Kettering Town Centre Health Check Monitoring Report

October 2015 Update

1.0 Introduction

1.1 This Health Check forms part of the annual monitoring of the Kettering Town Centre Area Action Plan (AAP) which sets out a plan for the regeneration of Kettering town centre. The AAP was adopted in July 2011. This report reviews the fourth year of the adopted plan. The information within it feeds into the AAP's overall Monitoring Framework which annually will address the progress and implementation of the AAP.

1.2 A comprehensive Health Check was completed in August 2009 in order to establish the baseline position and assist in the formulation and review of policies contained within the emerging AAP. Updates were published in February 2011, August 2012, August 2013 and October 2014.

1.3 It is important to annually update key elements of the health check to ensure:

- The sound application of AAP policies, for example the policies which control Changes of Use applications;
- An understanding of how policies in the AAP are performing;
- An accurate and up to date picture of the health of the town centre; and
- An awareness of the current local context and well-being of the town centre.

1.4 This update report specifically aims to provide an update on the following areas:

- Survey of uses in the town centre , within the:
    - Primary Shopping Frontages;
    - Secondary Shopping Frontages; and
    - Restaurant Quarter Frontages
- Vacancy rates
- Footfall survey

1.5 The final section of this update provides a conclusion on the results of the update.

2.0 Survey of Uses in the Town Centre

2.1 A town centre's vitality and viability is dependent not only on its retail function but also on the mix of uses that contribute to the centre's attractiveness to those who live, work and visit the area. Leisure and entertainment facilities including cafes, bars and restaurants can add variety to a town centre and can also generate an evening economy. However, the primary function of a town centre remains retail and the AAP sets out policies to protect the overriding retail character of the Plan Area. As such it is important to monitor the different uses within the town centre through an annual Use Class Survey in order to prevent an over proliferation of particular uses.

2.2 The survey methodology involves auditing the different ground floor uses within the town centre. The categories used are those defined under the Use Classes Order 2010 (as amended). The original 2009 survey measured the width of every unit's frontage (in metres) in order to ascertain the total metreage and percentage of frontages designated to each use class.

2.3 Findings of the survey undertaken in September 2015 are presented below for the Primary Shopping Frontages, Secondary Shopping Frontages and Restaurant Quarter, as identified in the AAP.

Primary Shopping Frontages

2.4 The primary shopping frontages run up High Street, Gold Street, and Newland Street and incorporate the Newland Centre. The Shopping Quarter forms the majority of the Primary Shopping Area and will include planned large-scale retail redevelopments projects at Wadcroft and Newlands Phase 1. The tables and figures below show the current uses within this area.

Figure 1: Primary Shopping Frontages: Uses September 2015

Use	Metreage	Percentage
Total A1 frontages	1617.2	70.93%
Total A2 frontages	240.9	10.57%
Total A3 frontages	98.4	4.32%
Total A4 frontages	69.6	3.05%
Total A5 frontages	5.3	0.23%
Total other frontages	248.6	10.90%
Total PSF frontages	2280	100.00%

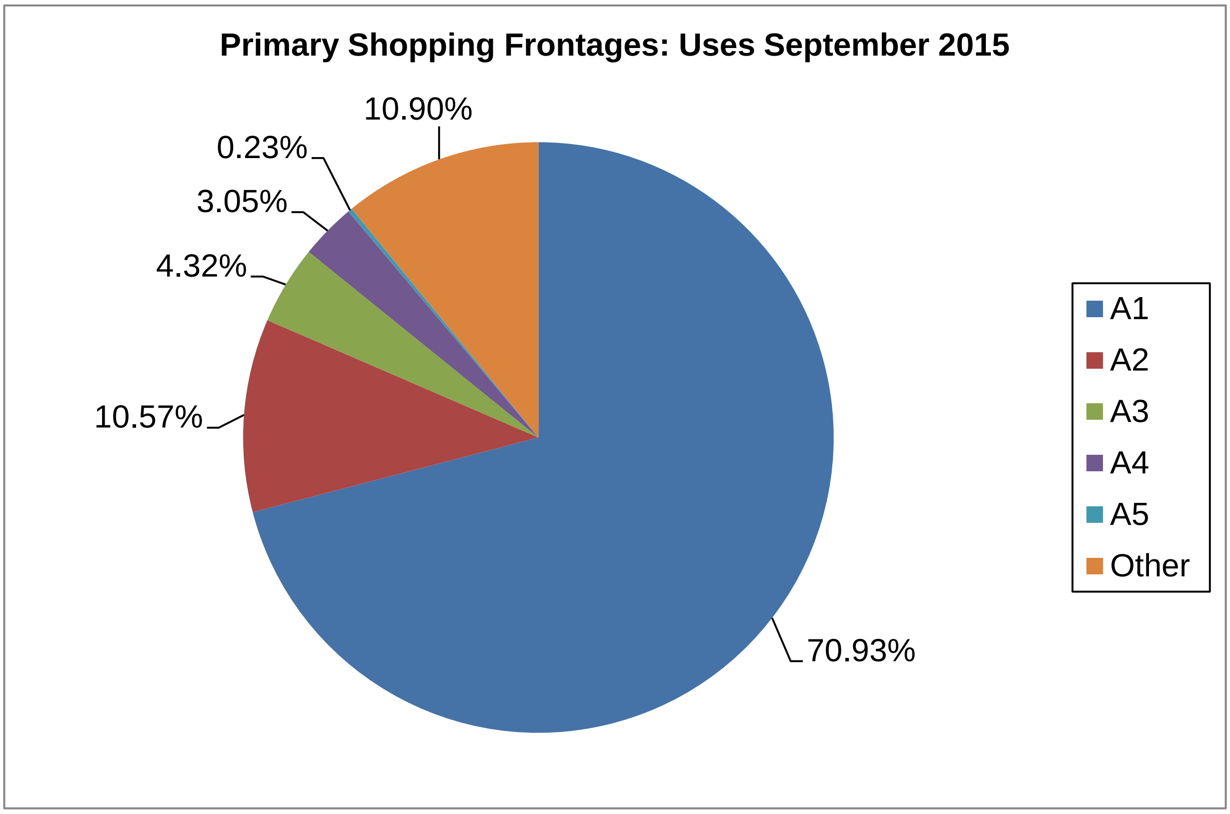

Figure 2: Primary Shopping Frontages: Year on Year comparison

Use	Aug 2009 %	Feb 2011 %	Aug 2012 %	Sept 2013 %	Aug 2014 %	Sept 2015 %
Total A1 frontages	75.91	75.44	74.58	72.98	72.51	70.93
Total A2 frontages	12.38	12.39	11.83	11.41	11.41	10.57
Total A3 frontages	4.14	4.15	4.15	3.86	4.36	4.32
Total A4 frontages	3.50	3.50	3.29	3.29	3.29	3.05
Total A5 frontages	0.25	0.25	0.23	0.23	0.23	0.23
Total other frontages	3.82	4.28	5.91	8.22	8.20	10.90

2.5 Policy 3 of the AAP requires that not less than 75% of frontages in this area are in A1 use. Figure 2 shows that since 2009 there has been a slight decrease in the percentage of A1 units within the Primary Shopping Frontages, which now falls under the 75% threshold, with a further decrease on the figures from 2014. Future change of use applications from A1 use will need to be very carefully assessed as the threshold has now been exceeded.

2.6 Policy 3 of the AAP also requires no more than 3 consecutive non A1 retail units within the Primary Shopping Frontages. The 2015 survey shows there are four runs of such units; 3-12 Market Street and 64-70 Gold Street pre-date the adoption of the plan as well another at 10-14 Lower Street. During the 2015 another part of the Primary Shopping Frontage area has seen 3 consecutive non A1 retail units; this is 7-13 Montagu Street. Future applications will need to be mindful of the need to protect the overriding retail character of the area in these locations and that it does not exceed the current number as it sits above the requirement set out in the AAP. It should also be noted that 28-34 High Street is a collection of non-A1 units. However, two of these units are mixed A1/A3 or A5 units and so this area retains its predominantly A1 character.

2.7 There have been no new additional A4 or A5 frontages introduced in this area in the monitoring period.

Secondary Shopping Frontages

2.8 The Secondary Shopping Frontages are primarily located on parts of Rockingham Road, Montagu Street, Silver Street and Dalkeith Place.

Figure 3: Secondary Shopping Frontages: Uses September 2015

Use	Metreage	Percentage
Total A1 frontages	463.6	36.55%
Total A2 frontages	191.0	15.00%
Total A3 frontages	131.6	10.38%
Total A4 frontages	208.5	16.44%
Total A5 frontages	101.8	8.09%
Total other frontages	125.7	9.91%
Total vacant sites	46.0	3.63%
Total SSF frontages	1268.2	100.00%

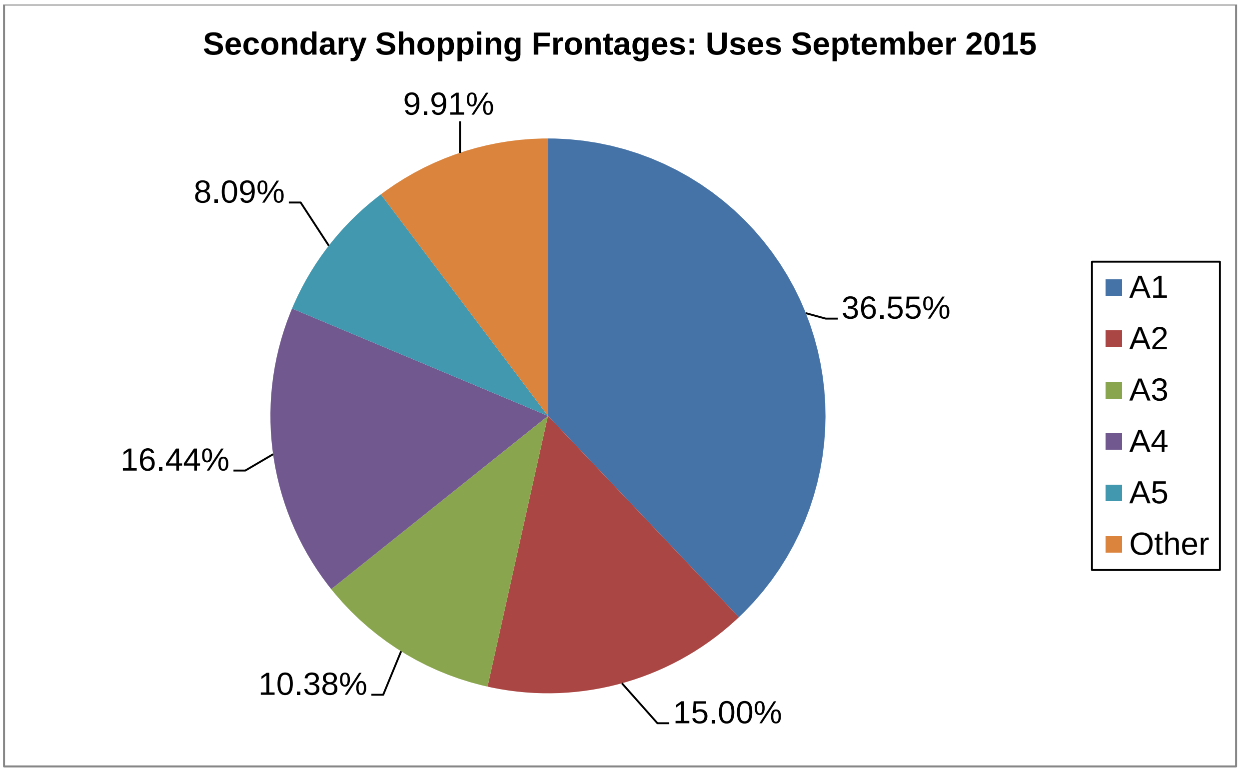

Figure 4: Secondary Shopping Frontages: Year on Year comparison						
Use	**Aug 2009 %**	**Feb 2011 %**	**Aug 2012 %**	**Sept 2013 %**	**Aug 2014 %**	**Sept 2015 %**
Total A1 frontages	46.22%	46.76	39.99	39.61	38.78	36.55%
Total A2 frontages	14.78	15.43	15.53	14.90	15.73	15.00%
Total A3 frontages	8.75	8.12	8.35	8.79	8.79	10.38%
Total A4 frontages	16.04	16.16	16.19	16.19	16.19	16.44%
Total A5 frontages	7.45	6.71	8.27	8.27	8.27	8.09%
Total other frontages	6.77	6.82	8.11	8.68	8.68	9.91%
Total vacant sites	n/a	n/a	3.57	3.57	3.57	3.63%

2.9 The figures above show A1 retail frontages within this area have declined by 2% in the year since the last monitoring period. A1 retail frontages in this area now stand at 37% of total frontages.

2.10 Some of the change in percentage since 2009 can be attributed to the re-drafted frontages designations in the final adopted version of the AAP (first shown in the August 2012 figures), which effectively resulted in fewer Secondary Shopping Frontages and more Primary Shopping Frontages. However, the trend for less retail use in this area will need to be carefully monitored in order to protect its overriding retail function as required by Policy 3 of the AAP. The current figure of 37% is broadly acceptable; despite being a decrease on last year, but future decreases below this level will need to be very carefully assessed. The change of uses that have resulted in this loss of A1 retail frontage, have all been at units which were vacant when the survey was carried out last year, these include 22 Silver Street, 24 Silver Street and 44 Rockingham Road. On the other hand, despite a net loss of A1 retail frontage, there was a gain of A1 meterage at 52 Montagu Street.

2.11 The maximum 8% threshold of total A5 metreage in the Secondary Shopping Frontages was reached in 2012 and has not increased in the intervening time, with a slight decrease in this year's figures. Change of use applications to A5 use within this area would, therefore, currently not be able to meet criterion IX of Policy 3. It is also worth noting that 28-30 Montagu is currently occupied by a mixed use A3 and A5 unit, which accounts for the increase in the other frontages and the slight decline in A5 frontages; given this was its previous use as accounted for in 2014.

The Restaurant Quarter

2.12 The Restaurant Quarter incorporates the units around Market Place. The Vision for the Restaurant Quarter is to create a high quality public realm, surrounded by restaurants (A3). A multi-purpose civic space enclosed by a range of activities – a place where people want to stop, sit and spend time during the day and the evening. In order to deliver that vision within such a small quarter, Policy 19 of the AAP places restrictions upon the types of uses permissible within this location.

Figure 5: Restaurant Quarter Frontages: Uses September 2015		
Use	**Metreage**	**Percentage**
Total A1 frontages	40.4	11.20%
Total A2 frontages	54.9	15.21%
Total A3 frontages	101.5	28.13%
Total A4 frontages	35.1	9.73%
Total A5 frontages	8.8	2.44%
Total other frontages	120.1	33.29%
Total RQ metreage	360.8	100.00%

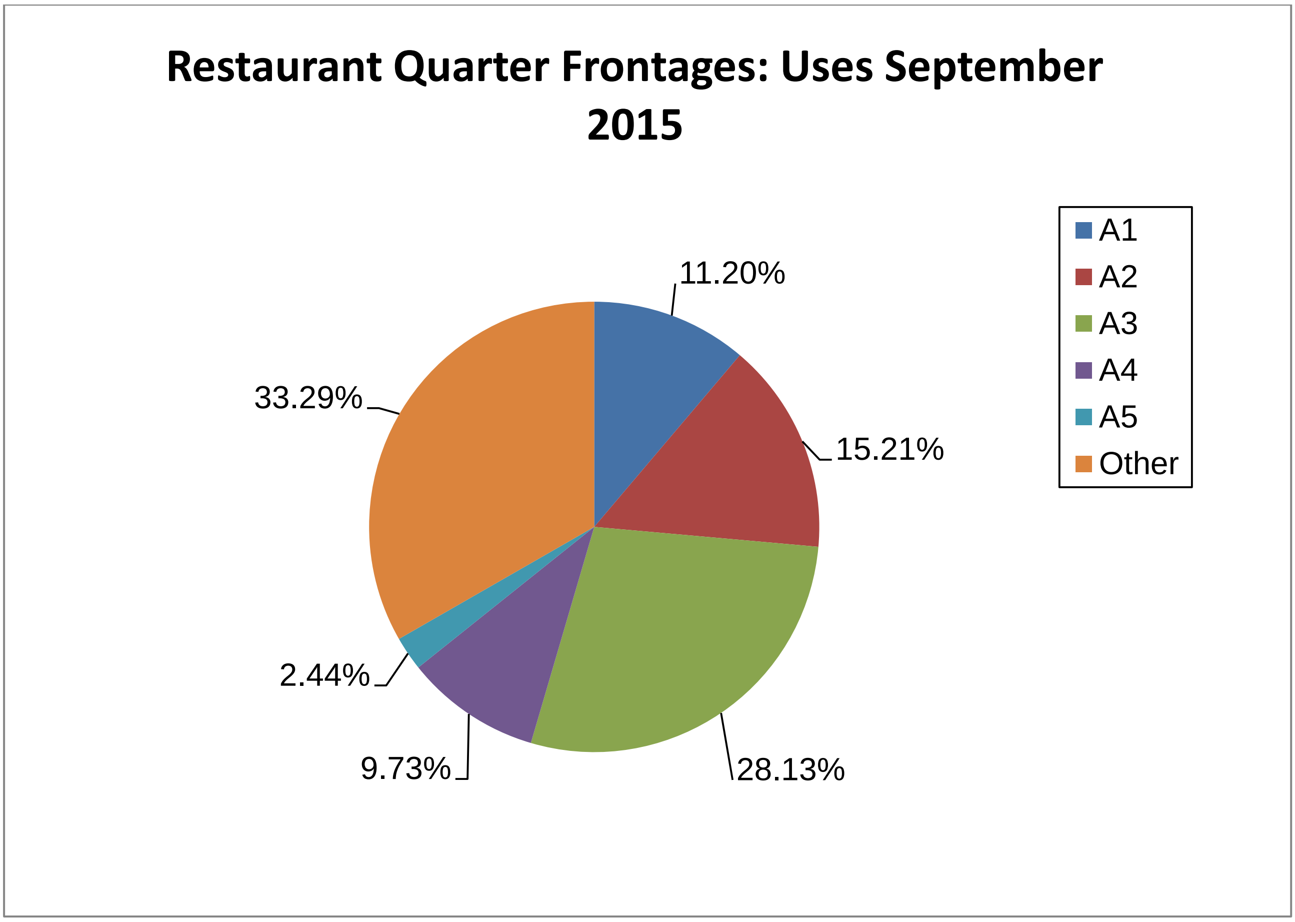

Figure 6: Restaurant Quarter Frontages: Year on Year comparison						
Use	**Aug 2009 %**	**Feb 2011 %**	**Aug 2012 %**	**Sept 2013 %**	**Aug 2014 %**	**Sept 2015 %**
Total A1 frontages	18.81	18.81	14.74	14.74	14.74	11.20
Total A2 frontages	21.20	21.20	16.62	16.62	16.62	15.21
Total A3 frontages	10.80	10.80	22.05	22.05	22.05	28.13
Total A4 frontages	11.02	11.02	9.97	9.97	9.97	9.73
Total A5 frontages	3.19	3.19	2.50	2.50	2.50	2.44
Total other frontages	34.98	34.98	34.12	34.12	34.12	33.29

2.12 The completion of the Market Place Buildings increased the A3 frontages in the Restaurant Quarter from 10% to 22% in 2014 in accordance with the vision for the quarter and Policy 19 of the AAP. This year there has been an increase of this figure which now stands at 28%; this is due to the redevelopment of the Corn Exchange, which is now occupied by Kino Lounge.

2.13 There have been no consents granted for changes of use within the quarter contrary to Policy 19 within the monitoring period. It should also be noted that consent was granted in April 2014 for a change of use of 1 - 3 Market Place to a café/restaurant. Works had commenced on site at the time the survey was carried out and the use opened in late August. However, this was not included last year as it fell outside of this year's monitoring period, although this has been subsequently included in this year's report.

3.0 Street Level Vacancy Rates

3.1 The number of vacant units in a centre can be a useful indicator of the health of a town centre. However, this indicator must be used with caution, as vacancies can arise even in the strongest town centres, and are simply an indicator of market conditions. It must be considered that the current poor economic climate is having a nationwide impact on retailing. Despite these limitations, it is still a useful indicator of town centre performance.

3.2 There are 2 ways of measuring vacant shops – by number of units or by measuring the width of vacant frontages. The percentages used in the policies in the AAP are based on frontage widths, and so this is the most appropriate factor to monitor. The tables below show the results of the September 2015 survey, using both methods.

Figure 7: Vacant Units September 2015			
	No. Vacant	**Total No. units**	**Percentage**
Plan Area (designated frontages)	38	348	**10.92%**
Primary Shopping Frontages	10	200	**5.00%**
Secondary Shopping Frontages	17	126	**13.49%**
Restaurant Quarter	1	23	**4.35%**

Figure 8: Vacant Frontage Metreage September 2015			
	Vacant frontages (m)	**Total metreage (m)**	**Percentage**
Plan Area (designated frontages)	365.5	3900.2	9.37%
Primary Shopping Frontages	140.0	2280	6.14%
Secondary Shopping Frontages	220.1	1268.2	17.36%
Restaurant Quarter	5.4	352	1.53%

Figure 9: Vacant Frontage Metreage: Year on Year comparison			
	Percentage 2013	Percentage 2014	Percentage 2015
Plan Area (designated frontages)	10.04%	10.07%	9.37%
Primary Shopping Frontages	7.02%	7.18%	6.14%
Secondary Shopping Frontages	15.45%	16.35%	17.36%
Restaurant Quarter	9.77%	5.82%	1.53%

3.3 Compared to the figures from September 2014, Figure 9 shows the vacancy rates in the town centre have decreased by 1% to 9%.

3.4 Within the **Primary Shopping Frontages**, which are the retail focus of the town centre, vacancy rates are very low at just 6.14%. This demonstrates that the majority of larger footprint stores are occupied and those which lay vacant are generally small stores with narrow frontage widths which are less compatible with modern retailing which requires larger format stores. Policy 15 of the AAP (the Shopping Quarter) consequently sets out plans to deliver a significant amount of new, large footprint, retail floorspace which will address this issue. However, those residual small units which remain vacant will be something for future Health Checks to analyse carefully. Analysis shows a distinct cluster of vacant units at 11, 11a and 12 Newland Street since August 2009.

3.5 Vacancy rates are higher within the **Secondary Shopping Frontages**, perhaps reflecting their periphery status and the transient nature of some uses. The vacancy rate in the Secondary Shopping Frontages has increased since 2014 by 1%. There are two units on Dalkeith Place (23 and 24) which have been vacant since February 2011. In 2014, a few other units were reported to be vacant for a period of time with records indicating that 24 and 44 Rockingham Road have been vacant since August 2009. However, despite 24 Rockingham Road still being vacant this year, 44 Rockingham is now occupied as an A3 unit.

3.6 The two restaurant units within the Market Place Buildings in the **Restaurant Quarter** continue to be occupied by Prezzo and Chimichanga's. Units 1 – 3 Market Place represent three of the four vacant units in the Restaurant Quarter identified in Figure 7 above. As noted previously consent was granted in April 2013 for a change of use of these units to a café/restaurant. Works had commenced on site at the time the survey was carried out and the use opened in late August. However, this was not included last year as it fell outside of this year's monitoring period, although this has been subsequently included in this year's report.

3.7 In September 2015 the national average vacancy rate was 12.9% (source: Local Data Company). Therefore, the vacancy rate across the plan area of 9.37% is more positive than the national trend.

4.0 Pedestrian Footfall Flows Survey

4.1 A footfall survey is a key indicator of the health and vitality of shopping streets. Footfalls are measured by the numbers and movement of people on the streets, in different parts of the centre at different times of the day, who are available for businesses to attract into shops, restaurants or other facilities. This indicator is useful over time to indicate trends both as a result of local and national influences.

4.2 The original footfall survey for Kettering Town Centre was undertaken in December 2008. This was updated in September and December 2013 and September 2014 and December 2014 as well as September 2015. It is also planned to update the survey in December 2015. The same methodology was used, undertaking surveys on both a market day and non-market day, and pedestrian footfall was counted in the same locations.

4.3 The two tables below show the results of the September 2015 survey, compared to the September 2014 survey. The survey took place on two weekdays, one a market day and one a non-market day.

Table 1: Monday (Non-market day)

No.	Count Location	Date/Time 22/09/2014	Count	Date/Time 21/09/2015	Count	Comparison
1	Sheep Street/ Piccadilly Buildings- opposite Library	10:30-10:45	86	10:30-10:45	80	↓ 7
2	Market Place	10:46-11:01	189	10:49-11:04	162	↓ 14.3
3	Southern end of High Street	11:03-11:18	271	11:06-11:21	206	↓ 24
4	Mid High Street- between Huxloe Place & Walkers Lane	10:31-10:46	389	10:30-10:45	322	↓ 17.2

5	Lower Street- outside Peacock Inn	10:52-11:07	273	10:47-11:02	228	↓ 16.5
6	Southern end of Tanners Lane	11:08-11:23	50	11:05-11:20	32	↓ 36
7	Southern end of Gold Street	10:34-10:49	335	10:25-10:40	343	↑ 2.4
8	Northern end of Gold Street	10:51-11:06	214	10:45-11:00	135	↓ 36.9
9	Newland Street (outside no.6)	11:10-11:25	186	11:05-11:20	124	↓ 33.3
10	Dalkeith Place- outside no. 10, nr Jobs Yard	10:33-10:48	89	11:05-11:20	107	↑ 20.2
11	Dryland Street	10:50-11:05	38	10:47-11:02	56	↑ 47.4
12	Eastern end of Market Street- outside Room 21 Bar	11:08 – 11:23	56	10:30-10:45	81	↑ 44.6
Total			2176		1876	↓ 13.8

Table 2: Friday (Market day)

No.	**Count Location**	**Date/Time 26/09/2014**	**Count**	**Date/Time 25/09/2015**	**Count**	**Comparison**
1	Sheep Street/ Piccadilly Buildings- opposite Library	10:30-10:45	80	10:31-10:46	83	↑ 3.8
2	Market Place	10:47-11:02	171	10:48-11:03	159	↓ 7
3	Southern end of High Street	11:04-11:19	328	11:06-11:21	302	↓ 7.9

4	Mid High Street- between Huxloe Place & Walkers Lane	10:31-10:46	484	10:30-10:45	472	↓ 2.5
5	Lower Street- outside Peacock Inn	10:48-11:03	277	10:47-11:02	282	↑ 1.8
6	Southern end of Tanners Lane	11:05-11:20	31	11:04-11:19	40	↑ 29
7	Southern end of Gold Street	10:39-10:54	479	11:10-11:25	463	↓ 3.3
8	Northern end of Gold Street	10:55-11:10	253	10:50-11:05	213	↓ 15.8
9	Newland Street (outside no.6)	11:11-11:26	176	10:30-10:45	180	↑ 2.3
10	Dalkeith Place- outside no. 10, nr Jobs Yard	10:36-10:51	114	11:06-11:21	166	↑ 45.6
11	Dryland Street	10:53-11:08	59	10:48-11:03	57	↓ 3.4
12	Eastern end of Market Street- outside Room 21 Bar	11:11-11:26	96	10:31-10:46	68	↓ 29.2
Total			2548		2485	↓ 2.5

4.4 The 2015 footfall survey shows that footfall has decreased on a non-market day, compared to 2014. There has been a significant decrease in the footfall at Market Place, Mid High Street, Lower Street, Tanners Lane and both ends of Gold Street. However areas such as Dalkeith Place, Dryland Street and the Eastern end of Market Street, saw a significant increase in footfall.

4.5 On a market day the 2015 footfall survey also shows that footfall has decreased compared to 2014. There has been a significant decrease in footfall at the Northern end of Gold Street and the Eastern end of Market Street. Although Dalkeith did see a fairly significant increase in footfall compared to 2014 It is recommended that the survey be repeated next September to see if a consistent pattern can be detected.

4.6 The baseline data from December 2008 does not allow a direct comparison with the figures from September 2015; however the most recent footfall count undertaken in December was in 2014 and allows for a more direct comparison.

4.7 The overall trend for a non-market day shows that during December 2008 and the same month in 2013 there was a decrease of around 6% and then a very small decrease the following year in 2014. As for a non-market day there was an 11% decrease between 2008 and 2013 and then saw an increase of 7% in December 2014.

Conclusion

The findings of this health check update indicate that the town centre is relatively healthy and performing well in relation to a number of health check indicators. The findings are generally positive and only one mixed use A3 and A5 unit open this year. The vacancy rate in the Primary Shopping Frontages has decreased to 6%.

There has again been a slight decline in A1 retail in the Secondary Shopping Frontages. The vacancy rate has slightly increased and a few clusters of vacant units remain.

The pedestrian flow survey shows an increase in footfall in a number of locations. However, the survey also shows there has been a decrease in footfall in other locations. The survey should be repeated next year to see if a consistent pattern can be detected.

Kettering remains the principle retail centre in North Northamptonshire. Some weaknesses need to be addressed in order for Kettering Town Centre to fulfil is sub-regional potential and compete with surrounding centres. However, these weaknesses been identified and deliverable solutions identified within the Kettering Town Centre AAP. Of particular importance, there is a need to maintain or enhance the number of A1 uses within the primary shopping frontage and diversify the retail offer to include higher-value shops through the provision of additional comparison retail floorspace and offer retail units of suitable size for this purpose.