Kettering Town Centre Health Check Monitoring Report

January 2018 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 sixth 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, September 2012, November 2013, November 2014, November 2015 and January 2017.

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 2017 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 2017		
Use	**Metreage (m)**	**Percentage (%)**
Total A1 frontages	1621.4	71.0
Total A2 frontages	224.3	9.9
Total A3 frontages	86.9	3.8
Total A4 frontages	69.6	3.1
Total A5 frontages	5.3	0.2
Total other frontages	256	11.3
Total vacant sites	17.1	0.8
Total PSF frontages	2270.6	100

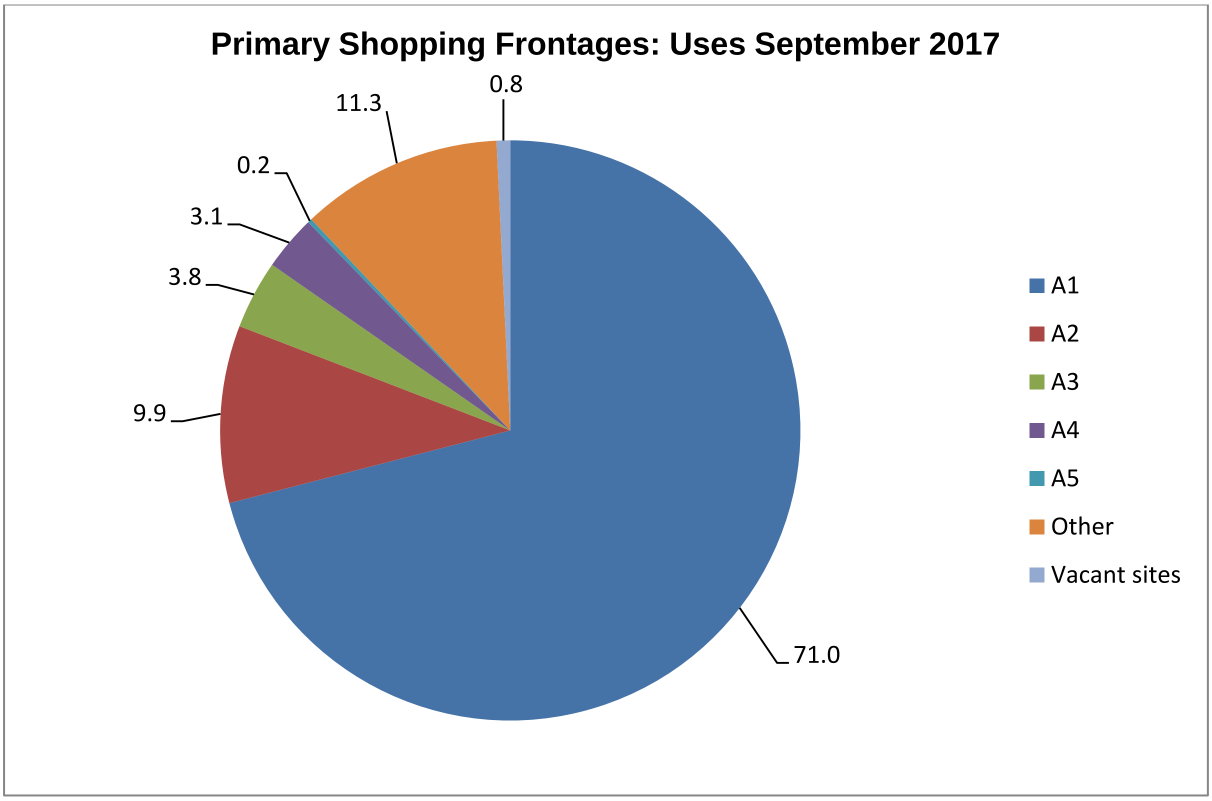

Figure 2: Primary Shopping Frontages: Year on Year comparison								
Use	**Aug 2009 %**	**Feb 2011 %**	**Aug 2012 %**	**Sept 2013 %**	**Aug 2014 %**	**Sept 2015 %**	**Sept 2016 %**	**Sept 2017 %**
Total A1 frontages	75.91	75.44	74.58	72.98	72.51	70.93	71.11	71.0
Total A2 frontages	12.38	12.39	11.83	11.41	11.41	10.57	10.07	9.9
Total A3 frontages	4.14	4.15	4.15	3.86	4.36	4.32	4.32	3.8
Total A4 frontages	3.50	3.50	3.29	3.29	3.29	3.05	3.05	3.1
Total A5 frontages	0.25	0.25	0.23	0.23	0.23	0.23	0.23	0.2
Total other frontages	3.82	4.28	5.91	8.22	8.20	10.90	11.21	11.3
Total vacant sites								0.8

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, although there is a slight increase on the figure for 2016. Future change of use applications from A1 use will need to be very carefully assessed as the threshold has been exceeded and has been under 75% since 2012.

2.6 Policy 3 of the AAP also requires no more than 3 consecutive non A1 retail units within the Primary Shopping Frontages. The 2016 survey shows there are four runs of such units; 3-14 Market Street and 64-70 Gold Street pre-date the adoption of the plan. In addition to this, there remain 2 runs of units where there are 3 consecutive non A1 retail units. Although these do not conflict with Policy 3 of the AAP, it is important to ensure that units next to 10-14 Lower Street and 7-13 Montagu Street do not result in the exceeding of this threshold. 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 2017		
Use	**Metreage (m)**	**Percentage (%)**
Total A1 frontages	456.2	35.7
Total A2 frontages	179.2	14.0
Total A3 frontages	140.6	11.0
Total A4 frontages	196.7	15.4
Total A5 frontages	95.2	7.5
Total other frontages	163.1	12.8
Total vacant sites	46.0	3.6
Total SSF frontages	1277.0	100

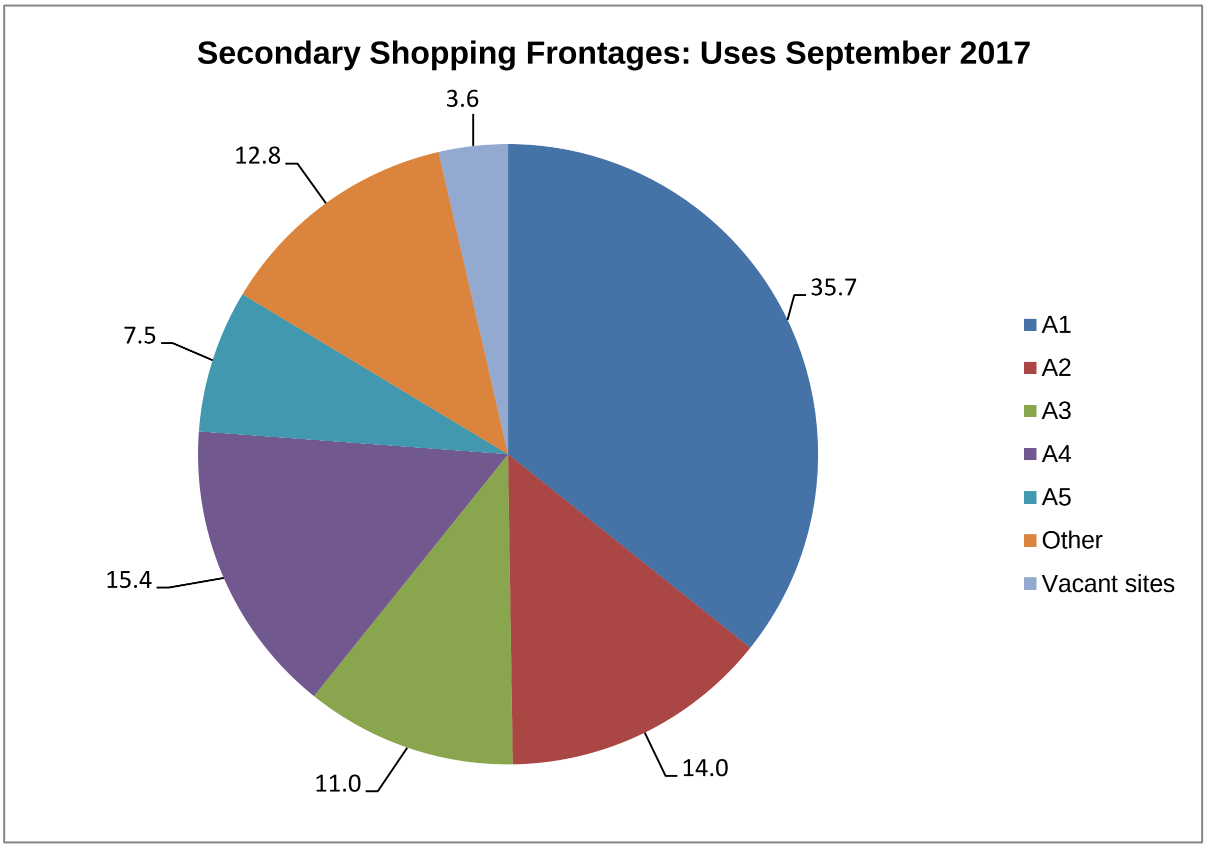

Figure 4: Secondary Shopping Frontages: Year on Year comparison								
Use	**Aug 2009 %**	**Feb 2011 %**	**Aug 2012 %**	**Sept 2013 %**	**Aug 2014 %**	**Sept 2015 %**	**Sept 2016 %**	**Sept 2017%**
Total A1 frontages	46.22	46.76	39.99	39.61	38.78	36.55	37.4	35.7
Total A2 frontages	14.78	15.43	15.53	14.90	15.73	15.00	14.92	14.0
Total A3 frontages	8.75	8.12	8.35	8.79	8.79	10.38	10.3	11.0
Total A4 frontages	16.04	16.16	16.19	16.19	16.19	16.44	15.4	15.4
Total A5 frontages	7.45	6.71	8.27	8.27	8.27	8.09	7.98	7.5
Total other frontages	6.77	6.82	8.11	8.68	8.68	9.91	10.4	12.8
Total vacant sites	n/a	n/a	3.57	3.57	3.57	3.63	3.6	3.6

2.9 The figures above show A1 retail frontages within this area have declined by around 1.71% in the year since the last monitoring period. A1 retail frontages now stand at 35.3 % for the latest monitoring year.

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 35.8% is broadly acceptable, but future decreases below this level will need to be very carefully assessed.

2.11 The maximum 8% threshold of total A5 metreage in the Secondary Shopping Frontages was reached in 2012 and did not change until 2015 which saw a slight decrease. This year's figures show another decrease, down to 7.5% meaning that the percentage of A5 units within the Secondary Shopping Frontage Area is now below the threshold of 8% for the second consecutive year. Although below the threshold it is likely that any new A5 frontage in this area would result in the figure exceeding the threshold. Therefore this will need to be carefully monitored and applications for A5 use in the area will need to consider this.

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 2017		
Use	**Metreage (m)**	**Percentage (%)**
Total A1 frontages	28.6	8.1
Total A2 frontages	54.9	15.6
Total A3 frontages	104.5	29.7
Total A4 frontages	76.5	21.7
Total A5 frontages	8.8	2.5
Total other frontages	78.7	22.4
Total RQ metreage	352	100

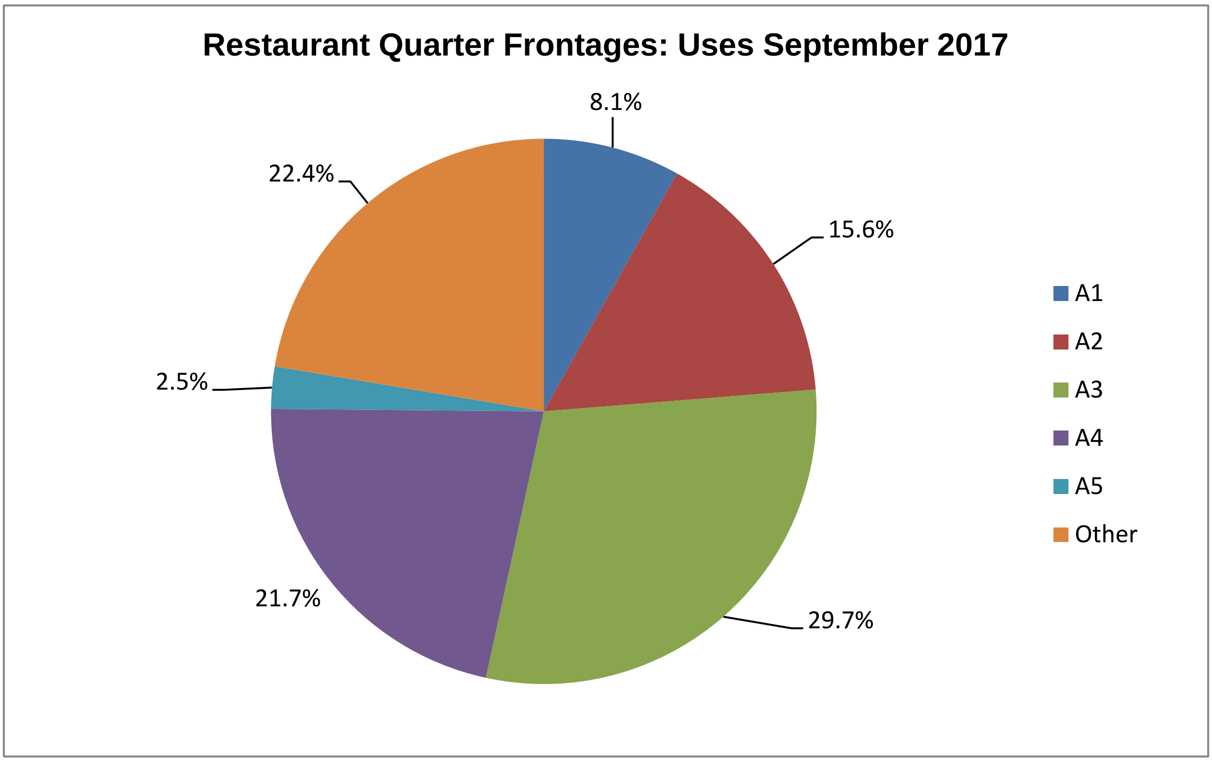

Figure 6: Restaurant Quarter Frontages: Year on Year comparison								
Use	**Aug 2009 %**	**Feb 2011 %**	**Aug 2012 %**	**Sept 2013 %**	**Aug 2014 %**	**Sept 2015 %**	**Sept 2016 %**	**Sept 2017 %**
Total A1 frontages	18.81	18.81	14.74	14.74	14.74	11.20	12.3	8.1
Total A2 frontages	21.20	21.20	16.62	16.62	16.62	15.21	13.1	15.6
Total A3 frontages	10.80	10.80	22.05	22.05	22.05	28.13	30.5	29.7
Total A4 frontages	11.02	11.02	9.97	9.97	9.97	9.73	9.3	21.7
Total A5 frontages	3.19	3.19	2.50	2.50	2.50	2.44	2.5	2.5
Total other frontages	34.98	34.98	34.12	34.12	34.12	33.29	32.3	22.4

2.13 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 a decrease of this figure, compared to 2016, which now stands at 29.7%.

2.14 There have been no consents granted for changes of use within the quarter contrary to Policy 19 within the monitoring period. However the recent reopening of the Royal Hotel as brought this building into reuse as a bar/club and hotel bedrooms.

2.15 However 3 units within the Restaurant Quarter have changed use since the previous vacancy survey. The first is 4 Market Place, which has seen a change from A1, retail to A3, restaurant (KET/2016/0121). The implementation of this scheme, in August 2017 has seen the introduction of Wildwood, a large restaurant chain into the Market Place, complementing and enhancing the vision for this area of the town centre, as set out in Policy 19. A new cinema at first floor level is yet to be implemented. The other two include 7 Market Place, which has changed from a solely A4 use to a mixed A3/A4 use to incorporate a café into the unit and The Royal Hotel which is now occupied as a bar (A4), called Emporio.

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.

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 2017 survey, using both methods.

Figure 7: Vacant Units September 2017

	No. Vacant	**Total No. units**	**Percentage (%)**
Plan Area (designated frontages)	36	342	**10.53**
Primary Shopping Frontages	14	195	**7.18**
Secondary Shopping Frontages	20	124	**16.13**
Restaurant Quarter	2	23	**8.7**

Figure 8: Vacant Frontage Metreage September 2017

	Vacant frontages (m)	**Total metreage (m)**	**Percentage (%)**
Plan Area (designated frontages)	382.5	3881.3	9.85
Primary Shopping Frontages	98.8	2270.6	4.35
Secondary Shopping Frontages	218.1	1275.8	17.10
Restaurant Quarter	60.4	352	17.16

Figure 9: Vacant Frontage Metreage: Year on Year comparison					
	Percentage 2013 (%)	Percentage 2014 (%)	Percentage 2015 (%)	Percentage 2016 (%)	Percentage 2017 (%)
Plan Area (designated frontages)	10.04	10.07	9.37	11.73	9.85
Primary Shopping Frontages	7.02	7.18	6.14%	8.33	4.35
Secondary Shopping Frontages	15.45	16.35	17.36	16.42	17.10
Restaurant Quarter	9.77	5.82	1.53	16.7	17.16

3.3 Compared to the figures from September 2016, Figure 9 shows the vacancy rates in the town centre have decreased by 2% to 9%.

3.4 Within the **Primary Shopping Frontages**, which are the retail focus of the town centre, vacancy rates are low at just 4.35% with a decrease of 3.98%. 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 retailers, who require 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. The 2017 survey found that these 3 units have been demolished. This site is currently under construction, which when complete will comprise of 2 retail units and 24 flats (KET/2016/0674), however with respect of the vacancy/use class survey, this frontage has been counted as one unit, without a use class at present as there is no unit available for occupation, therefore it is recorded as a ‘vacant site’ in the survey.

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 2016 by 0.68%. Last year it was reported that there were two units on Dalkeith Place (23 and 24) which have been vacant since February 2011; however one of these units, 23, is now occupied by an A1 use, with the other remaining vacant. In 2014, a few other units were reported to be vacant for a period of time with records indicating that 24 Rockingham Road has been vacant since August 2009. This year’s results show that this unit remains vacant.

3.6 The two restaurant units within the Market Place Buildings in the **Restaurant Quarter** continue to be occupied by Prezzo and Chimichanga’s. The closure of the Royal Hotel in early 2016 accounts for the significant increase of vacant frontage in the Restaurant Quarter. In addition to this at the time of the survey in September 2016, 7 Market Place was undergoing refurbishment to turn it into a new bar and therefore could not be recorded as occupied and therefore vacant. However, this refurbishment was completed later in 2016 and the unit 'Retro Union' opened in October last year.

3.7 In September 2017 the national average vacancy rate was 11.1% (Local Data Company). Therefore, the vacancy rate across the plan area of 9.85% 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 and has been updated on an annual basis up to this year, 2017. The same methodology is 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 2017 survey, compared to the September 2016 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 19/09/2016	Count	Date/Time 18/09/2017	Count	Comparison
1	Sheep Street/ Piccadilly Buildings- opposite Library	10:31-10:46	54	10:30-10:45	80	↑ 48.1
2	Market Place	10:48 - 11:03	103	10:48 – 11:03	190	↑ 64.5
3	Southern end of High Street	11:05-11:20	174	11:06-11:21	221	↑ 27
4	Mid High Street- between Huxloe Place & Walkers Lane	10:32-10:47	289	10:32-10:47	353	↑ 22
5	Lower Street- outside Peacock Inn	10:50-11:05	208	10:50-11:05	266	↑ 27.9

6	Southern end of Tanners Lane	11:07-11:22	18	11:07-11:22	25	↑ 38.9
7	Southern end of Gold Street	10:32-10:47	342	10:37-10:52	386	↑ 12.9
8	Northern end of Gold Street	10:50-11:05	146	11:02-11:17	180	↑ 23.3
9	Newland Street (outside no.6)	11:07-11:22	181	11:19-11:34	189	↑ 4.4
10	Dalkeith Place- outside no. 10, nr Jobs Yard	10:33-10:48	98	10:33-10:48	112	↑ 14.3
11	Dryland Street	10:51-11:06	48	10:50-11:05	44	↓ 8.3
12	Eastern end of Market Street- outside Room 21 Bar	11:10-11:25	60	11:07-11:22	56	↓ 6.7
Total			1721		2102	↑ 22.1

Table 2: Friday (Market day)						
No.	**Count Location**	**Date/Time 23/09/2016**	**Count**	**Date/Time 22/09/2017**	**Count**	**Comparison**
1	Sheep Street/ Piccadilly Buildings- opposite Library	10:30-10:45	51	10:32-10:47	76	↑ 49.0
2	Market Place	10:50-11:05	146	10:49-11:04	184	↑ 26.0
3	Southern end of High Street	11:07-11:22	163	11:06-11:21	236	↑ 44.8
4	Mid High Street- between Huxloe Place & Walkers Lane	10:34-10:49	406	10:33-10:48	365	↓ 10.1

5	Lower Street- outside Peacock Inn	10:51-11:06	252	10:50-11:05	261	↑ 3.6
6	Southern end of Tanners Lane	11:08-11:23	33	11:07-11:22	42	↑ 27.3
7	Southern end of Gold Street	10:35-10:50	494	10:40-10:55	458	↓ 7.3
8	Northern end of Gold Street	10:53-11:08	212	11:00-11:15	251	↑ 18.4
9	Newland Street (outside no.6)	11:10-11:25	215	11:20-11:35	207	↓ 3.7
10	Dalkeith Place- outside no. 10, nr Jobs Yard	10:35-10:50	136	10:35 – 10:48	116	↓ 14.7
11	Dryland Street	10:52-11:07	52	10:51 – 11:06	57	↑ 9.6
12	Eastern end of Market Street- outside Room 21 Bar	11:10-11:25	83	11:11-11:26	99	↑ 19.3
Total			2243		2352	↑ 4.9

4.4 The 2017 footfall survey shows that footfall has increased on a non-market day (Monday), compared to 2016. There has been a significant increase in the footfall at Sheep Street, Market Place, Lower Street, Tanners Lane and Gold Street. However, Dryland Street and the Eastern end of Market Street all saw small decreases.

4.5 On a market day the 2017 footfall survey also shows that footfall has increased compared to 2016. There has been a significant increase in footfall at Sheep Street, Market Place, southern end of High Street and Tanners Lane. Although Dalkeith Place did see a fairly significant decrease in footfall compared to 2016, as well as locations on Newland Street, Gold Street and location 4 on High Street. 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 2017; however the most recent footfall counts were undertaken in December 2016 and 2017 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 and 2015. For 2016, there was a decrease of 12% from the previous year again; this year's figures show a further decrease of 3.1% on a non-market day.

4.8 As for a market day there was an 11% decrease between 2008 and 2013 and then an increase of 7% in December 2014 and a decrease of 7 % in December 2015 with a subsequent increase of 17.9% in 2016. For 2017, there was a decrease of 12.6% in the number of pedestrians counted, compared to the figures for 2016. One contributory factor that could legislate for this was the exceptionally cold weather that was experienced on this particular Friday. Rushden Lakes opened in July 2017; this will no doubt attract some shoppers away from Kettering town centre.

Conclusion

5.1 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 positive.

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

5.3 The pedestrian flow survey from September shows a significant increase in footfall in a number of locations on both a non-market day, which showed a more significant increase than market day. However, the survey should be repeated next year to see if a consistent pattern can be detected. The December footfall survey however shows a decrease on both a non-market and market day. In both months, results for the market days showed a higher overall amount of pedestrian activity.

5.4 Kettering remains the principle retail centre in North Northamptonshire. Some weaknesses need to be addressed in order for Kettering Town Centre to fulfil its sub-regional potential and compete with surrounding centres. However, these weaknesses have been acknowledged 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.