



Policy Panel

Item

7


September 2023

Report of

Head of Neighbourhood Services

Author

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Title

Future of retail vision

Wards
affected

Castle Ward

1. Executive Summary

- 1.1 At its meeting of August 2023 Policy Panel requested for an agenda item to be included on the forward programme for 2023/24 that explored the Future of Retail in Colchester. The Colchester Business Improvement District have been invited to provide an overview to the Panel.

2. Action Required

- 2.1 For information

3. Reason for Review

- 3.1 Requested agenda item by the Policy Panel and agreed by Cabinet.

4. Background Information

4.1 At its meeting of August 2023 Policy Panel requested for an agenda item to be included on the forward programme for 2023/24 that explored the Future of Retail in Colchester. The Colchester Business Improvement District have been invited to provide an overview to the Panel.

4.2 Our Colchester Business Improvement District (BID) commissioned Savills Place to carry out research into the changes needed to support retail businesses in the City Centre now and in the future. The research included a review of the national trends being seen across many towns and cities, of existing demographics, strategies, funding, and plans that are already in place to support the City Centre's development both short and long term. This was supplemented by bespoke Colchester specific research into footfall, dwell, spend and vacancy rates. The in-depth research report is available as a supplementary document to this retail strategy. The strategy is broken down into four strategic pillars, these are:

- **Brilliant Basics** - Clean, green, safe, and bright – well maintained street scenes and public realm which creates a pleasant backdrop for a great visitor experience.
- **Repurposed Retail** - Empty space does not need to be empty space, it just needs to be repurposed in ways that mirrors today's consumers 'wants and needs.' Providing alternative uses will support existing retail, bring in new, relevant retail and residents for today and the future.
- **Environmental Experiences** - Net zero does not have to be zero-fun. Social value, well-being and community are no longer secondary matters. Create a City Centre which Builds Back Greener, understands that sustainability is beginning to play a part in consumer buying decisions and gives people space to breathe.
- **Creative Communications** - We know Colchester is a great City, but we need to spread the word. Not only to other residents but to visitors and investors alike. Stand apart and be seen.

4.3 CACI data found that Colchester is expected to have high appeal to residents within its core catchment, demonstrated by a very strong market share of 79.1% and a comparison goods Market Potential of £191 million. This is also shown in the Visa data, with local postcodes having the highest levels of spend. Average Transaction Values (ATV) has decreased over the last couple of years however the number of transactions has increased alongside the total number of cards. Over 75% of the spend in the City Centre is expected to originate from within the core catchment of the City with its primary and secondary catchment areas reaching a population of over 360k people and a potential spend of over £254.7 million.

4.4 A core piece of work that the BID is working on is an Inward Investment Plan for the City Centre to ensure that we have the resources to demonstrate to potential businesses and investors that Colchester is ready and suitable for their business. With 65% of our vacant units in the City Centre now being vacant for 11 months or more, this demonstrates a need to support more change of uses to potential offices or residential; however, we need to ensure that Retail is still in prime position for our visitors. So how do we do this and how can the City Council enable change:

- Enable a pro-retail approach to communications. The recent City Centre Masterplan did not talk about improving and enhancing retail, instead it talked about opportunities of out-of-town developments taking footfall from the City Centre

- Invest with the BID in a detailed Inward Investment Plan to begin approaching a wider range of potential retailers to the City Centre
- Invest in the City Centre Market to enable it to be more of an incubator for small retail businesses to test their product in the City Centre
- Support the BID in creating accessible and cost-effective pop-up schemes for new businesses to test their business models in vacant units through business rates relief and use of unused, council-owned premises in the City Centre

5. Equality, Diversity and Human Rights implications

5.1 As no recommendation or decision is being requested, this section does not apply.

6. Standard References

6.1 There are no particular references to the Strategic Plan; consultation or publicity considerations or financial; community safety; health and safety or risk management implications; environmental and sustainability implications.