Canterbury City Centre

Performance Report

May 2020

Canterbury City Centre Performance Report – May 2020

Executive summary:

Welcome to the May 2020 edition of Canterbury city centre performance report. **Data collected for this month's report has been limited due to COVID-19 pandemic and the lockdown which started on 23rd March, restricting all but the most essential businesses from staying open. Therefore, some data was not available and where applicable, it has been annotated.**

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		No data available for May due to COVID-19.
Premises type		No data available for May due to COVID-19.
City Centre footfall	●	Footfall in Canterbury increased by 2% in comparison to April 2020 and in was -98.3% lower YOY in May 2020. It is -20% lower than the average for the South East, -13.7% lower than other historic centres and -17.7% lower than the national rate.
Business Sales Performance	●	Sales in May decreased by -0.7% compared to April 2020 and it is -73.8% down on the twelve-month average of -19.7% for Canterbury and -87.6% lower than the national rate YOY.
Tourism		No data available for May due to COVID-19.

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

No data available for May 2020 due to COVID-19.

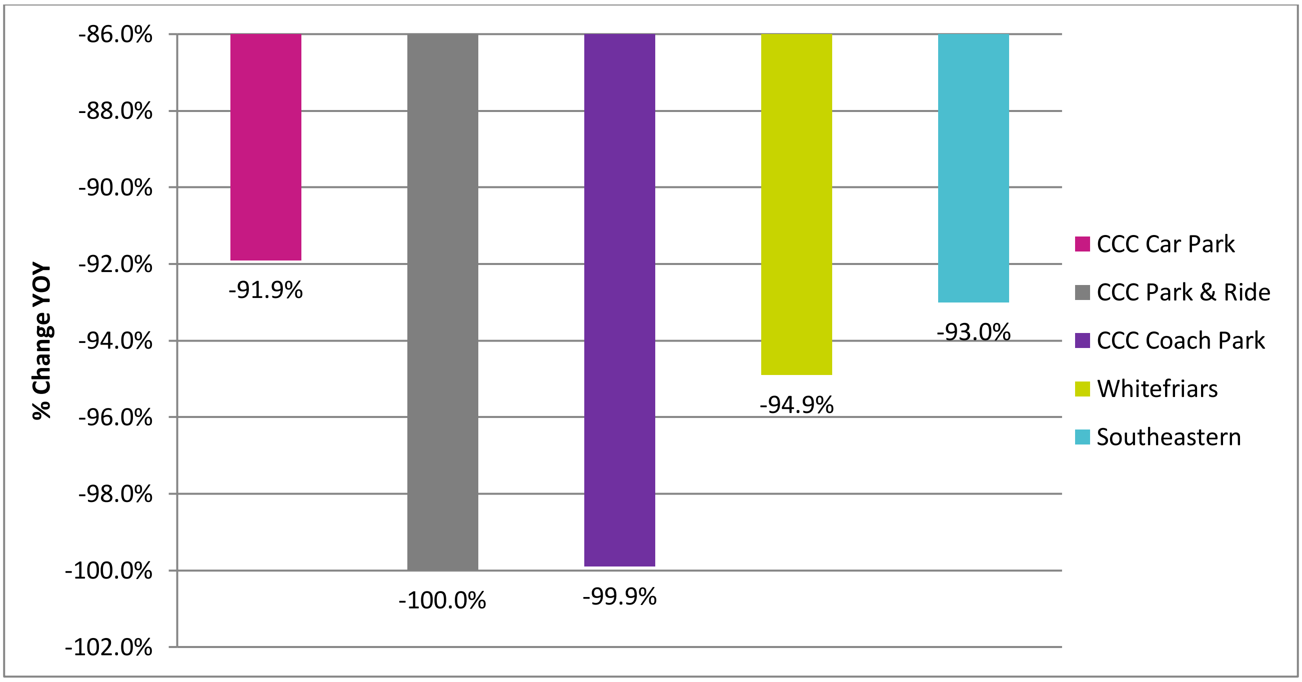
Business premises type

No data available for May 2020 due to COVID-19.

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

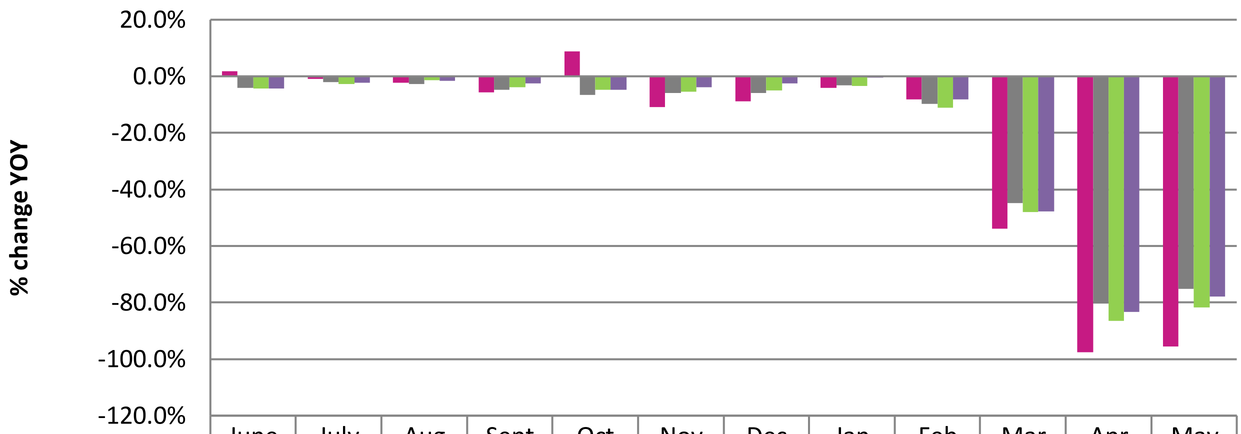


Source: Canterbury City Council Transportation Department, Stagecoach East Kent, Whitefriars shopping centre car park and Southeastern. Please note: no data was available for Stagecoach Car Park in May 2020.

Key Findings:

- Overall footfall decreased by -95.9% YOY in May 2020 which is a +2% increase on April 2020.
- All car parks saw a decrease in footfall comparing to the same month last year.

Graph 3.2 – Canterbury footfall rates YOY



	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Canterbury	1.8%	-0.9%	-2.2%	-5.7%	8.9%	-10.8%	-8.9%	-4.1%	-8.2%	-54.0%	-97.5%	-95.5%
South East	-4.2%	-2.0%	-2.8%	-4.8%	-6.6%	-5.9%	-5.9%	-3.1%	-9.8%	-44.8%	-80.3%	-75.2%
Historic Towns	-4.3%	-2.8%	-1.4%	-3.9%	-4.7%	-5.4%	-5.1%	-3.5%	-11.0%	-48.1%	-86.5%	-81.8%
National	-4.3%	-2.2%	-1.6%	-2.4%	-4.7%	-3.8%	-2.5%	-0.5%	-8.1%	-47.7%	-83.4%	-77.8%

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

Key Findings:

Footfall in Canterbury increased by 2% in comparison to April 2020 and in was -98.3% lower YOY in May 2020. It is -20% lower than the average for the South East, -13.7% lower than other historic centres and -17.7% lower than the national rate.

Nationally:

The second month of lock down meant that retail footfall in May continued to remain at an unprecedented low, declining by -77.8 % year on year. This was a marginal improvement on the drop of -83.4% in April, reflecting the immediate response of consumers to the easing of government restrictions as garden centres and home stores were given the green light to reopen. However, in Scotland, Wales and Northern Ireland, where restrictions were not relaxed, footfall was -75.0% lower than in May 2019, reflecting the more limited movement of consumers.

The fact that it was the sunniest May since 1957 certainly helped, combined with the two bank holidays which bookended the month. In the week leading up to each bank holiday footfall across all UK retail destinations rose by an average of +12.0% from the week before compared with just +5.5% in the other two weeks of the month. In high streets, the impact was even more startling, with an average increase in footfall of +15.4% from the weeks before as consumers took advantage of new found freedom for outdoor activity.

The opening of home stores and garden centres led to a significant rebound in footfall in retail parks, from a drop of -68.1% in April to -55.1% in May. In each week of the month, footfall strengthened slightly, moving from an annual decline of -59.1% in the first week to -50.8% by the last week of the month.

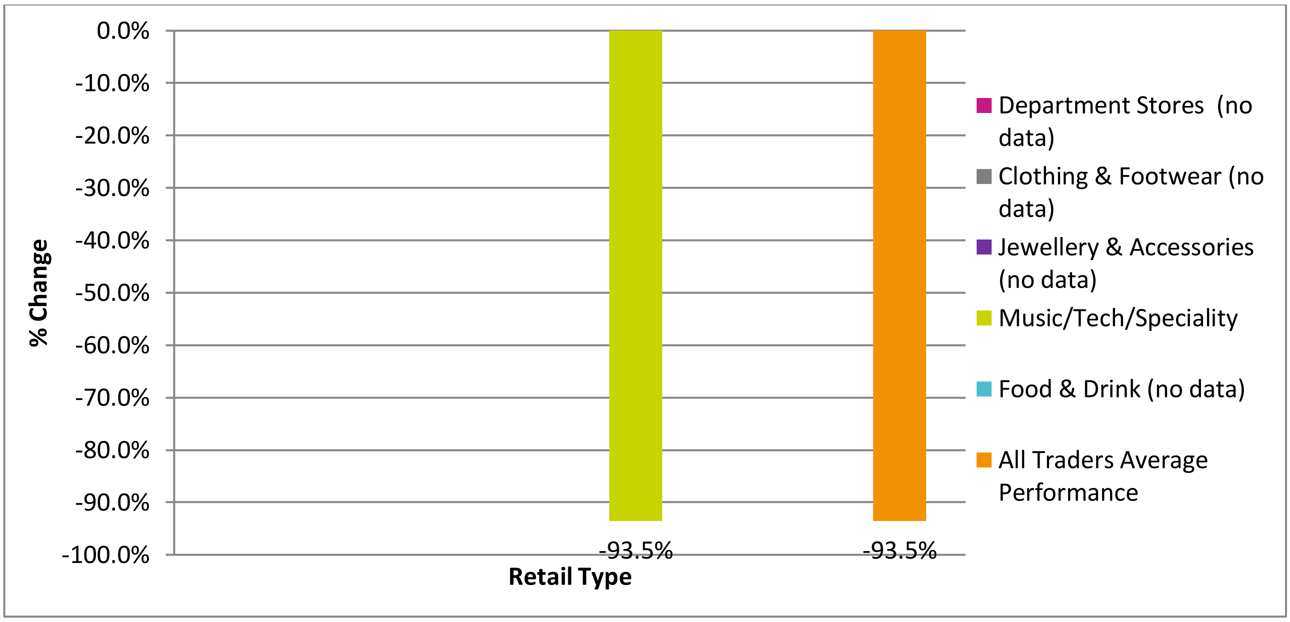
The subject on everyone's lips is what will the likely success be of the reopening of non-essential retail on 15th June. The limited evidence so far has suggested that despite the growth in online shopping over the past two months, there is a huge amount of pent up demand amongst consumers for bricks and mortar shopping. The first indication of this were the monumental queues that built up at major home stores in the weekend before the official easing of lockdown restrictions in England on 1st June; footfall strengthened noticeably in retail parks over the first few days of the week following this, with the decline averaging -42.9% versus -56.2% over the same days at the beginning of May. Whilst retail parks are already seeing some recovery in footfall, this is certainly not the case for high streets and shopping centres, where the decline in footfall over the few days since 1st June still remains at more than -70.0%. Inevitably it has been smaller high streets that have been the most resilient as consumers stayed local, with footfall in UK regional cities declining by -88.8% in May compared with -41.4% across the smallest high streets.

The key trend to be watched over the period of retail reopening in June, and over subsequent months, will be whether this signals the beginning of a new era for local high streets. Certainly, what is likely is that those destinations and retailers that are best able to manage customer numbers to ensure social distancing will be the most in demand by consumers as safety during shopping is paramount.

Business sales performance

The below graph illustrates business' average percentage change in sales compared to the same month in 2019.

Graph 4.1 – Average Sales performance of businesses YOY

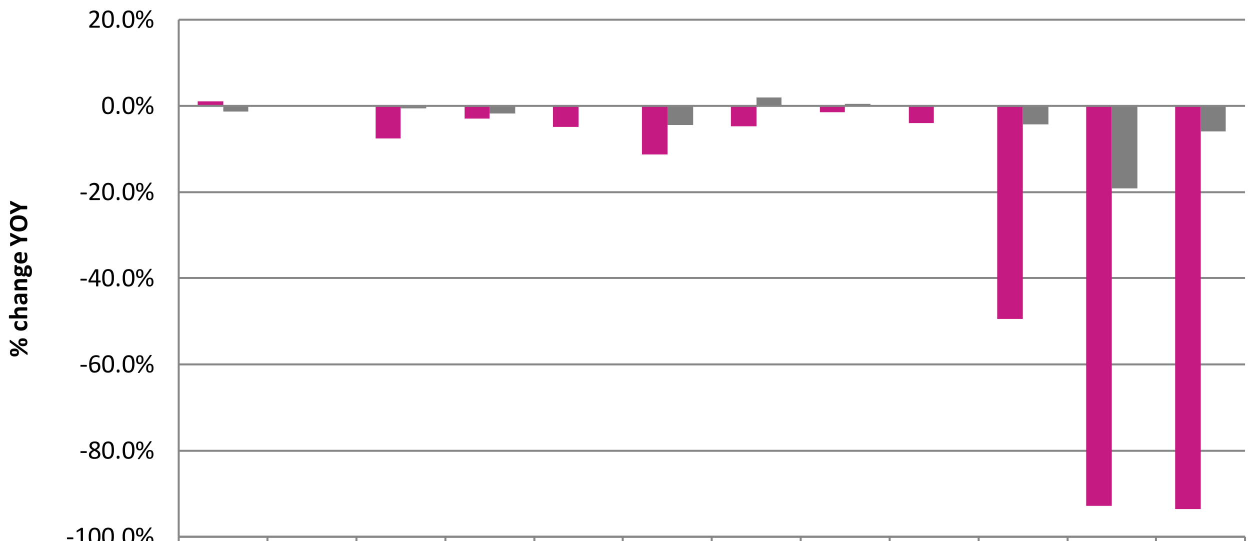


Source: Canterbury BID Business Survey of Average Sales Performance based on 5 respondents in May 2020.
Please note: no data was available in May 2020 for Department Stores, Clothing, Jewellery and Food and Drink.

Key findings:

- In May there was an overall -93.5% YOY decrease in sales performance which is a -94.2% change from May 2019 and -0.7% change from April 2020.
    - A1 retailers had a -93.5% decrease in sales performance YOY, which is a -0.7% decrease from April 2020 and -93.9% decrease in comparison May last year.
    - Note: there was no data available for May 2020 for A3 retailers (Food & Drink)

Graph 4.2 – Average Sales performance YOY



	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Canterbury	1.0%	0.0%	-7.6%	-2.9%	-4.9%	-11.3%	-4.7%	-1.5%	-4.0%	-49.4%	-92.8%	-93.5%
National	-1.3%	0.1%	-0.5%	-1.7%	0.1%	-4.4%	1.9%	0.4%	0.1%	-4.3%	-19.1%	-5.9%

Source: Canterbury BID Business Survey of Sales Performance and BRC-KPMG UK Retail Sales Monitor for May 2020

Key findings:

- Sales in May decreased by -0.7% compared to April 2020 and it is -73.8% down on the twelve-month average of -19.7% for Canterbury and -87.6% lower than the national rate YOY.

- According to BRC–KPMG Retail Sales Monitor May 2020 (Covering the four weeks 3 - 30 May 2020)

    - On a total basis, sales decreased by 5.9% in May 2020. This is the second worst decline recorded since our monitor began in January 1995, an improvement over April. It is above the 3-month average decline of 9.4% and below the 12m average decline of 2.6%.

    - In May, UK retail sales increased 7.9% on a like-for-like basis from May 2019, when they had decreased 2.2% from the preceding year*. In May, like-for-like has been measured excluding temporarily closed stores but including online sales: the figure is primarily driven by online sales.

    - Over the three months to May, in-store sales of non-food items declined 50.3% on a total and 21.9% on a like-for-like basis. This is worse than the 12-month total average decline of 14.8%. For May, the like-for-like excluding temporarily closed stores remained in double digit decline.

    - Over the three months to May, food sales increased 8.7% on a like-for-like basis and 5.6% on a total basis. This is higher than the 12-month total average growth of 2.1%. For the month of May, food was in growth year-on-year.

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- Over the three-months to May, non-food retail sales decreased by 2.1% on a like-for-like basis and 21.8% on a total basis. This is below the 12-month total average decline of 6.4%. For the month of May, non-food was in decline year-on-year.

- Online non-food sales increased by 60.2% in May, against a growth of 4.4% in May 2019*. This is above the 12-month average growth of 12.9%.

* Note 2020 is a 53-week year in the ONS calendar: as a result of the extra week in January 2020, the comparable 2019 performances cited here may differ from those published last year, due to the one-week shift in the comparison.

Tourism: Visitor numbers

No data available for May 2020 due to COVID-19.

Events

Below is a list of events which were planned to take place in Canterbury in May. Some events have been cancelled whereas others took place online.

2nd May 2020	Vegan Market (cancelled)
6th May 2020	BID Training – Digital Marketing (online)
8th and 25th May 2020	Bank Holiday