

REPORT TO: Place Scrutiny Committee
Date of Meeting: 8 November 2018
Report of: Victoria Hatfield, Economy & Enterprise Manager
Title: Exeter City Centre

Is this a Key Decision?

No

Is this an Executive or Council Function?

Executive

1. What is the report about?

1.1 To update members on footfall within the city centre and factors affecting the High Street.

2. Recommendations

2.1 That members comment and debate the content of the report and agree to closely monitor footfall, car park and park & ride data, as well as the closure and opening of shops and restaurants within the city centre.

2.2 That the recommendations of the Grimsey Review 2 inform the review of the Exeter City Centre Strategy and the work of InExeter.

3. Reasons for the recommendation

3.1 To determine any trends within Exeter, to enable officers to plan and to mitigate against any negative impacts.

4. What are the resource implications including non-financial resources?

4.1 There are no financial implications from the recommendation and content of this report. Non-financial resources will be from officers monitoring and addressing changes within the city centre.

4.2 Any future major changes, which will result in financial implications, will be brought back to this committee.

5. Section 151 Officer comments:

5.1 There are no financial implications for Members to consider contained within this report.

6. What are the legal aspects?

6.1 None identified.

7. Monitoring officer Comments:

7.1 This report raises no issues for the Monitoring Officer.

8. Background

- 8.1 A committee report was requested from Place Scrutiny Committee on footfall within the city centre. Footfall cannot be looked in isolation, so other factors have been included in this report such as car parking, how people travel into the city centre and recent shop closures and opening within the city centre – as these all have an impact on footfall.
- 8.2 The current Exeter City Centre Strategy 2013-2022 “Building on a Decade of Change – Delivering a Competitive and Attractive City Centre”, is currently being reviewed with an update due to come to Place Scrutiny Committee on 17 January 2019. Changes in the retail market will be addressed within the review, how we support existing businesses within the city centre, how to attract new businesses to open or relocate to the city centre and how we ensure the city centre is agile and fit for purpose for the 21st century.
- 8.3 A number of national reports have been released this year which details changes within the retail sector and the impact they have on town and city centres. Some of these are highlighted in this report, but the majority will be included in the City Centre Strategy report coming to Place Scrutiny Committee on 17 January 2019.

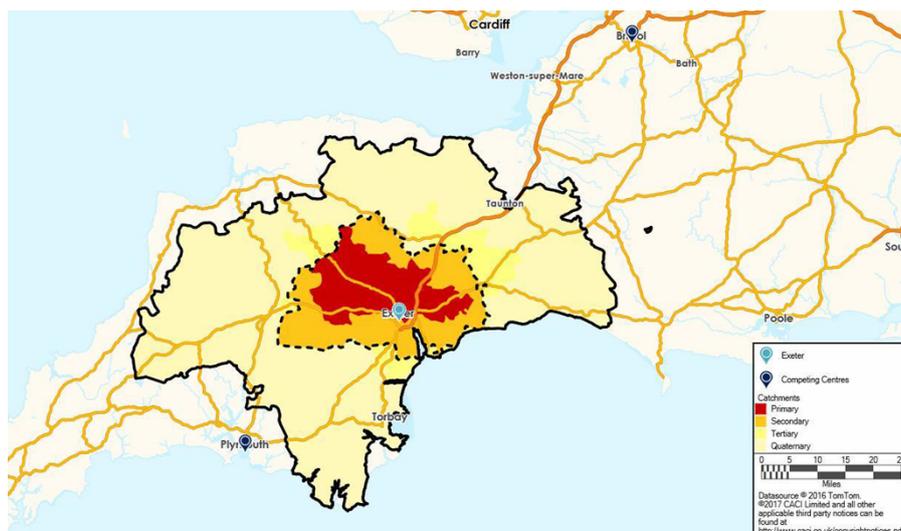
9. The Grimsey Review 2

- 9.1 Once such report was The Grimsey Review 2. Bill Grimsey has worked in retail for the majority of his career, from a butchers boy to Chief Executive of Iceland and Wickes.
- 9.2 The Grimsey Review 2, led by Bill Grimsey but included many retail industry leaders, was launched July 2018 and was the second review led by Bill. Bill felt the need for a second review due to the high number of shop closures and restructurings and an ongoing shift to online shopping.
- 9.3 Many of the recommendations within the review are targeted towards central government, in changes they can only make. Key findings, barriers to progress and recommendations are show in Appendix 1.
- 9.4 A number of City Council officers met to discuss The Grimsey Review 2 and its recommendations. We came to the combined conclusion that the Review was useful, with some of the recommendations suitable for Exeter and for them to be included in the City Centre Strategy Review

10. CACI report

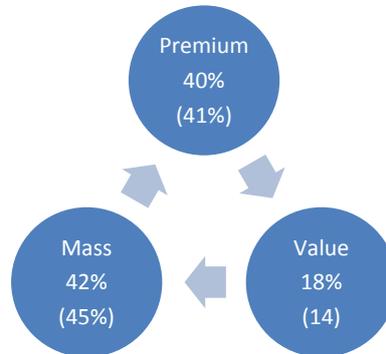
- 10.1 CACI are a leading market research company based in the UK. They are a company that uses data to inform decision making across the public and private sector. A speciality of CACI is in assisting clients to find, retain and grow profitable customers through their understanding of consumer characteristics and behaviour. They also assist commercial property developers and retailers to plan their retail provision in the UK.
- 10.2 The Growth & Enterprise team commissioned CACI to undertake a market summary of Exeter City Centre to:
- understand Exeter’s catchment and market share
 - draw out the demographic profile and spending power of Exeter’s catchment

- 10.3 The main findings of the report include that Exeter:
- has a 1 million retail catchment area, which represents an annual market potential of £665.3m (combined residential £578.8M, visitor £68.1m & worker £18.5m spend)
 - is the 28th largest retail destination in the UK and is in the top 20 towns and cities in terms of catchment spend potential
 - has a very affluent catchment
 - has an opportunity for additional mass market and premium brands, as there is an under supply in the city
 - is the 2nd largest retail destination in the South West
 - 3rd in Quality Regional Centres nationally, just behind Reading and Derby
 - sits within the top 1% of all UK retail centres
- 10.4 Nationally, the city centre has a very strong retail ranking, placing it in the top 1% of all UK centres, ahead of the likes of Guildford and Cardiff. If you remove regional malls, retail parks and outlets the city centre jumps to 20th position. This is shown in Appendix 2 Table 1.
- 10.5 Regionally, the city centre is a dominant retail centre in the South West, positioned second in the region behind Bristol. For a business, regardless of type, they would be well positioned to be located in Exeter city centre to reach customers from across the South West.
- 10.6 Exeter has a comparison goods market potential of £665.3m, our catchment is shown within the image below (areas within the black line). The core catchment is within the dark red area, which the city has 68.5% market share, which is above national averages. Within the wider catchment area, the market share is 24.6%. This still represents the largest market, but provides Exeter with an opportunity to gain market share in outlining towns, as indicated in Table 2 in Appendix 2. Targeted marketing and promotional campaigns should be developed in conjunction within InExeter to promote the city centre to increase market share.



- 10.7 You will see from the above map, that Exeter's biggest regional competitors, both Bristol and Plymouth, sit outside of the core catchment zone for Exeter. Plymouth overlaps a small part of the total catchment, which covers parts of West Devon and Teignbridge. This is a major positive for the city centre, in that a retailer would choose to come to the city to gain new market share.

- 10.8 The type of brands located within the city centre is shown in the graphic below. The % in the brackets represent the average when you benchmark Exeter against similar centres, which indicates we are performing relatively well. This represents an opportunity around developing and attracting businesses within the Mass and Premium brands.



- 10.9 The table below shows the retail mix within the city centre and how we perform comparing ourselves to cities of a similar size and nature. Again, we compare well to similar cities, but under perform slightly in catering and leisure goods.
- 10.10 To attract Premium and Mass market brands within leisure good and catering could form part of an inward investment strategy to attract certain brands to the city centre. This would be good timing with the launch of Exeter Live Better.

	Comparison Goods						Convenience	Catering
	Clothing & Footwear	House & Home	Leisure Goods	Personal Goods	Personal Care	Durable Goods		
Exeter City Centre	49%	4%	11%	11%	5%	9%	4%	7%
Similar Cities	48%	3%	12%	11%	5%	7%	4%	10%
Expenditure per annum (m)	£158.6	£48.3	£78.6	£39.0	£101.0	£153.2	£509.9	£157.2
Annual household spend	£1,578	£481	£783	£388	£1,005	£1,525	£5,075	£1,564
Index vs UK	104	116	117	106	116	109	107	103
Index vs South West	101	102	101	101	102	102	102	102

- 10.11 Annual household expenditure for the City Centre is above the South West and national average and across all types of goods, as shown above. Spend in certain areas performs exceptionally well – House & Home, Leisure Goods and Personal Care – all are 15% above national spend.

11 Shop closures in Exeter

- 11.1 For the previous 18 months, the Growth & Enterprise team have been collating the name of retail units that have closed down within Exeter (the

ones that we know of), these can be seen in Appendix 3. There has been a mix of types and locations, nothing consistent.

- 11.2 The type of businesses closing down in Exeter has been a wide ranging, from value, mass and premium brands including clothing, furniture, jewellery, pubs and restaurants. There has been a mix of independent businesses and well known high street names, such as Hobbs, Halfords and Clintons. The most recent announcement is that House of Fraser is due to close in Exeter January 2019. Contact has been made with the store manager and head office, to offer our support for staff being made redundant and the future of the building.
- 11.3 There have been a number of closures on Paris Street, as a result of the redevelopment of the Bus & Coach Station site. Some vacant premises have been re-let on a short term basis, which has resulted in new shops and businesses starting. This is also the case for Harlequins Shopping Centre.
- 11.4 Many of these units have already been re-let by alternative businesses, as a like for like replacement or as a new type of business. If a business has closed due to financial reasons, it takes considerably longer before that unit is available to re-let, that has been the case with a number of city centre units.
- 11.5 The table in Appendix 3 shows the name and location of the business that has closed down, with the High Street and Guildhall having the most closures. When speaking with independent businesses, the primary factor for closure is the high costs of rents and business rates.
- 11.6 As of October 2018, there are a total of 47 vacant retail and restaurants units within Exeter, with 25 of those being located in the City Centre. These properties are listed on the Exeter Commercial Property Register <http://cpr.exeter.gov.uk/> which is updated by commercial agents located in Exeter. On an adhoc basis, vacant premises are promoted through the @InvestinExeter Twitter account and through the City Council's business e-newsletter.
- 11.7 Exeter is in the fortunate position that businesses are continuing to move into and relocate to the city. How vacant shops are managed and promoted, will be addressed within the up and coming City Centre Strategy.
- 11.8 Through the City Council's Small Arts Grants, a vacant unit on Paris Street was dressed to brighten up the window space. This initiative is being looked into, in how this can be expanded across the city centre.

12 Online shopping

- 12.1 Nationally, online sales are accelerating, which in turn is causing high street stores to suffer. Consumers are changing their behaviour in how they spend and purchase goods. In the past, consumers would have visited the high street to purchase clothes, food, gifts and household items. Today, this can be achieved with the touch of a button, with goods delivered direct to your front door. As a result, more and more retailers have opened up e-commerce stores. It is now unusual to find a store that does not have an online presence.
- 12.2 The sale of online non-food items have soared over the previous five years, from 11.6 per cent of the total market in December 2012 to 24.1 per cent in

December 2017. The headline growth rate did slow slightly in 2017. One of the biggest online retailers within the marketplace is Amazon, who have a 33% share of all online sales in the UK.

- 12.3 Industry experts have indicated that online clothing sales may plateau at 25 per cent, a trend which has happened in Germany. They also expect physical shops will still have a presence on the high street, which will support their e-commerce store, but size and location has yet to be determined.
- 12.4 Convenience is a major factor as to why online sales have grown, with next day delivery pretty much standard. It is easy to compare different products online from the comfort of your own home. Price is also playing a role in the growth of inline sales, in that the perception online shopping is cheaper, which isn't always the case.
- 12.5 Click and collect is a very convenient option for many consumers, it makes life easier for customers to return items. It's also an advantage for city centres like Exeter, in that shoppers need to visit the high street store to return an item. When returns are made in store, items can be added back into stock and sold quickly. Mintel research suggests that 45% of online customers returned at least one item last year, representing a significant cost for retailers.

13 Footfall in the city centre

- 13.1 Footfall within the city is an indicator of the health a city. Exeter City Centre footfall data is supplied by both shopping centres, Princesshay and the Guildhall, as well as InExeter for various locations throughout the city centre including High Street near the Guildhall, Cathedral Yard, Queen Street, High Street neat Next and Fore Street.
- 13.2 For consistency and being able to compare like for like, data from January 2016 through to September 2018 is being used. Data provided to the Growth & Enterprise team, is commercially confidential, so actual figures are not included in this report.
- 13.3 The table below gives you an indication of overall trends within the city centre. Throughout the year, there are peaks and troughs for each shopping centre and location, and differences between some locations.

	Comparing 2018 with 2017	Comparing 2017 with 2016
Jan	3.80%	-30.04%
Feb	-5.38%	-9.65%
Mar	-1.37%	8.66%
Apr	24.25%	5.70%
May	-18.77%	-0.54%
Jun	-3.62%	-2.30%
Jul	0.64%	27.74%
Aug	-4.10%	-22.98%
Sep	12.54%	-2.40%
Oct		-6.70%
Nov		-6.33%
Dec		-1.12%
Annual	-0.93%	-2.33%

- 13.4 The table below gives you a breakdown of the annual comparison for each area of the city that is monitored by footfall counters. The fire at the Royal Clarence Hotel that occurred October 2016, had a major impact on footfall within the area and within the city in general.

	Comparing 2018 to 2017	Comparing 2017 to 2016
High Street near Guildhall	0.09%	0.55%
Cathedral Yard	-2.83%	-21.43%
Queen Street	1.52%	-2.86%
High Street near Next	-4.68%	-1.60%
Fore Street	22.55%	-6.51%
Guildhall Shopping Centre	-2.51%	5.92%
Princesshay Shopping Centre	0.71%	-2.53%

- 13.5 Events external to the city do have an impact on footfall, such as the Football World Cup, a Royal Wedding taking place, both snow and a very warm hot summer all affecting footfall. Organised events such as the Food Festival, Lost Weekend and Shrouds of the Somme do have a positive impact on footfall, but this has likely over shadowed by the general decline in footfall.
- 13.6 The rise of online shopping has been highlighted previously within this committee report. This rise will be affecting the amount of people coming into the city centre to shop, adding to the reduction in footfall. This is a national trend and not unique to Exeter.

14. Travel into Exeter

- 14.1 According to the 2011 census, there was a total of 74,818 daily inbound commuter trips into and within Exeter, across all travel modes. Of these daily trips, 37151 from were outside of the city, with the remaining 37,667 being from within the city itself. Since the 2001 Census, the number of total inbound commuter trips rose by 10.9%

Mode	From Home	To Work	2001 Trips	%	2011 Trips	%	Change	% Change
Car	Exeter	Exeter	21,261	31.5%	17,363	23.2%	(3,898)	(-18.3%)
	Greater Exeter		19,888	29.5%	22,966	30.7%	3,078	15.5%
	Further Afield		5,917	8.8%	8,123	110.9%	2,206	37.3%
Non car	Exeter		16,713	24.8%	20,304	27.1%	3,591	21.5%
	Greater Exeter		2,830	4.2%	4,460	6.0%	1,630	57.6%
	Further Afield		849	1.3%	1,602	2.1%	753	88.7%
TOTAL			67,458	100%	74,818	100%	7,360	10.9%

- 14.2 As shown in the table above, the number of people who both live and work in Exeter, and commute by car has reduced by 18.3%. Commuting to work by alternative means has risen by 21.5%.
- 14.3 For those that live in Greater Exeter and further afield and commute into Exeter by car, has risen by 15.5% and 37.3% respectively. People

commuting into Exeter by alternative means (non-car) has risen by 57.6% (Greater Exeter) and by 88.7% (live further afield).

- 14.4 Over the past couple of years, there has been a concerted effort by Devon County Council in supporting people to travel into the city by alternative means – new commuter and leisure cycle routes, supplementing bus services and the opening of new train stations. Due to the growth of the city and some new infrastructure improvements, you would have expected the above percentages to of changed.
- 14.5 Similar to many urban areas, Exeter city centre contains a significant proportion of the overall jobs for the city. The city centre attracts almost 19,000 daily employment trips. This will have both positive and negative impacts on the highway and the city centre.
- 14.6 Going forward, the city centre strategy should look at ways to reduce the number of employment trips, in that the city centre should be a place where people live, work and socialise.

Exeter Park & Ride

- 14.7 There are currently 3 commercial services for Exeter in operation at Matford, Sowton and Honiton Road, as well as two others services dedicated to the hospital (from Digby) and County Hall (from Sowton).
- 14.8 The three main Park and Ride services operate on a commercial basis, with 5 services an hour from each site. The services are well used by commuters, shoppers and visitors with usage increased steadily over the last 10 years.
- 14.9 Most recently, the number of people using the Park & Ride service has been declining, with the reasons being:
- Rising bus fares
 - Traffic congestion into towns/cities (cited by provider)
 - Poor state of the economy
 - Concessionary passengers don't travel as much as they used to (accounts for nearly 40% of all travel)
 - People who are moving into Devon from elsewhere are more likely to drive than use the bus.

Bus travel in Exeter

- 14.10 Over the previous 20 years there have been a number of improvements to public transport services across the Greater Exeter area. This has included improvements to routes (upgrading of stops and bus priority measures) as well as vehicle and customer facility improvements including new low-floor buses allowing better access for all passengers, better seating and free Wi-Fi.
- 14.1 The introduction of the national concessionary travel scheme allowing free travel for people over the age of 60, has boosted bus patronage. A significant portion of this increase, approximately two thirds, occurred in 2005/06 which could be directly linked to the introduction of concessionary travel for people aged 60+.
- 14.12 The 2011 Census indicated that over the last over the last 20 years the use of bus services for travel to work trips has increased across Exeter, Mid Devon, Teignbridge and East Devon by just 0.7%, so remained relatively constant. When you compare this small uplift against the rising population, it represents a fall in the proportion of people traveling by bus to work.

Travel by rail in Exeter

- 14.13 Exeter is at the heart of the well-established Devon rail network. Train services connect the city to the main commuter towns of Crediton, Exmouth, Newton Abbot, Tiverton and Honiton, all located within the travel to work area of Exeter. The Devon rail network converges in Exeter, which helps remove trips from busy road corridors, but also provides links to main line services.
- 14.14 A large proportion of residential areas within Exeter are located within 800m of a railway station and are considered to be within walking distance of accessing the network. The remaining residential properties are within 2.5km of a station so within cycling distance of a rail station.
- 14.15 The city centre is served well, with Exeter Central Train Station located within the city centre. The table below shows the rise in popularity of using the network to travel in and around the city. The growth in housing, the opening of Sandy Park, the rise in student numbers and the popularity of working in the city centre all adding to the increases below.

	2000/01	2004/05	2009/10	2014/15	% change
Exeter Central	1,449,186	1,632,000	2,152,786	2,509,220	73%
Exeter St David's	1,031,718	1,046,000	1,512,286	2,343,636	127%
St James Park	27,126	27,477	46,754	64,586	138%
Pinhoe	6,132	12,959	38,326	88,872	1349%
Polsloe Bridge	39,728	43,788	70,038	116,552	193%
Digby & Sowton	87,639	134,804	271,316	571,510	552%
Topsham	98,174	127,903	186,056	231,122	135%
Exeter St Thomas	35,673	64,295	103,488	213,848	499%
TOTAL	2,775,376	3,089,226	4,381,050	6,139,346	121%

- 14.16 The table below sets out the usage of the mainline train stations within the travel to work area of Exeter, again there has been significant rises in rail patronage. These rises tie in with the growth and popularity of Exeter. The destination of each journey cannot be directly linked to Exeter, they could have travelled from Honiton to Waterloo.

	2000/01	2004/05	2009/10	2014/15	% change
Newton Abbot	569,090	721,000	941,000	1,141,040	101%
Tiverton Parkway	178,153	203,000	355,000	447,284	151%
Honiton	241,650	256,000	293,000	391,860	62%
Axminster	208,879	182,000	211,000	386,226	85%
Paignton	303,107	346,000	472,000	631,506	108%
Barnstaple	155,934	194,000	303,000	427,394	174%
Exmouth	578,218	624,000	723,000	927,182	60%
TOTAL	4,715,935	5,201,000	6,963,000	9,205,348	95%

Exeter Car Park figures

- 14.17 The team that manages the City Council car parks collect a wide range of data, from dwell time, to tickets sold and capacity levels – the performance of the car parks is reported annual to Place Scrutiny Committee.

- 14.18 The table below is using the data in Appendix 4 as the baseline. There has been the desire to increase income and to reduce the number of people travelling into Exeter by car, this has been achieved if you compare 2017 to 2018 data (middle column). Car parking fees increased spring, this has played its part in reducing car park tickets sold and increasing income.

	Compare 2016 to 2017	Compare 2017 to 2018	Compare 2016 to 2018
Weekday parking tickets sold	+10.26%	-7.55%	+1.93%
Weekday long stay tickets sold	+55.43%	-19.89%	+24.52%
Evening parking tickets sold	+88.25%	-14.85%	+60.29%
Peak use – bays full at 1pm on sat (3,458 bays)	+16.90%	-8.43%	+7.04%
Total monthly income	+7.25%	+9.50%	+17.43%

- 14.19 The reduction in the number of car park tickets sold, would help in reducing congestion within Exeter and improvements in air quality. The knock on effect would be a reduction in footfall in the city centre, which when you compare footfall data with car park data, there is a trend occurring.

15 Government Panel on the High Street

- 15.1 A panel of experts were appointed July 2018, by Jake Berry MP High Streets Minister, to diagnose issues that are currently affecting the health of the high street. The panel will focus on what consumers and local communities want from their high street and advice on best practice and practical measures to help high streets thrive now and in the future.
- 15.2 The panel is chaired by Sir John Timpson, Chairman of Timpson. The panel consists of experts from the retail, property and design sectors and include:
- Sir John Timpson - Chair
 - Vidhya Alakeson - CEO, Power to Change
 - Gi Fernando MBE - Founder & CEO, Freeformers
 - Councillor Graham Galpin - (Cons) Ashford council
 - Emma Mackenzie - Director, NewRiver
 - Eric Reynolds - Founding Director of Urban Space Management
 - Stephen Robertson - non-executive director of Hargreaves Lansdown plc. and Timpson Group
 - Sophia de Sousa - CEO, The Glass-House
- 15.3 The panel, in conjunction with the Ministry of Housing, Communities and Local Government (MHCLG), is putting out a call for evidence seeking what members of the public and young people in particular want from the high streets of the future. Officers from Exeter City Council will contribute to the evidence base.

16 Going Forward

- 16.1 The content of this committee report will be used in the development of the new City Centre Strategy, ensuring we have a city centre that is fit for purpose for the 21st century, and one that it is agile enough to cope with

change. An officer from the Growth & Enterprise team is leading on the new City Centre Strategy, with initial findings due to be presented at Place Scrutiny Committee January 2019.

- 16.2 It is advisable that the City Council, the Chamber, Exeter FSB and InExeter work in collaboration with the business community to ensure that the City Centre remains within the top 30 retail destinations within the UK. A small working group will be established with the above parties to focus on the city centre.
- 16.3 A report was presented to Place Scrutiny Committee 13 September 2018 to consider future development opportunities for South Street. The consultation process was led by LHC, who subsequently prepared a set of Urban Design principles for South Street, these will be incorporated into the new City Centre Strategy.
- 16.4 The Growth & Enterprise team will be working closely with the team at InExeter in developing proposals for a Business Improvement District vote October 2019. InExeter play a vital role in the city centre, whether that be in street cleaning, promotion of the city centre, business support or managing events to attract people into the city centre.
- 16.5 The Economy & Enterprise Manager receives monthly data on footfall and a wide variety of other data points. A regular update will be provided to members through the Scrutiny Bulletin process.

17 How does the decision contribute to the Council's Corporate Plan?

- 17.1 Monitoring and addressing concerns and challenges associated with the City Centre in how it is supported and developed, fits neatly with two of the new City Council priorities:
- Tackling congestion and accessibility
 - Building Great Neighbourhoods
- 17.2 This is also the case with the emerging Exeter Vision 2040:
- Innovative & Analytical City
 - Liveable & Connected
 - Healthy & Inclusive
 - A Leading Sustainable City

18 What risks are there and how can they be reduced?

- 18.1 The Economy & Enterprise Manager will provide a regular update to Scrutiny Bulletin on city centre data we collect and monitor. This should provide an early indication of trends and issues associated with the city centre.

19 What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults; economy; safety and the environment?

- 19.1 The city centre is an economic driver for Exeter, and the wider travel to work area of Greater Exeter. It is imperative that the city centre is closely monitored for the health and wellbeing of the city, its residents and business community.

20 Are there any other options?

- 20.1 No decisions are being made as a result of this report. There could be the option of not collecting and monitoring city centre data, this is not seen as an option – due to the impact the city centre has on the wider economy of Exeter.

Victoria Hatfield, Economy & Enterprise Manager

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

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APPENDIX 1 – Grimsey Review 2018

Key Findings - Four specific key findings were established that shaped the 25 recommendations

- 1 There is a need for all towns to develop plans that are business-like and focused on transforming the place into a complete community hub incorporating health, housing, arts, education, entertainment, leisure, business/office space, as well as some shops, while developing a unique selling proposition (USP).
- 2 The key to success is outstanding, talented and committed leadership. Whether this is elected mayors with the mandate and authority to get on with the job, or local government bringing all stakeholders, including the community to develop and implement a plan for the location, strong leadership and vision are essential.
- 3 The curating of a place based on its distinct heritage is multi-dimensional and complex but should feature strongly when developing the “offer”: Why would people want to live, work, play, visit and invest in the “place”? What does it stand for?
- 4 Where we see genuine high street innovation, best practice is often not shared and far too many agencies remain in silos. There is a need for Economically Rational Areas to be established that can draw on the examples of Scotland and Wales to get things done. An independent body (not a membership organisation) is needed to support, question and signpost for local authorities and act as a driver for stakeholder support.

Barriers to Progress – The Grimsey Review 2 have recommended that central government carry out serious independent reviews of barriers to progress, to find a better way forward.

- 1 Business Rates have grown into a massive tax collection vehicle for government (circa £29bn annually of which retail represents almost one third – £8bn). This colossus has grown and grown, it does not reflect the additional costs to provide services to those businesses any more. It is a complex property and services tax that has spawned an entire industry of lawyers, advisors, appeal courts and other specialists. The Valuation Office Agency (VOA) has also grown accordingly, without the data structure or technology to service the increasing demands placed upon it. There is now a very strong case for replacing it with an alternative tax and this should be seriously considered.
- 2 The complex layers of local government are confusing and overly bureaucratic; parish, town, district and county councils, each with different remits and different ownership of public realm, frequently throw up red tape that often prevents progress. Can it be simplified to empower local communities so that they can manage their own “place” more effectively?
- 3 Financing change has become a major issue as many local authorities are becoming increasingly “entrepreneurial” with local community assets to plug budget gaps and survive let alone finance investment in a regeneration plan. What is the best way to do this?

Recommendations

Create a more supportive environment

- 1 Establish an empowered organisation or Town Centre Commission under strong, established leadership through the local authority for each town centre, with a defined remit to build a 20-year vision/strategy for their unique place. Ensure that this vision is underpinned by a comprehensive business/place plan.
- 2 Create a national independent organisation, similar to Scotland's Towns Partnership, to capture and share best practice from towns online for Town Centre Commissions to access. This could be hosted by the Local Government Association (LGA) but would need central government endorsement. Work such as this review, the recent LGA Revitalising Town Centres handbook, academic research, investment models and case studies could all be accessed, as well as information and advice on how to build an evidence base and how to write a town plan supported by a network of experts that the organisation co-ordinates.
- 3 Accept that there is already too much retail space in the UK and that bricks and mortar retailing can no longer be the anchor for thriving high streets and town centres. They need to be repopulated and re-fashioned as community hubs, including housing, health and leisure, entertainment, education, arts, business/office space and some shops.
- 4 Embed libraries and public spaces at the heart of each community as digital and health hubs that embrace smart technology.
- 5 Establish common key performance indicators to measure the economic and public health of each town. Link the reporting through a data dashboard to provide independent, objective and current data on performance. Data gathered by the town needs to be delivered in Open Format (Open Data) so it can be shared.
- 6 Set up a National Urban Data knowledge portal to support the implementation of data platforms for high streets and town centres. A shared dashboard (cloud-based) with a town Data Portal-as-a-Service should be piloted.
- 7 Local authorities should establish events teams to manage a comprehensive programme of activities that complement the Town Centre Commission Plan by driving footfall to local high streets.

Government and planning

- 8 Accept that there is no confidence, in business rates, it is accelerating shop closures in many towns and is an outdated and unfair tax that needs a major overhaul. An immediate independent review should look to replace it with either a land/area/property value or sales tax.
- 9 Give local authorities powers to introduce penalties and incentives for landlords of commercial properties that are left empty for more than 6-12 months. Review the existing property use class system to increase flexibility and look to establish a change of use to make the asset productive.
- 10 Introduce clear high street assets ownership accountability by establishing a landlord register for each town to be able to trace the owner of every single property and engage them in the health and wellbeing of the place.

- 11 Enable the change of use process through new legislation to be used to convert entire sub-high streets to residential or other uses within the agreed town plan and relocate successful independent businesses to the main commercial centre.
- 12 Connect planning applications, and in particular new developments, to the business plan for each town and ensure that developments fit within the criteria set by the Town Centre Commission Plan.
- 13 Give local authorities ultimate power in granting planning permission in line with the Town Centre Commission Plan. Remove the appeal and authority of the Planning Inspectorate to override decisions.
- 14 Give local authorities powers to introduce incentives and penalties to prevent the process of “land banking” for future speculative developments.
- 15 Local authorities should appoint high quality design teams to create and enhance spaces for civic and social use. Design should celebrate the historic character and local identity with high quality streets and public realm.
- 16 Create a flexible planning framework to unlock the potential of areas by encouraging SMEs and making it easy to pilot new business concepts at low risk. The Fountain Arcade in Stockton-on-Tees offers a great example where the local authority is providing conditions to incubate new businesses at low risk.
- 17 Review Compulsory Purchase Order (CPO) provision and make it more straight forward for Local Authorities to enforce a CPO in order to benefit the Town Centre Commission Plan.
- 18 Review and amend the planning use class system legislation to enable greater flexibility of building use and also to distinguish between the specific use of logistics warehousing used for direct retail sales.
- 19 Create a nominal maximum charge (£1) for the first two hours of parking in town centres, while introducing 30 minutes free parking in high streets with no paid extension option.
- 20 Review and evaluate future use and relevance of out of town shopping parks, prepare a plan to bring unwanted space back into use to benefit the community in line with the Town Centre Commission Plan, while applying a Town Centre First policy and calling for no further out of town development.
- 21 Local section 106 income or any planning gains should be used to support the delivery of the Town Centre Commission Plan.
- 22 Establish a review of the Business Improvement Districts (BIDs) process, which have relevance in big urban conurbations but needs more scrutiny in smaller towns. Consider replacing them with Community Improvement Districts (CIDs) embracing all the stakeholders, occupiers, owners and service providers in an area including the local authority.

Smarter use of technology

- 23 BT and Virgin Media, the major beneficiaries of SuperConnected Cities £150m funding between 2014 and 2016, need to offer a Town Digital

Package to ensure ongoing digital transformation to the top 13 cities and all 1,048 UK high streets in smaller towns.

- 24 Install LED lights in street lamps to improve the quality of light on the street, while minimising costs. The lamps will also provide improved security as they can include CCTV cameras and integration with police systems for fast response.
- 25 Provide free public wifi and well-connected workplaces that support flexible working patterns and attract freelancers to high streets and town centres.

APPENDIX 2

Table 1 – The City Centre’s national competition

Rank	Centre Name	Retail Footprint Minor Class	Retail Footprint Score	Residential Comparison Goods Market Potential (£m)
1	West End	International Centres	9,472	£2,220.5
2	Glasgow	National Centres	3,910	£1,383.2
3	Birmingham	National Centres	3,375	£1,349.3
4	Leeds	National Centres	3,207	£1,272.9
5	Manchester	National Centres	3,407	£1,244.8
6	Trafford Centre	Large Premium Regional Malls	2,210	£1,181.0
7	Bluewater	Premium Outer London Regional Malls	2,519	£1,158.4
8	Westfield Stratford City	Large London Regional Malls	2,673	£1,155.0
9	Liverpool	National Centres	3,197	£1,126.4
10	Meadowhall	Large Regional Malls	2,095	£1,064.1
11	Milton Keynes	Town Centre Malls	1,371	£1,061.2
12	Westfield London	Large Premium London Regional Malls	2,638	£1,033.6
13	Nottingham	Principal Centres	2,725	£999.0
14	Leicester	Principal Centres	2,259	£986.5
15	Kingston Upon Thames	Large London Satellites	2,165	£833.8
16	Bristol	Principal Centres	2,090	£828.0
17	Norwich	Principal Centres	2,010	£805.2
18	Newcastle upon Tyne	Principal Centres	2,250	£800.1
19	Edinburgh	National Centres	2,722	£792.2
20	Reading	Quality Regional Centres	1,691	£701.1
21	Brighton	Principal Centres	2,008	£691.9
22	Gateshead - intu Metrocentre	Large Regional Malls	1,664	£660.8
23	Dudley - Merry Hill	Large Regional Malls	1,350	£639.0
24	Derby	Quality Regional Centres	1,453	£638.2
25	Croydon	Large London Satellites	1,446	£613.7
26	Brent Cross	London Regional Malls	1,266	£607.8
27	Aberdeen	Principal Centres	1,702	£600.3
28	Exeter	Quality Regional Centres	1,603	£578.7
29	Guildford	Quality Regional Centres	1,475	£569.1
30	Cribbs Causeway	Large Premium Regional Malls	1,218	£565.6

31	intu Lakeside	Outer London Regional Malls	1,562	£562.6
32	Cardiff	Principal Centres	2,161	£557.3
33	Plymouth	Average Regional Centres	1,307	£543.7

Table 2 – The City Centres’ local competition

	Distance (miles)	Market share (Core)	Market Share (Total)
Exeter	-	68.5%	24.6%
Taunton	27.4	0.3%	6.6%
Torquay	17.9	0.0%	5.4%
Newton Abbot	13.9	0.3%	5.3%
Torquay – Wren Retail Park	16.3	0.4%	3.6%
Kingsteignton – Newton Abbot Retail Park	12.9	0.2%	2.8%
Paignton	20.0	-	2.0%
Exeter – Rydon Lane Retail Park	2.3	5.9%	1.9%
Taunton – Riverside Retail Park	28.9	0.1%	1.8%
Torquay – Bridge Retail	16.6	0.0%	1.8%
Plymouth	36.3	-	1.7%
Exmouth	8.8	1.0%	1.6%

Table 3 – The City Centre’s regional competition

Rank	Centre Name	Retail footprint score	Comparison Good Market Potential (m)
1	Bristol City Centre	2,090	£828.0
2	Exeter City Centre	1,603	£578.7
3	Cribbs Causeway	1,218	£565.6
4	Plymouth	1,307	£543.7
5	Bath	1,850	£524.0
6	Cheltenham	1,281	£424.2
7	Bournemouth – Castlepoint	522	£325.7
8	Taunton	858	£257.3
9	Swindon	932	£228.9
10	Poole	721	£207.3

APPENDIX 3 – List of shop closures within Exeter

Name of store	Location	Month closed	Year
Stolen from Susie	Gandy Street	Dec	2017
Multiyork	Harlequins	Dec	2017
Urban Burger	Queen Street		2017
Jamie's Italian	Princesshay	Feb	2017
SimplyB/Jackamo	High Street	Aug	2017
Treds	Guildhall	Sept	2017
Milk Maid	Catherine Street	Sept	2017
Ridgway Shoes	Cathedral Green	Dec	2017
Chaucers	High Street	Sept	2017
Vintage Shop	Fore Street		2017
Triumph	High Street	Sept	2017
Walkabout Pub	Fore Street	Oct	2017
Hobbs	Princesshay		2017
Store Twenty One	Fore Street		2017
Moving Pictures	Harlequins	April	2017
Percy's Exeter	Sidwell Street		2017
Poundworld	Fore Street	July	2018
Card Market	High Street	May	2018
Tony Pryce	Guildhall	July	2018
Jones Bootmaker	High Street	Mar	2018
Swarovski	Princesshay	Mar	2018
Firezza	Sidwell Street	Feb	2018
Halfords	Sidwell Street	Mar	2018
Choccie Bar	Gandy Street	Mar	2018
Caramello Gelato	South Street	Jan	2018
Polpo	Guildhall	Feb	2018
Matalan Clearance Store	Haven Banks	July	2018
The Cook's Shop	Guildhall		2018
Toys R Us	Bishops Court Industrial Estate	Mar	2018
Maplins	Haven Banks	Mar	2018
Oasis	Princesshay	Jun	2018
Restaurant 44	Queen Street	July	2018
Bunyip Beads	Fore Street		2018
Gem Star	Cathedral Green	Jan	2018
New Look Men's	Princesshay	Oct	2018
Panters	Sidwell Street	Mar	2018
The King Billy	Longbrook Street	Jul	2018
The Rusty Bike	Howell Road	Feb	2018
El Bocado	South Street		2018
Exeter Gift Shop	Queen Street		2018
Peacocks	Sidwell Street		2018
The Canopy	South Street	July	2018

The Book Cover	Longbrook Street	June	2018
Five Juice Bar	Guildhall	August	2018
Animal	Guildhall	July	2018
Café Catalan	Magdalen Road	July	2018
Card Gallery	Queen Street	Sept	2018
Homebase	Sowton	Winter	2018
Kupp	Guildhall	Summer	2018
Café 36	Cowick Street	August	2018
Rum and Crab Shack	Catherine Street	August	2018
Salt Rock	High street	August	2018
Sorry Head Pub	Blackboy Road	August	2018
Prezzo	High Street	Sept	2018
Clintons	High Street	Sept	2018
Coffee	St Thomas		2018
Terry's	Sidwell Street		2018
House of Fraser	High Street	Jan	2019

APPENDIX 4

Table 1 – City Council Car Park Dwell Time (Average ticket time purchased)

	Premium			Zone 1			Zone 2		
	2016	2017	2018	2016	2017	2018	2016	2017	2018
Jan	2.15	2.15	2.26	3.56	4.19	4.14	6.18	5.59	6.44
Feb	2.17	2.25	2.26	4.02	4.20	4.24	6.39	6.30	7.05
Mar	2.13	2.24	2.25	3.59	4.28	4.21	6.26	6.45	7.22
Apr	2.20	2.28	2.29	3.54	4.27	4.18	6.32	6.37	7.14
May	2.18	2.25	2.26	3.51	4.27	4.21	6.39	7.01	5.55
Jun	2.19	2.30	2.26	3.55	4.20	4.01	6.46	7.03	5.30
Jul	2.19	2.45	2.27	4.08	4.25	4.10	6.48	6.39	5.38
Aug	2.42	2.29	2.35	4.10	4.26	4.07	6.54	7.08	4.52
Sep	2.59	2.24	2.25	4.03	4.18	4.06	7.00	7.00	4.51
Oct	2.39	2.30		4.2	4.21		6.36	6.51	
Nov	2.51	3.19		4.13	4.41		6.43	6.57	
Dec	2.55	2.44		4.27	4.45		6.33	6.38	

Table 2 – Evening Parking (Tickets sold after 6pm)

	2016	2017	2018
Jan	3,634	4,490	3,283
Feb	4,149	4,498	3,718
Mar	4,406	5,056	4,260
Apr	945	4,417	4,126
May	993	4,412	4,003
Jun	1,039	4,008	3,346
Jul	614	4,521	3,459
Aug	1,340	4,269	3,916
Sep	4,265	4,586	4,168
Oct	5,041	4,747	
Nov	5,521	5,594	
Dec	7,109	6,306	

Table 3 – Weekday Demand (Tickets sold)

	2016	2017	2018
Jan	113,817	108,288	120,703
Feb	120,458	113,204	108,020
Mar	132,852	132,120	113,635
Apr	81,910	120,778	122,082
May	84,172	136,116	126,286
Jun	89,047	132,391	110,505
Jul	136,159	132,261	125,156
Aug	151,713	150,729	136,102
Sep	139,997	131,956	107,946
Oct	122,225	132,316	
Nov	130,071	141,738	
Dec	156,311	154,909	

Table 4 – Weekday Long Stay (7 hour & over tickets)

	2016	2017	2018
Jan	4,992	5,097	7,966
Feb	5,077	6,148	7,224
Mar	5,301	7,762	7,712
Apr	3,663	7,135	8,103
May	3,234	7,724	6,892
Jun	3,664	7,509	3,645
Jul	5,029	7,828	3,966
Aug	5,626	8,318	3,484
Sep	5,731	8,254	3,701
Oct	5,228	9,248	
Nov	4,803	9,980	
Dec	4,836	8,741	

Table 5 – Peak use (bays full at 1pm on Sat of 3,458)

	2016	2017	2018
Jan	79%	86%	83%
Feb	70%	84%	80%
Mar	83%	90%	75%
Apr	63%	75%	80%
May	62%	87%	74%
Jun	63%	85%	75%
Jul	64%	85%	75%
Aug	72%	74%	73%
Sep	90%	86%	69%
Oct	87%	85%	
Nov	96%	95%	
Dec	90%	91%	

Table 6 – Overall monthly income (net)

	2016	2017	2018
Jan	514,570	532,474	577,029
Feb	495,842	480,421	523,577
Mar	521,678	551,764	571,539
Apr	434,903	476,944	568,246
May	487,105	584,258	617,563
Jun	563,214	562,710	597,301
Jul	528,528	587,336	700,751
Aug	616,164	687,643	731,511
Sep	569,651	594,207	
Oct	595,059	658,785	
Nov	632,474	680,203	
Dec	688,521	858,006	