GLASGOW CITY CENTRE

ECONOMIC HEALTHCHECK

Issue 2: November 2010

Welcome to the second edition of Glasgow city centre's Economic Healthcheck: a quarterly progress report on how the city centre is performing on a range of indicators. Its objective is to track the impact of economic conditions on the city centre, and to provide a baseline from which future performance can be benchmarked. It is produced by the City Centre Initiatives Team in Glasgow City Council's Development and Regeneration Services, using data collected and analysed from a variety of identified sources. Data in this issue is focused on 2010/11 first quarter: April to June 2010.

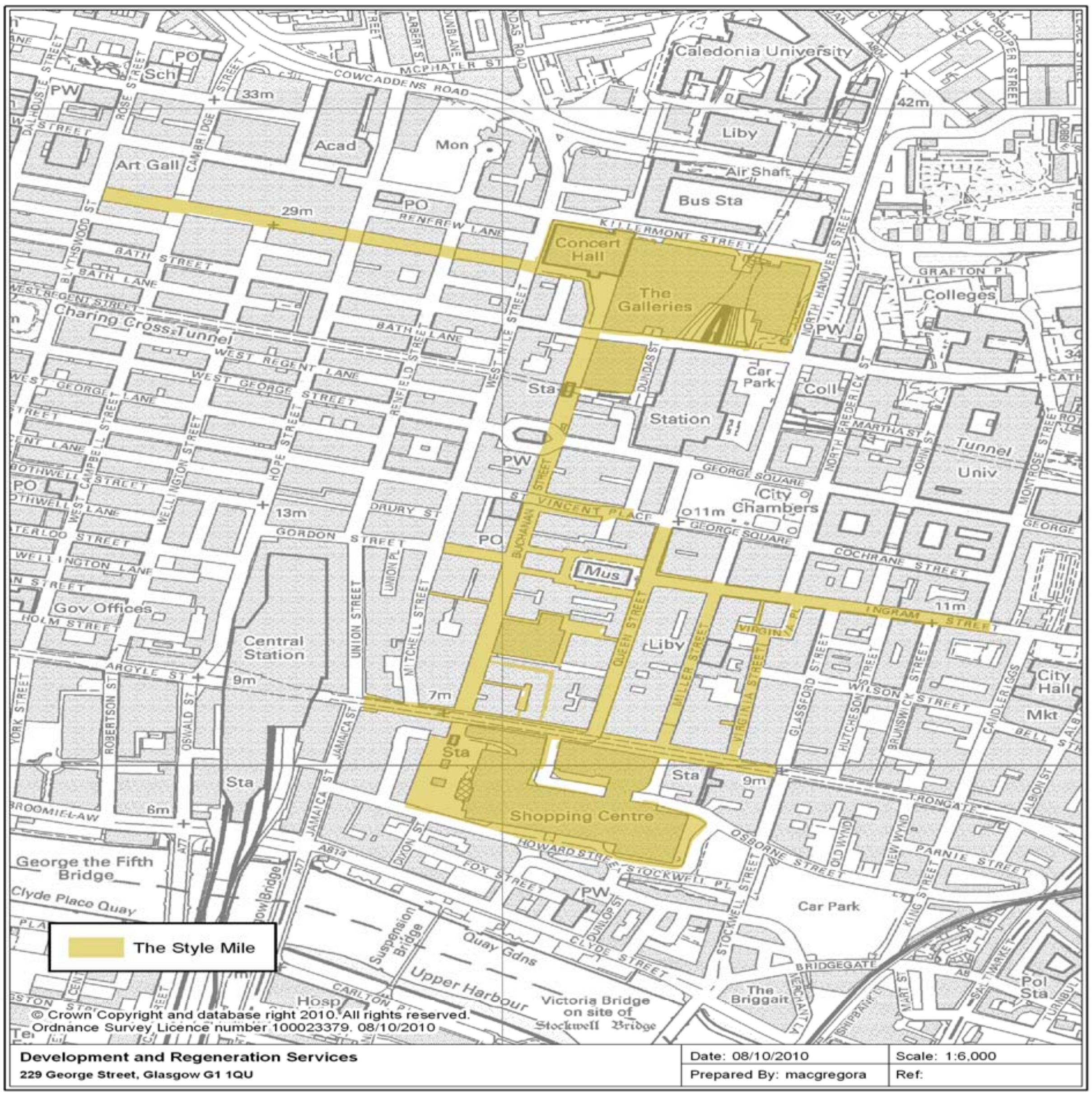
In summary:

Indicator	Quarterly Trend	Annual trend	Comment
Footfall (daytime)	→	↑	Average daytime footfall up 12.27% on 2009
Vacant units	↑	→	Number of vacancies not exceeded 2009 level
Crime	↓	↓	Violent crime, antisocial behaviour reports, and youth disorder incidents are all down on 2009. All indicators improved since last quarter except violent crime
Planning & Development	↓	↓	Planning applications granted and Building Warrant applications received both 97% of 2009/10 levels
Tourism	↑	→	Hotel occupancy up on previous two years

Contents — **Page**

Style Mile: Background and Area Map

Over the past year, Glasgow City Council has worked with Glasgow Chamber of Commerce and major city centre retail and leisure operators on an action plan for the principal retail district, branded "Style Mile". Publically launched in August 2009, the Style Mile is a public private partnership initiative to promote, protect and enhance Glasgow's city centre retail offering and capitalise on the area's designation as the UK's top retail destination outside London's West End.[1] Glasgow city centre's Style Mile district has some specific performance information collated within this document.



[1] CACI press release and full report can be found at http://www.caci.co.uk/492.aspx
Experian Definitive 2008 Retail Rankings http://press.experian.com/press_releases.cfm

1. FOOTFALL

1.1 Daytime Footfall monitor: Quarter 1 (April – June 2009/2010)

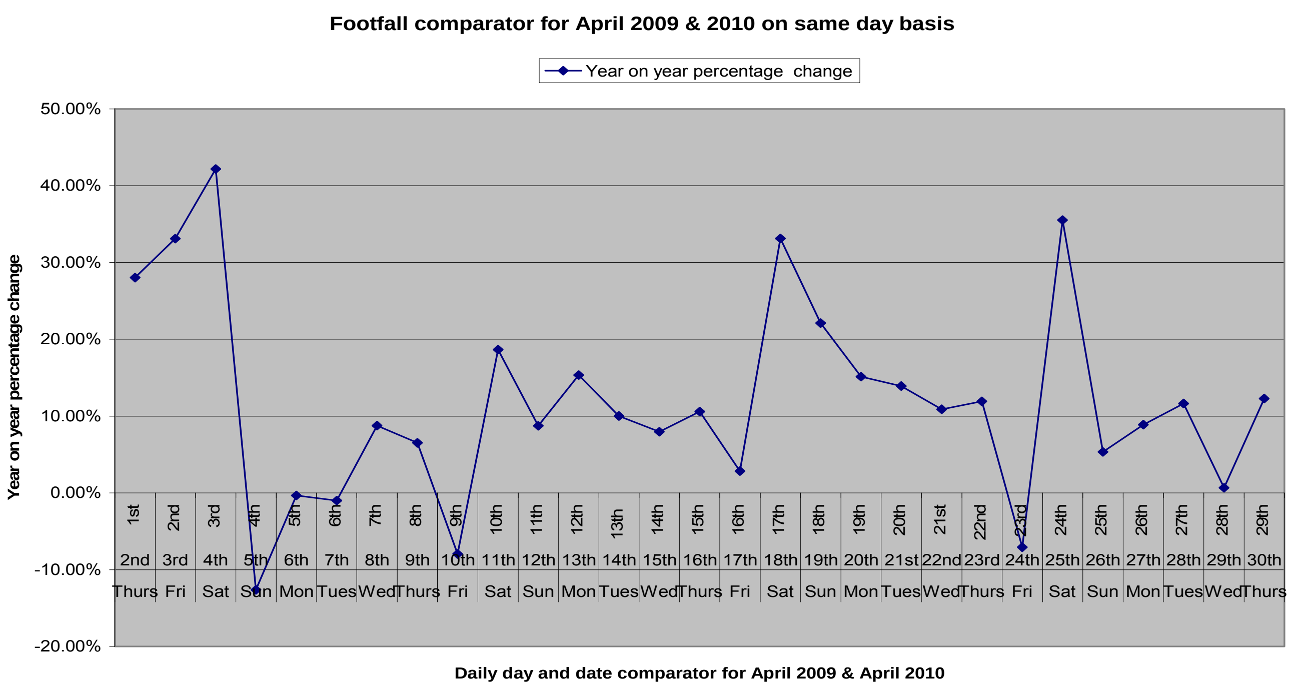
The Style Mile footfall monitor is produced by Glasgow Chamber of Commerce to identify footfall trends in the style mile area and to provide information on general city centre activity for business planning and analysis. In the absence of street footfall counters, the data is provided through in-store footfall counters supplied by a cross section of city centre retailers.

In addition to this, Glasgow City Council has recently commissioned Springboard to provide a high street footfall counting service within the Style Mile. This data will be available for the next issue of the Healthcheck.

April – June 2010

Table 1a compares average daily footfall changes across the Style Mile in April 2010 compared to the same day in April 2009, ensuring a like for like trend comparison.

Table 1a[2]: Daytime Footfall April



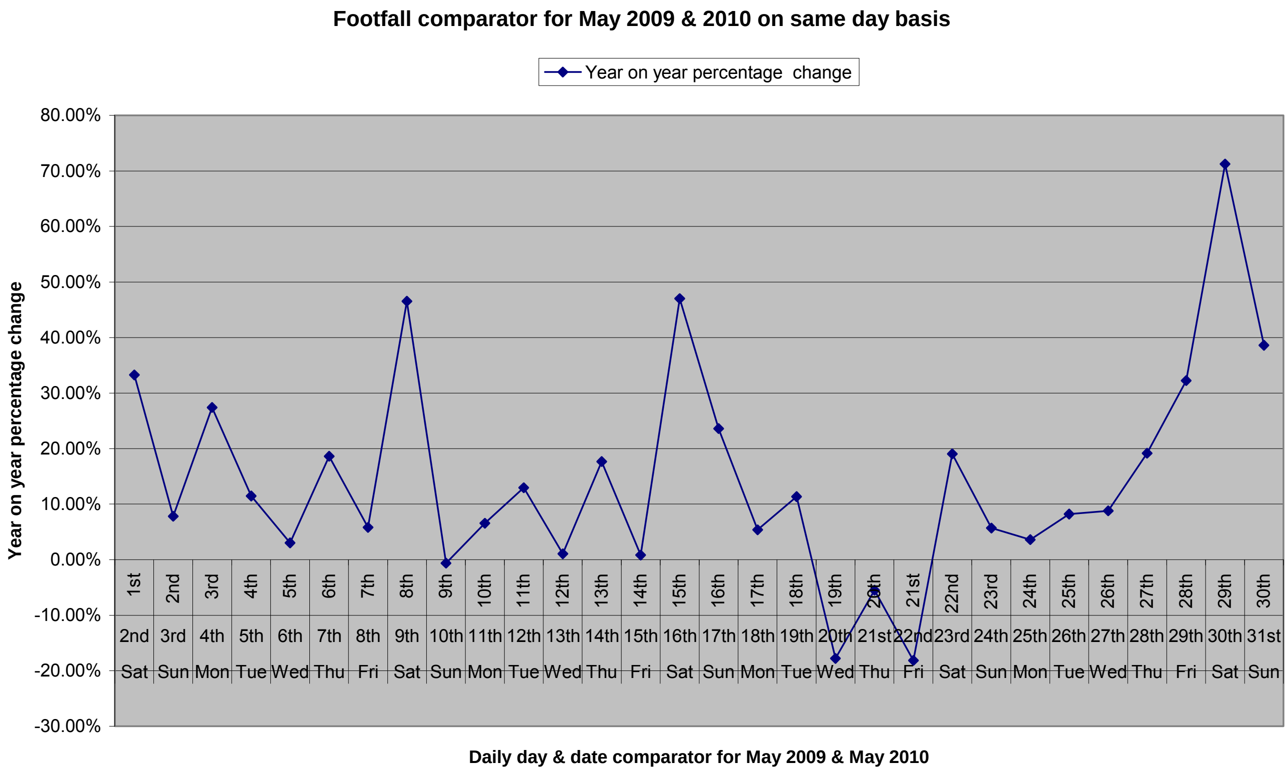
Key trends: April 2010

- The impact of the St Enoch centre redevelopment should be recognised when viewing figures
- Total average daily footfall for the Style Mile in April 2010 **increased 13%** compared to April 2009
- The month of April 2010 **saw consistent weekly improvements** over April 2009. The strongest improvements were seen in weeks 1 and 3, showing over 15% year on year improvements

[2] GCoC April 2010

Table 1b compares average daily footfall changes across the Style Mile in May 2010 compared to the same day in May 2009, ensuring a like for like trend comparison.

Table 1b[3]: Daytime Footfall May



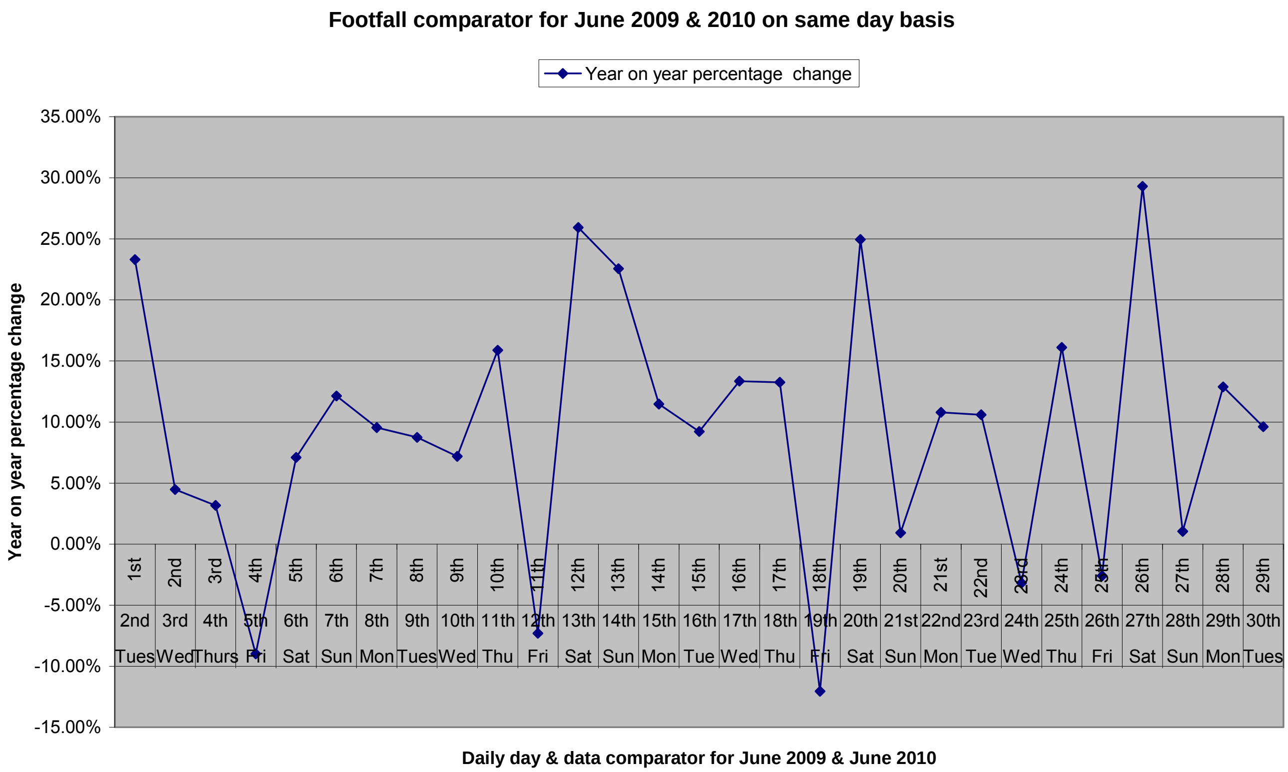
Key Trends: May 2010

- The impact of the St Enoch Centre redevelopment should be recognised when viewing figures
- Total average daily footfall for the Style Mile in May 2010 **increased 14%** compared to May 2009
- Weeks 1 and 4 showed strongest improvements in May 2010 compared to May 2009. This is reflected by the Retail Week footfall monitor.

[3] Ibid

Table 1c compares average daily footfall changes across the Style Mile in June 2010 compared to the same day in June 2009, ensuring a like for like trend comparison.

Table 1c[4]: Daytime Footfall June



Key Trends: June 2010

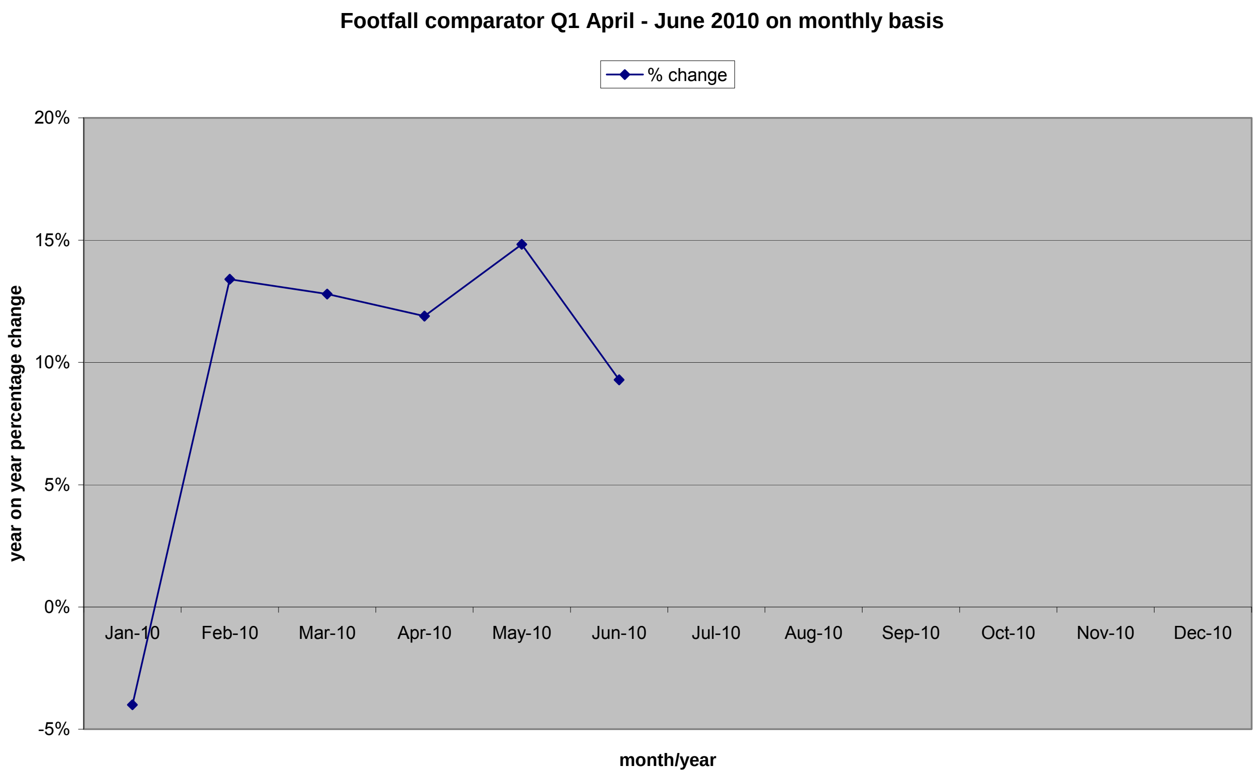
- Total average daily footfall for the Style Mile in June 2010 **increased 9.8%** compared to June 2009. Recognising the impact of the St Enoch Centre development, this is a lower increase than previous months.
- The **first two weeks** of the month showed the strongest increases for the Style Mile. This is also displayed in the Retail Week UK footfall monitor, however in the Retail Week monitor the rest of the month fell into negative year on year growth.

[4] Ibid

1.2 Average daytime footfall

Table 1d below summarises average monthly footfall changes showing the year on year percentage change across the style mile in Quarter 1 (April – June) 2010, compared to the same period in 2009.

Table 1d[5]: Average Daytime Footfall Quarter 1: April – June 2010



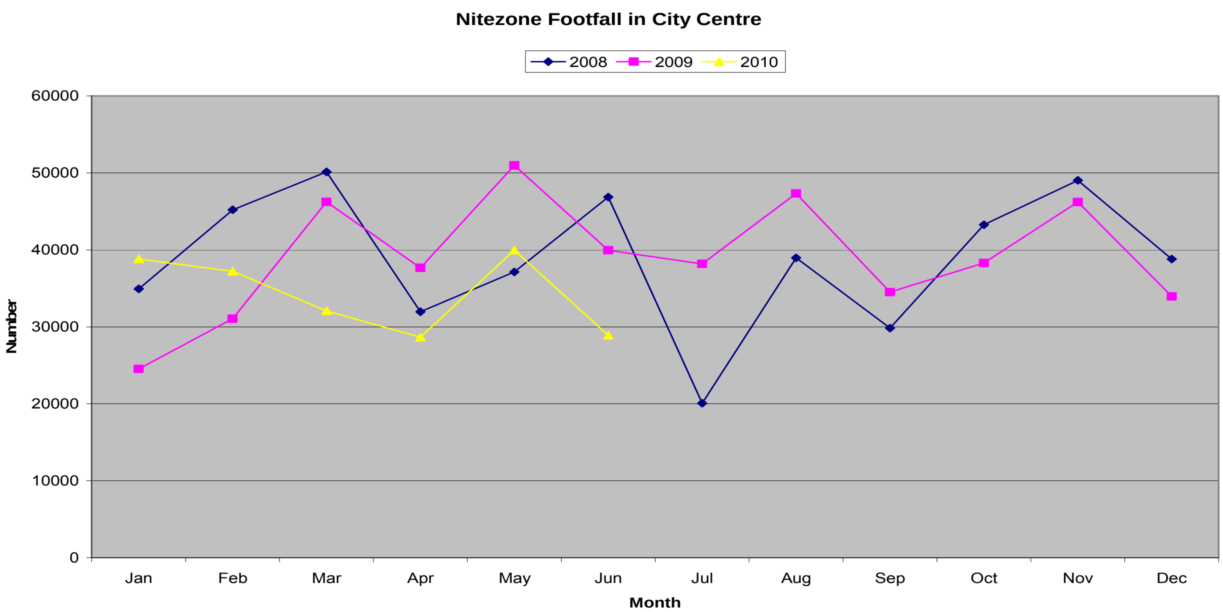
[5] Ibid

1.3 Nitezone footfall

Table 1e illustrates comparative Nitezone footfall figures across Quarter 1 (April – June) for the last three years. Statistics collated relate to the number of weekend service users, sourced from Glasgow Community Safety Services' (GCSS) Taxi Marshalls at two taxi ranks in the city centre (Gordon Street at Central Station, and Sauchiehall Street).

Footfall is generally down on the previous two years with a particular dip in the first quarter of this calendar year. However the trend now appears to be balancing out with peaks broadly attributed to public holiday weekends. .

Table 1e[6]: Nitezone Footfall: Jan 2008 - June 2010

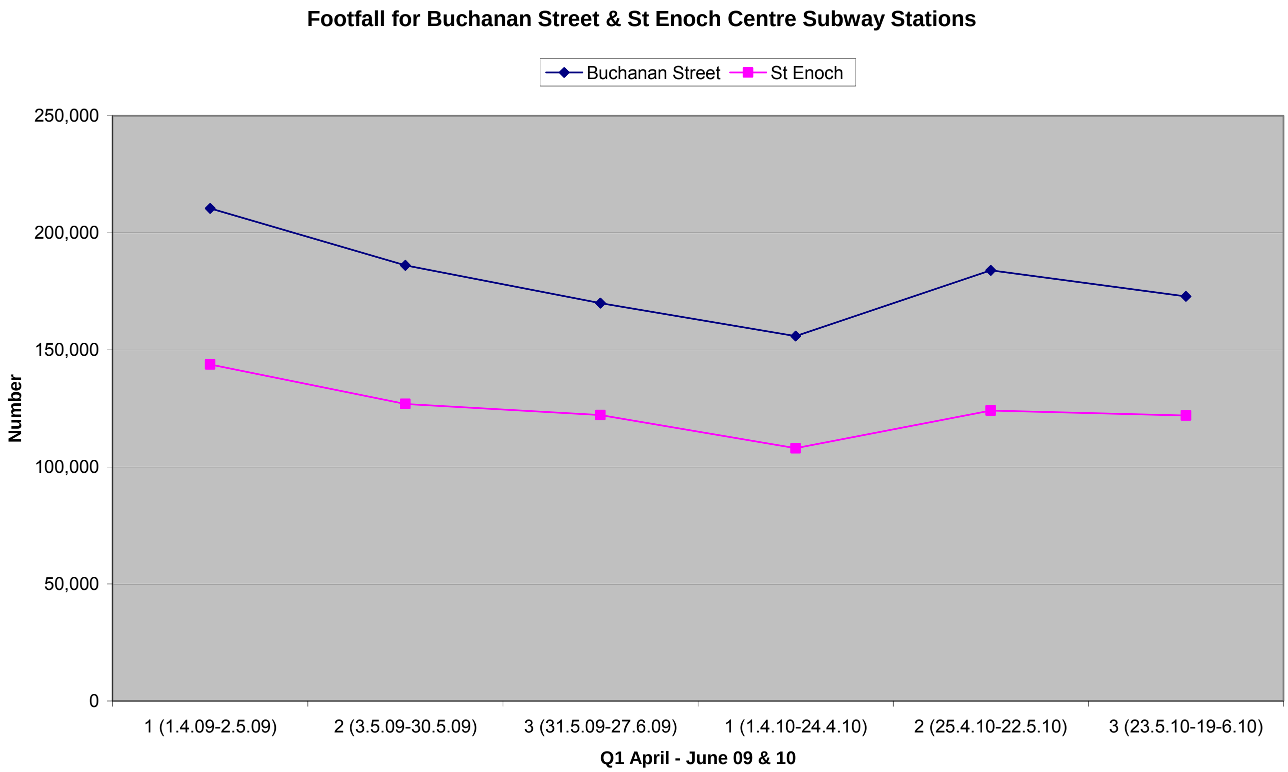


[6] Glasgow Community Safety Services, June 2010

1.4 SPT Footfall

Table 1f illustrates Quarter 1 April – June 2010 against the same quarter for 2009. The figures only reflect the numbers boarding at Buchanan Street and St Enoch Subway Stations (i.e. those going through the barrier to start their journey). The results continue to show Buchanan Street as having the higher footfall and although numbers have dropped quite significantly from 2009 they are beginning to rise again at the end of this quarter.

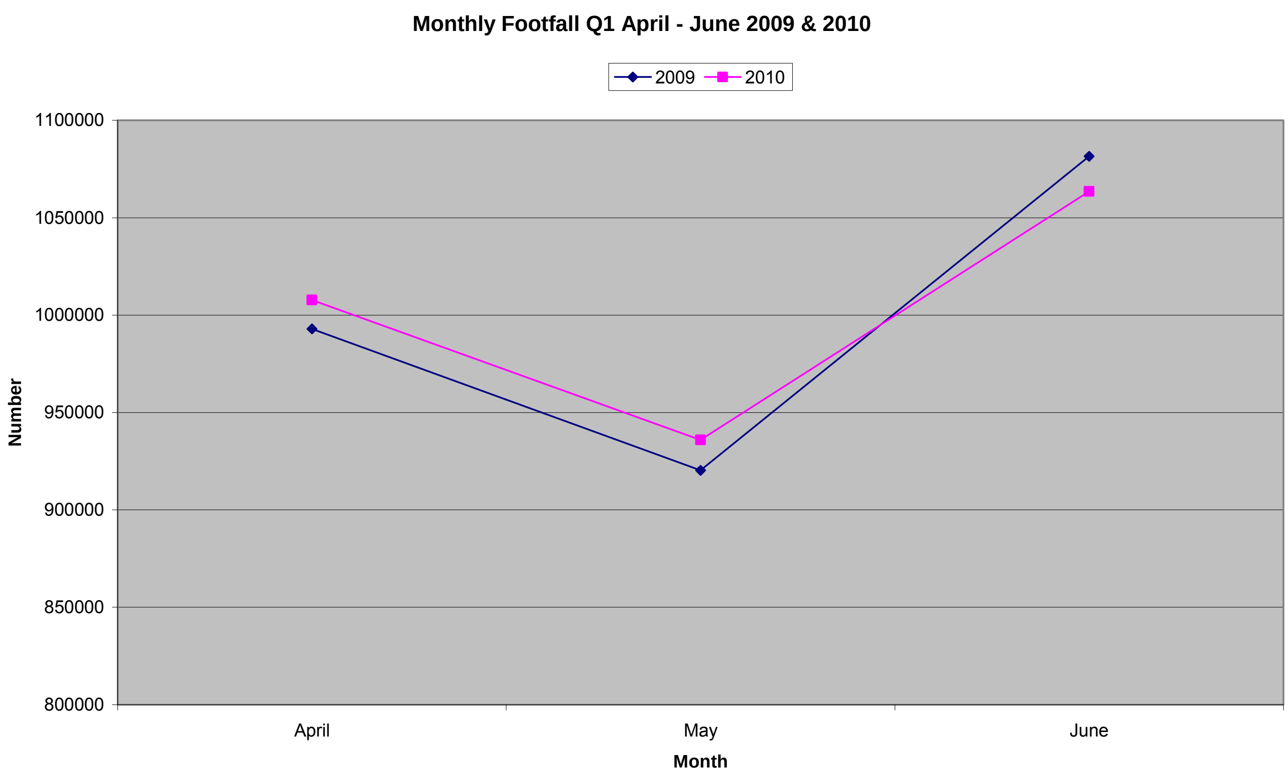
Table 1f[7] Footfall: Buchanan Street & St Enoch Centre Subway Stations



[7] Strathclyde Partnership for Transport, September 2010

Table 1g illustrates the number of passengers using Buchanan Street Bus Station on a monthly basis. Figures supplied are collated in full weeks within a month so this should be taken into account when viewing the trend-line. The table has compared Q1 April – June 2009 against the same period for 2010 which illustrates an almost identical trend and little decrease in activity.

Table 1g[8] Footfall: Buchanan Street Bus Station Q1 April – June comparator for 2009 & 2010



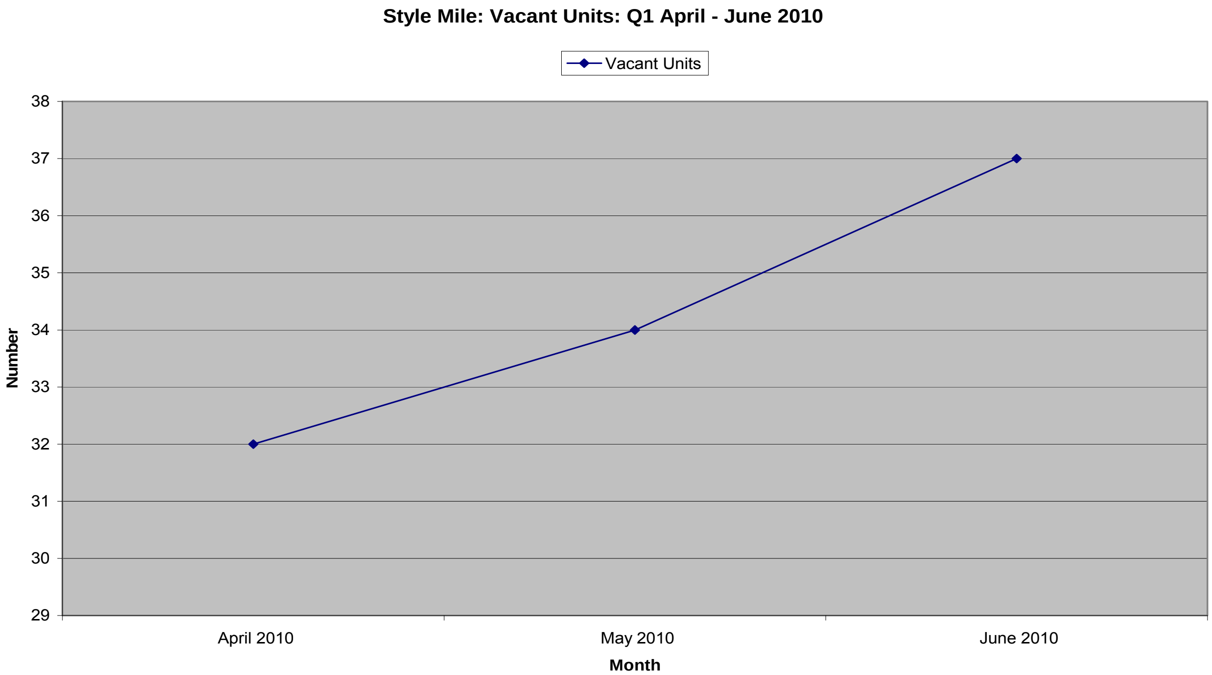
[8] ibid

2. VACANT UNITS (STYLE MILE)

Table 2a shows the number of vacant units recorded in the Style Mile over Quarter 1 (April – June 2010). The trend shows a slight increase in number for this period however some of the units at this point were under negotiation at the time of survey.

Of the 37 vacant units logged during Quarter 1, 8 were leased to new tenants by June and are currently undergoing refurbishment, while 2 were occupied but still seeking new tenants.

Table 2a[9]: Vacant units (Style Mile) Quarter 1: April – June 2010



[9] Glasgow City Council, DRS City Plan Team, September 2010

3. VACANT SITES (CITY CENTRE)

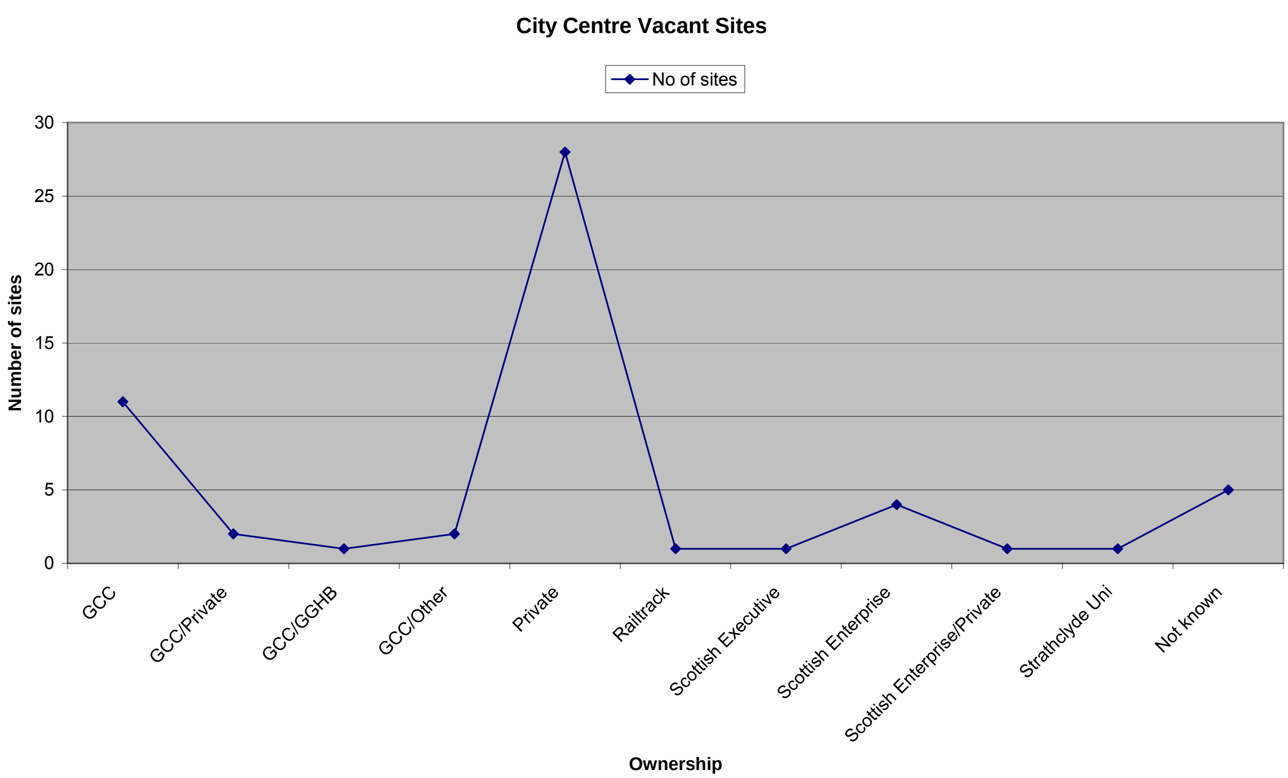
Table 3a provides an outline of city centre vacant sites and derelict land, and their specified ownership. The following definitions apply:

- **Derelict land**: is land which has been so damaged by previous uses that it is incapable of sustaining new development without requiring some measure of remediation work
- **Vacant land**: generally includes unused or unsightly land which would benefit from development, improvement etc

All sites between Kingston Bridge and High Street should be included in the graph. In total there are 57 identified sites with all but one under 1 hectare in scale.

As the graph below indicates, the majority of sites are privately owned. Their potential land use is a mix of uses from residential to office, retail, civic and mixed use. The majority of sites appear to have had planning consents granted or are in the process of undertaking pre-application work. A number of sites have a temporary use, predominantly car parking, and various others have been temporarily landscaped. However the churn rate tends to be slow because of the nature, scale and complexity of vacant sites, as well as the impact of the current global economic environment.

Table 3a[10]: Vacant sites (City Centre) Quarter 1: April – June 2010

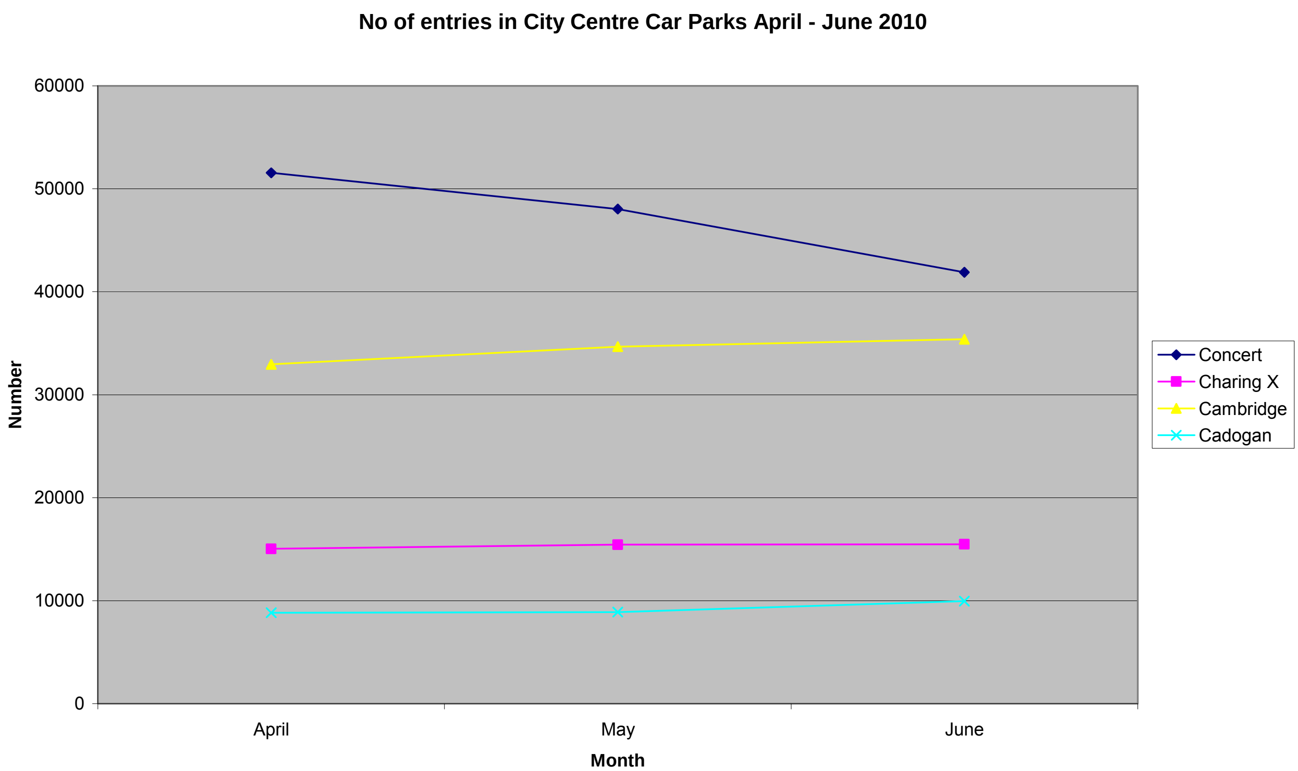


[10] This list of sites is based on the citywide register of vacant/derelict land in Glasgow, which uses criteria set down by the Scottish Executive Development Department for the National Scottish Vacant and Derelict Land Survey (SVDLS). In addition, smaller, non-Survey Vacant and Derelict sites under 0.1 ha, and other Development Opportunities have been added. Glasgow City Council, DRS Land and Property Sep 2010

4. CAR PARKING

Car parks owned by City Parking (Glasgow) LLP within the boundary of the city centre, include Cambridge Street, Cadogan Square, Charing Cross and Concert Square. **Table 4a** illustrates number of vehicle entries per site per month over the Quarter 1 period. Concert Square is a popular car park with students which may account for the dip in June when Caledonian University closes for summer recess. Overall in excess of 318,163 entries in total for the 4 car parks used between April and June were recorded.

Table 4a[11]: Car Parking Entries



[11] City Parking (Glasgow) LLP, June 2010

5. ENVIRONMENTAL INDICATORS AND CITY CENTRE INFORMATION

5.1 Street Cleanliness

Since Clean Glasgow was launched by Glasgow City Council in February 2007, independent street cleanliness surveys of the city centre have been commissioned by the Clean Glasgow team each year. These independent surveys are undertaken by the national environment agency, Keep Scotland Beautiful (KSB).

The area surveyed consists of approximately 167 street sites and the survey reflects the standard of cleanliness of these areas, achieved at the time of the survey and assessed in accordance with the Environmental Protection Act 1990 and its attendant Code of Practice on Litter and Refuse (Scotland) 2006. Criteria assessed include the general standard of cleanliness, sources of litter, types of litter, and Adverse Environmental Quality Indicators (AEQIs). The city centre is disaggregated into two zones: premier and outlying, and separately scored. Thereafter the scores are accumulated to produce the overall cleanliness index.

The overall cleanliness index scores to date:

- **64** in November 2009
- **66** in November 2008
- **66** in September 2007
- **62** in March 2007 (when Clean Glasgow was launched).

All areas have shown an upward trend in cleanliness other than the most recent survey in November 2009 which unfortunately demonstrated a fall in performance. This is attributed to the impact of two periods of industrial action, and the worst winter weather in several decades. However, it is a disappointing result and the Council is committed to ensuring the 2010 result returns to the previous rating.

It should be noted that a score of 66 for a high density urban city centre is at the highest end of the scoring range, and any achievement beyond this score is unlikely.

This section will be updated annually only, when the November city centre survey results are released by Keep Scotland Beautiful.

5.2 Key Performance Indicators (KPIs)

Various indicators are collected at Community Planning level each month, for Clean Glasgow. A summary of those KPIs relevant to the city centre, and covering the Quarter 1 period, are detailed below. It should be noted that the figures collated are for the whole of ward 10 which includes Partick/West/Anderston and the city centre.

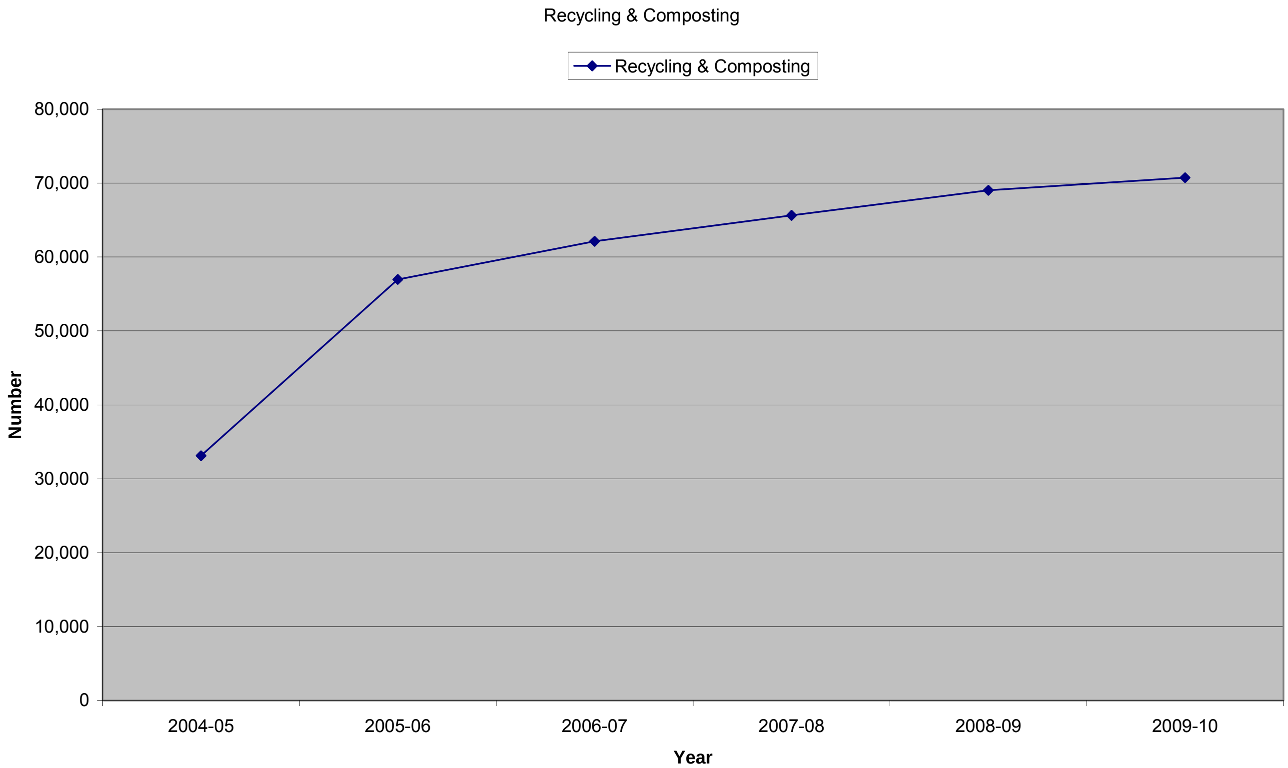
• Square meterage of graffiti removed	5,166
• Square meterage of flyposting removed	90
• Fixed penalty notices for littering	1,700
• Number of school, community and business clean-ups undertaken	17
• Number of volunteers involved	373

5.3 'On the Go' Recycling

In 2009-10, Glasgow City Council managed over 320,000 tonnes of municipal waste and recycled and composted over 70,000 tonnes which equates to a recycling rate over 21%.

The graph below highlights the tonnages that have been collected for recycling/composting and the progress that has been made by the Council and residents of Glasgow over the last few years.

Table 5a[12]: Recycling and composting tonnages, city-wide



Much still needs to be done to meet targets set by the Scottish Government in the Zero Waste Plan and the Council is keen to promote recycling away from the home in order to encourage the on-going change of behaviour required to increase the tonnage of material diverted from landfill and increase recycling. To support this process twenty five split compartment litter/recycling bins were introduced into George Square in early 2010 to promote 'on the go' recycling and the Council is keen to expand on this current arrangement and are in discussion with City Centre Initiatives to locate additional bins within the Style Mile. The bins allow mixed papers, plastic bottles and cans to be deposited on one side of bin which will be sent for recycling and litter can be placed in the other side.

The Glasgow Waste Strategy, published in 2010, highlights the intentions of the Council to introduce these bins into the city centre and the Scottish Government is also keen to promote this concept to give the public the maximum support they need to maximise their resource efficiency.

[12] Land & Environmental Services, September 2010

5.4 Crime and antisocial behaviour

Table 5b provides some information on crime, incidents and antisocial behaviour (ASB) during the first quarter (April – June 2010). It should be noted that the data is provided for the City Centre/Merchant City neighbourhood.

Table 5b[13]: Crime/ASB indicators, Quarter 1 City Centre/Merchant City neighbourhood

Indicator	Quarter 1 2010/11 (Apr-Jun)	Quarter 1 2009/10 (Apr-Jun)	+/-	% change
No. of violent crimes	646	674	-28	-4%
Reported incidences of ASB / Disorder	2140	2599	-459	-18%
Number of youth disorder incidents	139	202	-63	-31%
Recorded crimes: offences of vandalism, malicious mischief, etc	1150	1094	56	5%

[13] Glasgow Community Safety Services , September 2010

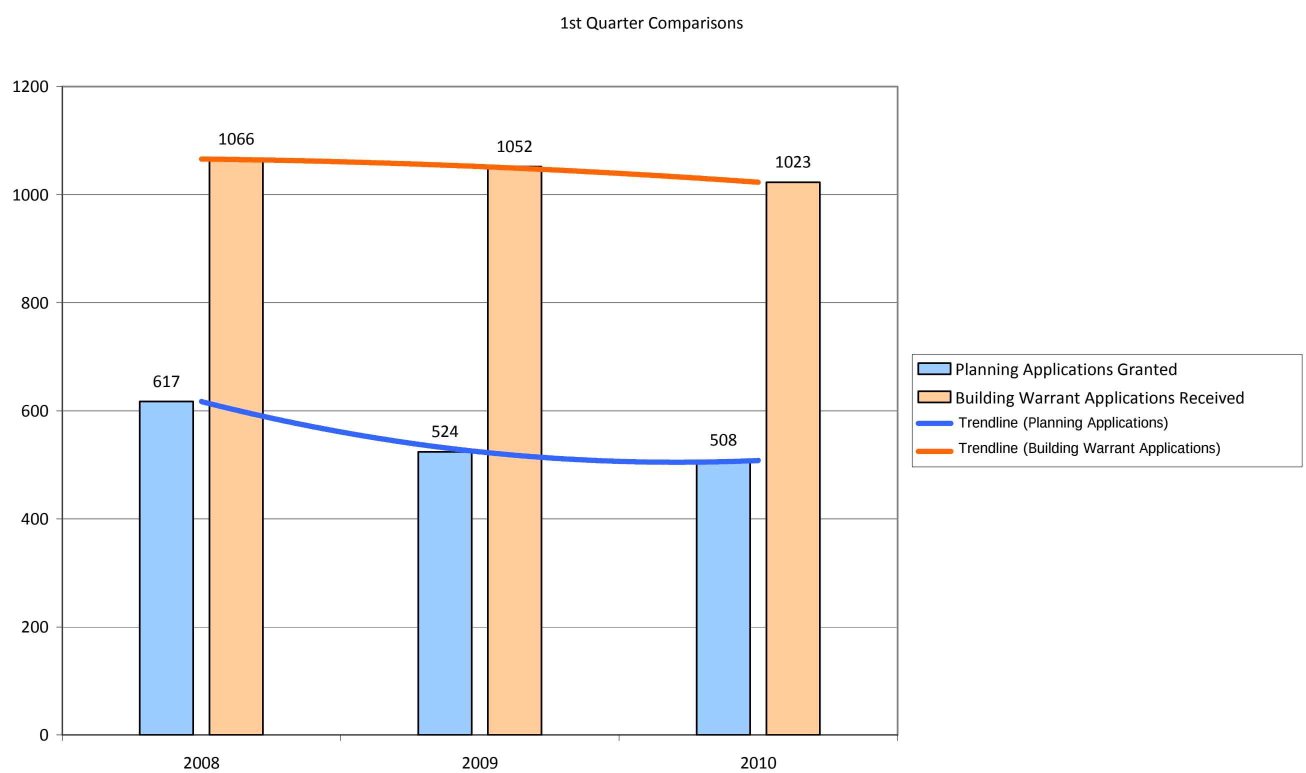
6. PLANNING AND DEVELOPMENT

Table 6a provides a comparison on planning applications granted and building warrant applications received on a city-wide basis for the first financial quarter of 2010, and the preceding two years. During the quarter 1 period ending in June 2010, Glasgow City Council granted 508 planning applications and received 1023 building warrant applications.

For planning applications, this represents a downward quarterly trend, however the number of applications granted in 2010/11 remains fairly buoyant at 97% of 2009/10 levels and 82% of 2008/9.

Building warrant applications received in quarter 1 2010/11 number 1023, equating to 97% of 2009/10 levels and 96% of 2008/9.

Table 6a[14]: Planning applications granted and building warrants received, Quarter 1 2008/9 - 2010/11



[14] GCC, DRS October 2010

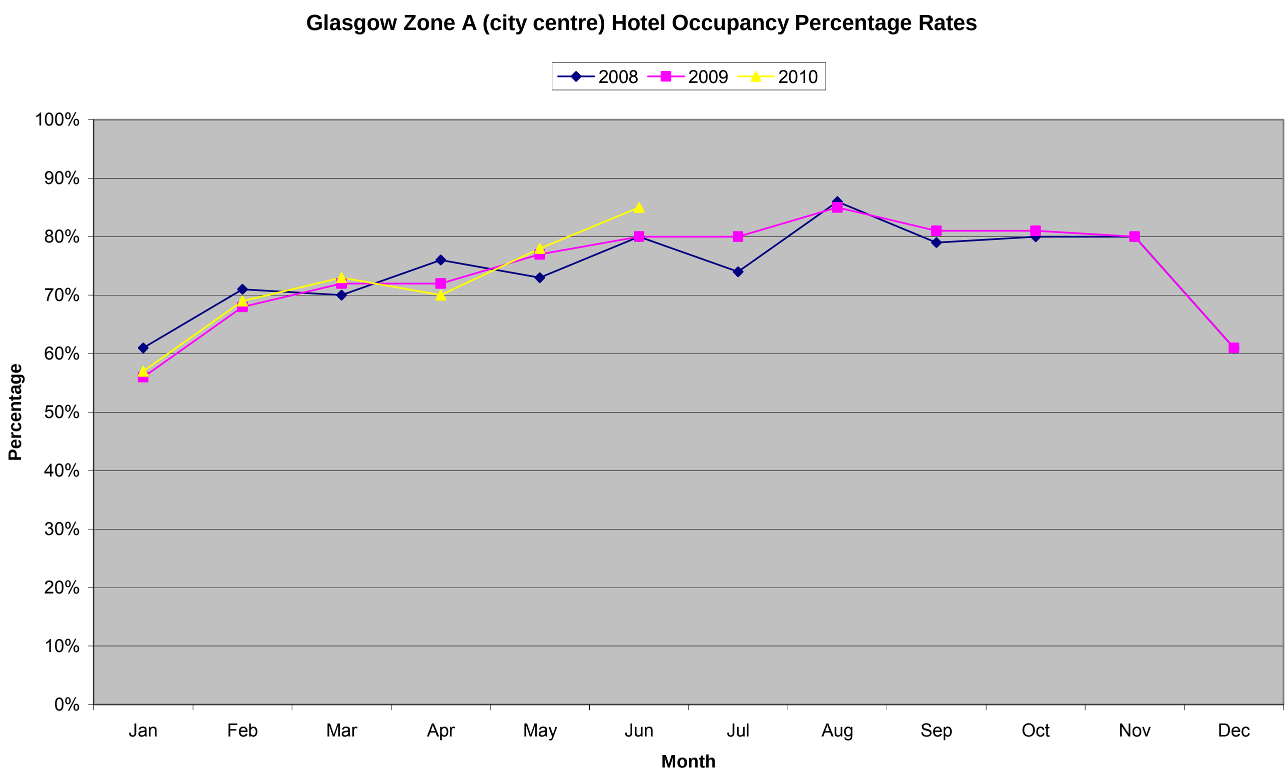
7. TOURISM

7.1 Glasgow Hotel Occupancy Rates: January 2008 to June 2010

This data is based on 22 city centre hotels and is extracted from monthly data provided by Lynn Jones Research Ltd for Glasgow City Marketing Bureau (GCMB). 2008 & 2009 both recorded identical dips for December, which is difficult to see from the chart because the 2008 trend line is hidden by the 2009 line as their statistics were identical. 2010 statistics recorded up to June show a steady increase which is an improvement on the same period in 2009. Average occupancy rates for Q1 April – June 2010 is currently 77.7% compared to an average of 76.3% for same period in 2009.

Glasgow has 2,200[15] hotel rooms available per day for occupancy and PKF's latest report illustrates that occupancy was up 6.7% for May 2010 compared to same period in 2009 with a year to date increase in occupancy of 4.8%.

Table 7a[16]: Hotel Occupancy rates



7.2 Glasgow International Airport: Passenger Numbers

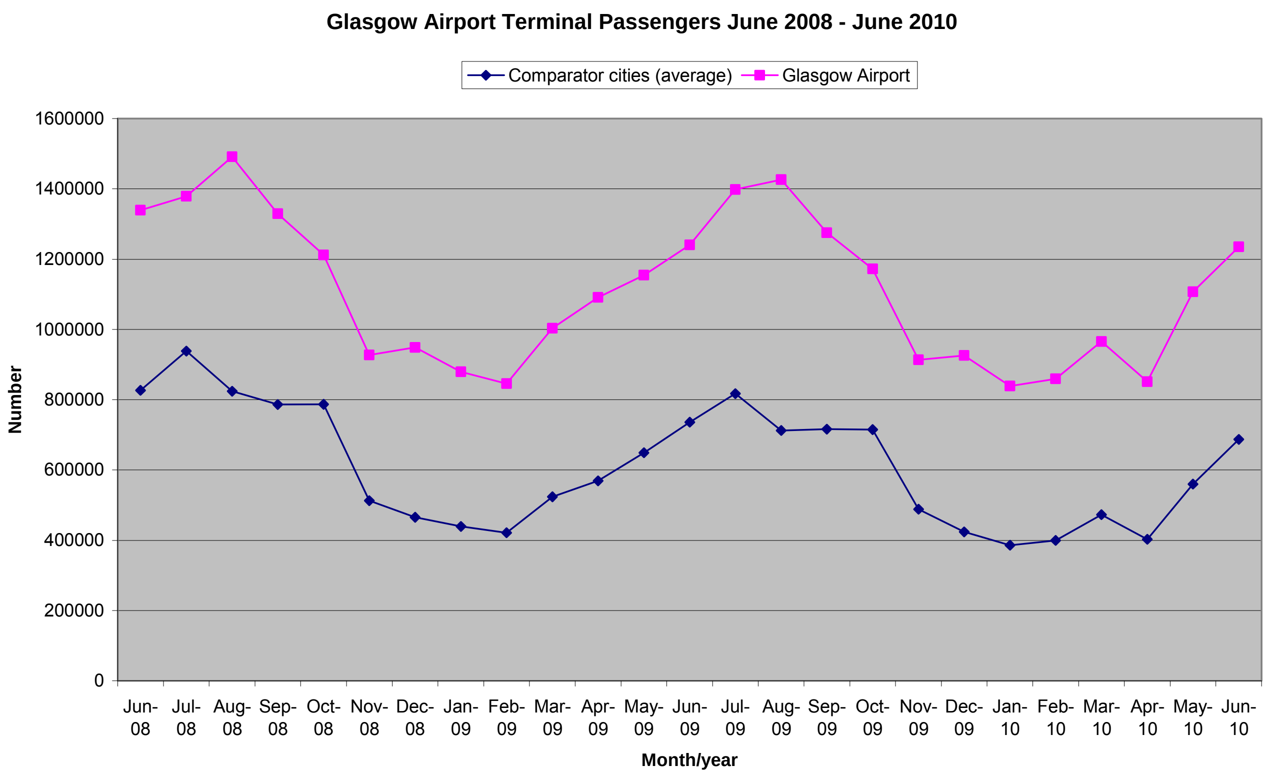
Table 7b illustrates the trend and includes average data from the following comparator cities which include Birmingham, Bristol, Cardiff, Edinburgh, Gatwick, Heathrow, Leeds, Liverpool, London City, London Luton, Manchester, Newcastle, Norwich and Stansted.

The table also illustrates the same sort of trend for Quarter 1 2010/11 against the same period in 2009. Figures fall to their lower levels around end of December/January and then steadily rise towards higher level around the springtime, and continue to increase through the summer months

[15] PKF Accountants & Business Advisors Monthly UK Hotel Trends, May 2010
[16] GGHA City of Glasgow Forecaster – Zone A (provided by GCMB October 2010)

before dipping again. This trend-line is similar for Glasgow and the comparator cities. The statistics collated are up to June 2010 therefore terminal passenger numbers should continue to rise before peaking and dropping again into the autumn/winter period. Other contributing factors in any fall in terminal passenger numbers could also be attributed to the recent spate of French and Spanish air traffic controller strikes, however the effects of the strikes, if any, will be easier to see in the next quarter.

Table 7b[17]: Glasgow Airport Passenger Numbers



[17] Civil Aviation Authority, October 2010

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