



# CentrePulse

## Edinburgh City Centre Monitoring Annual Report 2009

Welcome to the 2009 edition of CentrePulse, Edinburgh's annual report for the city centre, brought to you by the City of Edinburgh Council's Economic Development Unit.

In order to ensure that Edinburgh's city centre is reaching its potential, it is essential that decision makers are fully informed about how the city centre works - what's good, what's not so good and where improvements can be made. CentrePulse brings footfall, transport and retail data together in one place to assess how Edinburgh's city centre performed in 2009 and how this compares with previous years and other cities.

We hope you find the report useful and would welcome any feedback to [economicstrategy@edinburgh.gov.uk](mailto:economicstrategy@edinburgh.gov.uk). Detailed information on sources used is also available on request.

### At a Glance

The table on the right shows how Edinburgh City Centre fared across ten key performance indicators. Performance improved across four indicators, remained the same in one and worsened in five. With a recession on for most of 2009, it is unsurprising that indicators of footfall, retail vacancies, on-street parking and unemployment worsened, and that the popularity of cheaper options such as off-street parking and park and rides increased. It is also encouraging that Edinburgh improved by one place in the CACI rankings of cities by retail expenditure. This suggests that although the recession has affected Edinburgh, it has held up well compared with other cities.

Indicator		2009	2008	Trend
Footfall	Average Weekly Footfall (at Busiest Location)	229,520	232,733	▼
	Average Weekly Footfall (All Locations)	100,670	108,765	▼
Transport	On-Street Car Parking Utilisation at Peak Hour	39.4%	45.3%	▼
	Off-Street Car Parking Utilisation at Peak Hour	60.7%	54.3%	▲
	Average Park & Ride Utilisation at Peak Hour	33.8%	27.6%	▲
Retail	Retail Ranking (CACI Retail Footprint)	18	19	▲
	Proportion of Vacant Units	6.6%	6.3%	▲
Unemployment	City Centre Unemployment Claimant Count	2.8%	2.0%	▲
Tourism	No. of City Centre Visitor Attractions in Top 20 of Scottish Visitor Attraction Monitor	5	5	◀▶
Environment	Cleanliness Index Monitoring Systems Score (Out of 100)	70	65	▲

## Footfall

Since December 2007, 19 pedestrian counters have been installed in Edinburgh's city centre by Springboard, an industry leader in people-counting technology. Data is provided on how many people are passing through key locations every day. It is now possible to compare 2009 trends with 2008 to assess how performance has changed. As Springboard operate footfall counters in other cities, it is also possible to compare Edinburgh's performance with comparator cities.

### 1. Comparisons With Other Cities

Table 1 and Figure 1 show how Edinburgh and comparator cities' footfall in 2009 compared with 2008. Overall, footfall fell by 1.4% outside Carphone Warehouse on Princes Street, compared with a 0.5% increase in comparator cities. April's performance was positive in both cities due to Easter falling a month later than in 2008. The impact of the recession, which peaked during the spring of 2008, may explain comparator cities' decline in May and June. 2009's Christmas footfall compared more favourably with 2008 than in comparator cities.

**Table 1**  
Year on year Change in Footfall by Month in 2009

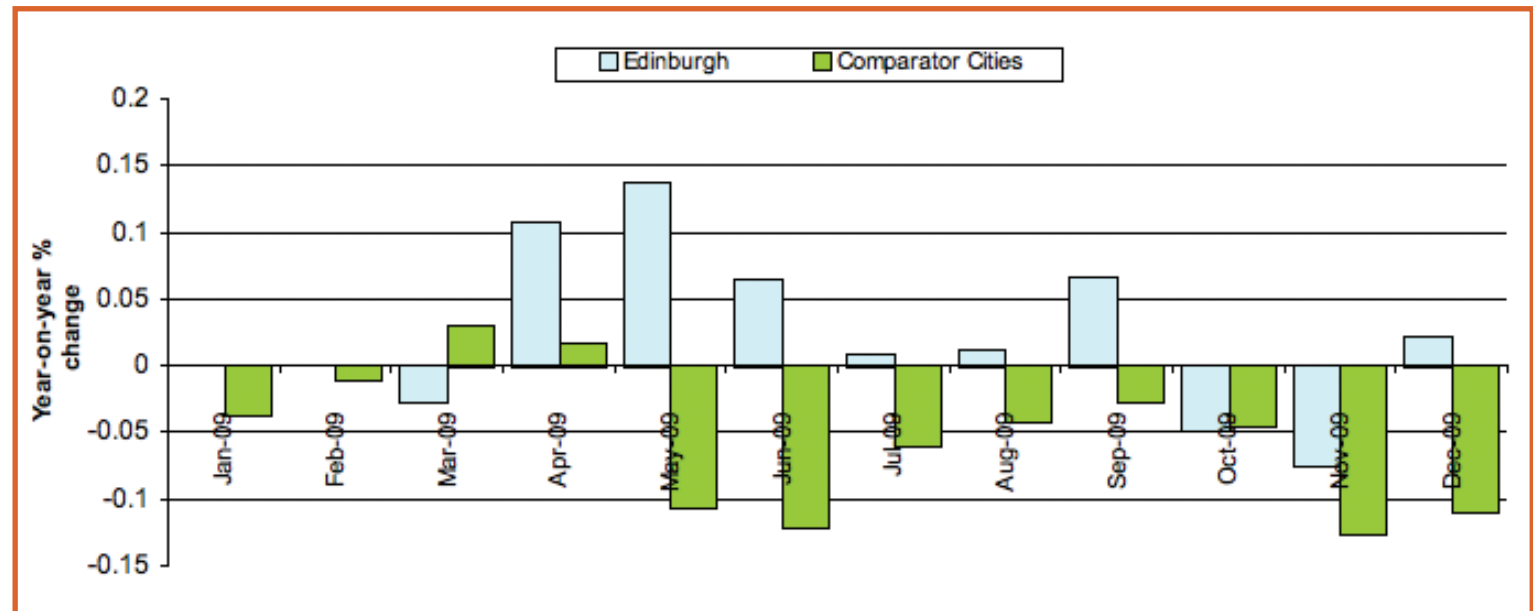
Month	% Change on 2008 in Edinburgh	% Change on 2008 in Comparator Cities
January	N/A	-3.6%
February	N/A	-0.9%
March	-2.7%	+0.3%
April	+10.7%	+1.7%
May	+13.8%	-10.5%
June	+6.5%	-12.1%
July	+0.9%	-5.9%
August	+1.1%	-4.1%
September	+6.6%	-2.6%
October	-4.7%	-4.4%
November	-7.4%	-12.6%
December	+2.2%	-10.8%
Year	-1.4%	+0.5%

Source: Springboard

1 Source: Springboard. The comparator cities figure is the weekly footfall at the busiest location is an average of footfall count at the busiest locations in Birmingham, Bristol, Cardiff, Dublin, Edinburgh, Glasgow, Leeds, London, Liverpool, Manchester, Newcastle, Norwich and Nottingham. The Edinburgh figure is taken from the second-busiest location outside Carphone Warehouse, east end of Princes Street. Carphone Warehouse gives a more valid comparison with 2008 than the busiest location at Marks & Spencer as it was not directly affected by the closure of Princes Street to traffic between 21 February and 29 November.

2 Valid for March to December as data not available for January and February outside Carphone Warehouse

Figure 1: Annual % Change in Footfall by Month: Edinburgh and Comparator Cities



Source: Springboard

## 2. Footfall by Month

Table 2 and Figure 2 show how Edinburgh's footfall compared with an average of comparator cities over 2009. Numbers are lower in Edinburgh as the comparator cities averages include much larger cities such as London and Birmingham.

The impact of tourism on the city centre is clear over the summer months, with the busiest month both in absolute numbers and relative to comparator cities being the Festival month of August. Christmas shopping helped December to be the next busiest month. Christmas shopping helped December to be the next busiest month, despite heavy snow and fog throughout. Relative to comparator cities, June was the quietest month. This may be due to a combination of Edinburgh's high number of students returning to their homes away from Edinburgh and the influx of summer tourists yet to take place.

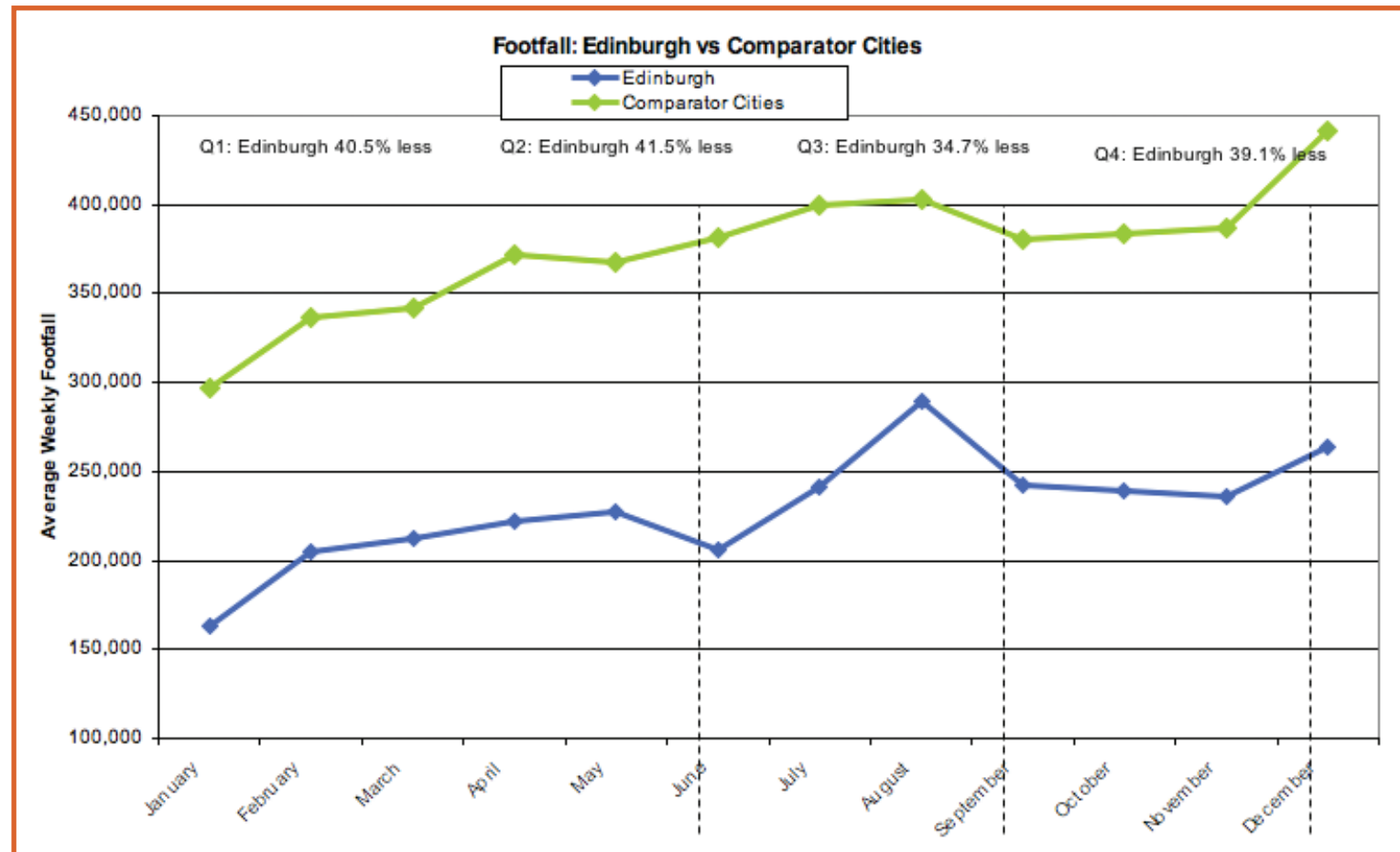
**Table 2**  
**Footfall by Month**

	Rank	Edinburgh <sup>3</sup>	Comparator Cities <sup>4</sup>	% Difference between Edinburgh and Comparator Cities
January	12	163,069	297,115	-45.1%
February	11	204,957	336,561	-39.1%
March	9	212,874	342,192	-37.8%
April	8	221,501	371,931	-40.4%
May	7	227,263	367,654	-38.2%
June	10	206,457	381,151	-45.8%
July	3	241,463	399,973	-39.6%
August	1	289,239	402,976	-28.2%
September	4	242,755	380,814	-36.3%
October	5	238,798	384,060	-37.8%
November	6	235,442	386,472	-39.1%
December	2	263,941	441,649	-40.2%
Year		229,520	374,673	-38.7%

<sup>3</sup> At Carphone Warehouse, Princes Street

<sup>4</sup> Average weekly footfall at busiest location

Figure 2 – Difference in Footfall Between Carphone Warehouse (Princes Street) and the Busiest Counter in Comparator Cities



### 3. Footfall Across the Year

Figure 3 shows the difference in footfall patterns compared with 2008 and suggests possible explanations for the peaks. The three weeks of the Festival Fringe in August were again the busiest time of year, with footfall reaching 322,076 a week between 10 and 17 August – 40 per cent above the year average. The impact of major shopping events including Valentine's Day, Mother's Day, Hallowe'en and Christmas was again noticeable, while major events such as rugby matches also boosted footfall.

### 4. Footfall Across the City

Princes Street was closed to all traffic between 21 February and 29 November 2009, with bus traffic diverted along the adjacent George Street. This affected footfall patterns for many of the city's counters. Counters on Princes Street saw a reduction in footfall while those on George Street saw an increase in footfall. The east end of Princes Street was not closed to traffic, which explains why footfall at Carphone Warehouse was less affected.

Table 3 shows the mean weekly footfall at each counting location and compares this with 2008. Citywide, footfall was 7.7% down on 2008. This compares with 5.5% for comparator cities, although it should be noted that this figure only refers to footfall at their busiest counter. Considering the fact that Princes Street was closed to traffic for much of the year, Edinburgh held up well.



**Table 3**  
**Footfall Comparisons by Counter in Edinburgh \***

Counter	2009 Mean Weekly Footfall	2008 Mean Weekly Footfall	% Change 2008 - 2009
Princes Street (Marks & Spencers)	232,186	304,299	-31.1%
Princes Street (Carphone Warehouse - east end)	229,520	232,712	-1.4%
Princes Street (House of Fraser)	173,622	189,945	-9.4%
Princes Street (Next)	172,866	232,413	-34.4%
High Street (Radisson Hotel)	104,151	104,377	-0.2%
George Street (Dome)	103,388	68,547	+33.7%
St Andrew Square (Harvey Nichols)	99,672	112,012	-12.4%
Rose Street (Black & Lizars)	99,443	104,279	-4.9%
Shandwick Place (Lothian Buses)	80,020	73,824	+7.7%
Shandwick Place (Specsavers)	78,931	81,255	-2.9%
George Street (Whistles)	77,508	51,279	+33.8%
South Bridge (Offbeat Clothing)	73,683	99,087	-34.5%
High Street (Bella Italia)	63,841	72,040	-12.8%
Lothian Road (Pizza Hut)	52,532	54,615	-4.0%
Grassmarket (Costume Haha)	49,074	50,161	-2.2%
George Street (Rohan)	45,187	47,843	-5.9%
South Bridge (Latest News)	N/A	96,270	N/A
Lothian Road (Black & Lizars)	30,456	34,005	-11.7%
Leith Walk (Vittoria's)	63,802	N/A	N/A
Total of averages	1,766,080	1,912,693	-7.7%

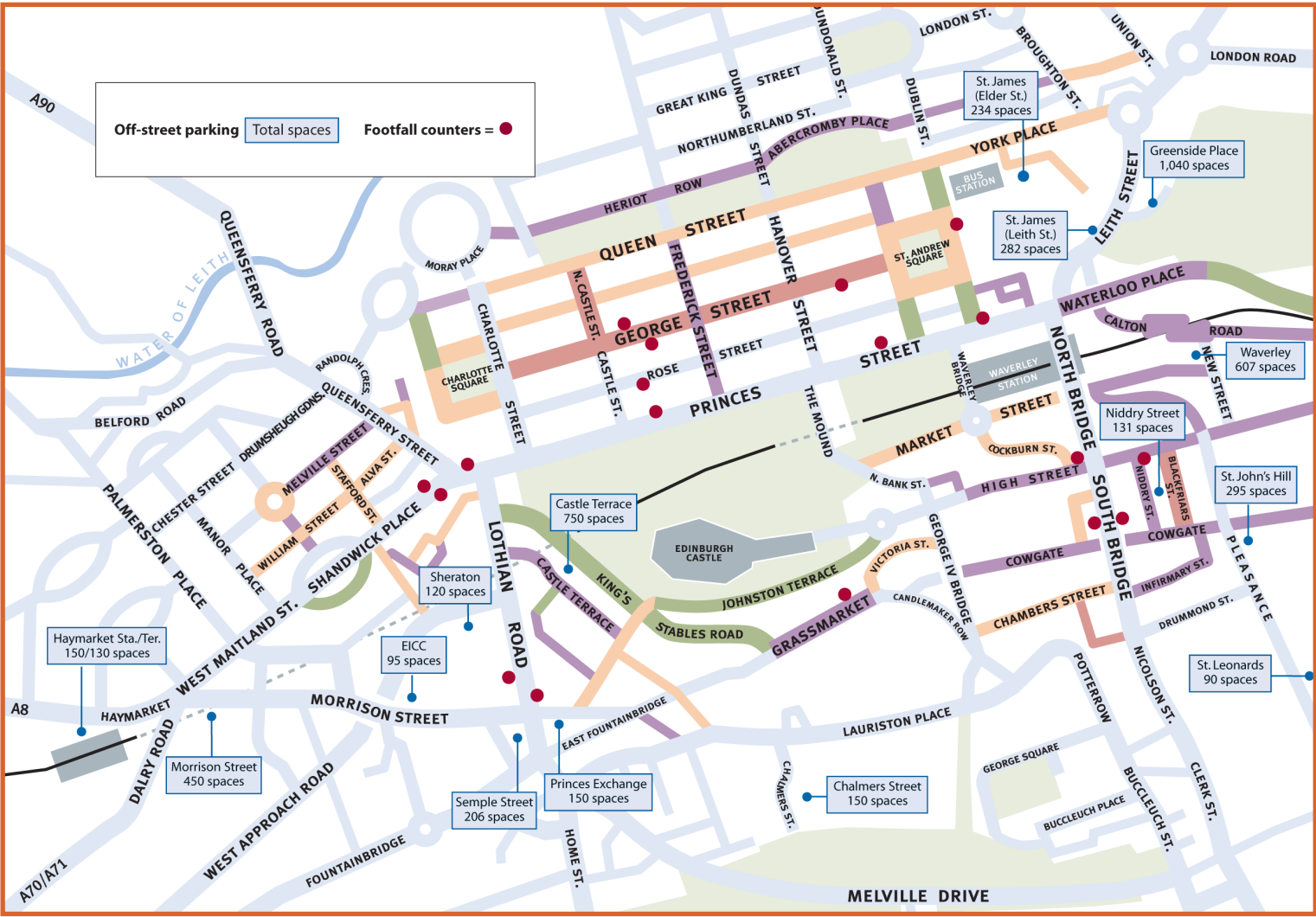
Totals exclude Leith Walk (Vittoria's) as counter was not operational in 2008, and South Bridge (Latest News) which was damaged for much of 2009.

\* See Page 9 for a map of where footfall cameras are located.

#### 4. Conclusions

Overall, footfall did not decline significantly in 2009.

Pedestrian and traffic diversions caused fluctuations in footfall. While Princes Street saw footfall decline, it was encouraging to see that this was offset by an increase in footfall on George Street. As footfall in unaffected areas remained relatively steady, this suggests that Edinburgh was less affected by the recession than comparator cities which on average saw footfall decline by 5.5%.



## Transport and Parking

Transport and parking statistics are another indicator of the success of the city centre. Individuals paying to travel into the city centre are more likely to spend money in its shops. The more utilised parking spaces are, the busier the city centre is likely to be; while the longer people stay parked, the more money they are likely to spend money in the centre.

### 1. Parking Utilisation

The proportion of on-street parking spaces utilised was down on 2008. However, Tables 2 and 3 shows that much of this was offset by an rise in off-street parking, which increased in four of the seven car parks measured; and park and ride usage, which increased in all but one site.

This trend may be due to the cheaper options of off-street parking or using park and rides becoming more appealing during the recession. It is interesting to note that with 60.6% of parking bays available in the city centre during hours where charging applies, the likelihood of finding a free parking space was in fact greater in 2009 than 2008.

**Table 1: Average Percentage Utilisation of On-Street Car Parks (When Charges Apply)**

	2009	2008
East End	24.6%	27.1%
West End	38.4%	40.3%
New Town	51.2%	59.9%
Old Town	41.5%	46.3%
Average	39.4%	45.4%

Source: CEC Parking

**Table 2: Average Percentage of Off-Street Parking Spaces Utilised at Peak Hour**

	% of Spaces Utilised 2009	% of Spaces Utilised 2008	Capacity
Castle Terrace	54.5%	60.5%	750
Blackfriars Street	79.5%	71.0%	130
Fountain Park	54.7%	33.5%	825
St James Centre	79.1%	85.0%	567
Waverley Station	67.1%	44.7%	627
Greenside	51.6%	45.7%	990
St John's Hill	38.4%	39.4%	295

Source: CEC, Transport

**Table 3: Park and Ride Utilisation at Peak Hour: 2009 vs 2008**

	% of Spaces Utilised 2009	% of Spaces Utilised 2008	Capacity
Hermiston	62.4%	63.6%	450
Sheriffhall	41.5%	22.8%	545
Ingliston (1&2)	30.9%	26.1%	1078
Straiton	18.1%	12.6%	600
Wallyford	16.5%	12.7%	321

Source: CEC, Transport

## 2. Length of Stay

Length of stay figures are positive with average parking time up by 6.1% on 2008. Length of stay was at its lowest in Q2, when the recession was at its peak, but picked up in Q3 and Q4. This may be a sign of an improvement in shopper confidence. Over the Christmas period of Q4, people parked for 12.4% longer than in Q4 2008.

**Table 4: Average Length of Stay (minutes) in On-Street Parking Bays in the City Centre**

	New Town	Old Town	East End	West End	Total	% Change on 2008
Q1	75.6	78.0	114.0	73.4	83.5	+2.2%
Q2	75.5	77.5	108.1	73.1	82.4	+1.9%
Q3	76.1	79.7	113.3	76.2	84.9	+8.1%
Q4	73.3	80.8	114.2	75.9	87.7	+12.4%
Year	75.9	79.0	115.5	74.7	84.6	+6.1%

Source: CEC, Parking

## 3. Conclusions

Tables 1, 2 and 3 highlight that there is an abundance of parking in Edinburgh's city centre, even at peak hour. Although it appears concerning that on-street car parking has fallen, there is evidence that shoppers are turning to off-street car parks and park and rides. The impact of the recession is also apparent when looking at length of stay. Figures from the latter part of the year show a considerable improvement as the economy recovered.

## Retail and Property

### Overview

In 2009, the UK felt the full effects of economic contraction. The impacts of the recession upon the retail sector have however been mixed. Negative effects included the loss of well-known retailers such as Borders, Bay Trading and Happit, rising shop vacancies and the end of the shopping centre development pipeline. However, these were to some extent offset by stronger-than-expected consumer expenditure in response to economic stimuli including very low interest rates and the reduction in VAT.

Within the retail sector, food and discount operators are trading best and are most active, while non-food retailing is more challenged. Total retail sales in Scotland in December 2009 were reported to be 4.3% higher than in December 2008, although late 2008 is a weak trading period to compare with and probably flatters late 2009. Like-for-like sales were 0.8% higher. Food sales were 5.4% higher (2.0% like-for-like) over the 12-month period and non-food sales were 3.3% higher (0.8% like-for-like) (source SRC-KPMG).

There is a general sentiment among retailers that 2010 will be a challenging year, as unemployment continues to rise, wage growth remains flat and economic stimuli are removed (eg. lower VAT) or potentially reduced (quantitative easing, employment support schemes).

### Edinburgh

The development market was very subdued in 2009. Investment values for Scottish retail property fell by 45% between mid-2007 and mid-2009, while bank finance for new projects was virtually unavailable. In the absence of developer-led projects, the main

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development activity in Edinburgh city centre has been occupier-led (e.g. Primark on Princes Street) or longer term schemes such as progress with planning and design of the redevelopment of the St James Quarter.

In this weak property development market, the main area of activity during 2009 was existing shop units changing hands as the demise of some retailers created opportunities for others to enter the market.

One particularly active block at the west end of Princes Street has attracted Urban Outfitters to the former Zavvi unit at number 124 and easyHotel at 125a; New Look is to take 121-123 with Premier Inn hotel on the upper floors of a scheme which secured planning consent in 2009; and Mountain Warehouse has opened at number 126.

Moving east, Primark plans to open its flagship store at 92-93 Princes Street in 2011. The retailer had originally planned to open in 2009 but now intends to create a larger 80,000 sq.ft. rather than a 60,000 sq.ft. store and therefore requires a revised planning consent.

There are numerous new market entrants elsewhere in the city centre. Multrees Walk has attracted Daniel Footwear and jewellery retailer Pandora. Hanover Street has secured Camper Footwear and Virgin Media. Frederick Street has attracted handbags and accessories store Radley and cashmere manufacturer/retailer Brora. The Sony Centre has located in Shandwick Place.

Table 1 provides Ryden's analysis of prime Zone A rental levels for the top 10 retail centres in Scotland.

**Table 1: Highest retail rents in Scotland**

2009 position	centre	2009 £/ sq.ft. Zone A	Position change from 2008
1	Glasgow	£255	0
2	Edinburgh	£210	0
3	Braehead*	£200	0
4	Silverburn	£185	new
5	Gyle	£175	-1
6	Aberdeen	£173	-1
7	East Kilbride	£130	-1
8 =	Inverness	£115	-1
8 =	Stirling	£115	-1
10	Livingston	£107	-1

\* 80% of OMV with turnover provisions

source: Ryden

Edinburgh maintains its second position behind Glasgow but its prime rent (Zone A) – for the best pitch on Princes Street - has fallen from £220 to £210 per sq.ft..

These “proven” rental figures are in fact likely to under-record the extent of rental falls. Prime rents remain under downward pressure in Edinburgh and elsewhere due to the effects of the recession on retailer performance.

Aside from Edinburgh, the only other changes during 2009 are the growth in Aberdeen's prime retail rent and the introduction of the new Silverburn centre in Glasgow to fourth position, moving centres below this including Edinburgh's Gyle down by one position.

According to Property Intelligence, the number of retailers with requirements for Edinburgh city centre fell during 2009. This is part of a market-wide downturn in the numbers of retailer requirements as the recession has taken its full effect on their expansion plans. However, Edinburgh's relative position in the UK did improve slightly, from being the 25th most sought-after location in 2008, to 21st in 2009.

Another ranking measure is CACI's Retail Footprint for 2009, which estimates the retail turnover of city centres and regional shopping malls across the UK. Edinburgh city centre is in position 18 on the rankings with estimated turnover of £940 million. This is an improvement of one position from 19 in 2008, based upon an increase in turnover from £920 million.

As noted above, retail property investment values fell by 45% between mid-2007 and mid-2009. In the second half of 2009 there was however a market rebound as investors were attracted by these much lower property prices. In the retail sector this manifested itself in demand for prime shopping centres, retail parks and prime unit shops. In Edinburgh, Hermiston Gait Retail Park changed hands for £66 million (initial yield 6.72%) and 127/ 128 Princes Street occupied by Waterstones and Game for £10.04 million (7.65% yield).

## Outlook

Retail expenditure has held up rather well during the recession to date, however there are a number of drag factors such as unemployment and debt levels which are expected to create challenging market conditions in 2010.

Demand for property from retailers has declined notably, although Edinburgh had improved its relative position on this measure and had edged up national rankings based upon turnover.

A lack of significant new development due to the city's historic core provides a stabilising influence, helping to prevent the levels of vacancy rates seen in some other locations. In fact, recent transactions indicate that those vacancies which have arisen have presented opportunities for new retailers to secure city centre premises.

Prime retail rents in Edinburgh have declined and remain under pressure moving forward. The rental pattern in the city centre is also likely to continue shifting as George Street, St Andrew Square, Multrees Walk and St James Centre/Quarter assert their market position.

**Dr. Mark Robertson is a Partner at Ryden**

## Vacancy Survey

### City Centre Shop Use

The number of vacant units and the proportion that are in retail use can provide an additional insight into the health of the centre. Vacant units are not always a sign of weakness and can be a result of investment in a centre. In Edinburgh an annual survey of city centre shop units provides a snapshot of city centre shop unit occupancy.

### Vacancy rate

Despite the prolonged period of economic slowdown and recession there has been very little change in vacancy rates over the last five years (Figure 1). The city centre vacancy rate has varied between 6.3% and 9.7%. The highest level of vacancies was recorded in 2006, mainly resulting from substantial refurbishment activity and newly created units not yet occupied. In the last year the vacancy rate has increased marginally from 6.3% to 6.6%.

The trend of vacancy rates in the city centre as a whole is generally reflected in the individual sub areas over the five year period. Vacancy rates are highest in the Old Town and East End.

Figure 1: City Centre Vacant Units and Vacancy Rate

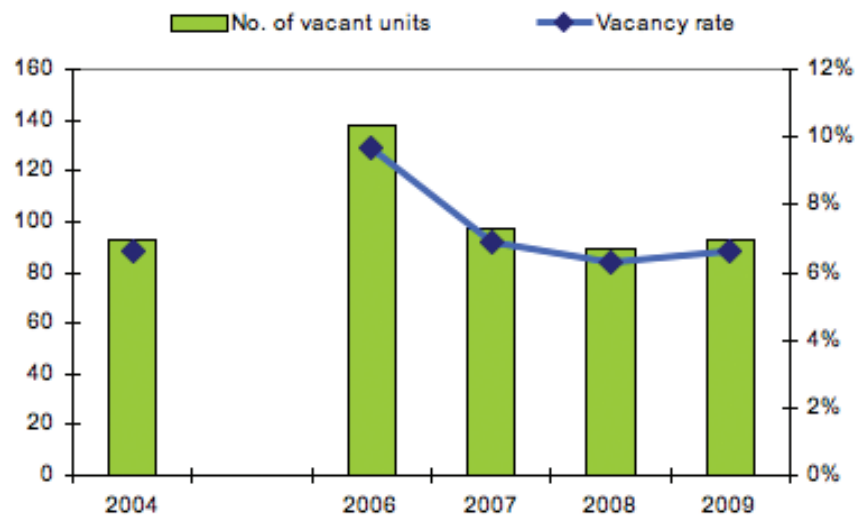
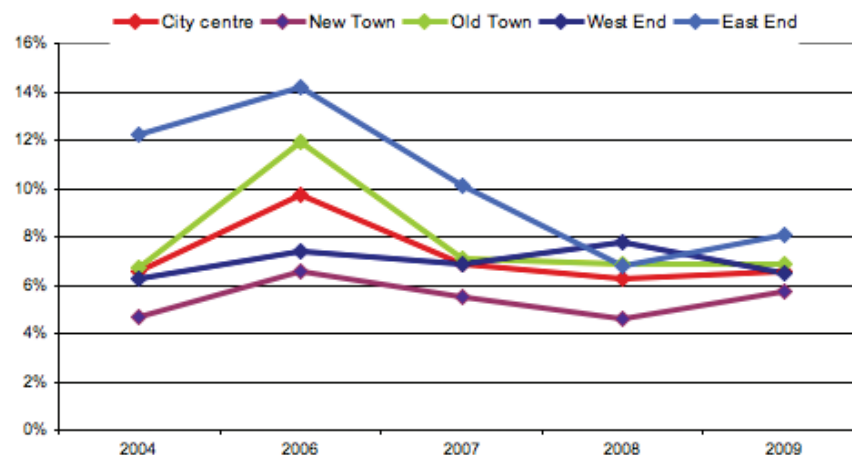


Figure 2: Vacancy Rates in City Centre Sub Areas

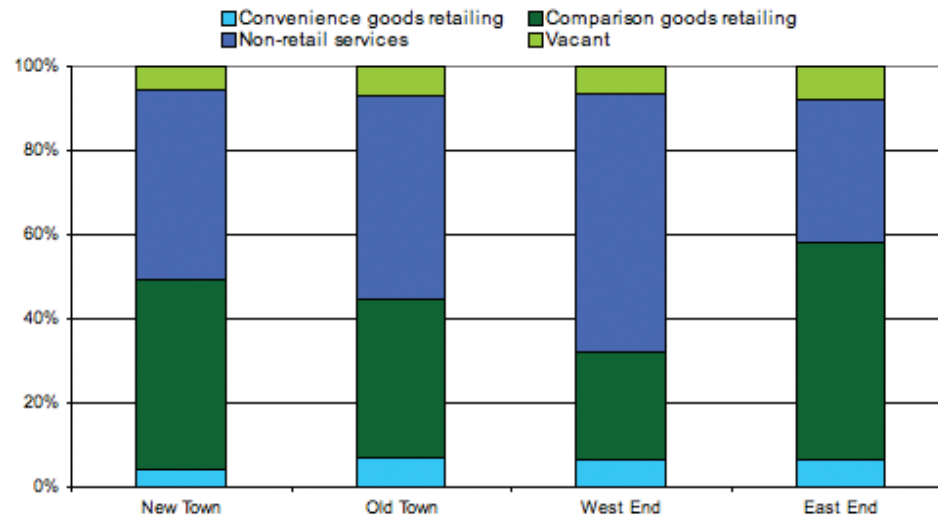


### Use of shop units

Retailing is a key use in the city centre but a range of other uses and services also underpin its vitality and viability. In 2009, taking vacancies into account, retail accounts for just under half of the units in the city centre. This proportion would be likely to be significantly higher if it were based upon floorspace rather than number of units, as retail units are generally much larger than non-retail units. The remaining units were either vacant (6.6%) or in use as non-retail outlets (48.4%). Non-retail uses include services such as banks, hairdressers, restaurants, hotels and pubs.

There is considerable variation in the composition of shop units between the four sub areas of the city centre. The New Town and East End are more retail orientated than the West End and Old Town (Figure 3). The highest concentration of non-retail services in the city centre is found in the West End, which is Edinburgh's central business district. The vacancy survey is carried out for the city centre every year by the City of Edinburgh Council's Planning Information Team.

Figure 3: Shop Use in City Centre Sub Areas



Over the last five years there has been little change in the balance between non-retail and retail use of shop units across the city centre however 38% of individual shop units have experienced change in this period. This is to a large extent “churn” whereby properties have changed occupier but not type of use with little or no period of vacancy.

Low vacancy rates in the city centre along with a steady number of units in retail use could suggest that the centre is performing well. However vacancy rates are only one indicator of the health of the centre and must be considered alongside other indicators to give a picture of the performance of the city centre.

A report of the survey analysis is available online at [http://www.edinburgh.gov.uk/internet/Attachments/Internet/Environment/Planning\\_and\\_buildings/Planning\\_hidden/Planning\\_policies/City\\_Centre\\_Retail\\_Analysis\\_2004\\_to\\_2009.pdf](http://www.edinburgh.gov.uk/internet/Attachments/Internet/Environment/Planning_and_buildings/Planning_hidden/Planning_policies/City_Centre_Retail_Analysis_2004_to_2009.pdf)

## Essential Edinburgh Update

Essential Edinburgh, the city's first business improvement district (BID), made a significant impact during 2009 – its first full year of operation. The BID's remit is categorised under the headings 'safe & secure', 'clean & attractive', 'area promotion' and 'accessibility' and specific projects were delivered in each of these areas.

The most significant investment made by Essential Edinburgh was a £440,000.00 contract with MITIE (the company provides a number of services from asset to facilities management). This contract provides two services in the business improvement district – the clean team and the Ambassadors.

Edinburgh is a beautiful city and we work hard to keep it that way. Our green-clad Clean Team add great value to the services already provided by the Council. As a rapid response team, they're equipped with specialist equipment and can deliver excellent levels of cleanliness, often on demand from businesses within the area. Their focus has been the removal of chewing gum, graffiti and illegal fly posting and additional litter-picking. We're also tackling the problem of cigarette butts on our streets. The impact of this team has been significant, in the first six months they cleared the equivalent of 1480 bags of sugar in general litter; almost 50 square metres of chewing gum; more than 100 square metres of graffiti; 350 illegal fly posters were removed; 69 kilograms of flyers were picked up during the peak festival period and they also collected enough cigarette ends to fill 12 large, black bin bags!

The Ambassadors provide a vital service in the city centre and their role has evolved through a close working partnership with city centre security staff and Lothian and Borders Police. For the public, the purple-clad Essentials provide information and assistance, a valued customer service. The team also support the work of city centre police officers alerting them to any incidents thereby facilitating quicker responses. The extra security they provide enhances other schemes operated by Essential Edinburgh such as the Child Safe scheme, the Taxi Marshals and the new retail security project 'CheckOut' which is unique to Edinburgh.

A critical factor in Essential Edinburgh's success is undoubtedly its partnerships and the way it brings together the private and public sectors to work together in enhancing the city centre. A very visual example of this can be found in St Andrew Square. Bringing together the property owners along with the city's new marketing body, DEMA, and tie, Essential Edinburgh lead on a project to dress the empty buildings on the corner with South St David Street. These buildings are earmarked for redevelopment and were an eyesore in a prominent location. With support from partners at the Scottish Poetry Library and the team at UNESCO City of Literature, the buildings are now resplendent, clad in giant quotes celebrating the city of Edinburgh.

There are more examples of projects undertaken by Essential Edinburgh and they can be found at [www.essentialedinburgh.co.uk/annualreport09](http://www.essentialedinburgh.co.uk/annualreport09). Tom Campbell, Essential Edinburgh's Chief Executive, described 2009 as a year of 'consolidation and action'. He said, "Our priority as a business improvement district company is to support business and to enable us to do that more effectively we had to consolidate the team tasked with delivering our objectives. Job roles were refocused to help us push through our ambitious plans and we were then able to quickly deliver really significant projects like the Mitie contract, the Rose Street planters, progress our funding for additional CCTV and so on. This has put us in a position of great strength for 2010 and we intend to build on the success of year one. We have projects in the pipeline that will look at the city centre's impact on climate change, improve accessibility in the centre and focus on the evening economy. By continuing to develop partnerships we will underpin the economic strengths of our city centre, supporting businesses and contributing the vibrancy of our historic and beautiful city centre."

**Lisa Dransfield is Head of Communications at Essential Edinburgh**