Kettering Town Centre Health Check Monitoring Report

March 2020 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 eighth 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, January 2017, January 2018 and February 2019.

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.

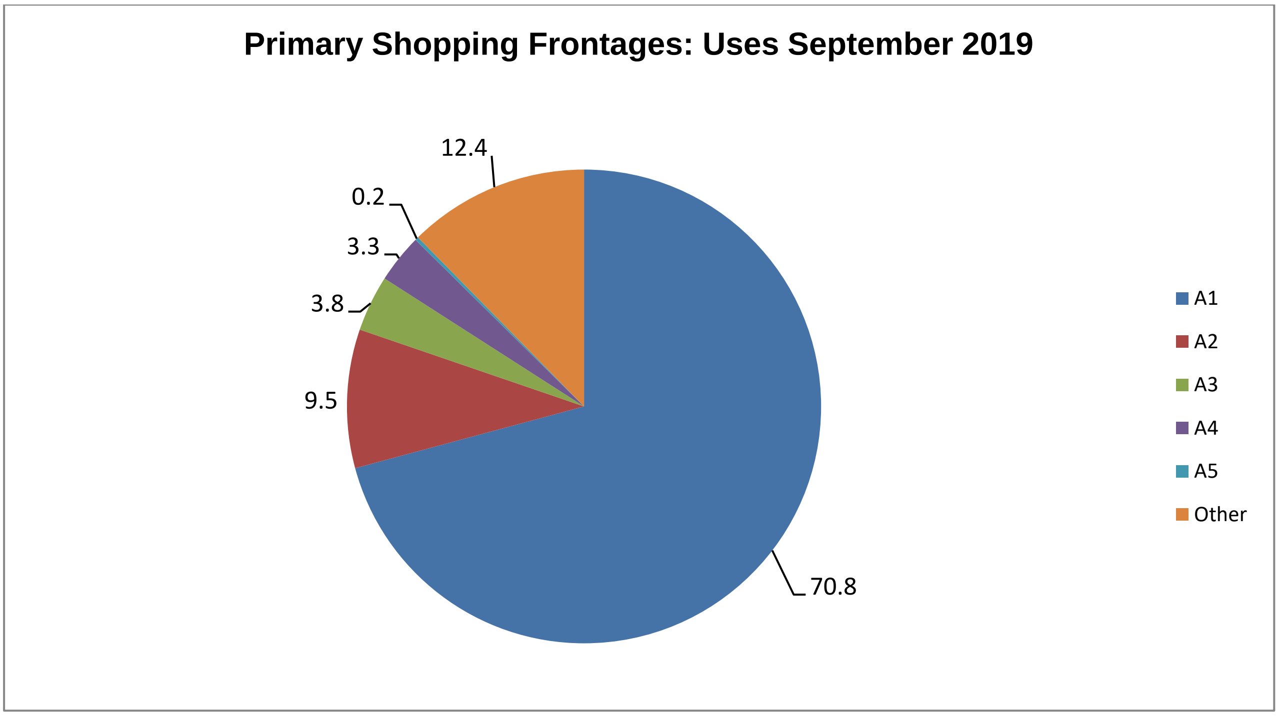
2.2 The survey methodology involves auditing the different ground floor uses within the town centre. The categories used are those defined under the Use Classes Order 2010 (as amended). The original 2009 survey measured the width of every unit's frontage (in metres) in order to ascertain the total metreage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

2.3 Findings of the survey undertaken in September 2018 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 2019		
Use	**Metreage (m)**	**Percentage (%)**
Total A1 frontages	1607.6	70.8%
Total A2 frontages	214.7	9.5
Total A3 frontages	86.9	3.8
Total A4 frontages	75.6	3.3
Total A5 frontages	5.3	0.2
Total other frontages	280.5	12.4
Total PSF frontages	2270.6	100



Use	Feb 2011 %	Aug 2012 %	Sept 2013 %	Aug 2014 %	Sept 2015 %	Sept 2016 %	Sept 2017 %	Sept 2018%	Sept 2019%
Total A1 frontages	75.44	74.58	72.98	72.51	70.93	71.11	71.0	71.1	70.8
Total A2 frontages	12.39	11.83	11.41	11.41	10.57	10.07	9.9	9.2	9.5
Total A3 frontages	4.15	4.15	3.86	4.36	4.32	4.32	3.8	3.8	3.8
Total A4 frontages	3.50	3.29	3.29	3.29	3.05	3.05	3.1	3.3	3.3
Total A5 frontages	0.25	0.23	0.23	0.23	0.23	0.23	0.2	0.2	0.2
Total other frontages	4.28	5.91	8.22	8.20	10.90	11.21	11.3	12.4	12.4

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. This year's figure shows a further decrease of 0.3% from last year, resulting in a figure of 70.8%, the lowest since the plan was adopted in 2011. 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.

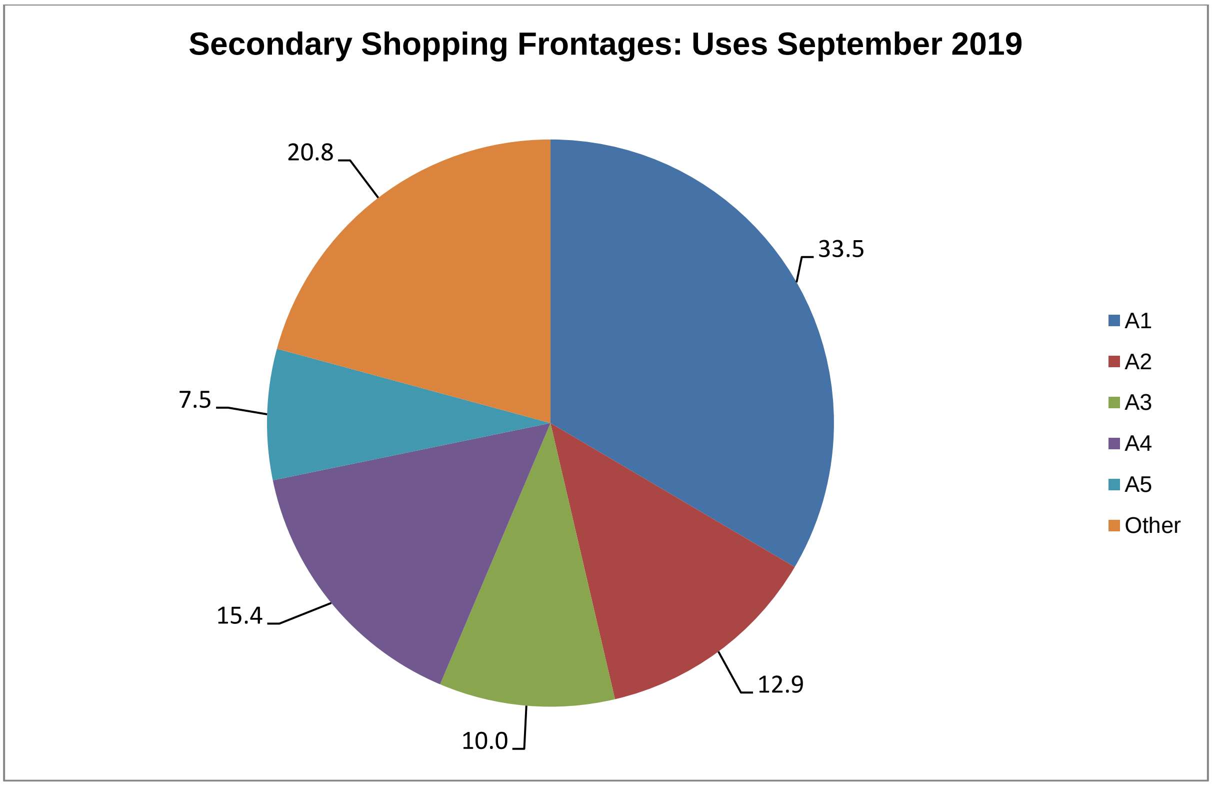
2.6 Policy 3 of the AAP also requires no more than 3 consecutive non A1 retail units within the Primary Shopping Frontages. The 2019 survey shows there are four runs of such units; 3-14 Market Street and 64-70 Gold Street pre-date the adoption of the plan. In addition to this, there remain 2 runs of units where there are 3 consecutive non A1 retail units at 28-34 High Street and 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 latest 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 2019		
Use	**Metreage (m)**	**Percentage (%)**
Total A1 frontages	427.5	33.5
Total A2 frontages	164.4	12.9
Total A3 frontages	128	10
Total A4 frontages	196.7	15.4
Total A5 frontages	95.2	7.5
Total other frontages	265.4	20.8
Total SSF frontages	1277.2	100



Use	Feb 2011 %	Aug 2012 %	Sept 2013 %	Aug 2014 %	Sept 2015 %	Sept 2016 %	Sept 2017%	Sept 2018%	Sept 2019%
Total A1 frontages	46.76	39.99	39.61	38.78	36.55	37.4	35.7	35.5	33.5
Total A2 frontages	15.43	15.53	14.90	15.73	15.00	14.92	14.0	13.7	12.9
Total A3 frontages	8.12	8.35	8.79	8.79	10.38	10.3	11.0	10.0	10.0
Total A4 frontages	16.16	16.19	16.19	16.19	16.44	15.4	15.4	15.4	15.4
Total A5 frontages	6.71	8.27	8.27	8.27	8.09	7.98	7.5	7.5	7.5
Total other frontages	6.82	8.11	8.68	8.68	9.91	10.4	12.8	7.9	20.8
Total vacant sites	n/a	3.57	3.57	3.57	3.63	3.6	3.6	N/A	N/A

2.9 The figures above show A1 retail frontages within this area have increased by around 0.2% in the year since the last monitoring period. A1 retail frontages now stand at 35.5 % for the latest monitoring year.

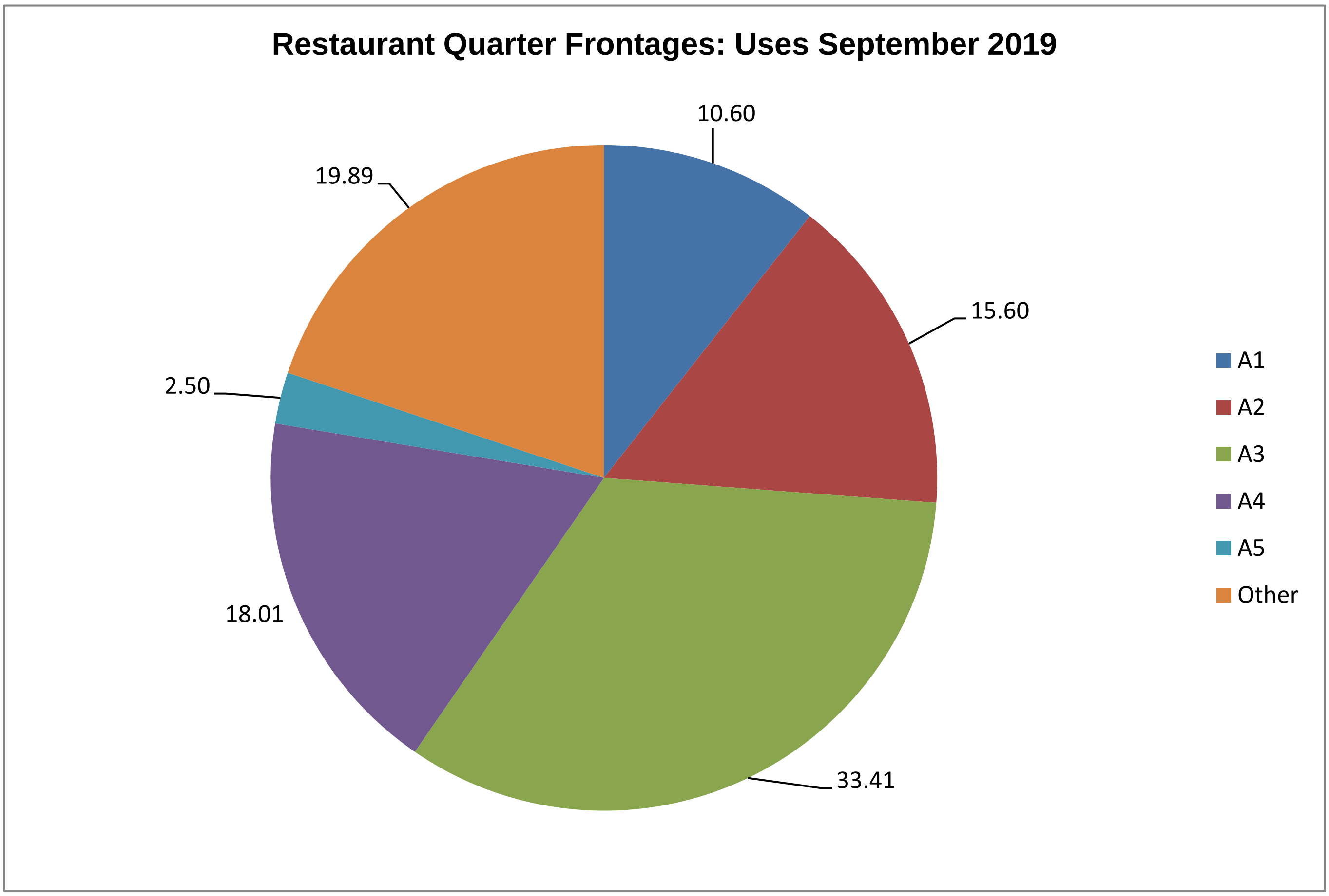
2.10 Some of the change in percentage since 2009 can be attributed to the re-drafted frontages designations in the final adopted version of the AAP (first shown in the August 2012 figures), which effectively resulted in fewer Secondary Shopping Frontages and more Primary Shopping Frontages. However, 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 33.3% 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 figure is the same as the previous year at 7.5% meaning that the percentage of A5 units within the Secondary Shopping Frontage Area has been below the threshold of 8% for the third consecutive year. 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 2019		
Use	**Metreage (m)**	**Percentage (%)**
Total A1 frontages	37.3	10.6
Total A2 frontages	54.9	15.6
Total A3 frontages	117.6	33.4
Total A4 frontages	63.4	18
Total A5 frontages	8.8	2.5
Total other frontages	70	19.9
Total RQ metreage	352	100



Use	Feb 2011 %	Aug 2012 %	Sept 2013 %	Aug 2014 %	Sept 2015 %	Sept 2016 %	Sept 2017 %	Sept 2018%	Sept 2019%
Total A1 frontages	18.81	14.74	14.74	14.74	11.20	12.3	8.1	10.6	10.6

Total A2 frontages	21.20	16.62	16.62	16.62	15.21	13.1	15.6	15.6	15.6
Total A3 frontages	10.80	22.05	22.05	22.05	28.13	30.5	29.7	33.4	33.4
Total A4 frontages	11.02	9.97	9.97	9.97	9.73	9.3	21.7	18	18
Total A5 frontages	3.19	2.50	2.50	2.50	2.44	2.5	2.5	2.5	2.5
Total other frontages	34.98	34.12	34.12	34.12	33.29	32.3	22.4	19.9	19.9

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. Compared to last year there has been no change for any uses within the Restaurant Quarter.

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

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 2018 survey, using both methods.

Figure 7: Vacant Units September 2019			
	No. Vacant	**Total No. units**	**Percentage (%)**
Plan Area (designated frontages)	50	347	**14.41**
Primary Shopping Frontages	26	197	**13.20**
Secondary Shopping Frontages	22	127	**17.32**
Restaurant Quarter	2	23	**8.7**

Figure 8: Vacant Frontage Metreage September 2019			
	Vacant frontages (m)	**Total metreage (m)**	**Percentage (%)**
Plan Area (designated frontages)	558.6	3899.8	14.32
Primary Shopping Frontages	237.8	2270.6	10.47
Secondary Shopping Frontages	260.4	1277.2	20.39
Restaurant Quarter	60.4	352	17.16

3.3 Compared to the figures from September 2018, Figure 8 shows the vacancy rates in the town centre have increased from 13.94% to 14.32%, an increase of 0.38% when using the meterage. When calculating this using the number of units (Figure 7) there is also an increase in vacancy rates from 13.83% to 14.41% with the biggest increase in vacant units in seen in the Secondary Shopping Frontages, with an increase from 19 to 22 vacant units (15.8%) The number of vacant unit remained the same for the Primary Shopping Frontages whilst for the Restaurant Quarter there was a decrease from 3 to 2 units (33.3%).

3.4 Within the **Primary Shopping Frontages**, which are the retail focus of the town centre, vacancy rates have increased to 10.47% with an increase of 0.61% from 9.86%. There have been no high profile losses of retail frontage associated with well-known stores in since the last survey was undertaken in September 2018. Although, the closure of Burton's Menswear was not accounted for in the 2018 given its closure date. This represents the most significant loss of occupied primary frontage. Compared to last year's survey there are the same amount of vacant units with a slight increase in the amount of vacant frontage in this area. 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.

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 by 2.64%, to 20.39% from 17.75% in 2018. In 2016 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, had been occupied by an A1 use, with the other remaining vacant, which remains the case in 2019. 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 One of the restaurant units within the Market Place Buildings in the **Restaurant Quarter** continues to be occupied by Prezzo with the adjacent unit now occupied by Jurassic Grill, which opened in June 2019. As a result, the vacancy rate within the Restaurant Quarter has decreased by 9.32% from 26.48% in 2018 to 17.16% in the 2019 survey. The closure of the Royal Hotel in early 2016 accounted for the significant increase of vacant frontage in the Restaurant Quarter at this time. 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. This year's survey shows that this unit has changed use to A1 (retail) use.

3.7 In 2019 the national average vacancy rate was 10.3% (Local Data Company). Therefore, the vacancy rate across the plan area of 14.32% is less 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, 2018. 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 2019 survey, compared to the September 2018 survey. The survey took place on two weekdays, one a non-market day and one on a market day.

No.	Count Location	24/09/2018 Time	Count	23/09/2019 Time	Count	Comparison
1	Sheep Street/ Piccadilly Buildings-	10:30-10:45	64	10:31-10:46	58	↓ 10.34%
2	Market Place	10:48-11:03	125	10:51-11:06	130	↑ 4%

3	Southern end of High Street	11:04-11:19	163	11:10-11:25	179	↑ 9.82%
4	Mid High Street- between Huxloe Place & Walkers	10:34-10:49	106	10:32-10:47	307	↑ 189.62%
5	Lower Street- outside Peacock Inn	10:50-11:05	269	10:49-11:04	269	↓ 21.19%
6	Southern end of Tanners Lane	11:10-11:25	99	11:05-11:20	29	↓ 70.71%
7	Southern end of Gold Street	10:35-10:50	347	10:35-10:50	366	↑ 5.48%
8	Northern end of Gold Street	10:54-11:09	172	10:55-11:10	313	↑ 81.98%
9	Newland Street (outside no.6)	11:15-11:30	200	11:15-11:30	167	↓ 16.5%
10	Dalkeith Place- outside no. 10, nr Jobs Yard	10:32-10:47	118	10:35-10:50	83	↓ 29.66%
11	Dryland Street	10:49-11:04	76	10:54-11:09	58	↓ 23.68%
12	Eastern end of Market Street- outside Room	11:05-11:20	74	11:15-11:30	92	↑ 24.32%
Total			1813		1994	↓ 9.98%

No.	Count Location	28/09/2018 Time	Count	27/09/2019 Time	Count	Comparison
1	Sheep Street/ Piccadilly Buildings- opposite	10:30-10:45	87	10:05-10:20	60	↓ 31.03%
2	Market Place	10:53-11:08	145	10:24-10:39	122	↓ 15.86%
3	Southern end of High Street	11:10-11:25	247	10:43-10:58	209	↓ 15.38%

4	Mid High Street- between Huxloe Place & Walkers Lane	10:30-10:45	357	09:52-10:07	285	↓20.17%
5	Lower Street- outside Peacock Inn	10:48-11:03	225	10:09-10:24	191	↓15.11%
6	Southern end of Tanners Lane	11:06-11:21	36	10:26-10:41	28	↓22.22%
7	Southern end of Gold Street	10:33-10:48	485	09:50-10:05	119	↓75.46%
8	Northern end of Gold Street	10:52-11:07	208	10:08-10:23	145	↓30.29%
9	Newland Street (outside no.6)	11:11-11:26	213	10:25-10:40	186	↓12.68%
10	Dalkeith Place- outside no. 10, nr Jobs Yard	10:31-10:46	179	10:08-10:23	118	↓34.08%
11	Dryland Street	10:49-11:04	93	10:25-10:40	97	↑ 4.3%
12	Eastern end of Market Street- outside Room 21 Bar	11:07-11:22	87	10:45-11:00	71	↓18.39%
Total			2362		1631	↓ 30.95%

4.4 The 2019 footfall survey shows that footfall has decreased by 9.98% on a non-market day (Monday), compared to 2018. There has been a significant increase in the footfall on High Street and Gold Street. However, Tanners Lane, Dalkeith Place, Dryland Street and Lower Street all saw significant decreases, with smaller decreases on Sheep Street and Newland Street.

4.5 On a market day the 2019 footfall survey shows that footfall has decreased significantly, 30.95%, compared to 2018, however this is potentially because of the survey being undertaken slightly earlier, than has been consistently been the same, between 10:30 and 11:30. There has been a significant increase in footfall at Sheep Street, Gold Street and Dalkeith Place, with less significant decreases on High Street, Tanners Lane and Market Street. Although it is should be noted that the weather on this particular day was worse, compared to the previous year. It is recommended that the survey be repeated in September next later this year 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 2019; however the most recent footfall counts were undertaken in December 2019 and allow 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; with a subsequent decrease of 3.1% in 2017. Last year's figures again show a decrease of 12.8% on a non-market day. This year there was a further decrease of 4.8% compared to the previous year.

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. Last year's figures indicated a decrease of 22.1%, although this year there was an increase of 9.7% compared to the previous year.

<u>Meadow Road Park</u>

4.9 The figures shown below, show that footfall in this area of the town was higher in December compared to September and was busier on a non-market day in both surveys. The survey undertaken on the park shows that there is limited use of the park at around 11:30, with three of the four surveys showing no usage of the park, with a mitigating factor in all of these cases being inclement weather. It is therefore the aim of the Town Centre Delivery Plan project to improve these figures by improving connectivity to the town centre and the facilities available on the park. Although on the day where there was people using the park, there was an increase of 100% from 7 to 14. It is not known whether this is as a direct result of the improvement that have now been made to the play equipment at Meadow Road or the pleasant weather conditions which were experienced on that particular day. However, this will continue to be monitored to see if there is a lasting benefit on the improvements.

Footfall Monitoring - Meadow Road (Previous year's figure)		
	Non-market day	**Market day**
September	33 (33)	28 (45)
December	40 (20)	30 (21)

No. of people on Meadow Road Park (Previous year's figure)		
	Non-market day	**Market day**
September	14 (7)	0 (0)
December	0 (0)	0 (0)

5.Conclusion

5.1 The findings of this health check update indicate that the town centre continues to feel the impact of the loss of a flagship store in Marks and Spencer, which seems to have caused further decline in the number of occupied frontage and units. This is evident given the significant increase in vacancy rates in the plan area and is inevitably shown in the decrease in footfall, with a decrease in 3 of the 4 surveys undertaken, compared to last year.

5.2 The pedestrian flow survey from September shows an overall decrease in footfall on a non-market day, despite a number of increases in various locations in the town centre. The findings on a market day are more negative, given that there was more of a significant decrease. 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 a non-market and an increase on a market day.

5.3 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 and the Kettering Town Centre Delivery Plan, in particular Meadow Road Park and most recently through a successful bid to obtain funding through the Heritage Action Zone programme. 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. Given this year's findings, although no significant retail units have closed over the last year the further increase in the vacancy rate, as mentioned above, and therefore achieving these objectives, particularly in relation to retail in the Kettering Town Centre Area Action Plan has and will become increasingly challenging if this negative trend continues. This issue is likely to be considered when a review of the Kettering Town Centre Area Action Plan is undertaken.