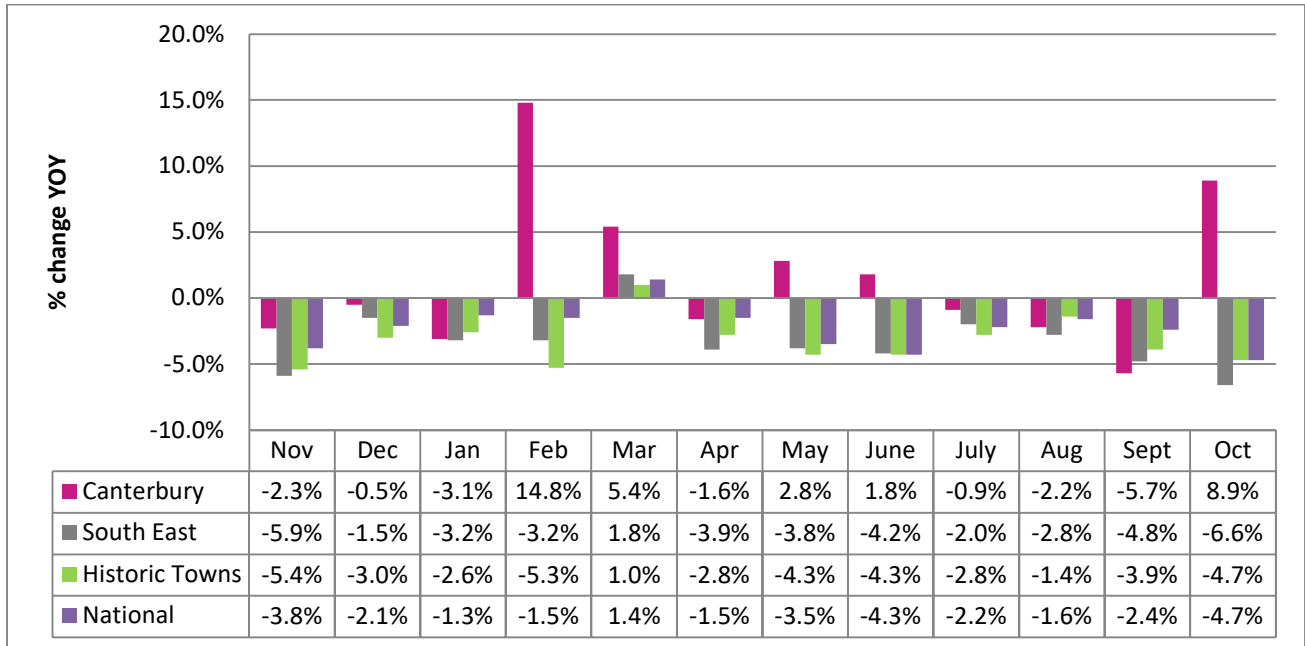
Source: Canterbury City Council Transportation Department, Stagecoach East Kent, Whitefriars shopping centre car park and Southeastern. Please note Stagecoach East Kent data was not available in May, June, July, August and September.

### Key Findings

- Overall footfall increased by 8.9% YOY in October 2019 which is a 8.2% increase on October 2018.
- All transportation methods saw a YOY decrease other than Whitefriars and Stagecoach car park.

# Canterbury City Centre Performance Report – October 2019

Graph 3.2 – Canterbury footfall rates YOY



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

## Key Findings:

Footfall in Canterbury increased by 8.9% YOY in October 2019, +15.5 higher than the average for the South East, +13.6 higher than other historic centres and +13.6 higher than the national rate. The twelve-month average for Canterbury is +1.5% YOY.

- Nationally:

The drop in footfall of -4.7% was the worst result for October in seven years. Whilst it can't be regarded as a purely pre Brexit breakdown as the weather also played a part, the prevailing political uncertainty must be having a considerable impact on activity given the low level of consumer confidence. When confidence is low it doesn't take much to deter shoppers and the torrential rain in the last week of the month hit footfall particularly hard, resulting in a drop over those seven days of -6.2%. All three destination types – high streets, shopping centres and retail parks - were impacted by a much greater drop in the last week of the month than in the previous three. But by far the worst result came from high streets where footfall declined by -7.4%, which is not unexpected given their exposure to the elements. Indeed, the significant impact on high streets was felt across the board geographically, with footfall declining all but one area and in four areas (Greater London, the South East, North & Yorkshire and Wales) the drop was in excess of -5.0%. A sliver of good news is that the UK vacancy rate actually improved slightly in October from July (10% from 10.3%) which reflects the improvement in the three month average from -2.8% in July to -2% in October. However, we must be mindful about reading too much into this as it is a trend that has been present in previous years as the number of pop up shops and temporary lets increase in the run up to Halloween and Christmas. The strong vacancy result in London versus other parts of the UK is not unusual and has often been the case, as it is London - with its far higher footfall volumes - that is so often the incubator for new retail concepts and fledgling bricks and mortar businesses.

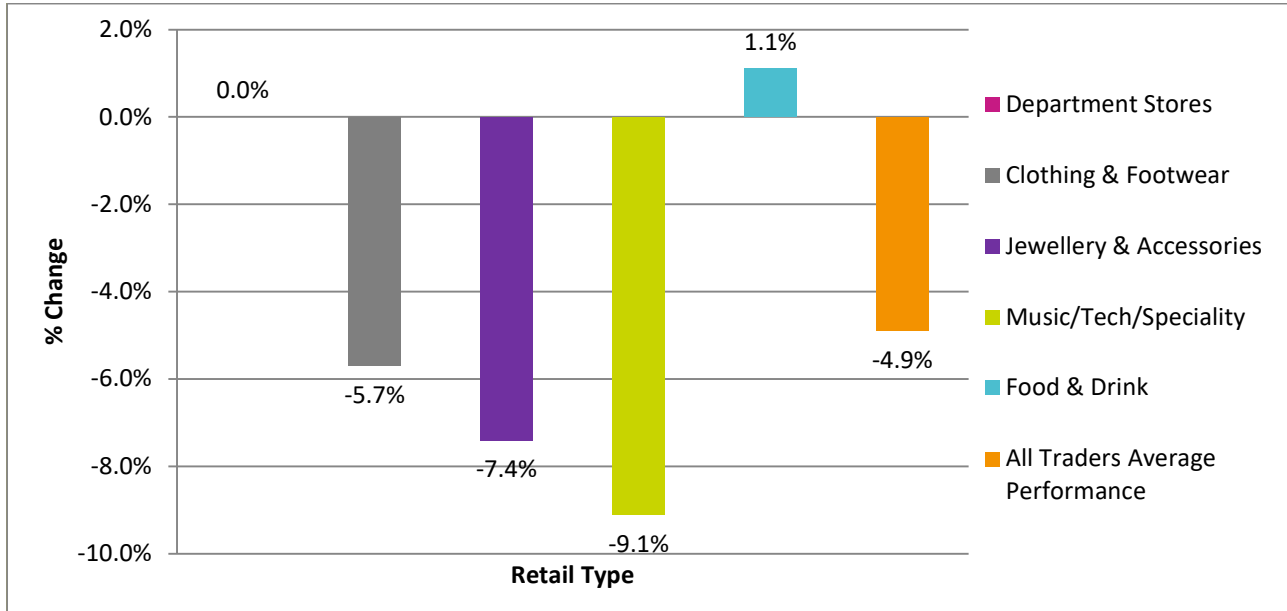


# Canterbury City Centre Performance Report – October 2019

## Business sales performance

The below graph illustrates business' average percentage change in sales compared to the same month in 2018.

**Graph 4.1 – Average Sales performance of businesses YOY**



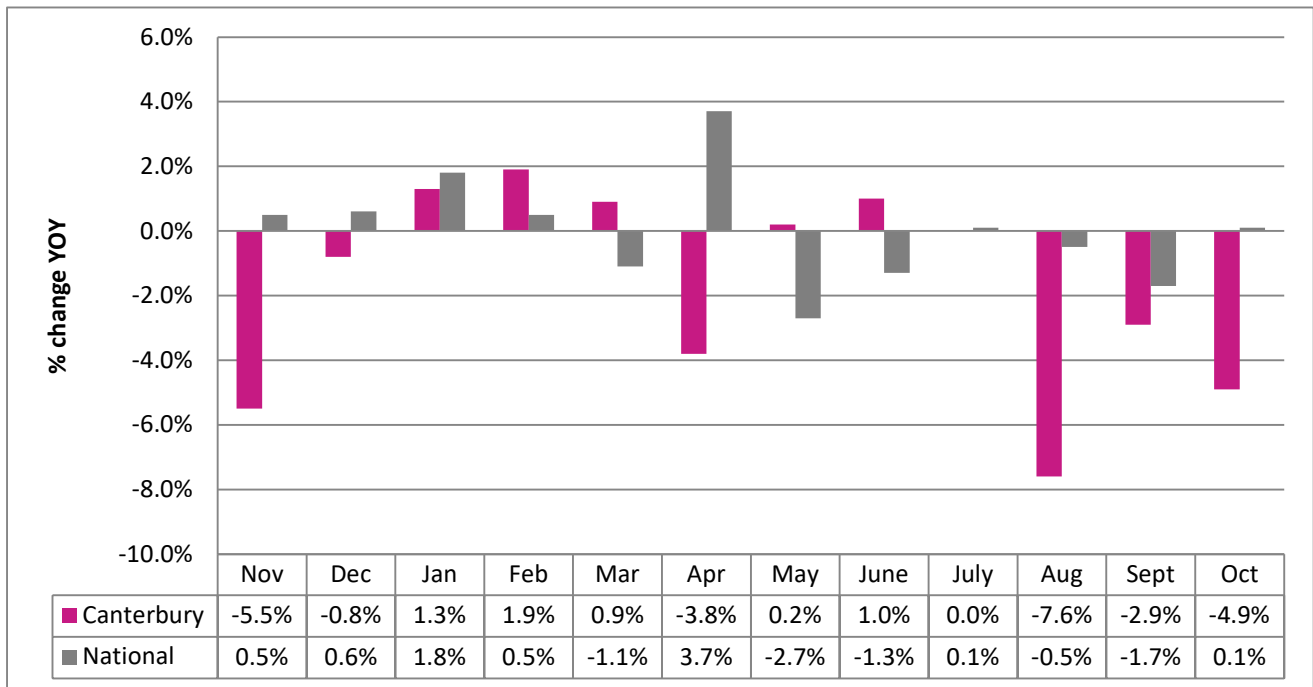
Source: Canterbury BID Business Survey of Average Sales Performance based on 29 respondents.

### Key findings:

- In October there was an overall -4.9% YOY change in sales performance which is a -2.9% change from October 2018.
  - A1 retailers had a -6% change in sales performance YOY, which is a -2% decrease on September and -2.9% decrease in comparison October last year.
  - A3 Food and drink trade increased by 1.1% YOY which is a 1.1% increase from September and a +2.4% increase in comparison to the same month last year.

# Canterbury City Centre Performance Report – October 2019

Graph 4.2 – Average Sales performance YOY



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

## Key findings:

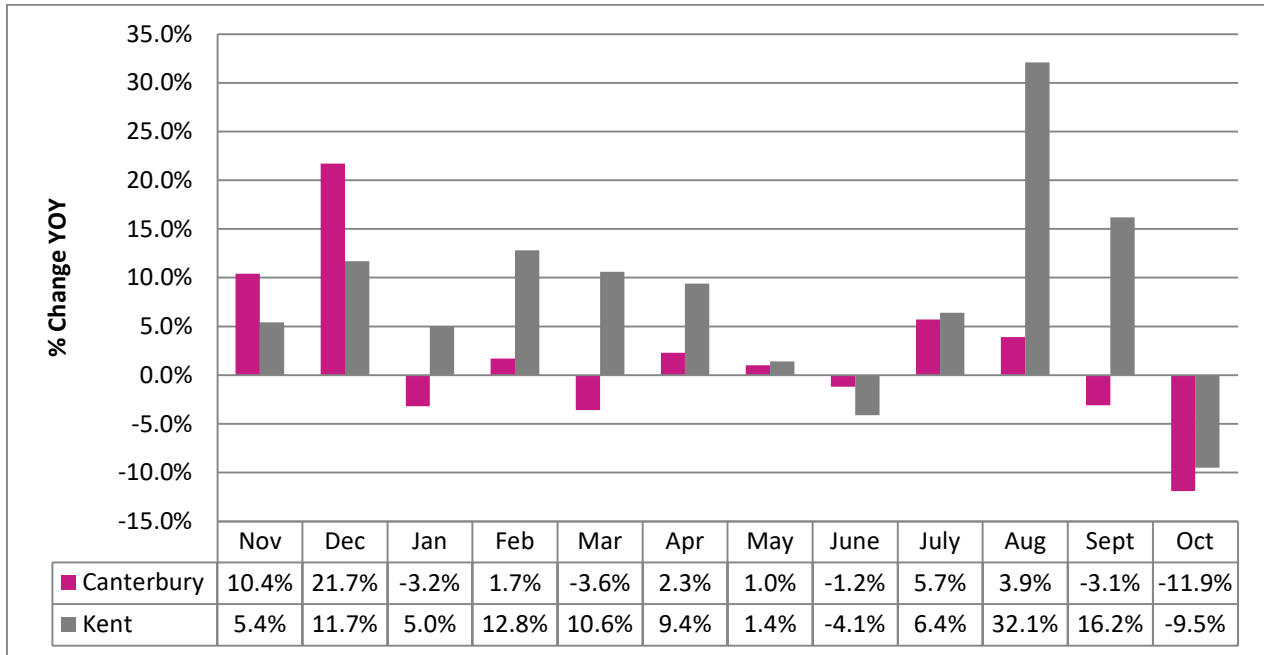
- Sales in October decreased by -2% compared to September and it is -3.2% down on the twelve-month average of -1.7% for Canterbury and -5% lower than the national rate YOY.
- According to the BRC-KPMG UK Retail Sales Monitor:
  - On a total basis, sales increased by 0.6% in October, against an increase of 1.3% in October 2018. This is the best performance since April and above the 3-month average decline of 0.3% and the 12-month average growth of 0.1%, a new record low.
  - UK retail sales increased by 0.1% on a like-for-like basis from October 2018, when they had increased 0.1% from the preceding year. This is above both the 3-month and 12-month averages of -0.8% and -0.4% respectively.
  - Over the three months to October, In-store sales of non-food items declined 3.6% on a total and 3.7% on a like-for-like basis. This is worse than the 12-month total average decline of 3.0%. However, the October decline was the shallowest since July.
  - Over the three months to October, food sales increased 0.5% on a like-for-like basis and 1.6% on a total basis. This is in line with the 12-month total average growth of 1.6%.
  - Over the three-months to October, non-food retail sales in the UK decreased by 1.9% on a like-for-like and 1.8% on a total basis. This is below the 12-month total average decrease of 1.1%. For the month of October, non-food was in growth year-on-year.
  - Online sales of non-food products grew 5.1% in October, against a growth of 7.6% in October 2018. This was the strongest growth since February, higher than the 3-month and 12-month average growths of 2.5% and 3.6% respectively.
  - Non-food online penetration rate increased from 29.8% in October 2018 to 31.6% last month

# Canterbury City Centre Performance Report – October 2019

## 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 where they have come from.

**Graph 5.1 – Percentage change in visitor numbers to Canterbury attractions YOY**



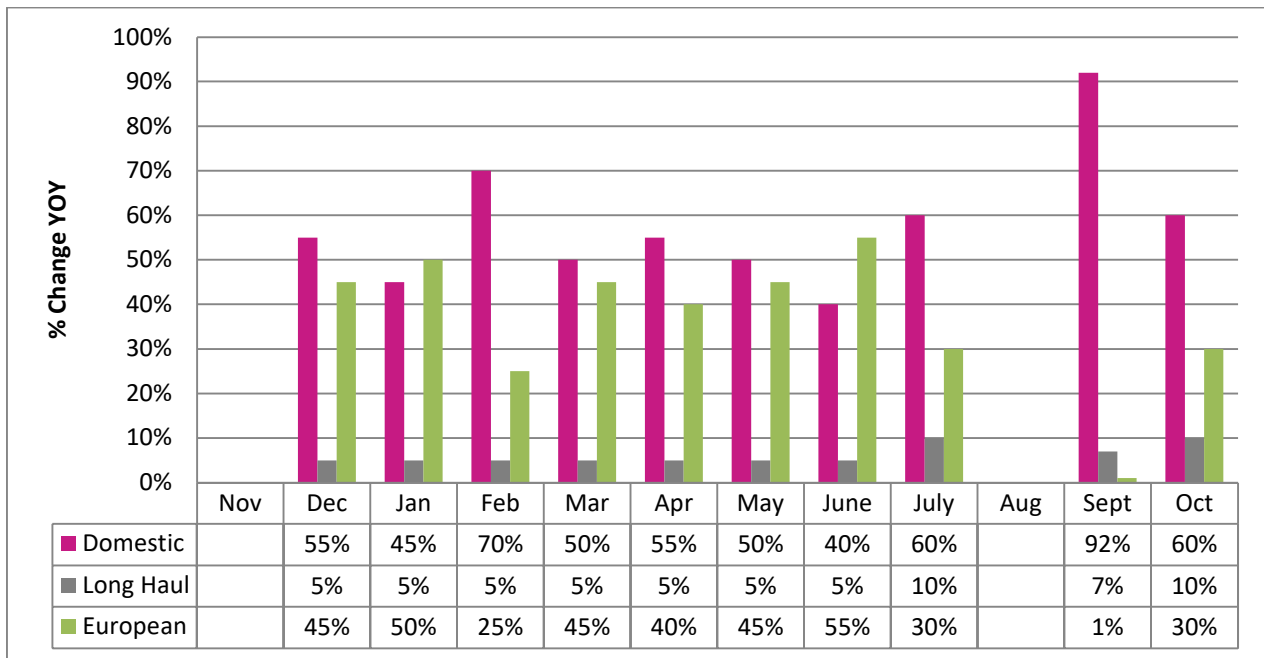
Source: Canterbury City Council attraction figures and Visit Kent Business Barometer

### Key findings:

- In October there was a -11.9% YOY change in visitor numbers to visitor attractions in Canterbury and -8.8% decrease over the month from September.
- For Kent, there was a -9.5% YOY change in visitor numbers to visitor attractions which is a -25.7% decrease over the month from September.

# Canterbury City Centre Performance Report – October 2019

Graph 5.2 – Visitor Information Centre Visitors to Canterbury



Source: Visit Kent Business Barometer. Please note data was not available in November 2018 and in August 2019.

## Events

Below is a list of events which took place in Canterbury in October. These events both maintain and increase footfall to the city and in turn have an economic impact.

- |  |  |
|--|--|
| 3 <sup>rd</sup> October 2019   | Student Shopping Night                 |
| 6 <sup>th</sup> October 2019   | Vegan Market                           |
| 5 <sup>th</sup> , 12 <sup>th</sup> and 19 <sup>th</sup> October 2019 | Open Days at The University of Kent    |
| 15 <sup>th</sup> October 2019  | Canterbury BID Networking at Boho Café |
| 19 <sup>th</sup> October 2019  | Westgate Hall Market                   |
| 19 <sup>th</sup> October – 2 <sup>nd</sup> November 2019             | Canterbury Festival, across the city   |
| 19 <sup>th</sup> October – 3 <sup>rd</sup> November 2019             | Family Halloween Trail at The Beaney   |
| 26 <sup>th</sup> October 2019  | The Kings Mile Trick or Treat          |
| 31 <sup>st</sup> October 2019  | Halloween                              |