



Canterbury City Centre

Performance Report

November 2019

Canterbury City Centre Performance Report – November 2019

Executive summary:

Welcome to the November 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 November 2019 was 6.6%, -0.1% lower than October 2019 and +0.2% higher than November 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 decreased by -19.7% in comparison to October 2019 and in was lower by -10.8% YOY in November 2019. It is -4.9% lower than the average for the South East, -5.4% lower than other historic centres and -7% lower than the national rate. The twelve-month average for Canterbury is +0.7% YOY.
Business Sales Performance	●	Sales in November decreased by -6.4% compared to October and it is -9.1% down on the twelve-month average of -2.2% for Canterbury and -6.9% lower than the national rate YOY.
Tourism	●	In November there was a -5.4% YOY change in visitor numbers to visitor attractions in Canterbury and 6.5% increase over the month from October. For Kent, there was a +6.9% YOY change in visitor numbers to visitor attractions which is +16.4% increase over the month from October.

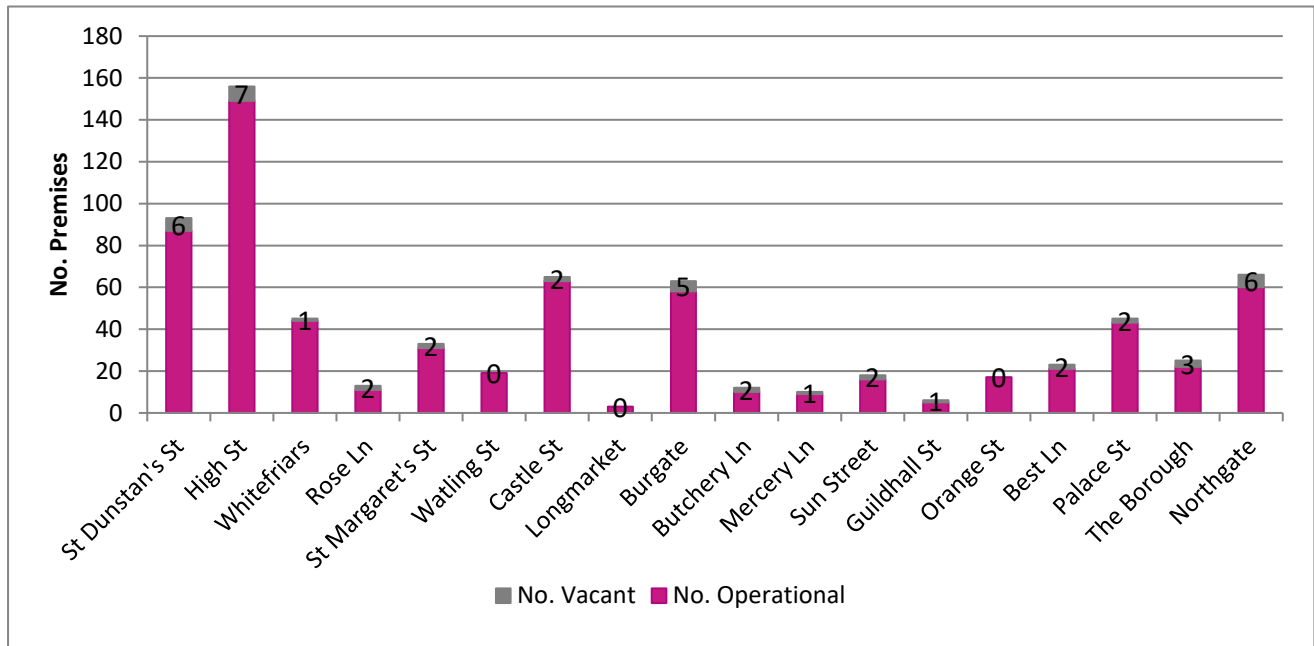
All data provided within this report is limited by the amount of information available at the time of the report being written. Where data is missing, it will be indicated at the end of each section. YOY = Year on Year.

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Business premises vacancy rates

In November a survey of 18 key streets within Canterbury City Centre was undertaken. A total number of 667 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



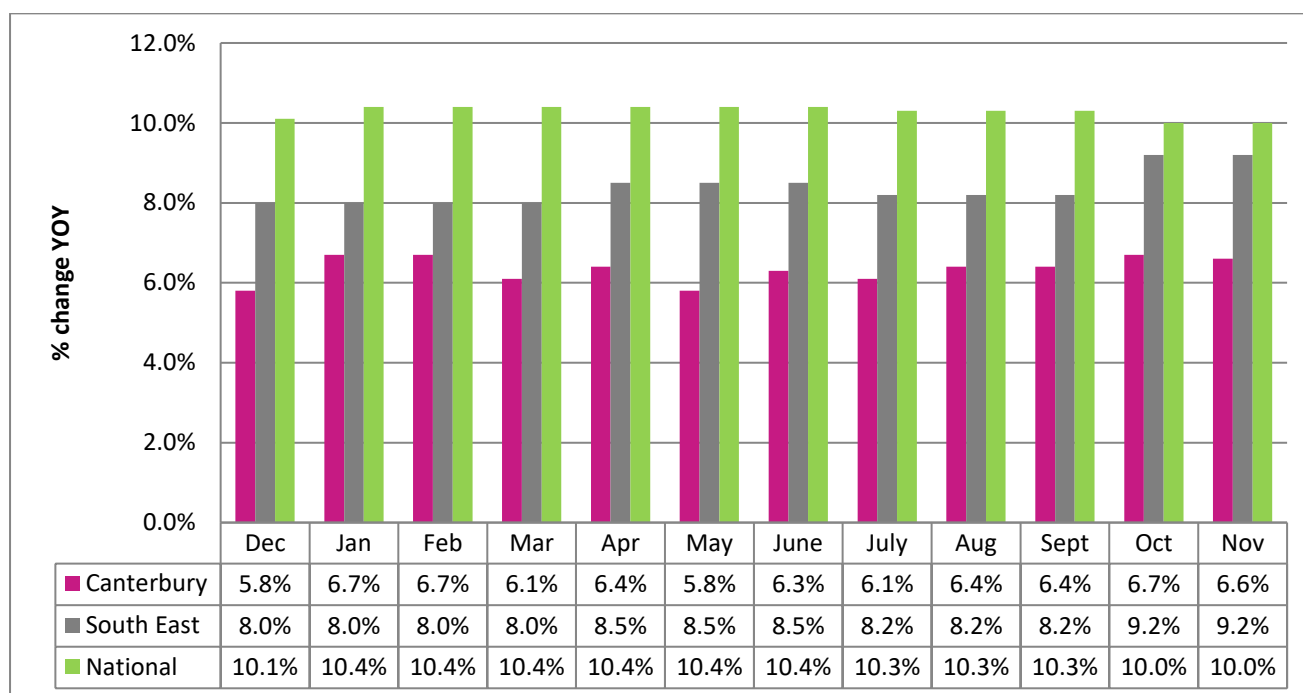
Source: Canterbury BID monthly survey.

Key findings:

- A total number of 44 businesses premises were recorded as vacant in November, one less than in October 2019.
- 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, Butchery Lane had the highest vacancy rate (20%).

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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 November 2019 was 6.6%, -0.1% lower than October 2019 and +0.2% higher than November 2018. The twelve-month average for Canterbury is 6.3%.

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

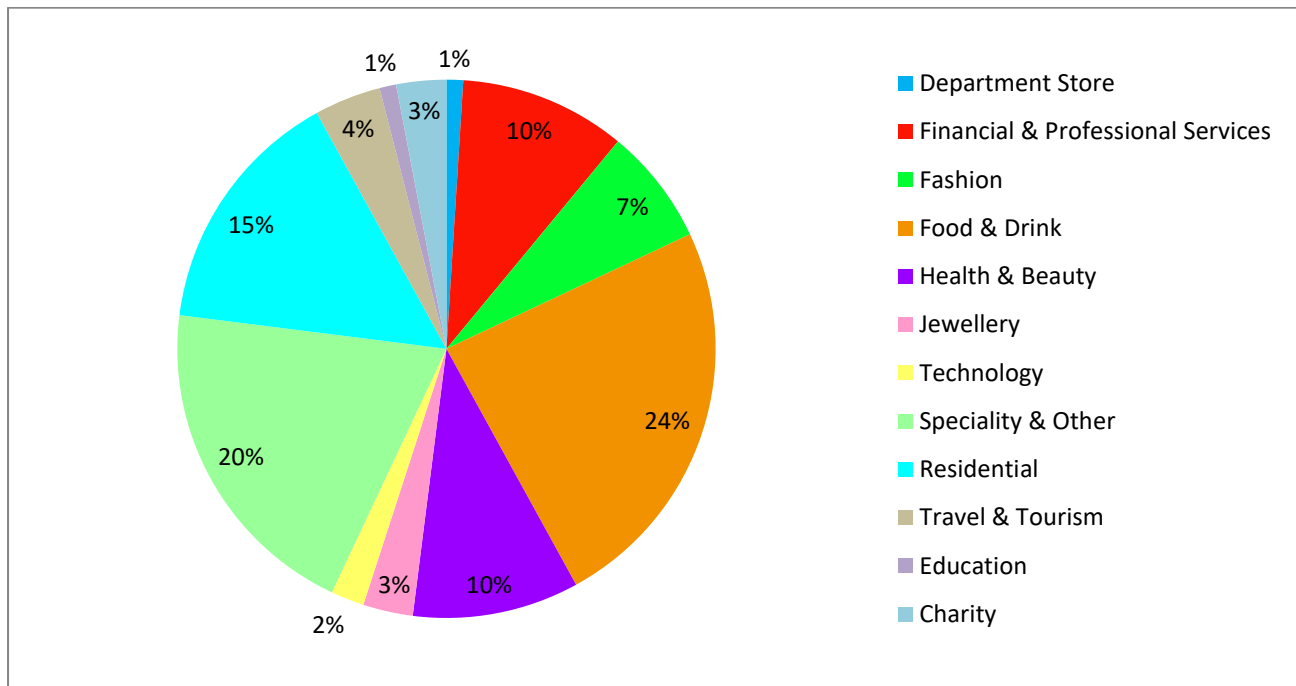
The result this November is also -0.1% lower than the same month last year and remains higher than the benchmark low of 8.7% recorded in January 2016.

Regional Vacancy Rates November 2019			
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.

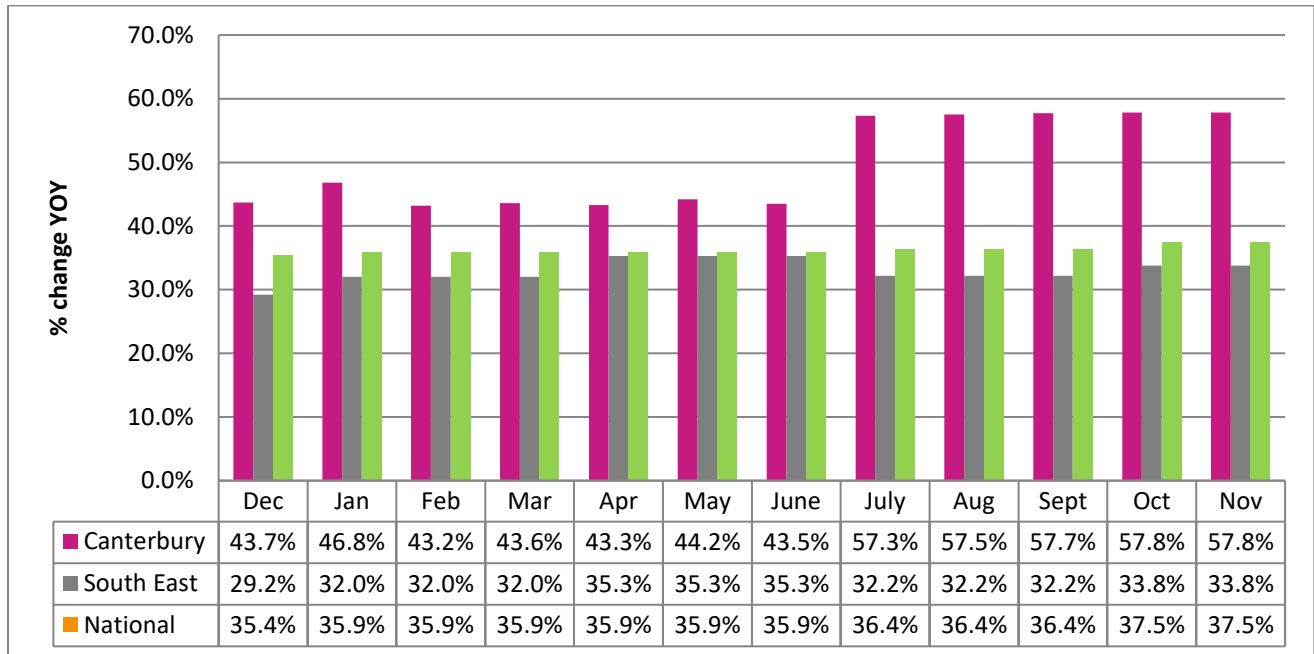
Key findings:

- 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.

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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 November. Please note that the Q4 vacancy rate survey will be compiled in January and released in February 2020.

Key findings:

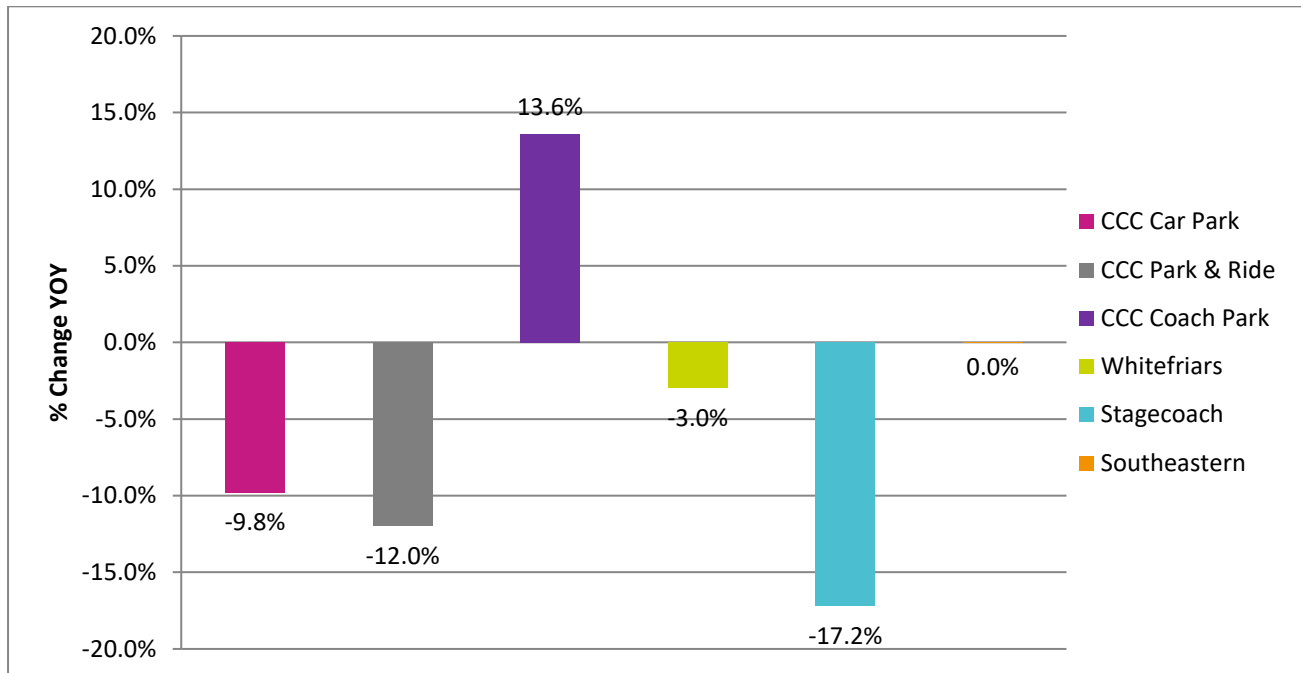
- 57.8% of businesses recorded in November were independent, +24% more than the average for the South East and +20.3% more than the national average.
 - Longmarket (100%), Whitefriars (98%) and Rose Lane (89%) had the highest number of multiples, which is unsurprising as they are managed developments.
 - 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.

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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



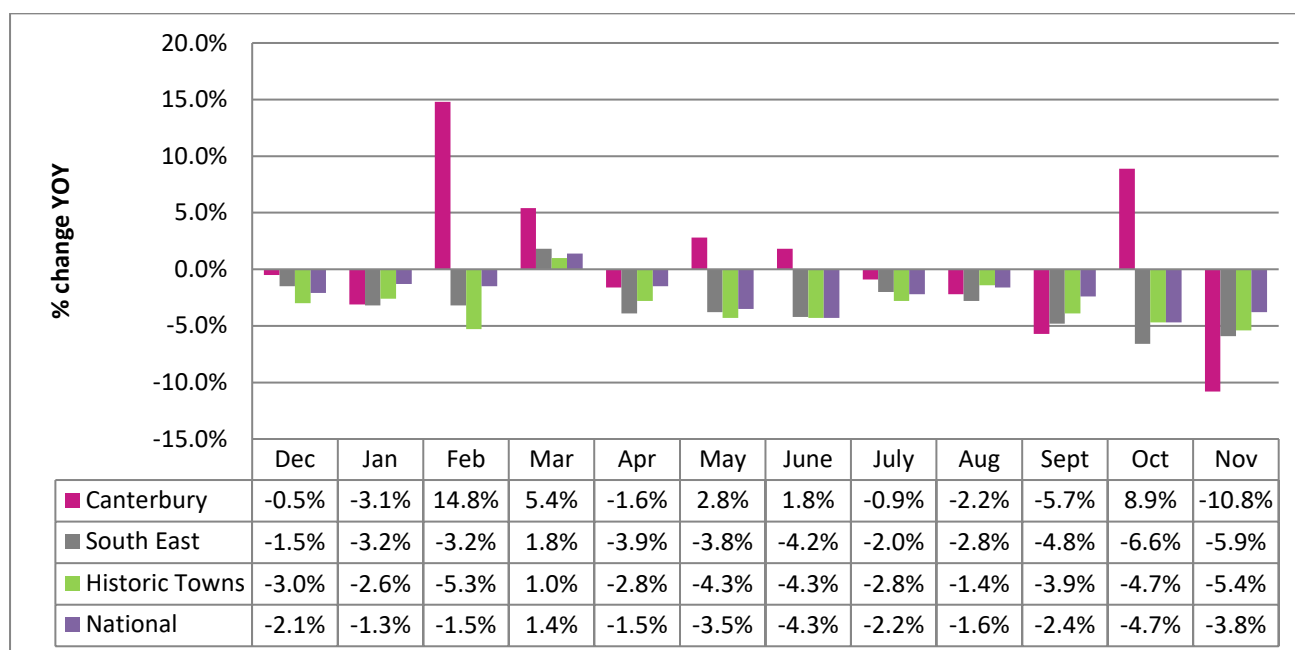
Source: Canterbury City Council Transportation Department, Stagecoach East Kent, Whitefriars shopping centre car park and Southeastern.

Key Findings

- Overall footfall decreased by -10.8% YOY in November 2019 which is a -19.7% decrease from October 2019.
- All transportation methods saw a YOY decrease other than CCC Coach Park.

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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 decreased by -19.7% in comparison to October 2019 and in was lower by -10.8% YOY in November 2019. It is -4.9% lower than the average for the South East, -5.4% lower than other historic centres and -7% lower than the national rate. The twelve-month average for Canterbury is +0.7% YOY.

- Nationally:

Black Friday fell outside of the November trading period, which meant that the month didn't see the benefit of the +3.3% increase in footfall from Black Friday 2018. Footfall dropped by -3.4% in November, and this was also partly a result of severe rainfall in the latter half of the month which meant that footfall declined by an average of -4.4% compared with -2.4% over the first two weeks.

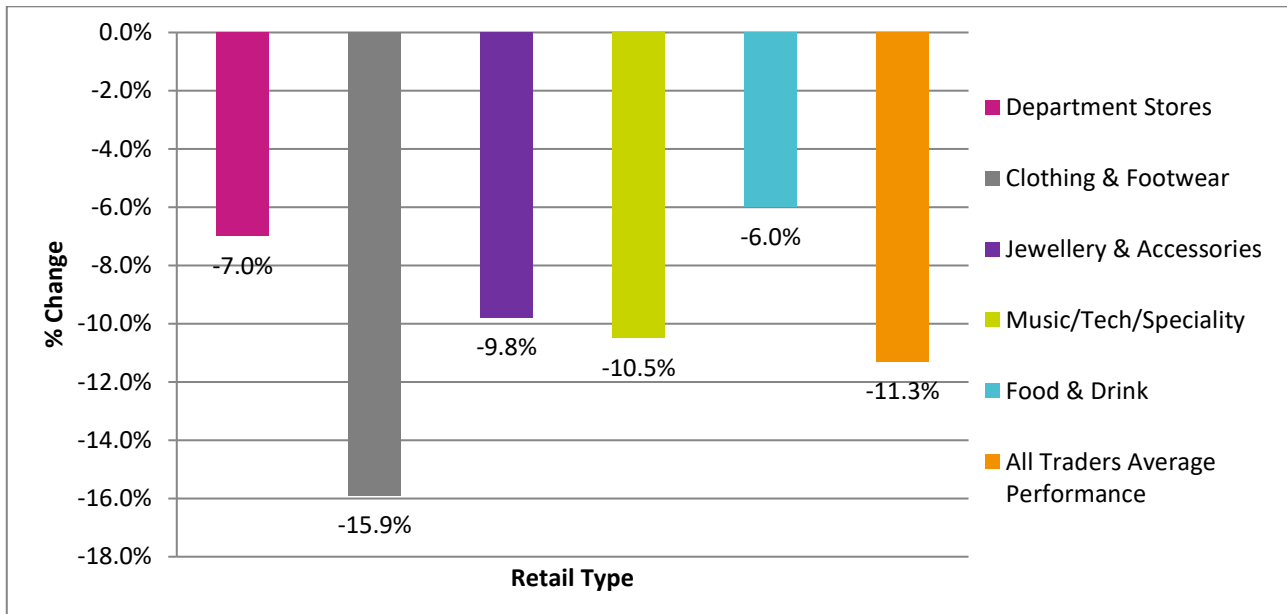
Whilst the heavy rain will have deterred many shoppers from making trips to retail destinations, the poor footfall in the second half of the month will have been exacerbated by the proximity of Black Friday discounts. Alerts arriving on a regular basis into consumers' inboxes in the run up to Black Friday enabled consumers to watch the retail market easily and identify the depth and spread of discounts being offered. If they weren't already planning on doing so, this will have led to many consumers pulling back on trips to destinations causing a spending freeze over the last two weeks of the month in anticipation of big discounts on current stock. The fact that the Black Friday weekend also started on payday heightened the chances of a spending spree which took place after the month had ended. This pent-up demand is clearly evident from the fact that footfall in the last week of the month in shopping centres dropped by -5.2%, more than in high streets and retail parks. Having the greatest concentration of retailers heavily promoting discounts, it was not surprising that it was in shopping centres where footfall increased most over Black Friday.

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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



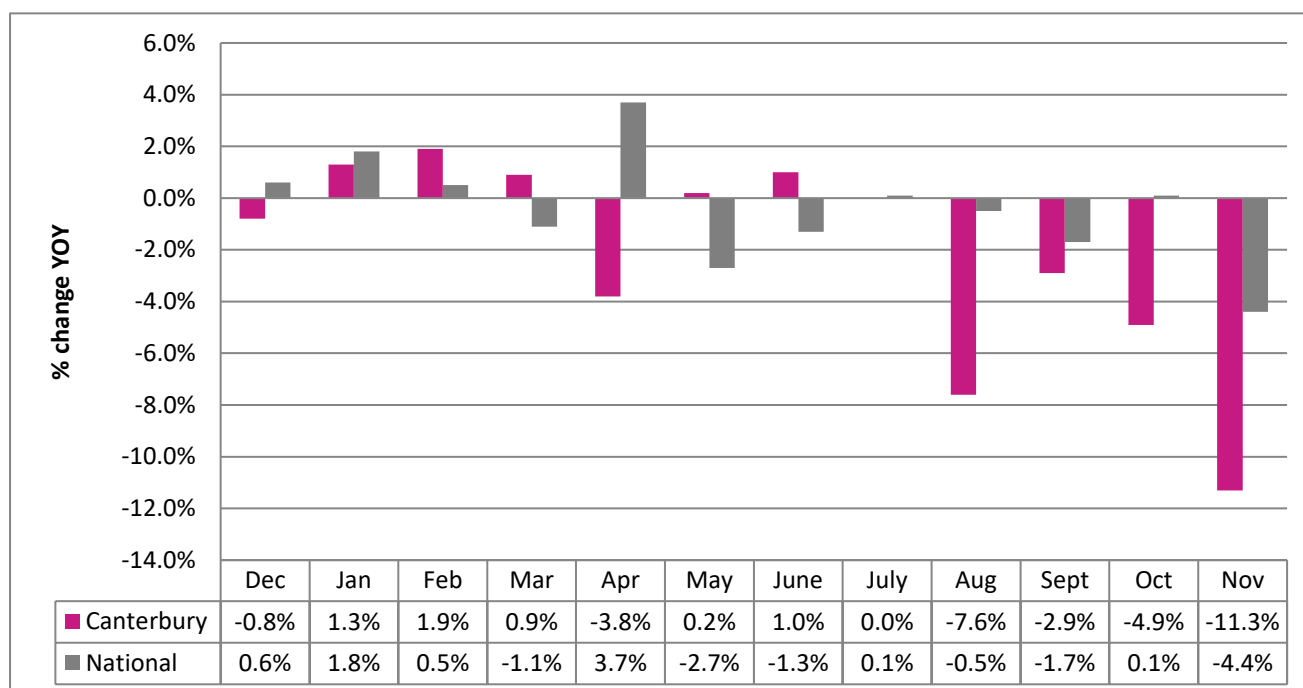
Source: Canterbury BID Business Survey of Average Sales Performance based on 29 respondents.

Key findings:

- In November there was an overall -11.3% YOY change in sales performance which is a -5.5% change from November 2018.
 - A1 retailers had a -11.9% change in sales performance YOY, which is a -5.9% decrease on October 2019 and -3.1% decrease in comparison November last year.
 - A3 food and drink trade decreased by -6% YOY which is a -7% decrease from October 2019 and a -13.1% decrease in comparison to the same month last year.

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Graph 4.2 – Average Sales performance YOY



Source: Canterbury BID Business Survey of Sales Performance and BRC-KPMG UK Retail Sales Monitor for November 2019

Key findings:

- Sales in November decreased by -6.4% compared to October and it is -9.1% down on the twelve-month average of -2.2% for Canterbury and -6.9% lower than the national rate YOY.
- According to the BRC-KPMG UK Retail Sales Monitor:

The November figures are negatively distorted by the late timing of Black Friday, which is outside the period of the November RSM (27 Oct – 23 Nov 2019), whereas last year Black Friday sales were included.

- On a total basis, sales decreased by 4.4% in November, against an increase of 0.5% in November 2018. This is distorted by the later timing of Black Friday this year. This is below both the 3-month and 12-month averages of -1.7% and -0.2% respectively.
- Adjusting for Black Friday, UK retail sales increased 0.9% on a total basis from November 2018. This is above both the 3-month and 12-month averages of 0.0% and 0.2% respectively (including adjusted November 2019 figures).
- UK retail sales decreased by 4.9% on a like-for-like basis from November 2018, when they had decreased 0.5% from the preceding year. This is distorted by the later timing of Black Friday this year. This is below both the 3-month and 12-month averages of -2.2% and -0.7% respectively.
- Adjusting for Black Friday, UK retail sales increased 0.4% on a like-for-like basis from November 2018.
- Over the three months to November, in-store sales of non-food items declined 5.2% on a total and 5.5% on a like-for-like basis. This is distorted by the later timing of Black Friday this year. This is worse than the 12-month total average decline of 3.4%.
- Over the three months to November, food sales increased 0.3% on a like-for-like basis and 1.3% on a total basis. This is below the 12-month total average growth of 1.5%.

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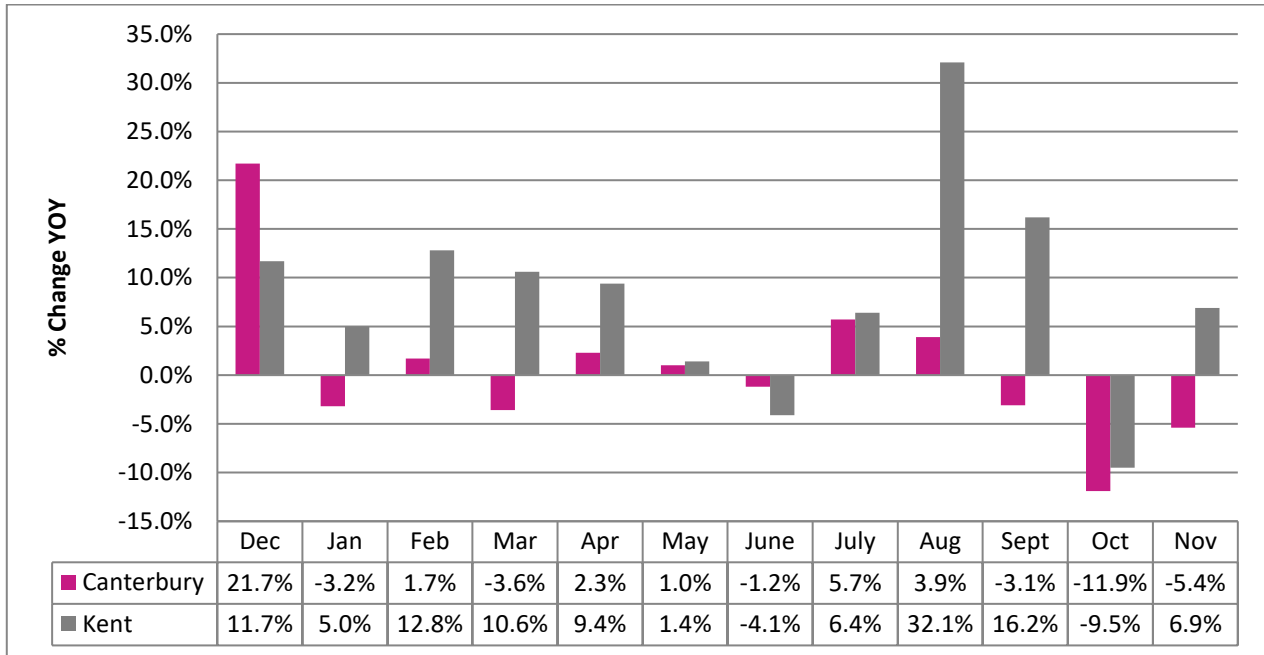
- Over the three-months to November, non-food retail sales in the UK decreased by 4.3% on a like-for-like and 4.1% on a total basis. This is below the 12-month total average decrease of 1.7%. For the month of November, non-food was in decline year-on-year for the month but was heavily distorted by the timing of Black Friday.
- Online sales of non-food products declined by 10.1% in November, against a growth of 2.9% in November 2018 but this is heavily distorted by the timing of Black Friday. This was below the 3-month average decline of 1.3% and 12-month average growth of 2.7%.
- Non-Food online penetration rate was 33.8% last month, though this would likely be much higher if Black Friday and Cyber Monday were included.

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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



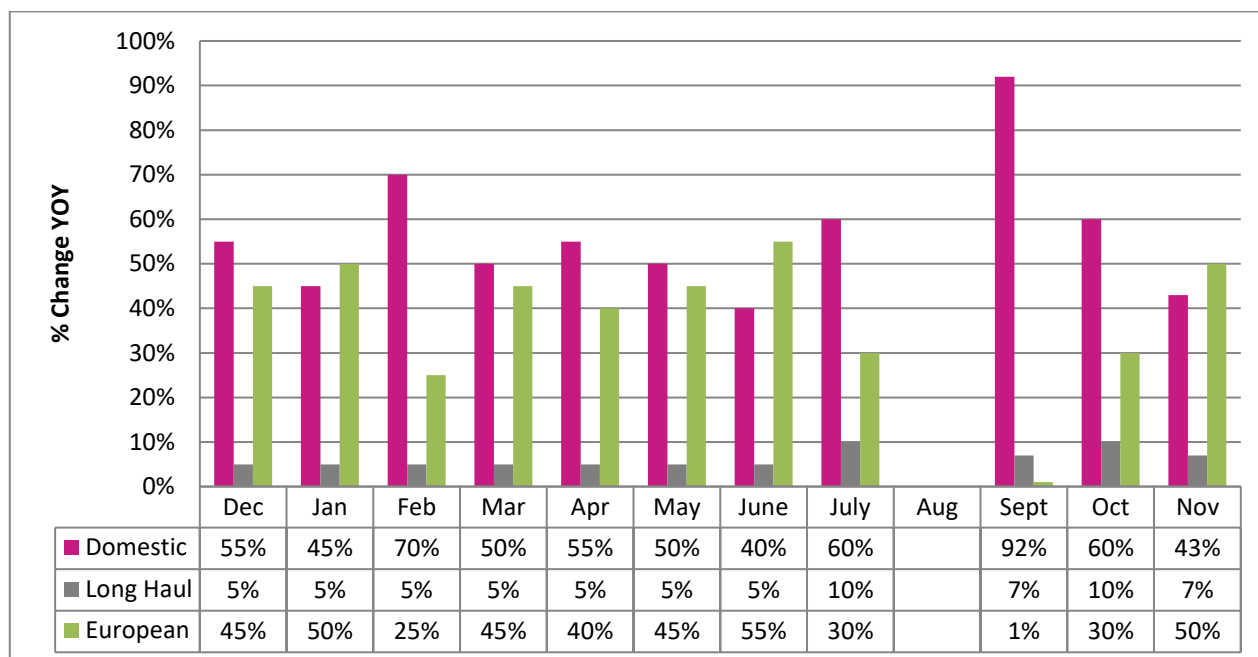
Source: Canterbury City Council attraction figures and Visit Kent Business Barometer

Key findings:

- In November there was a -5.4% YOY change in visitor numbers to visitor attractions in Canterbury and 6.5% increase over the month from October.
- For Kent, there was a +6.9% YOY change in visitor numbers to visitor attractions which is +16.4% increase over the month from October.

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Graph 5.2 – Visitor Information Centre Visitors to Canterbury



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

Events

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

- | | |
|---|--|
| 3 rd November 2019 | Vegan Market |
| 5 th November 2019 | Guy Hawks Bonfire Night |
| 7 th November 2019 | BID Lunchtime Networking – The Drapers Arms |
| 15 th Nov – 15 th Dec 2019 | Mother Goose Trail |
| 15 th November 2019 | Christmas Lights Switch-On & Christmas Food Market Opens |
| 17 th November 2019 | CCCU Awards Ceremony |
| 18 th – 28 th November 2019 | Christmas Window Competition |
| 21 st – 22 nd November 2019 | UKC Graduation Ceremonies |
| 22 nd November 2019 | Full Christmas Market Opens |
| 23 rd November 2019 | CCCU Open Day |
| 27 th – 29 th November 2019 | The Art of the Lost Conference |
| 29 th November 2019 | Business Mentoring – Small Business Bus Tour |
| 29 th November 2019 | Late Night Christmas Shopping Extravaganza |