



Doncaster Council

Report

Date: 30/11/2021

To the Chair and Members of the
Regeneration and Housing Scrutiny panel

Town Centre Economy

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Cllr Glyn Jones	Town Ward	No

EXECUTIVE SUMMARY

1. This report provides a current snapshot of the town centre economy and its performance against pre-pandemic levels
2. The pandemic continues to and is likely to leave a lasting impact on the economic activity of the town centre
3. There has been a reduction in the number of visitors to the town centre compared to pre-pandemic levels
4. Although there has been a drop in visitor numbers, the amount of money spent within the town centre has returned to pre-pandemic levels.

EXEMPT REPORT

5. This report is not exempt

RECOMMENDATIONS

6. Members of the Regeneration and Housing Scrutiny Panel are asked to note and comment on the information provided

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

7. The performance of the economy impacts all citizens of Doncaster, the pandemic period has been a significant challenge for all sectors of the town centre economy and will continue to be for the foreseeable future

BACKGROUND

8. Impact from COVID

Doncaster town centre, like all physical economic centres, has spent much of the previous 19 months under some form of trading restriction, causing sharp declines in the economic output of the town centre. The impact of these restrictions has been unequal, sectors that are reliant on face-to-face interactions such as hospitality or leisure have been and continue to face the most challenges

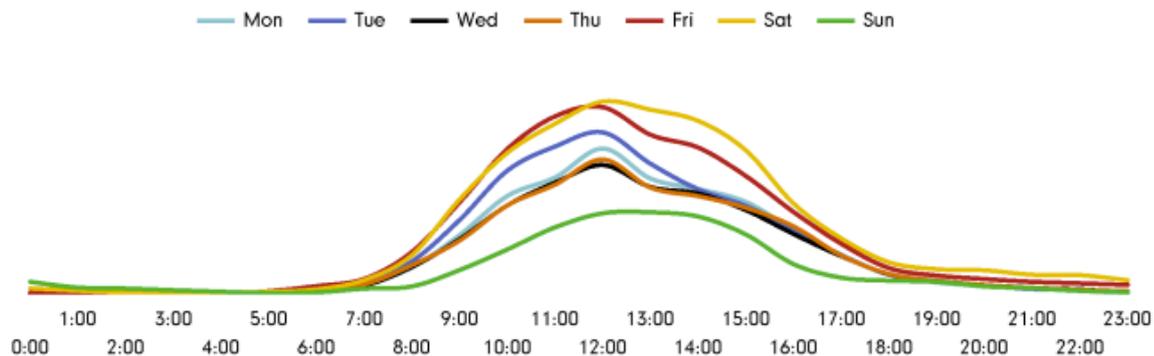
9. Centre for Cities data estimates that Covid disruption has caused an 18% drop in the town centre economy across all settings.
10. The Covid 19 pandemic will continue to disrupt the performance of major economic centres such as Doncaster town centre for the foreseeable future, although metrics measuring the economic success of the town centre are improving – footfall, spend, void rate – external influences continue to pose a challenge and reduce the resilience of the town centre economy.
11. Potential for future covid restrictions, changes to national economic policy and irreversible consumer habits have accelerated the direction change of economic centres. It is likely that over the next 5 years the town centre will look differently to how it does today, it is predicted that there will be a reduction in the retail offer, replaced by an increase in hospitality, leisure, and residential settings. This transformation period will lead to economic uncertainty but offer potential for future investment and growth.

Footfall

12. There is no doubt that the pandemic has severely impacted on Doncaster town centres footfall, this change has been driven not only by lockdowns or changes in consumer habits but on the reduced number of commuters travelling and workers no longer being primarily office based.
13. Year on year % comparisons to 2019 show that the town centre has a 20.5% reduction in footfall, for the North & Yorkshire region this is 14.1% and 15.1% for the UK as a whole. Whilst Doncaster does not compare positively in this snapshot period, it should be noted that in the January 2021 to August 2021 range Doncaster was performing above the national average, this sudden drop can be partially explained by differing factors such as academic calendars, major events returning elsewhere and weather differences. There has however, been continuous footfall growth since restrictions were eased in April 2021 as shown in the graph below.



14. Footfall has not returned equally to the town centre, Baxtergate, Market Road, and the High Street are responsible for the bulk of footfall growth, whilst still showing improvement, pedestrian movement on St Sepulchre Gate is lagging behind.
15. The busy footfall hours of the town centre have also changed. There has been a noticeable drop between commuting hours – 0700 – 0900 and 1500 – 1800, this can be mostly explained by a reduction of workers being based in or travelling through the town centre.
16. This graph shows the current average times the town centre is used.

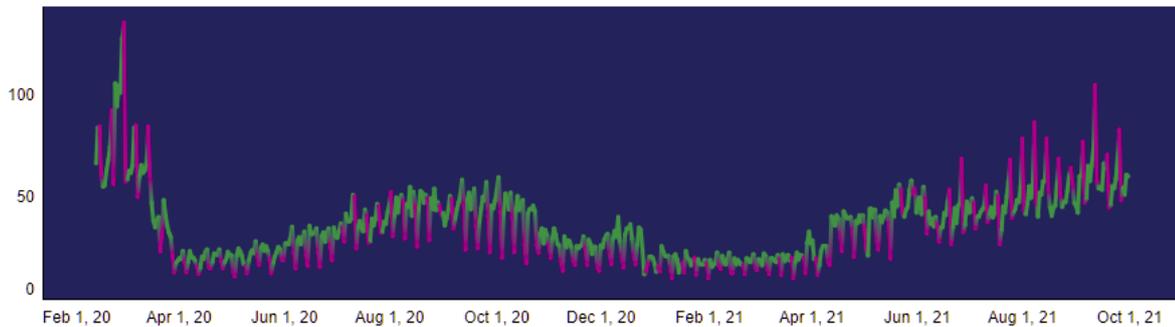


17. Footfall data is extracted through pedestrian counting cameras placed in the core retail area of the town centre. There is not currently a provision to accurately gather this information in the wider town centre.
18. Transportation data for visitors to the town centre tell a similar picture, public transport usage in the borough is 32% lower than pre-pandemic levels and with the boroughs major bus and rail infrastructure in the town centre, this is likely to have contributed to a reduction in overall footfall.

Night-time Economy

19. The make up of Doncaster town centres night-time economy is going through a transitional period. Historically, these venues have enjoyed busy periods on Tuesdays, Thursdays, Fridays and Sundays. Post-pandemic this has reduced to Fridays and Saturdays with the sector reporting that 60-70% of revenue is received on Saturdays alone.
20. Of all sectors in the town centre economy, the night-time economy has been hardest hit by the pandemic. Patronage has grown month on month since reopening in 2021 but has not yet returned to pre-pandemic levels. This is understandable as by nature, the sector mostly takes place in confined indoor spaces with close interaction, factors which have either been prohibited or discouraged during the pandemic. There is also uncertainty on future regulations such as covid passports contributing to this reduction.
21. There has been a change in where patrons travel from when visiting Doncaster's night-time economy, previously, 35% of patrons travelled from outside the borough, this figure is currently 27%, a drop of 8%.
22. Overall, it is estimated that the night-time economy has reduced 23% compared to pre-pandemic.
23. This chart looks at visitors to Doncaster town centre after 1800, with a baseline

(Friday and Saturday only) of 100. Purple represents the weekend, green weekday.

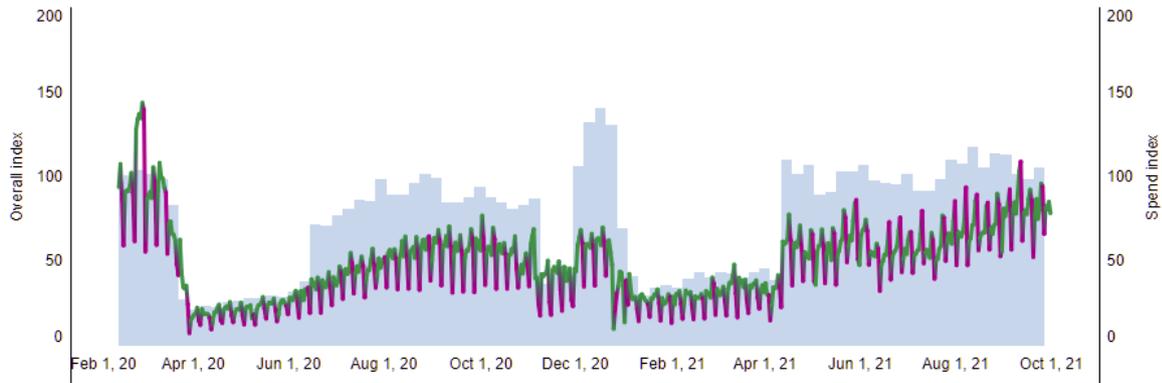


Alfresco dining

24. Doncaster town centre enjoys a vibrant and diverse outside eating and drinking offer. Hospitality businesses are able to apply for a licence to place tables and chairs on the public highway allowing patrons a wider choice in where they consume the offer. This is important not only from an economic standpoint, but from a public health view where evidence has shown reduced transmission risks in outdoor settings.
25. This choice is well received by the business and visitor community alike and there are currently 52 premises within the town centre offering alfresco spaces.
26. In the summer of 2021, the town centres alfresco offer was enhanced through £89,734.68 of grant monies shared between 32 premises, this was funded by Sheffield City Region and delivered by Business Doncaster, and this allowed businesses to improve both the safety of areas and aesthetic appeal of the locations.
27. There is an opportunity to grow this offer in future with larger spaces, longer operating times and creative uses pending the agreement of statutory consultees and stakeholders.

Market economy

28. Although Doncaster town centre has undergone a 20.5% reduction in pedestrian flow in the core retail area, there is positivity that the amount of money spent by visitors has returned to above pre-pandemic levels.
29. The chart below shows the number of visitors to Doncaster town centre against a backdrop of how much money is being spent by the visitor. Blue represents transactions, pink weekend footfall, green weekday footfall.



30. The overall transaction information shows a 5% increase in the total value of spend when compared to pre-lockdown levels. In short, although less people are visiting, the total spend equates to a higher figure resulting in a net gain.
31. During the pandemic, there has been an unignorable shift to online shopping. E-commerce now accounts for 36% of all retail sales, a 10% increase on pre-pandemic levels. As the festive period begins and winter draws close, this figure is likely to increase posing a risk to the already traditionally quiet purchase months of January, February and March.

Retail Voids

32. The void rate in Doncaster has improved on pre-pandemic levels, at the start of the pandemic, Doncaster town centres void rate was 20%. Despite a perceived impression that Doncaster town centre is full of empty shops the void rate has dropped significantly to 16% as of August 2021 which performs well against the national average of 18.4%. Property and investment enquiries into town centre locations are lower than ideal though this mirrors issues seen throughout the local region.
33. Work has been concentrated on certain areas of the town to reduce the impact of empty shops. As an example back in 2019 Scot Lane had a 20% occupancy rate. Work by the council to purchase three empty units and specific work by Business Doncaster to promote the street to independent businesses now means the street is now over 80% occupied with the latest tenants, a gin bar and a new restaurant opposite the Mansion House opening before Christmas 2021.
34. The town centre economy is expected to be bolstered by the upcoming festive period. Historically, December has been the busiest period of the year for the town centre economy and as the first pandemic Christmas without restrictions this trend is expected to continue and be welcomed across all economic settings. The post-Christmas period poses a challenge for the town centre economy where spend is typically at its lowest yearly point, this is likely to be exacerbated by upcoming changes in national economic policy leading to reduced available purchasing power.
35. To further aid recovery Doncaster has been selected as one of the town centres to receive assistance through the Government High Street taskforce scheme. This work will commence early in 2022 when an appointed high street 'place' expert will work with the council on a range of new initiatives, still to be decided

OPTIONS CONSIDERED

36. N/A

REASONS FOR RECOMMENDED OPTION

37. N/A

IMPACT ON THE COUNCIL'S KEY OUTCOMES

38.

	Outcomes	Implications
	<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> • Better access to good fulfilling work • Doncaster businesses are supported to flourish • Inward Investment 	<p>The economy is at the centre of all Doncaster Council objectives and has a direct and indirect effect on directorate key priorities</p>
	<p>Doncaster Living: Our vision is for Doncaster's people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> • The town centres are the beating heart of Doncaster • More people can live in a good quality, affordable home • Healthy and Vibrant Communities through Physical Activity and Sport • Everyone takes responsibility for keeping Doncaster Clean • Building on our cultural, artistic and sporting heritage 	
	<p>Doncaster Learning: Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p> <ul style="list-style-type: none"> • Every child has life-changing learning experiences within and beyond school • Many more great teachers work in Doncaster Schools that are good or better • Learning in Doncaster prepares young people for the world of work 	

	<p>Doncaster Caring: Our vision is for a borough that cares together for its most vulnerable residents;</p> <ul style="list-style-type: none"> • Children have the best start in life • Vulnerable families and individuals have support from someone they trust • Older people can live well and independently in their own homes 	
	<p>Connected Council:</p> <ul style="list-style-type: none"> • A modern, efficient and flexible workforce • Modern, accessible customer interactions • Operating within our resources and delivering value for money • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	

RISKS AND ASSUMPTIONS

39. There are no specific risks associated with the recommendations of this report though the themes and trends of the report should be considered

LEGAL IMPLICATIONS [Officer Initials SRF Date 15.11.21]

40. There are no legal implications arising from this report. Specific advice can be provided on issues raised by the panel.

FINANCIAL IMPLICATIONS [Officer Initials JC Date 16/11/21]

41. The Councils “Updated Medium Term financial Strategy (MTFS 2022/23 – 2024/25)” includes the consideration of the impact of the economic recovery on the Council’s financial outlook.

42. The Council continues to experience significant reductions in the income from commercial rents and activities for example car parking which are directly affected by the Town centre economy. The ever changing nature of the COVID pandemic presents the Council with the difficult challenge of managing the on-going impact of budgetary pressures, whilst continuing to understand the future impact of changes in the economic position both locally and nationally. The council anticipates that

some behaviours will have changed for good, for example, it is unlikely that income from car parking will go back to previous levels.

43. Ways of mitigating budget pressures resulting from Councils commercial income have to be balanced and carefully considered alongside other priorities; encouraging people back into the Town centre/generating business growth/increasing business rates/ driving development and employment prospects for the people of Doncaster.
44. The MTFS position will continue to be monitored closely and updated as further information is known and the financial impact of cost pressures becomes clearer during the financial year, including assumptions around when and to what level asset rental and car parking income may recover. All the assumptions and options will be considered as part of the budget setting process.
45. Specific financial implications relating to new initiatives mentioned within the report e.g. Al fresco dining and the High street task force will be considered separately when more information is known.

HUMAN RESOURCES IMPLICATIONS [Officer Initials AA Date 12/11/2021]

46. There are no direct HR Implications in relation to this report.

TECHNOLOGY IMPLICATIONS [Officer Initials...PW..... Date...12/11/21]

47. There are no technology implications in relation to this report.

HEALTH IMPLICATIONS [Officer Initials.....CTDate ...12.11.21.....]

48. The Town Centre is an asset that can promote and improve the health of local residents and the wider local community. The report notes there have been various changes within the town centre related to the impacts of Covid 19 and this insight provides a starting point of areas where recovery action needs to be targeted.
49. Public Health is pleased that Doncaster has been selected to receive assistance through the Government High Street taskforce scheme and requests they be included any project group that is established to take this piece of work forward.

EQUALITY IMPLICATIONS [Officer Initials AMc Date 12/11/2021]

50. There are no equality implications with regards to this report. Regular review of the Overview and Scrutiny work plan enables the Committee to ensure it remains relevant and is responding to important issues for citizens and the borough. The work plan update helps support openness, transparency and accountability as it summarises outcomes from overview and scrutiny activities. Citizens are able to contribute to the work of overview and scrutiny by attending meetings or contributing to reviews

CONSULTATION

51. There is no consultation required for this report

BACKGROUND PAPERS

52. N/A

GLOSSARY OF ACRONYMS AND ABBREVIATIONS

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