

Report of	Meeting	Date
Chief Executive	Overview and Scrutiny Performance Panel	3 March 2016

PERFORMANCE FOCUS: TOWN CENTRE

PURPOSE OF REPORT

- To provide contextual information and initial questions for focus to the Overview and Scrutiny performance panel in respect of the town centre including Market Walk and future development plans.

RECOMMENDATION(S)

- That the context and questions be discussed at the Overview and Scrutiny performance panel, with a view to understanding performance.

Confidential report Please bold as appropriate	Yes	No
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CORPORATE PRIORITIES

- This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy communities		An ambitious council that does more to meet the needs of residents and the local area	✓

BACKGROUND

- In its terms of reference, the overview and scrutiny performance panel agreed that at each meeting, as well as considering performance reports, the panel have the opportunity to focus in on any specific area of service delivery. For the December meeting the panel selected performance in relation to town centre and Market Walk.
- This report provides contextual information and suggests some initial questions to initiate discussions. This will enable the panel and relevant officers and Members to prepare in advance of the meeting.

PERFORMANCE CONTEXT

- Achieving a vibrant town centre is a key objective of the Council's corporate strategy under the priority of 'a strong local economy'. Performance in this area is currently strong both across the wider town centre and in respect of the Market Walk shopping

centre, purchased by the Council in November 2013 and taken into internal management in April 2015.

Town Centre performance

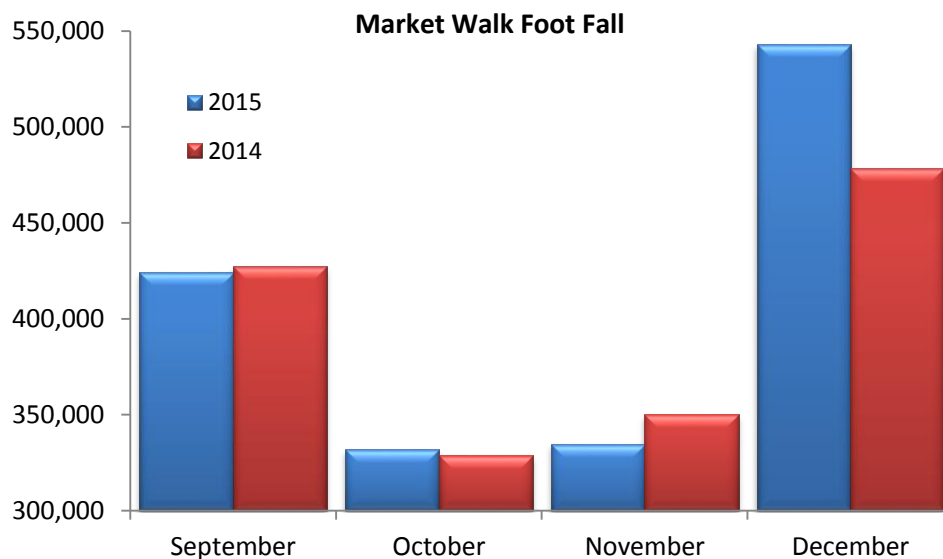
7. The majority of key indicators for the town centre were performing above target at the end of quarter 3 2015/16 (December 2015). Performance for floor space improved/created and vacant town centre floor space was excellent. The % occupancy of the covered market had decreased slightly compared to last year (95.7% against almost full occupancy of 99% for 2014/15) but remains above target of 95%.

	Polarity	Target	Q3 2015/16	Q3 2014/15	Trend
CS 2.01 Town Centre Visits	Bigger is better	37,500	31,037*	29,846#	↑
ED 04 Floorspace improved/created (Sq ft) (Chorley BIG)	Bigger is better	6,000	24,513	5,431	↑
ED 09 % occupancy of the covered market	Bigger is better	95.0%	95.7%	99.0%	↓
ED 10 Markets Income	Bigger is better	£255,000.00	£296,905.34	£295,252.97	↑
ED 11 Vacant Town Centre Floor Space	Smaller is better	6.00%	4.13%	5.96%	↑

Note that town centre visits is reported at the end of quarter 4. *Q4 2014/15 # Q4 2013/14

Market Walk performance

8. Across September, October and November 2015, footfall followed a similar trend to previous years however a significant increase was achieved in December 2015 of 13.5%. This is likely to be as a result of a successful programme of creative marketing and PR over the Christmas period.



9. A range of improvement activity has been undertaken in Market Walk itself including new wooden bins, planters, PA system and replacement paving in some areas.
10. Since coming into Council management in 2015, the centre has continued to generate revenue above anticipated levels and provide an additional income stream for the Council. The recent management report shows 1 vacant unit out of 35 which is above 97% occupancy. However there are a number of tenants with outstanding or part payments; this applies to approximately 9 units currently showing arrears.

Town centre marketing and PR activity

11. A range of Christmas events attracted significant visitor numbers to the town centre with key attractions and final costs detailed below:
 - **Chorley's Christmas lights switch on - 5000 visitors**
 - Total cost = £12,605 +VAT including partnership with Rock FM, stage show and infrastructure, celebrity appearances and on-air promotion
 - **Santa Express from town centre to see Father Christmas at Astley Hall – 1900 families**
 - Cost = £12,580 for Father Christmas, gifts and land train hire.
 - £6,018.13 revenue generated from ticket sales leaving a **total cost of £6,562**
 - **Giant Ferris wheel - 10,800 rides**
 - Cost for the hire of wheel and staff for the kiosk = £35,108.46
 - Income generated from ticket sales and sponsorship of the big wheel = £33,316.80
 - 444 people utilised time credits to ride the wheel earned through volunteering
 - Income generated from market stalls at the base of the wheel = £1,437
 - Cost – income = **total cost £367**

Future developments – Extension of Market Walk

12. The project to deliver the Market Walk extension has been included as a Corporate Strategy project for 2015/16 and will aim to progress the development following full planning permission granted in September 2015.
13. Market Walk phase 2 looks develop seven new retail and leisure units on part of the flat iron car park to provide a variety of outlets such as cinema, restaurants and bars along with a stronger retail offer to attract national high street brands. Also included in the project are improvements to public realm, development of additional parking spaces to offset those that will be lost due to the development and the temporary relocation of the markets and shop mobility. The project aims to open the new extension by July 2017 incorporating the following key objectives:
 - Secure pre-let contract agreements for the lease of 75% or more of the units in the development.
 - Update/develop the town centre masterplan and town centre car parking strategy.
 - Deliver additional town centre car parking spaces for the public.
 - Procure professional, development and construction services to take the project from planning approval stage to completion.

- Work with key stakeholders to manage and mitigate the impact of the development on them, their businesses and the town centre.
- Communicate progress of the development to the public.

QUESTIONS:

Market Walk

14. How do existing Market Walk tenants contribute towards:
- The wider marketing and promotion of the town centre?
 - Improvements and upgrades to the centre such as street furniture?
15. The report identifies a number of existing tenants in arears.
- Why is this the case and what action is being taken to address this situation?
16. The purchase of Market Walk was expected to bring in additional revenue of £400,000 per year.
- What has been the return on this investment so far and is this forecast to be maintained in future years?

Market Walk extension

17. Please provide an update on the current position in regard to Market Walk phase 2.
18. How will the Market Walk phase 2 development impact on:
- Existing Market Walk tenants?
 - The wider town centre?
19. What are the risks for the town centre and have mitigating actions been identified?

IMPLICATIONS OF REPORT

20. This report has implications in the following areas and the relevant Directors' comments are included:

Finance		Customer Services	
Human Resources		Equality and Diversity	
Legal		Integrated Impact Assessment required?	
No significant implications in this area	✓	Policy and Communications	

COMMENTS OF THE STATUTORY FINANCE OFFICER

21. No comments

COMMENTS OF THE MONITORING OFFICER

22. No comments

GARY HALL
CHIEF EXECUTIVE

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Victoria Willett	5248	23.02.2015	Town centre and Market Walk