Kettering Town Centre Health Check Monitoring Report

January 2017 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 fifth 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 and November 2015.

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 2016 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 2016

Use	Metreage (m)	Percentage (%)
Total A1 frontages	1621.4	71.11
Total A2 frontages	229.6	10.07
Total A3 frontages	98.4	4.32
Total A4 frontages	69.6	3.05
Total A5 frontages	5.3	0.23
Total other frontages	255.7	11.21
Total PSF frontages	2280	100

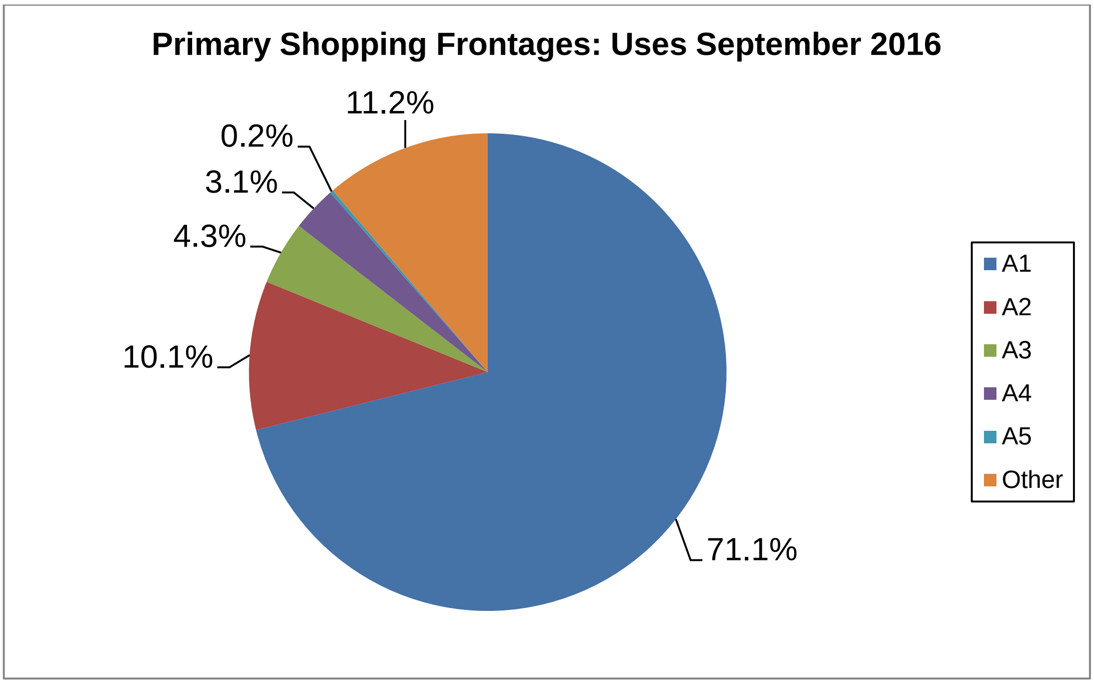

Figure 2: Primary Shopping Frontages: Year on Year comparison							
Use	**Aug 2009 %**	**Feb 2011 %**	**Aug 2012 %**	**Sept 2013 %**	**Aug 2014 %**	**Sept 2015 %**	**Sept 2016%**
Total A1 frontages	75.91	75.44	74.58	72.98	72.51	70.93	71.11
Total A2 frontages	12.38	12.39	11.83	11.41	11.41	10.57	10.07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

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 figures for 2015. 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; 3-13 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 2016

Use	Metreage (m)	Percentage (%)
Total A1 frontages	476.6	37.4
Total A2 frontages	190.3	14.92
Total A3 frontages	131.6	10.3
Total A4 frontages	196.7	15.4
Total A5 frontages	101.8	7.98
Total other frontages	132.8	10.4
Total vacant sites	46	3.6
Total SSF frontages	1275.8	100

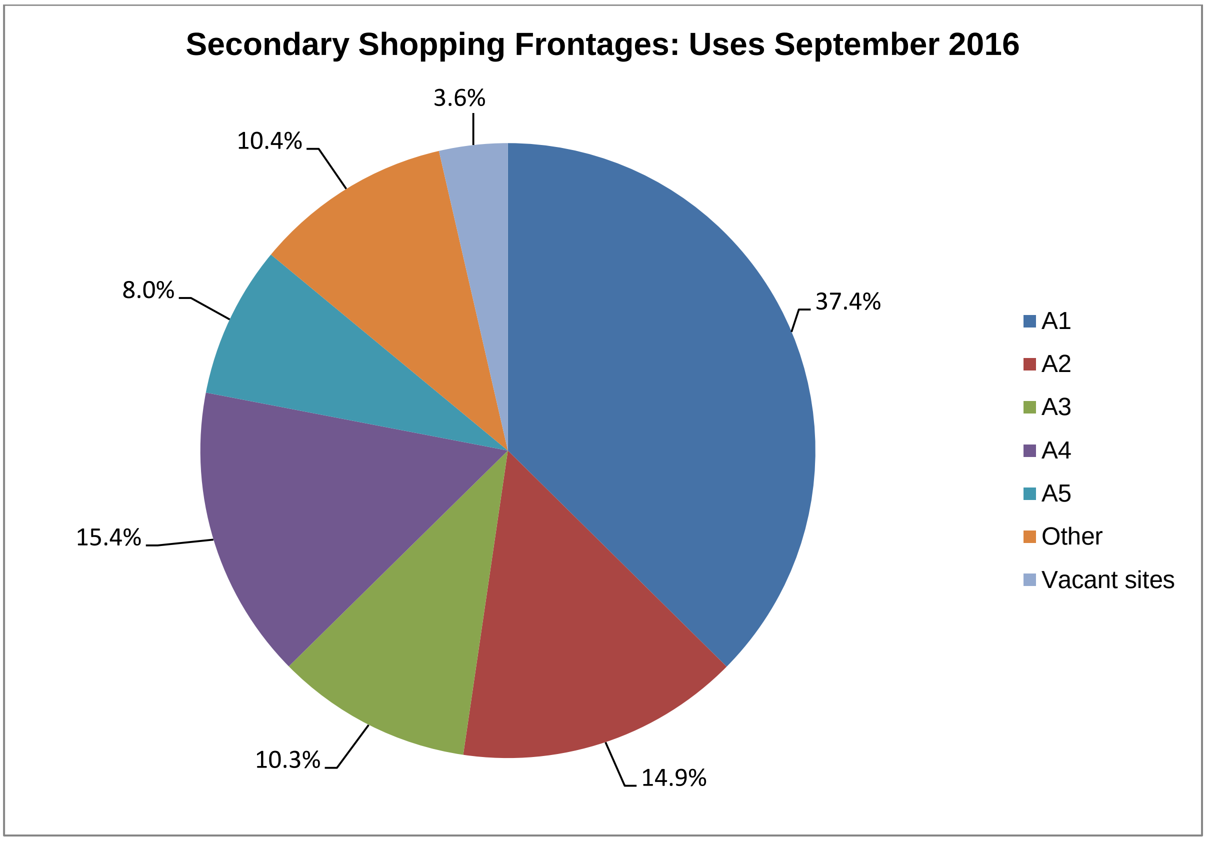

Figure 4: Secondary Shopping Frontages: Year on Year comparison							
Use	**Aug 2009 %**	**Feb 2011 %**	**Aug 2012 %**	**Sept 2013 %**	**Aug 2014 %**	**Sept 2015 %**	**Sept 2016 %**
Total A1 frontages	46.22	46.76	39.99	39.61	38.78	36.55	37.4
Total A2 frontages	14.78	15.43	15.53	14.90	15.73	15.00	14.92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

2.9 The figures above show A1 retail frontages within this area have declined by around 0.9% in the year since the last monitoring period. A1 retail frontages in this area remain 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 37.4% is broadly acceptable, but future decreases below this level will need to be very carefully assessed, despite there being an increase of 0.85% for A1 frontages for the Secondary Shopping Frontages.

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 7.98% meaning that the percentage of A5 units within the Secondary Shopping Frontage Area are now below the threshold of 8% for the first time since 2011. 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 2016		
Use	**Metreage (m)**	**Percentage (%)**
Total A1 frontages	45.7	12.3
Total A2 frontages	49.6	13.1
Total A3 frontages	92.7	30.5
Total A4 frontages	35.1	9.3
Total A5 frontages	8.8	2.5
Total other frontages	120.1	32.3
Total RQ metreage	352.0	100

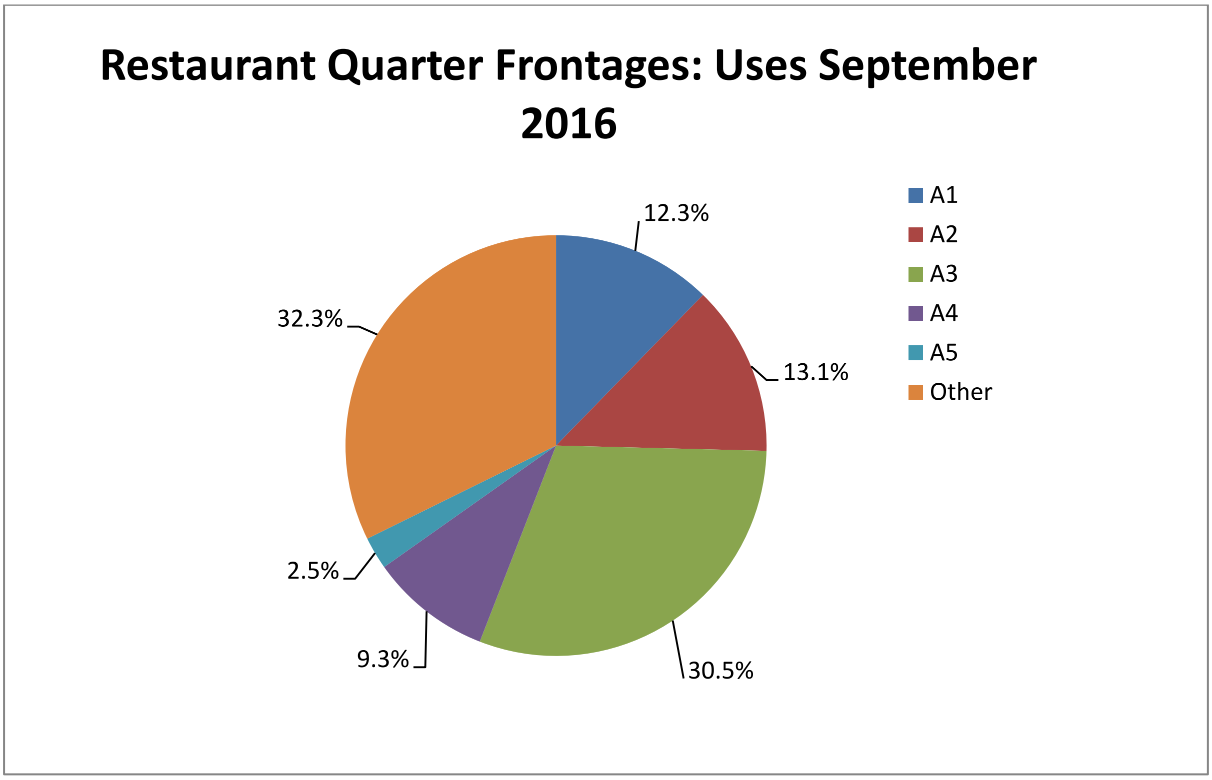

Figure 6: Restaurant Quarter Frontages: Year on Year comparison							
Use	**Aug 2009 %**	**Feb 2011 %**	**Aug 2012 %**	**Sept 2013 %**	**Aug 2014 %**	**Sept 2015 %**	**Sept 2016 %**
Total A1 frontages	18.81	18.81	14.74	14.74	14.74	11.20	12.3
Total A2 frontages	21.20	21.20	16.62	16.62	16.62	15.21	13.1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

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 30%.

2.13 There have been no consents granted for changes of use within the quarter contrary to Policy 19 within the monitoring period.

2.14 In May 2016 a planning application was approved for a change of use from an A1 retail unit, Mr Rays which has been located at 4 Market Place since 1983 to A3 use. This unit when the permission is implemented will be occupied by Wildwood, an established restaurant chain. Although this will result in the loss of local business which has been in the town for a significant period of time, it will add to the restaurant offer in the Restaurant Quarter as well as adhering to the vision of this quarter in accordance with Policy 19 of the AAP.

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 2016 survey, using both methods.

Figure 7: Vacant Units September 2016			
	No. Vacant	**Total No. units**	**Percentage (%)**
Plan Area (designated frontages)	40	347	**11.53**
Primary Shopping Frontages	21	197	**10.66**
Secondary Shopping Frontages	17	127	**13.39**
Restaurant Quarter	2	23	**8.7**

Figure 8: Vacant Frontage Metreage September 2016			
	Vacant frontages (m)	**Total metreage (m)**	**Percentage (%)**
Plan Area (designated frontages)	458.3	3907.8	11.73
Primary Shopping Frontages	190	2280	8.33
Secondary Shopping Frontages	209.5	1275.8	16.42
Restaurant Quarter	58.8	352	16.7

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

3.3 Compared to the figures from September 2014, Figure 9 shows the vacancy rates in the town centre have increased by 3% to 12%.

3.4 Within the **Primary Shopping Frontages**, which are the retail focus of the town centre, vacancy rates are low at just 8.33% despite an increase of 2.19%. 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 decreased since 2015 by 0.94%. 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 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 it is expected that the completion of this work will result in a subsequent decrease in the vacant frontage in the Restaurant Quarter which will be taken into account in next year's survey.

3.7 In September 2016 the national average vacancy rate was 12.4% (Local Data Company). Therefore, the vacancy rate across the plan area of 11.73% 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. 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 2016 survey, compared to the September 2015 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 21/09/2015**	**Count**	**Date/Time 19/09/2016**	**Count**	**Comparison**
1	Sheep Street/ Piccadilly Buildings-opposite Library	10:30-10:45	80	10:31-10:46	54	↓ 32.5
2	Market Place	10:49-11:04	162	10:48-11:03	103	↓ 36.4
3	Southern end of High Street	11:06-11:21	206	11:05-11:20	174	↓ 15.5
4	Mid High Street-between Huxloe Place & Walkers Lane	10:30-10:45	322	10:32-10:47	289	↓ 10.2

5	Lower Street- outside Peacock Inn	10:47-11:02	228	10:50-11:05	208	↓ 8.8
6	Southern end of Tanners Lane	11:05-11:20	32	11:07-11:02	18	↓ 43.8
7	Southern end of Gold Street	10:25-10:40	343	10:32-10:47	342	↑ 0.3
8	Northern end of Gold Street	10:45-11:00	135	10:50-11:05	146	↑ 8.1
9	Newland Street (outside no.6)	11:05-11:20	124	11:07-11:22	181	↑ 46
10	Dalkeith Place- outside no. 10, nr Jobs Yard	11:05-11:20	107	10:33-10:48	98	↓ 8.4
11	Dryland Street	10:47-11:02	56	10:51-11:06	48	↓ 14.3
12	Eastern end of Market Street- outside Room 21 Bar	10:30-10:45	81	11:10-11:25	60	↓ 25.9
Total			1876		1721	↓ 8.3

Table 2: Friday (Market day)

No.	**Count Location**	**Date/Time 25/09/2015**	**Count**	**Date/Time 23/09/2016**	**Count**	**Comparison**
1	Sheep Street/ Piccadilly Buildings- opposite Library	10:31-10:46	83	10:30-10:45	51	↓ 38.6
2	Market Place	10:48-11:03	159	10:50-11:05	146	↓ 8.2
3	Southern end of High Street	11:06-11:21	302	11:07-11:22	163	↓ 46

4	Mid High Street- between Huxloe Place & Walkers Lane	10:30-10:45	472	10:34-10:49	406	↓ 14.8
5	Lower Street- outside Peacock Inn	10:47-11:02	282	10:51-11:06	252	↓ 10.6
6	Southern end of Tanners Lane	11:04-11:19	40	11:08-11:23	33	↓ 17.5
7	Southern end of Gold Street	11:10-11:25	463	10:35-10:50	494	↓ 3.3
8	Northern end of Gold Street	10:50-11:05	213	10:53-11:08	212	↓ 15.8
9	Newland Street (outside no.6)	10:30-10:45	180	11:10-11:25	215	↑ 6.7
10	Dalkeith Place- outside no. 10, nr Jobs Yard	11:06-11:21	166	10:35-10:50	136	↓ 18.1
11	Dryland Street	10:48-11:03	57	10:52-11:07	52	↓ 8.8
12	Eastern end of Market Street- outside Room 21 Bar	10:31-10:46	68	11:10-11:25	83	↑ 22.1
Total			2485		2243	↓ 9.7

4.4 The 2016 footfall survey shows that footfall has decreased on a non-market day, compared to 2015. There has been a significant decrease in the footfall at Sheep Street, Market Place, Tanners Lane and Market Street. However Gold Street saw an increase in football, with a more significant increase on Newland Street.

4.5 On a market day the 2016 footfall survey also shows that footfall has decreased compared to 2015. There has been a significant decrease in footfall at the Sheep Street. Although Market Street did see a fairly significant increase in footfall compared to 2015 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 2016; however the most recent footfall counts were undertaken in December 2015 and 2016 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% in the number of pedestrians counted, compared to 2015.

4.8 As for a market day there was an 11% decrease between 2008 and 2013 and then saw an increase of 7% in December 2014 and then a decrease of 7 % in December 2015. For 2016, there was an increase of 17.9% in the number of pedestrians counted, compared to the figures for 2015. One possible contributing factor for this is that a large clothing retailer, H&M had its opening day whilst this count was being undertaken. It should be noted that the figures for December 2016 are available given that the time of writing this report. In previous years this report has been taken to Planning Policy Committee in November, where the results for December have not been available.

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.

There has again been a slight increase 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. However there was a notable increase in the figures for the market day in December 2016 and as noted above it is potentially the result of the opening a large clothing retailer opening at the same time that the survey was being carried out. However, 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 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.