





**Brighton & Hove
City Council**

Overview & Scrutiny

Title:	Scrutiny Panel on Support for the Retail Sector
Date:	6 March 2012
Time:	4.30pm
Venue	Committee Room 3, Hove Town Hall
Members:	Councillors: Mitchell (Chair) MacCafferty C Theobald
Contact:	Sharmini Williams Scrutiny Officer 29-0451 sharmini.williams@brighton-hove.gov.uk

	The Town Hall has facilities for wheelchair users, including lifts and toilets
	An Induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter and infra red hearing aids are available for use during the meeting. If you require any further information or assistance, please contact the receptionist on arrival.
	<p align="center">FIRE / EMERGENCY EVACUATION PROCEDURE</p> <p>If the fire alarm sounds continuously, or if you are instructed to do so, you must leave the building by the nearest available exit. You will be directed to the nearest exit by council staff. It is vital that you follow their instructions:</p> <ul style="list-style-type: none"> • You should proceed calmly; do not run and do not use the lifts; • Do not stop to collect personal belongings; • Once you are outside, please do not wait immediately next to the building, but move some distance away and await further instructions; and • Do not re-enter the building until told that it is safe to do so.

AGENDA

9. Procedural business

1 - 2

10. Chairs Communications

11. Witnesses

3 - 20

4.30pm - Martin Lawrence from Kingsthorpe Road in Hove, who is also a representative of the Hove Business Association

4.55pm - Tony Mernagh, Chief Executive of the Business Forum

5.15pm - Eve Reid – Director of Metamorphosis (training & development solutions)

5.35 – Mark Prior - Lead Commissioner - City Regulation & Infrastructure

The following documents are for information:

12. Any other business

The City Council actively welcomes members of the public and the press to attend its meetings and holds as many of its meetings as possible in public. Provision is also made on the agendas for public questions to committees and details of how questions can be raised can be found on the website and/or on agendas for the meetings.

Agendas and minutes are published on the council's website www.brighton-hove.gov.uk. Agendas are available to view five working days prior to the meeting date.

Meeting papers can be provided, on request, in large print, in Braille, on audio tape or on disc, or translated into any other language as requested.

For further details and general enquiries about this meeting contact Sharmini Williams, (01273 29-0451 – email sharmini.williams@brighton-hove.gov.uk) or email scrutiny@brighton-hove.gov.uk

Date of Publication – Thursday, 1 March 2012

Agenda Item 9

PROCEDURAL BUSINESS.

A. Declaration of Substitutes

Where a Member of the Committee is unable to attend a meeting for whatever reason, a substitute Member (who is not a Cabinet Member) may attend and speak and vote in their place for that meeting. **Substitutes are not allowed on Scrutiny Select Committees or Scrutiny Panels.**

The substitute Member shall be a Member of the Council drawn from the same political group as the Member who is unable to attend the meeting, and must not already be a Member of the Commission. The substitute Member must declare themselves as a substitute, and be minuted as such, at the beginning of the meeting or as soon as they arrive.

B. Declarations of Interest

- (1) To seek declarations of any personal or personal & prejudicial interests under Part 2 of the Code of Conduct for Members in relation to matters on the Agenda. Members who do declare such interests are required to clearly describe the nature of the interest.
- (2) A Member of the Overview and Scrutiny Commission, an Overview and Scrutiny Committee or a Select Committee has a prejudicial interest in any business at meeting of that Committee where –
 - (a) that business relates to a decision made (whether implemented or not) or action taken by the Executive or another of the Council's committees, sub-committees, joint committees or joint sub-committees; and
 - (b) at the time the decision was made or action was taken the Member was
 - (i) a Member of the Executive or that committee, sub-committee, joint committee or joint sub-committee and
 - (ii) was present when the decision was made or action taken.
- (3) If the interest is a prejudicial interest, the Code requires the Member concerned:-
 - (a) to leave the room or chamber where the meeting takes place while the item in respect of which the declaration is made is under consideration. [There are three exceptions to this rule which are set out at paragraph (4) below].
 - (b) not to exercise executive functions in relation to that business and
 - (c) not to seek improperly to influence a decision about that business.
- (4) The circumstances in which a Member who has declared a prejudicial interest is permitted to remain while the item in respect of which the interest has been declared is under consideration are:-

(a) for the purpose of making representations, answering questions or giving evidence relating to the item, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise, BUT the Member must leave immediately after he/she has made the representations, answered the questions, or given the evidence,

(b) if the Member has obtained a dispensation from the Standards Committee, or

(c) if the Member is the Leader or a Cabinet Member and has been required to attend before an Overview and Scrutiny Committee or Sub-Committee to answer questions.

C. Declaration of party whip

To seek declarations of the existence and nature of any party whip in relation to any matter on the Agenda as set out at paragraph 8 of the Overview and Scrutiny Ways of Working.

D. Exclusion of press and public

To consider whether, in view of the nature of the business to be transacted, or the nature of the proceedings, the press and public should be excluded from the meeting when any of the following items are under consideration.

NOTE: Any item appearing in Part 2 of the Agenda states in its heading the category under which the information disclosed in the report is confidential and therefore not available to the public.

A list and description of the exempt categories is available for public inspection at Brighton and Hove Town Halls.

Brighton & Hove Business Forum Ltd

Evidence to the Support for the Retail Sector Scrutiny Panel from Tony Menagh, Chief Executive of the Business Forum

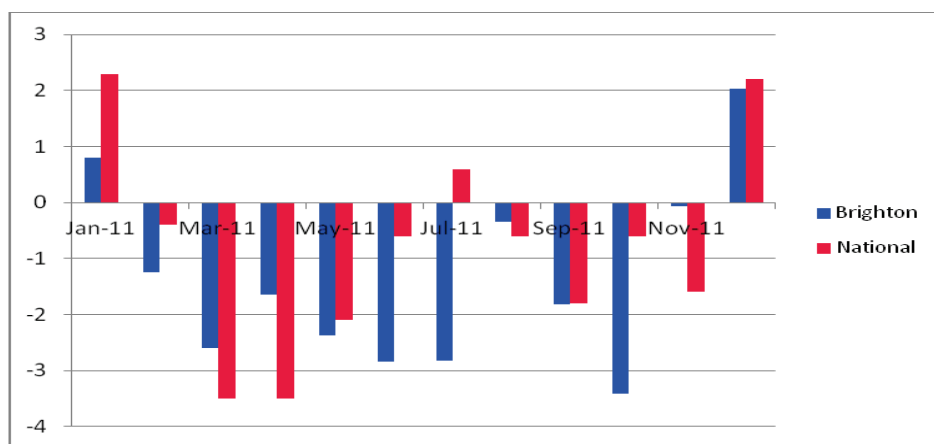
Retail in Brighton & Hove

February 2012

1. The Business Forum is the city centre management initiative for Brighton. It was incorporated in 1998. It successfully established the first Business Improvement District [BID]¹ in 2006 and took it to a successful renewal ballot in 2011.
2. The author - Tony Mernagh - is the Chief Executive of the Business Forum; a position he has held since 1999. Prior to this he was a retailer between 1985 and 1999 with five shops and he was the Chair of the North Laine Traders Association [a voluntary position] from 1989 to 1998.

The local picture against the national context

3. Compared to the national picture on the UK high street, Brighton & Hove is in some ways a star performer. Its current vacancy rate of just 6% [Brighton²] and 3.9% [Hove³] compares favourably with the national average of 14.4%.⁴
4. Footfall in city centre has declined over the past two years but now shows signs of stabilising at about 8% below its 2009 average. In common with the rest of the UK retail turnover in Brighton has also declined as households and individuals pay down debt and high inflation and low wage growth depletes disposable income.



Percentage change in Brighton's retail turnover (2011) [month-on-month/like-for-like sales]

5. Locally, only two months in 2011 [January and December] delivered retail sales in excess of the national benchmark which in turn showed a decline from the previous year in 9 out of 12 months.

¹ a defined geographical area within which businesses vote in a referendum to pay an additional levy on top of their business rates to fund specific improvements within the district's boundaries

² January 2012

³ August 2011

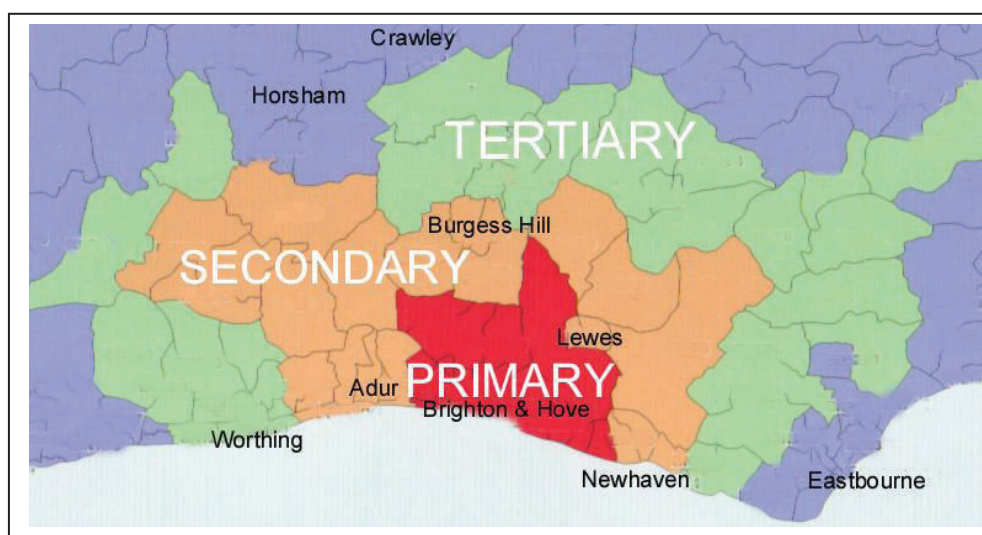
⁴ January 2012

General challenges to UK retail

6. The UK retail market is entering a period of fundamental change in response to the end of the consumer-fuelled economic boom of the last decade. In the ten years up to 2007, households extracted £315 billion in cash from the equity in their houses [mortgage equity withdrawal] to fund consumption. This sum represents 70% of the total increase in UK GDP over that period. It represents one of the greatest debt fuelled consumer booms in UK history. Since then, £104 billion has been repaid by households and individuals in an effort to reduce this debt burden but it may take “five to seven years before personal debt is under control thus acting as a brake on consumption”.⁵
7. Of the £302bn spent at the shops in 2010, more than half [£163bn] is classed by analysts as ‘indulgence’ spending and is therefore vulnerable in a downturn. Indulgence spending is a significant market for Brighton & Hove; indeed some would argue it is *the* market for the city.
8. Recession and the ensuing austerity promises to draw a brutal dividing line down the high street, with the weak on one side and the strong on the other. Well-capitalised retailers with strong brands are expected to fare better during the tough times ahead as weaker competitors fall by the wayside. Small independent retailers tend not to be well-capitalised and, although they have loyal local clientele, they tend not have strong brands.
9. Parity in IT between consumers and suppliers means that consumers increasingly have equal or more knowledge about products, pricing, features, and product performance than sales staff employed by retailers. To address these issues retailers must invest more in staff training and staff retention but smaller players tend to be sparing with both.

Issues specific to Brighton & Hove

10. Brighton & Hove has a limited 180° catchment area. To supply sufficient consumers to service our retailers, we must attract them from greater distances than competing towns with a 360° catchment. But weekend intra-city transport links are often disrupted and the absence of a park &



Brighton & Hove retail catchment areas

[source: Standard Life]

⁵ Nick Parsons; National Australia Bank Group. February 2012.

ride facility deters some shoppers. Parking provision and parking rates will also be a key element for some consumers when planning their shopping trips and it is essential that the city is able to offer a balanced range of facilities and prices.

11. As a destination Brighton lacks large floor-plate retailers, which partly explains the negligible vacancy rate in Churchill Square: almost the only location that can offer larger units. For its size it is also oversupplied with small [generally owner managed] shops and undersupplied with department stores. Although in terms of the overall “offer” the former compensates to an extent for the latter, the presence of 1,447 shops in Brighton city centre alone [not including London Rd or St James’s Street] demands a supply of consumers far greater than comparable towns and cities with far fewer individual retail units.⁶
12. Many of the independent retail business owners have no formal training in running a business or a shop and, with the downgrading of publicly funded Business Link services, there is a distinct lack of business support aimed at retail.
13. Small retailers are reluctant to get professional representation for rent reviews and are consequently at the mercy of their landlords. Many do not understand the review process and are unaware that a proposed rent increase at review has to be supported by evidence from similar properties in the same street or immediate area. The blind acceptance of the landlord’s demand sets a precedent for future reviews often leading to a series of increases that effectively price smaller players out of the market. Because they are based on rental values this also leads to an increase in business rates.
14. Many of the independent retail businesses do not have an e-commerce web presence to complement their high street presence. Online transactions now account for 14% of all purchases and this is growing steadily year-on-year. Various Internet-enabled business models have emerged. Among those, the integration of the internet channel into traditional retail, the so-called “clicks-and-mortar” business model, is increasingly important. Online sales can play a major role in compensating for reduced footfall in city centres and there is a school of thought that suggests that the internet, combined with rapid home delivery of goods, could revolutionise bricks-and-mortar shops effectively turning them into showrooms with minimal stock holding on site.
15. There is evidence to suggest that, while the city has avoided the “Clone Town” similarity of other locations, it has lost some of the quirkiness and diversity evident in the 1990s that made it stand out. To some extent high rents and rates have discouraged small start-ups that are often the source of variety in secondary trading areas.
16. Over the past three decades the axis of retail in Brighton city centre has been moving eastwards with a consequent contraction of the Prime Pitch. The refurbishment of Churchill Square in 1998 had a deleterious effect on Western Road with many well-known fascias deserting the street to relocate into the shopping mall leaving 13% of units vacant.⁷ Although the prime pitch recovered in terms of vacancy rate the quality of the retail offer to the west of the prime pitch⁸ remains limited to this day. The planned future expansion of Churchill Square is likely to result in a further wave of relocations

⁶ Towns like Oxford, Chester, York & Guildford have an average of 580 units in the city centre.

⁷ 1999

⁸ The prime pitch ends at the junction with Crown Street

and it seems likely that the few remaining quality retailers e.g. Marks & Spencer will similarly relocate. If the expansion goes ahead, the city needs to have a plan for Western Road.

17. Meanwhile, the evolution of the Old Town has been characterised by a significant increase in the number of fashion outlets and cafes at the expense of the eclectic mix of retailers that were truly unique to Brighton. This is unfortunate not just because they dilute the offer but also because each is increasingly based on challenged business models. Women's fashion in particular involves cut-throat competition in a fast evolving retail environment [witness Peacocks recent slide into administration and key players like Next changing focus to house wares]. Cafes and takeaways can only service consumers who are attracted to a vibrant and diverse retail offer; if they proliferate at the expense of shops selling comparison goods [e.g. takeaways operating from A1 premises], the variety [and magnetism] of the overall retail offer will suffer.

Solutions

18. Compared to the national context, Brighton & Hove has much less of a problem but complacency would clearly be a mistake. While asking what more can it do, the Council should also validate itself for what it is already doing to ensure that the city thrives as a regional retail centre. Brighton & Hove is a destination city and its 8.5 million annual visitors play a vital role in supporting retail explaining to an extent why the city has bucked the national trend for seriously declining footfall and increased vacancy rates. The "staycation" effect has benefitted Brighton & Hove dramatically. The local authority's promotion of the city via VisitBrighton and the many festivals and events continue to be a valuable support for retail.
19. Festivals and events are of paramount importance to the success of retail centres and those town/city centres that simply provide an opportunity to shop are more likely to fail; consumers expect much more from the "shopping experience" than just shopping. But 'events' are a double edged sword for retailers. Those that attract large numbers of visitors without disrupting access to the city centre are of benefit but others e.g. Pride depress retail turnover with the loss of millions of pounds to the sector. To a large extent retailers are accommodating about events that are bad for their trade accepting that they may be good for another e.g. hotels & restaurants during Pride weekend. But the events calendar requires careful review. If an event does not significantly benefit the economy of the city it should be questioned; if it generates a net loss for the local economy it should be discouraged or adapted so that it doesn't.
20. Markets are also controversial, especially if they are in retail streets. Well run markets can attract large crowds and enhance the street scene but retailers often resent them because they disrupt trade and compete against bricks-and-mortar outlets that attract the footfall that makes the location attractive to stall holders in the first place. There is often a feeling that stall-holders "ride on the coat-tails" of permanent retailers without giving enough in return. Markets also need substantial upfront investment to ensure that the image they portray and the appearance of their stalls adds value to the street scene.
21. In her review Mary Portas suggested that town teams could play a major role in rejuvenating and protecting town centres. Sadly the era of the "town team" has passed. In the 1990s the concept of town centre management was supported by many local authorities more often than not in [financial] partnership with the business community. The advent of Business Improvement Districts [BIDs] made many town centre management initiatives largely redundant and the austerity imposed on councils by the new coalition government has rendered financial support almost impossible.

22. However, Portas also advocates greater use of BIDs which are thriving. There are now about 120 BIDs across the UK; very few have failed when they proceed to a ballot and none have failed at renewal ballot [obligatory after five years].
23. Brighton’s city centre BID, now in its second term, will raise £1.8m over five years to be spent on
 - a. Christmas lights and promotions
 - b. on-street ambassadors working 364 days/year
 - c. dressing the city for summer with bunting and hanging baskets
 - d. bulk purchase procurement scheme to help retailers save money of utilities

Over 50% of the 517 businesses involved pay the minimum levy of £400p.a. [£1.10/day] for these services. The levy is fixed for the five year term of the BID.

24. Despite their success, BIDs are not the answer for every retail area. An attempt to establish a BID in Hove in 2007 could not muster more than 40% support and consequently it never went to a ballot. An offer to bring Queen’s Road and St James’s Street into the renewed city centre BID in 2011 met with fierce resistance and they were not included [although Western Road and Preston Street were added]. BIDs by their very nature are divisive; there will always be those who do not want to join but have no choice if the ballot is positive.
25. The existing city centre BID cannot be altered until 2016 and even then there may continue to be very little scope to expand it into other areas of Brighton & Hove although it is hoped that the demonstrable benefits of the existing BID will be a powerful persuader. The local authority should ask how it could support the existing BID.
26. One of the questions posed by the Committee concerned ways to get landlords, developers, agents and retailers to develop the city’s retail offer but it would be constructive to look first at *what* needs to be developed. While elements of retail such as customer service, controlling & optimising stock levels, financial management, marketing and e-commerce certainly need to be “developed” the need for the development of additional floorspace in the city is questionable. Although the city centre undoubtedly lacks large floor plate units, the proposed expansion of Churchill Square [assuming it proceeds as planned] would provide these. There is no requirement for more small shop units but they are often added to new developments as part of the planning process because it is felt that retail at ground floor level adds a sense of security to the street scene.



Does Lewes Road really need three more retail units on the site of the old petrol station?

27. There is a case for reviewing the default use class of ground floor developments in the city centre and also for reviewing the existing use class of retail units in streets that have a high vacancy rate e.g. Preston Street. Would a change of use from A1 [shop] or A3 [restaurant] to B1 [office] for some long-term empty units attract tenants that would bring footfall to the street and avoid the dead frontages of empty units? Could this provide inexpensive accommodation for the creative industries sector?
28. Many retailers are missing out on the opportunities offered by E-commerce and the increasing use of Smartphone apps to promote goods and services. Is there a role for Wired Sussex and/or the Chamber of Commerce to educate smaller businesses about the advantages of this revenue stream and facilitate its adoption?
29. Small retailers must be encouraged to get professional representation for rent reviews. A successful rent register which operated in the early 1990s in the North Laine was instrumental in restraining rent growth. It relied upon voluntary labour to measure and evaluate retail premises to determine the actual rent paid per square foot [ZoneA]⁹ and then identify the “going rate” for the street as determined by the most recent precedents. The subsequent dissemination of the information ensured that retailers were better informed, and better able to bargain, when their own leases came up for review. Could there be a role for traders groups to resurrect the scheme?
30. In these challenging times when turnover is likely to be reduced or, at best, erratic retailers must strive to reduce overheads. Working with a company that uses the purchasing power of dozens of BIDs across the UK, the City Centre Business Improvement District offers a free bulk procurement service to its members to reduce the cost of utilities. One trader has saved £1000 per annum on electricity. Could a similar service be extended to all retailers?
31. For better or worse, car parking is a key element in the retail mix. In times of austerity when funding for local authorities is under pressure it may be tempting to increase parking rates to raise revenue. There may be scope to do so without damaging the fragile retail sector but increases should be modelled beforehand so that the impact can be assessed.

⁹ Zone A is the first 20 feet from the shop window; deemed to be the most valuable retail space.

BRIGHTON BUSINESS

the Business Forum and
the Economic Partnership
in Brighton & Hove

[Homepage](#) ■ [BCRP Intranet](#) ■ [Funding](#) ■ [Events](#) ■ [Partners](#) ■ [Knowledgebase](#) ■ [Links](#) ■ [About us](#) ■ [Contact us](#)

Key projects



Crime reduction



Licensee Forum



Workforce development



Transport



Business & climate change



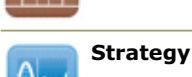
Property & Development sites



Business Improvement Districts



Housing



Strategy



Consultation opportunities

Brighton & Hove Business Forum
8-11 Pavilion Buildings,
Brighton, BN1 1EE
Tel: 01273 735442
Email: info@brightonbusiness.co.uk

© Brighton & Hove Business Forum

News - 17 February 2012

Retail sales rise

The Office for National Statistics (ONS) has reported that retail sales rose 0.9% in the month of January compared with December's 0.6% increase. The figure was much stronger than forecast as many economists had expected sales volumes to fall.

Email this to a friend

Kate Davies, head of UK retail at the ONS, said, "The most prominent driver behind this growth comes from the non-store retailing sector [mail order and internet] but also from food stores and clothing stores."



Still out there buying

The figures from the ONS showed that internet sales now account for about 12% of total retail sales, up from 9% a year ago.

According to a report for PricewaterhouseCoopers (PwC) compiled by the Local Data Company, on average Britain's multiple retailers closed 14 stores a day in 2011.

Read related items on: Retail, pubs, clubs and restaurants

Click here to follow us...

CLICK HERE TO RECEIVE YOUR FREE WEEKLY NEWS ALERT

Browse our business Knowledgebase or search by keyword

GO

Headlines

28 February 2012
■ **"LEPs could fail to foster growth"**

27 February 2012
■ **Brighton company is placed on the Sunday Times list of 100 best SMEs to work for**

25 February 2012
■ **Economic Partnership hosts Tideway School group**

25 February 2012
■ **Eric Pickles admits he was wrong.**

25 February 2012
■ **Fourth quarter negative GDP confirmed**

24 February 2012
■ **Business Tourism study for the LEP**

23 February 2012
■ **Work Programme under intense scrutiny**

23 February 2012
■ **City College launches qualification for Financial Services**

23 February 2012
■ **Earth Hour and Torch Walk**

BRIGHTON BUSINESS

the Business Forum and
the Economic Partnership
in Brighton & Hove

[Homepage](#) ■ [BCRP Intranet](#) ■ [Funding](#) ■ [Events](#) ■ [Partners](#) ■ [Knowledgebase](#) ■ [Links](#) ■ [About us](#) ■ [Contact us](#)

Key projects



Crime reduction



Licensee Forum



Workforce development



Transport



Business & climate change



Property & Development sites



Business Improvement Districts



Housing



Strategy



Consultation opportunities

Brighton & Hove Business Forum
8-11 Pavilion Buildings,
Brighton, BN1 1EE
Tel: 01273 735442
Email: info@brightonbusiness.co.uk

© Brighton & Hove Business Forum

News - 13 February 2012

Brighton city centre retail vacancy rate Jan 2012

The first retail vacancy rate survey of 2012 has been completed and there are some surprising results.

[Email this to a friend](#)

The current rate of retail voids in Brighton city centre stands at 6.03%, that's a drop from the September survey of nearly 1 percentage point.

The shop front vacancy rate survey takes in the entire prime pitch of the city centre and covers business from Montpelier Road in the west through to Trafalgar Street in the east and encompasses the main retail areas down to Kings Road.

Although the overall picture is positive for the city, some roads have fared worse than others, with North Street taking the largest hit with 5 additional units becoming vacant in the last quarter.

The independent retail sector however grew in the BID area (the city's **Business Improvement District; Brilliant Brighton**) by 1 percentage point since the last report whereas the independent sector in the city centre as a whole actually contracted by 3 percentage points of the available units. To download the full report, click on the link below.

[Click here to download](#) [Click here to download the latest Feb 2012 healthcheck](#)

Read related items on:
Surveys
Brilliant Brighton



Click here to follow us...

CLICK HERE TO RECEIVE YOUR FREE WEEKLY NEWS ALERT

Browse our business **Knowledgebase** or search by keyword

Headlines

28 February 2012
■ **"LEPs could fail to foster growth"**

27 February 2012
■ **Brighton company is placed on the Sunday Times list of 100 best SMEs to work for**

25 February 2012
■ **Economic Partnership hosts Tideway School group**

25 February 2012
■ **Eric Pickles admits he was wrong.**

25 February 2012
■ **Fourth quarter negative GDP confirmed**

24 February 2012
■ **Business Tourism study for the LEP**

23 February 2012
■ **Work Programme under intense scrutiny**

23 February 2012
■ **City College launches qualification for Financial Services**

23 February 2012
■ **Earth Hour and Torch Walk**

Brighton Business Improvement District Health Check February 2012

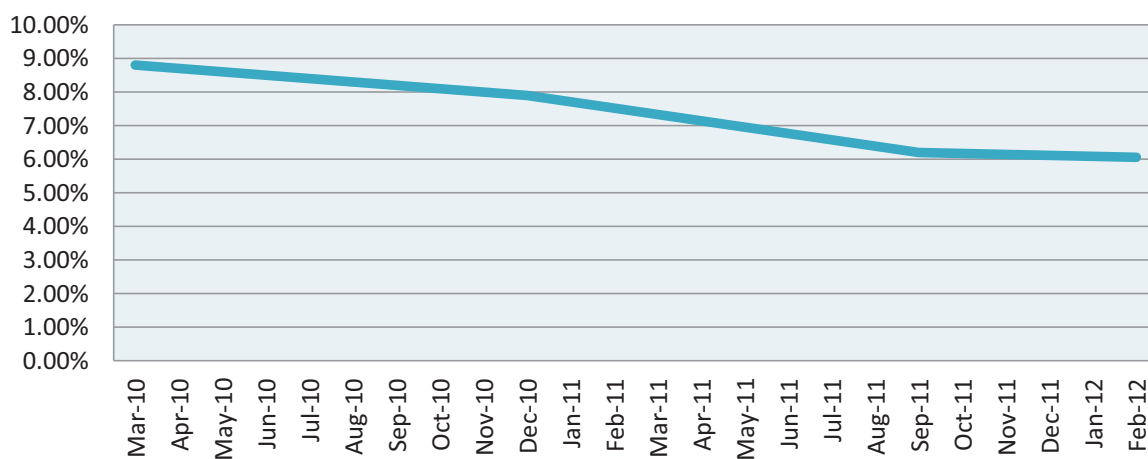
Vacancy Rates

The Local Data Company Dec 2011	
National Vacancy Rate Average	14.3%
South East Vacancy Rate Average	11.1%

With economic forecasts for the UK being slashed on a daily basis (most recently the CBI now expects 0.9% growth in 2012), and Nick Parsons of the National Australia Bank speculating that we are in for another 5 years of fiscal tightening, you'd be forgiven for thinking that the outlook was particularly gloomy for Brighton's retail sector. However, a recent business vacancy rate survey for Brighton City Centre has seen the overall number of shop voids drop from 6.10% to **6.03%** over the last three months.

The Local Data Company has also recently published a report predicting an overall rise in retail vacancies over the next year. And although the **BID area** in the Brighton's city centre has seen a rise in vacancy rates over the last quarter from 6.40% to **7.34%**, it is still comfortably below the national average of 14.3%.

Brighton City Centre Shop Vacancy Rate February 2012



March 2010	December 2010	September 2011	February 2012
8.80%	7.90%	6.19%	3.06%

Preston Street is still the worst performing street in the City and stands at 17.4% vacant (that's 11 units out of a total of 63 available spaces). The road which has taken the biggest

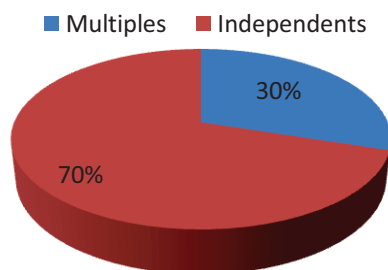
hit since the last survey is North Street which has seen five additional units become empty during the last quarter.

City Centre Comparisons

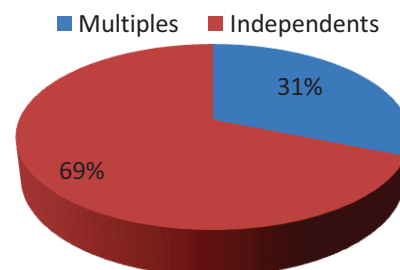
The last quarter saw the independent retail sector in the city as a whole shrink by 3% to 70% of the available units, while the multiples edged up slightly to 30% of the overall offer.

Conversely, the BID area saw a marginal growth in the independent sector of 1%, up from 68% in September last year.

**City Centre Business Comparisons
February 2012**



**BID Comparisons
February 2012**



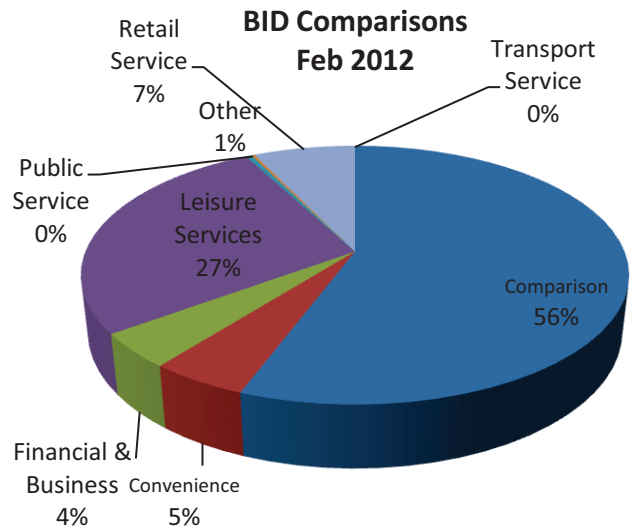
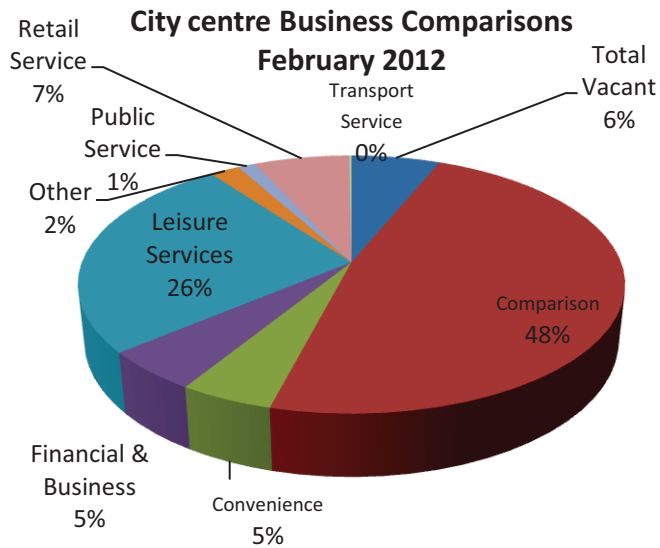
Independent	An independent retailer is defined as a single trading company with less than 9 separate outlets
Multiple	A multiple retailer is defined as being part of a network of nine or more outlets

The breakdown

48% of the city centre as a whole is given over to 'comparison goods' outlets, that is to say items that are essentially dry goods that consumers would 'compare' prices before buying. The BID area is made of a significantly larger proportion (56%) of retailers selling comparison goods.

Both the City Centre as a whole and the BID area show a leisure services sector of 26% and 27% respectively, and this accounts for the second largest sector in the city's offer to the consumer.

The Retail Service sector comes in third place at 7% of the offer in both the city centre as a whole and the BID area. These businesses offer a service to the consumer such as dry cleaners, beauticians and hair dressers (amongst others).



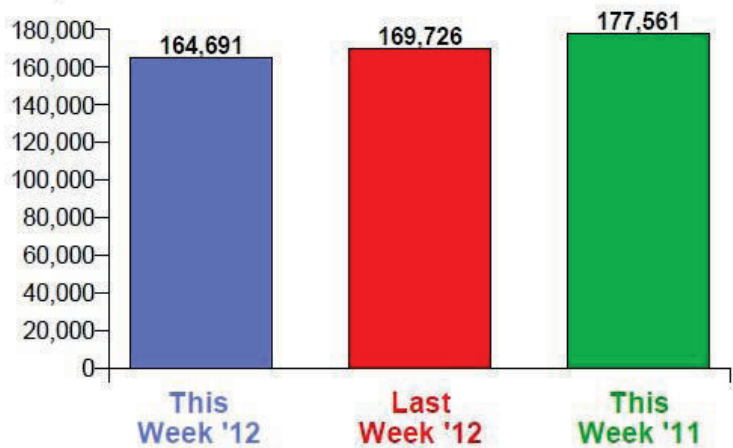
Footfall

Locally, the Brighton data from Experian Footfall (w/c 30th January 2012) shows a drop of 3.0% from the previous week, marking a reduction in real terms of 5035 people in the prime pitch.

Brighton however is still down on this time last year by 7.2% and the cumulative weekly total (the total of this year thus far, compared to 2011) is also down by 7.7%.

The data also shows the weekly peak for visitors to the city centre being between 1pm and 4pm on Saturday, averaging at over 4,000 people per hour.

Weekly Visitors



National Benchmark	Weekly Centre Change	Cumulative Weekly Change	Yearly Centre Change
-0.8 %	-3.0 %	-7.7 %	-7.2 %

Retail Sales

British Retail Consortium – Retail Sales Monitor

LATEST BRC RETAIL DATA

The following data is the property of www.brc.org.uk for more information, please visit the website directly.

Retail Sales Monitor (UK) January 2012 ⓘ

Total: **↑2.1%**
Like-for-Like: **↓-0.3%**

Retail Sales Monitor (Scotland) December 2011 ⓘ

Total: **↑1.6%**
Like-for-Like: **↑0.4%**

Shop Price Index January 2012 ⓘ

Overall: **↑1.4%**
Food: **↑3.7%**
Non-Food: **±0.0%**

Retail Employment Monitor Q4 (Oct-Dec) 2011 ⓘ

Full Time Equivalent: **↑0.5%**
Number of Stores: **↑1.0%**

Online Retail Monitor Q4 (Oct-Dec) 2011 ⓘ

Total Retail Search Volumes: **↑24.0%**
Mobile Retail Search Volumes: **↑169.0%**

Footfall and Vacancies Monitor Q3 (Aug-Oct) 2011 ⓘ

Town Centre Vacancy Rate (Aug): **↑11.1%**
Total Retail Footfall (Aug-Oct): **↓**

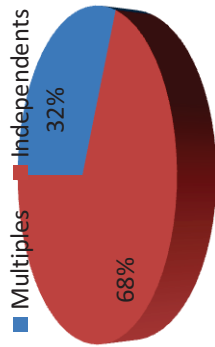
Appendix 1: Retail Categories

Category	Business Type
Comparison	Clothes, Appliances, Dry Goods etc
Convenience	Food, Newsagents, Supermarkets etc
Financial & Business Services	Banks, Estate Agents, Solicitors etc
Leisure Services	Public Houses, Restaurants, Coffee Shops, Bookmakers, Cinemas etc
Other	Offices, Residential etc
Public Service	Doctors, Dentists, Advice Centres, Job Centres etc
Retail Service	Dry Cleaners, Hairdressers, Beauticians, Travel Agents etc
Transport Service	Taxi Services, Car Parking, Garages etc

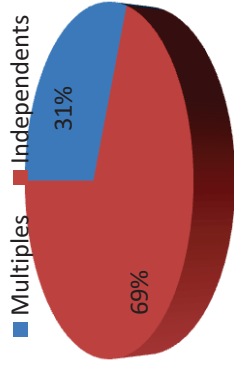
Appendix 2: Quarterly Comparisons

	<h3>February 2012 Graphs and charts</h3>																																				
<h4>September 2011 Graphs and Charts</h4> <p>City Centre Business Comparisons September 2011</p> <p>■ Multiples ■ Independents</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Multiples</td> <td>73%</td> </tr> <tr> <td>Independents</td> <td>27%</td> </tr> </tbody> </table>	Category	Percentage	Multiples	73%	Independents	27%	<p>City Centre Business Comparisons February 2012</p> <p>■ Multiples ■ Independents</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Multiples</td> <td>70%</td> </tr> <tr> <td>Independents</td> <td>30%</td> </tr> </tbody> </table>	Category	Percentage	Multiples	70%	Independents	30%																								
Category	Percentage																																				
Multiples	73%																																				
Independents	27%																																				
Category	Percentage																																				
Multiples	70%																																				
Independents	30%																																				
<p>City centre Business Comparisons September 2011</p> <table border="1"> <thead> <tr> <th>Sector</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Comparison</td> <td>49%</td> </tr> <tr> <td>Leisure Services</td> <td>26%</td> </tr> <tr> <td>Financial & Business Convenience</td> <td>4%</td> </tr> <tr> <td>Public Service</td> <td>7%</td> </tr> <tr> <td>Retail Service</td> <td>1%</td> </tr> <tr> <td>Other</td> <td>2%</td> </tr> <tr> <td>Transport Service</td> <td>0%</td> </tr> <tr> <td>Total Vacant</td> <td>7%</td> </tr> </tbody> </table>	Sector	Percentage	Comparison	49%	Leisure Services	26%	Financial & Business Convenience	4%	Public Service	7%	Retail Service	1%	Other	2%	Transport Service	0%	Total Vacant	7%	<p>City centre Business Comparisons February 2012</p> <table border="1"> <thead> <tr> <th>Sector</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Comparison</td> <td>48%</td> </tr> <tr> <td>Leisure Services</td> <td>26%</td> </tr> <tr> <td>Financial & Business Convenience</td> <td>5%</td> </tr> <tr> <td>Public Service</td> <td>7%</td> </tr> <tr> <td>Retail Service</td> <td>1%</td> </tr> <tr> <td>Other</td> <td>2%</td> </tr> <tr> <td>Transport Service</td> <td>0%</td> </tr> <tr> <td>Total Vacant</td> <td>6%</td> </tr> </tbody> </table>	Sector	Percentage	Comparison	48%	Leisure Services	26%	Financial & Business Convenience	5%	Public Service	7%	Retail Service	1%	Other	2%	Transport Service	0%	Total Vacant	6%
Sector	Percentage																																				
Comparison	49%																																				
Leisure Services	26%																																				
Financial & Business Convenience	4%																																				
Public Service	7%																																				
Retail Service	1%																																				
Other	2%																																				
Transport Service	0%																																				
Total Vacant	7%																																				
Sector	Percentage																																				
Comparison	48%																																				
Leisure Services	26%																																				
Financial & Business Convenience	5%																																				
Public Service	7%																																				
Retail Service	1%																																				
Other	2%																																				
Transport Service	0%																																				
Total Vacant	6%																																				

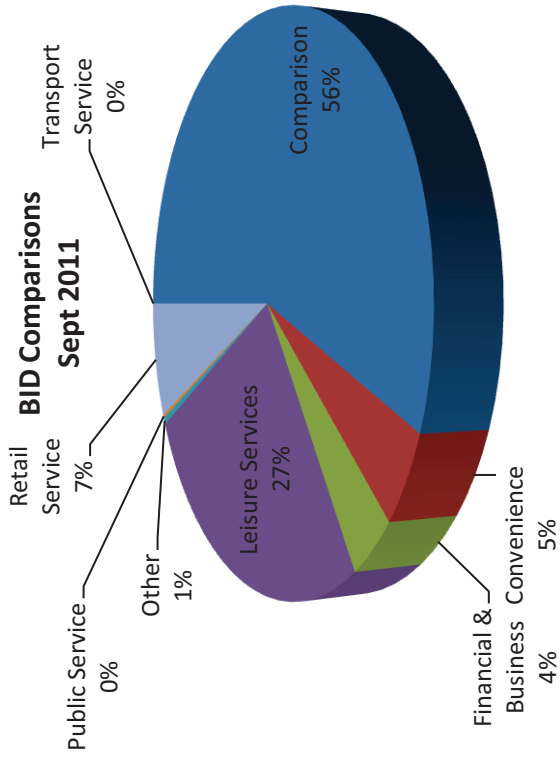
**BID Comparisons
September 2011**



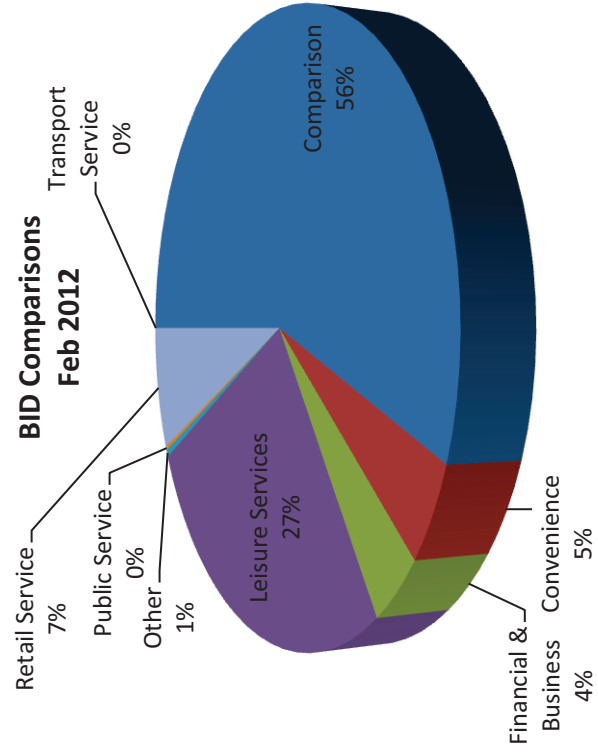
**BID Comparisons
February 2012**



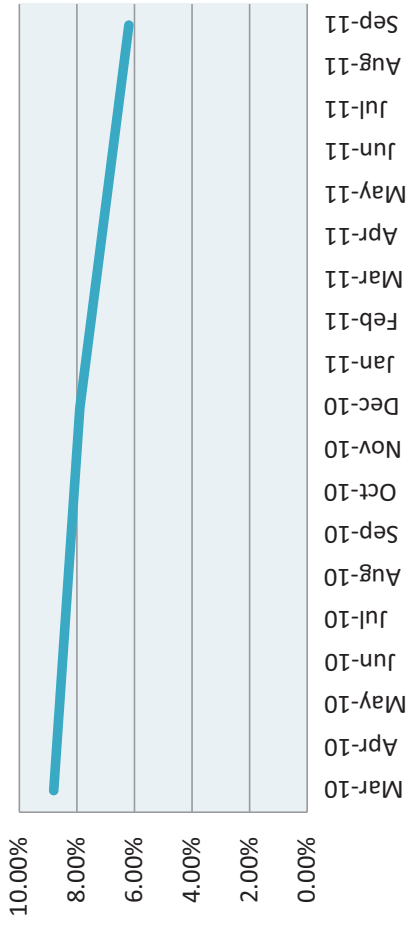
**BID Comparisons
Sept 2011**



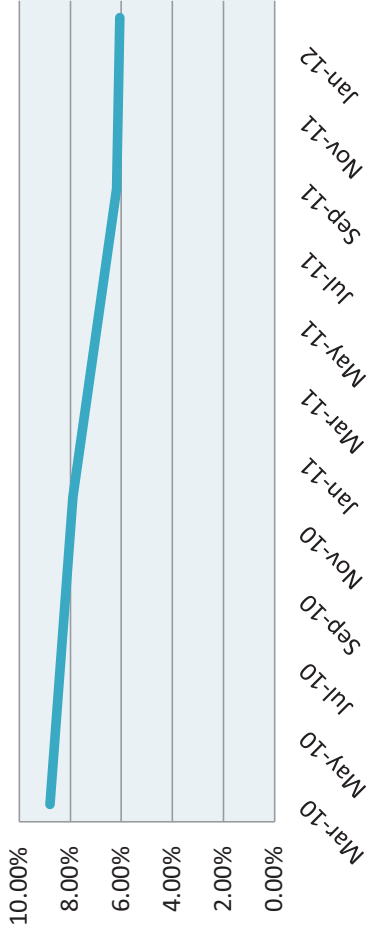
**BID Comparisons
Feb 2012**



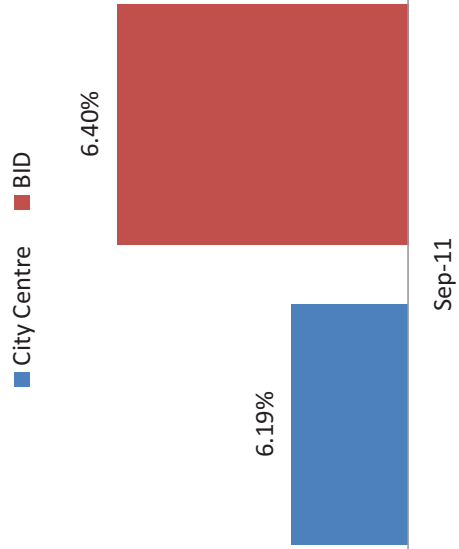
Brighton City Centre Shop Vacancy Rate Sept 2011



Brighton City Centre Shop Vacancy Rate Feb 2012



City Centre v's BID vacancy Sept 2011



City Centre v's BID Vacancy Rate Feb 2012

