



CABINET

Tuesday 4 February 2020

TRENDS IN EAST SUFFOLK TOWN CENTRES

EXECUTIVE SUMMARY

1. Following on from a successful pilot project completed in Southwold in 2018, in January 2019 East Suffolk Council commissioned People & Places to undertake a baseline study of 11 town centres across east Suffolk to determine the challenges and issues these centres face. This involved directly surveying town centre businesses and users to get their views across a number of nationally recognised town centre performance indicators. The aim of this work is to understand current trends in the performance of these centres and thereby inform future partnership work and project development between the Council and local stakeholders.
2. This research and development activity is important since east Suffolk's principal town centres perform a vital role for the communities they serve by providing a range of local services. Furthermore, such centres are also local economic drivers providing employment and enterprise opportunities and contributing to the overall economic health of the district. The study has been undertaken against the backdrop of significant decline in town centres across the country and therefore understanding the specific issues locally is crucial in being able to enable local stakeholders to maintain and enhance their town centres.

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| Is the report Open or Exempt? | Open |
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| Wards Affected: | All Wards |
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| Cabinet Member: | Councillor Craig Rivett Deputy Leader and Cabinet Member with responsibility for Economic Development |
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Supporting Officer:

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1 INTRODUCTION

- 1.1 In January 2019 ESC Commissioned People and Places (P&P) to undertake research in each of east Suffolk's principal towns (except Southwold as the towns research was completed as a pilot in 2018) to understand the issues, challenges and opportunities they face. This research was undertaken in the context of town centres nationally suffering from decline and the aim was to determine the 'economic health' of east Suffolk town centres.
- 1.2 P&P are a nationally recognised consultancy who have produced national guidance for the LGA on how to revitalise town centres. The aim of the research was to understand the collective and specific issues that each of our key town centres face. The research will be used to support ESC's strategic approach to enabling and supporting town centres. Furthermore, the project was developed in such a way to encourage joined up thinking across all town centre stakeholders and provide an impetus for collaborative working to address issues, challenges and opportunities

2 METHODOLOGY

- 2.1 The research and analysis phase of this initiative has two key elements which were adapted to the needs of the different towns based on the relationships and structures of the various stakeholders:

Analysis of existing strategies and stakeholders

- 2.2 The work commenced in each town with a desktop review and analysis of existing local reports. An initial meeting was arranged with key stakeholders including representatives from the town councils, neighbourhood plan team, business/tourism association/groups which helped to develop the local engagement with businesses and other key stakeholders, plus agreeing the objectives and focus for further joint work.

Town Centre Baseline Survey

- 2.3 People & Places used its national town centre baseline survey process to help understand the role of each east Suffolk town centre as a retail destination and local community hub. The purpose of this survey and monitoring process was to collect standardised key performance indicators (KPIs) to help local organisations and businesses to better understand the function, trends and issues facing a town and its potential relative to similar towns elsewhere. This involved both online surveys and street surveying of both town centres users and businesses.
- 2.4 The KPIs measured as part of this survey work covered a wide range of business and town centre user themes and were both qualitative and quantitative in nature. KPI's included the following:

| The place/ destination | Business & Enterprise |
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| Leadership of the place/business community | Business turnover |
| Understand the place – what is the offer/identity? | Customer experiences |
| Marketing the place | Competition |
| Connecting the wider offer of East Suffolk towns | Affordability of doing business |
| Streetscape and Environment | Understanding your market and offer – visitor and/ or tourist |
| Services - town centre’s multi-purpose role | The retail mix |
| Meeting parking needs | Potential for growth areas e.g. food and drink, hospitality |
| Heritage and culture development | |
| Visitor economy development | |
| Events and festival development | |
| Leadership of the place/business community | |

3 HEADLINE TOWN CENTRE TRENDS

3.1 On the headline measure of business performance, turnover, businesses across east Suffolk performed relatively well. Across the principal town centres, they experienced a change in business turnover slightly above the national average with over 70% either experiencing an increase in turnover or staying the same. In terms of other district wide comparisons with the national picture the following were viewed as significantly positive:

- Physical appearance
- Café, pub and restaurant offer
- Servicing tourist customers

Whilst the following were seen as comparatively and significantly negative

- Availability of labour
- Servicing local customers
- Affordable housing

3.2 Unsurprisingly analysis at an individual town level paints a more diverse picture. The table below highlights the key trends over the last 12 months for each of the District’s towns. It is important to note that areas with a larger number of factors identified demonstrates that they reported a larger number of measures that were either strongly positively or negatively perceived/ recorded. Conversely those areas with less measures highlighted reflects that their performance is closer to the district average.

| Town | Headline trends (dates) |
|-------------|---|
| Aldeburgh | <ul style="list-style-type: none"> - 50% of businesses experienced a decrease in turnover - Less confident about turnover in next 12 months - Strong business focus on visitor economy but less so on local customers - Businesses negative about affordability of doing business - Strong food and drink offer (visitor economy driven) - Parking capacity good in winter but under pressure in peak tourism periods |
| Beccles | <ul style="list-style-type: none"> - Joint highest positive customer sentiment - Balanced view from business about servicing the local and tourist market - Strong concern expressed about impact of out of town and online shopping - Weak on food and drink offer - Relatively negative view on public transport provision |
| Bungay | <ul style="list-style-type: none"> - Relatively high decrease in turnover and relative pessimism about the next 12 months - Users experience of town centre significantly worsened in recent years - Balanced view from business about servicing the local and tourist market - Strong concern expressed about impact of out of town and online shopping - Joint worst negative perception on the grocery retail offer - Access to services (libraries, health care, banking, leisure) negatively perceived |
| Felixstowe | <ul style="list-style-type: none"> - Comparatively large decline in business turnover - Relatively high business expectation the decline will continue in the next 12 months - Mixed view on retail offer, largely positive with only fashion/ gifts and market rated negatively |
| Framlingham | <ul style="list-style-type: none"> - Strong food and drink offer - Public transport rated relatively negatively |

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| Halesworth | <ul style="list-style-type: none"> - Relatively high decrease in turnover and relative pessimism about the next 12 months - More focussed on servicing visitor economy than local market - Availability of leisure services negatively perceived |
| Leiston | <ul style="list-style-type: none"> - Less confident about business turnover prospects in next 12 months - Users experience of town centre significantly worsened in recent years - Highest negative response about town's physical appearance - Poor food and drink offer - Joint highest negative perception for retail grocery offer - Strong negative sentiment that level of national chains was detrimental |
| Lowestoft | <ul style="list-style-type: none"> - Highest level (60%) of businesses experiencing a reduction in turnover - Most negative response from businesses about physical appearance and cleanliness - Retail offer negatively perceived particularly for groceries, fashion, gifts and market - Independent offer negatively perceived but offset by more positive perceptions for Kirkley and Historic High Street |
| Southwold | <ul style="list-style-type: none"> - Relative decline in business turnover - Pessimistic about turnover for coming next 12 months - Businesses negative about affordability of doing business - Stronger focus on servicing visitor economy rather than local market |
| Wickham Market | <ul style="list-style-type: none"> - Businesses most confident about turnover prospects for next 12 months - Joint most positive sentiment towards changing town centre experience - Stronger focus on local customer base as opposed to tourists - Negative perception regarding access to leisure facilities |

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| Woodbridge | <ul style="list-style-type: none"> - Markedly negative perception about the affordability of doing business - Relatively negative perception in terms of public transport - Exhibited lowest parking vacancy rate |
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3.3 Businesses within a number of towns stated that the affordability of doing business was a key issue. This was primarily the result of the impact of property costs, lack of available premises, local labour shortages and shortages in affordable housing. This could, however, be seen as a symptom of being a successful town and this assumption is probably borne out since the towns being ranked highest on this measure were Aldeburgh, Southwold and Woodbridge.

3.4 **Digital Town Centres**

3.5 As part of the baseline survey an initial 'digital diagnosis' was undertaken to understand development challenges and opportunities. This showed that amongst businesses within small towns there was a moderate priority or state of readiness in terms of digital skills development, but this lessened for more advanced digital skills such as using customer data for targeted marketing or providing online sales facilities. Higher levels of priority were given to the development of town wide digital infrastructure such as superfast/ ultrafast broadband and town centre wi-fi.

3.6 Within larger towns, businesses were more focussed on acquiring digital skills to support their use of social media in business and product promotion. Again, there was a strong desire to see the installation of town wide digital infrastructure to support service delivery and the user's town centre experience.

3.7 Amongst town centre users within both small and large towns the survey indicated an even priority for investment in digital services and infrastructure. In particular they wanted more availability from town centre businesses for online sales, 'click and collect' functions and maintenance of websites. Interestingly businesses ranked these functions as their lowest priority.

4 **STAKEHOLDER FEEDBACK**

4.1 During autumn 2019 each of the towns received initial feedback on the town centre survey work through a series of sessions with local stakeholders and this formed the basis of further local engagement. Each town will also receive a copy of the full report for their town analysing their results in comparison with the east Suffolk average once the action planning phase of the project begins. The reports will draw out the specific challenges, synergies and successes relating to the town centre. The relevant ward members were invited to attend these sessions.

5 **NEXT STEPS**

5.1 The proposed next phase is to work collaboratively with each town centre stakeholder group to determine if there is the appetite and capacity to move to the action planning phase. It is important to note that this is a 'bottom up' approach and the priorities towns want to pursue either individually or collectively will be led by local stakeholders. ESC's role is to enable and facilitate stakeholders in developing their approach to progressing their priorities.

5.2 The success of this approach to increasing the resilience, sustainability and vibrancy of town centre is demonstrated through the People & places pilot project which took place in Southwold in 2018. This developed a robust evidence base which the town stakeholder

group then used to develop its priorities for enhancing the centre. This has subsequently led to 4 successful funding applications securing £1.2m worth of investment in the town.

- 5.3 In order to move to the action planning phase some initial capacity building activity needs to be undertaken in some towns to develop the skills and capacity within these local groups. People and Places will provide an experienced independent perspective, that will assist in developing local partnerships through a series of steps involving: Local stakeholder representative interviews, review of existing activities and analysis, consultation & town team forward planning.
- 5.4 The town centre action plan phase will support the development of the project planning process & stakeholder groups. This will facilitate the project planning process in-line with partnership capacity, survey findings and agreed objectives. People & Places will assist in action planning through facilitating iterative steps with local stakeholder groups. Over a series of up to 3 facilitated partnership meetings, organised locally with support from EDO's, People & Places will help agree an outline action plan comprising:
- objectives
 - responsibilities
 - defined outputs/outcomes
 - indicative budgets
 - measurable indicators of success
- 5.3 Phase 2 of the People and Places work is expected to run over a 12 month period. A matrix is currently being drawn up to prioritise those towns that can go straight to the action planning phase and also identify the level of capacity building required in other towns. Once this matrix is agreed towns will be approached to discuss if the timings of their interventions work with their current town plans. This work will cost up to £2k per town however Southwold has already completed this process as part of the initial pilot project in 2018.
- 5.4 Through engagement with the town centre stakeholder groups the following areas are emerging as a focus for the action planning phase:
- Streetscape and public realm
 - Business support initiatives focussed on town centre businesses
 - Place Branding and marketing
 - Digital connectivity
 - Effective consultation with town centre businesses on town centre policies
- 5.5 In order to support initial activity in the action planning phase it is proposed that a seed fund of £128k is established. This funding will be sourced from existing ED budgets and subject to Cabinet approval, the ESP underspend which has been transferred into Council reserves.
- 5.6 There are two other district wide Council led initiatives which directly and indirectly focus on east Suffolk's town centres which align and strongly complement the People & Places work. Firstly, the Smart Towns initiative which following the successful pilot in Framlingham will begin to be rolled out across key towns in the District and as referred to earlier this aligns strongly with the digital development priorities identified through the town centre research. This close alignment is demonstrated through the research from

the digital theme from the P&P work being incorporated into the Smart Towns application to New Anglia LEP's Innovation Fund.

- 5.7 The Community Partnership programme whilst operating on a wider geography will have very close links to any future delivery based on the town centres work. Town centres function as the service centre for their local communities providing a wide range of services and the enhancement of these services will support the delivery of some of the priorities identified within the CP areas.
- 5.8 The outcomes of the P&P work are also informing other areas of ESC activity such as the Towns Fund, town centre masterplan, Heritage Action Zone initiatives in Lowestoft, Felixstowe Business Improvement District, the car parking review and planning policy development, implementation and monitoring.

6 HOW DOES THIS RELATE TO THE EAST SUFFOLK BUSINESS PLAN?

- 6.1 The outcomes and potential application of the P&P work supports all three strategic pillars within the current East Suffolk Business Plan. It supports economic growth by providing a rich evidence base on the current state of all east Suffolk's principal towns which will be used to develop an evidence led approach to enable greater resilience, sustainability and growth. Furthermore, it has the potential to support delivery against the priorities identified through the Community Partnership initiative thereby supporting the Enabling Communities pillar. Finally, more vibrant town centres will increase business rate receipts supporting the financial self-sufficiency strategic pillar.
- 6.2 The outcome of this work also addresses the following specific Business Plan action: *Support local business associations and partner organisations to create vibrant market towns which are attractive to residents, businesses and visitors.*
- 6.3 Town centres have a key role to play in community wellbeing providing services which facilitate and promote good mental and physical health. Town centres provide a range of employment and enterprise opportunities thereby implementing measures to improve the vibrancy of such centres aligns strongly with the inclusive growth agenda.

7 FINANCIAL AND GOVERNANCE IMPLICATIONS

- 7.1 If Cabinet provide approval the next phase in this programme is the development of town centre action plans. In order to support this work financially it is proposed that ESC invest £128k in a seed fund, the 'East Suffolk Towns Centres Fund' to provide initial match funding for project activity. The funding consists of £98k within the existing Economic Development budget and a further £30k from the ESP underspend, which has been ringfenced by Finance for this work, within ESC reserves. This will be administered as a grant programme that is evidence led and driven by the town action plans. Funding will be accessed in line with criteria set and monitored in line with the ESC grants programmes.
- 7.2 The governance for this programme will consist of local town centre stakeholder groups who have already been engaged as part of the survey and analysis phase. This will include representatives from town and parish Councils, business associations, town centre partnerships/ BIDs and tourism groups. In addition, due to the strong alignment with both the Community Partnership initiative and the Smart Towns programme there will be

full engagement and collaborative working with the relevant governance structures supporting these initiatives.

8 OTHER KEY ISSUES

- 8.1 This report has been prepared having taken into account the results of an Equality Impact Assessment.

9 CONSULTATION

- 9.1 The development of the survey and analysis phase of the People and Places work was primarily based on engagement and consultation with town centre businesses and users. Furthermore, Towns and Parish Councils, business associations, town centre partnerships / BIDs and tourism groups across the 12 towns will be comprehensively consulted on the findings of this initial phase to inform the next phase of the programme.

10 OTHER OPTIONS CONSIDERED

- 10.1 No other options were considered for the future of this initiative as it was always designed as a two-stage process with funding already committed from the Economic Development budget for the action planning phase. If Cabinet do not approve the additional ringfenced £30k it will limit ESC's ability to enable towns centres to progress their priorities, however some interventions will still be able to take place.

11 REASON FOR RECOMMENDATION

- 11.1 Town centres across the country have been in decline for a number of years and without undertaking an evidence-based approach to fully identify the specific drivers of this and subsequently putting in place interventions based on this evidence, this decline will likely continue. The P&P work has already completed the first phase of this process and this recommendation is focused on supporting the next, action planning, phase. Town centres are vital to our communities as they provide a wide range of local services, if we are to preserve and enhance this role, as an enabling Council, we need to be able to facilitate local stakeholders to support the enhancement of these centres.

RECOMMENDATIONS

1. That Cabinet support the approach so far taken through the People and Places work to support and enhance east Suffolk's town centres and approves the next, action planning phase.
2. That Cabinet approves the allocation of £30k from ESC reserves, which has been ringfenced to support the action planning phase of the town centres work and will form part of £128k seed fund budget to support towns to develop and address their priorities in this next phase.

APPENDICES - None

BACKGROUND PAPERS

<http://fred2/sites/teams/EconDev/Economic/SCDC%20Documents/People%20and%20Places>