



Hinckley & Bosworth  
Borough Council

*A Borough to be proud of*

## FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

SCRUTINY COMMISSION 9 OCTOBER 2017

WARDS AFFECTED: Hinckley Castle

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### THE CRESCENT DEVELOPMENT UPDATE

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#### Report of Director of Corporate Services

##### 1. PURPOSE OF REPORT

- 1.1 To update Members on the performance of The Crescent retail development and Block C.

##### 2. RECOMMENDATION

- 2.1 Members of Scrutiny note the report.

##### 3. BACKGROUND TO THE REPORT

- 3.1 Construction of the new Crescent development began in June 2014 and was completed in November 2015. This development includes a new supermarket for Sainsbury's with an integrated car park (Block E), a 5 screen cinema for Cineworld with 9 units beneath (Block C). A further 6 large retail units (A Block), a gym provider (D Block) and 6 small units adjacent to the new bus intersection on Waterloo Road (B Block).
- 3.2 A CACI report for Hinckley was commissioned by HBBC in January 2015 during the development of The Crescent. The Retail Footprint is a gravity model which defines the catchments of some 5,000 comparison retail centres in Great Britain and Ireland. Each centre is uniquely assessed by combining all the factors that affect performance, including the quality and quantity of retail provision, centre function and level of competition. The use of extensive credit and debit card data from a leading bank and extensive face-to-face research gives a unique perspective on the shopping patterns of consumers
- 3.3 The results for Hinckley show we had a Residential Comparison Goods market of £109.4m. This places it in the top 5% of Retail Footprint centres in the UK. Hinckley is the 11th largest Retail Footprint centre in the East Midlands (up from 23rd in 2014). The towns above average market potential and market share demonstrated there is a captive strong local market, despite Hinckley's proximity to Leicester and Coventry.

- 3.4 Hinckley is a strong local retail centre evident from the fact that it attains the dominant market share of its core catchments (55.2%). When looking at the total catchment the impact of larger centres such as Leicester, Nuneaton and Fosse Park draw more trade from Hinckley's own catchment.
- 3.5 Hinckley attains a significantly larger market share of its total catchment than the minor class average 9.8% vs 4.3%); this reflects the comparative strength of Hinckley within the regional retail hierarchy.

#### 4. CRESCENT PERFORMANCE

- 4.1 Footfall counters within Hinckley town centre demonstrate that the Crescent has boosted activity within the town, especially when you consider the evening economy and the entertainment aspect of the town centre. Since the Crescent opened footfall in the early evening for the town centre rose by 19.5% from 2015 to 2016 and the late evening economy rose by 20% during the same period. This compares to a national average drop in footfall of 1% from 2015 to 2016.
- 4.2 HBBC works in partnership with the Crescent management and Hinckley BID on a number of initiatives to link the new development with the historic town centre –
- Installing a public information board incorporating a digital way finder unit
  - Town Centre broadband
  - Installing celebratory bunting through the Crescent in 2016 and 2017
  - The CCTV that is within the Crescent is linked up to the HBBC controlled town centre system, allowing the CCTV operators to view all of the public facing cameras in the Crescent
  - Feasibility for installing a defibrillator within the Crescent
  - Additional events for the Crescent including this year's Summer of Fun events, which took place every Wednesday through the school holidays
  - Rolling out the retail digital radio scheme with several businesses taking these up as well as the Crescent security also having access to radios and a direct link with the CCTV control room
  - The Crescent management, which has recently changed, continues to work with HBBC on their Christmas lighting scheme and for events in the future.
- 4.3 At present the Crescent currently has 20 occupied units and has attracted increased footfall into Hinckley town centre. Tenants include Poundland, TK Maxx, Superdrug, Select, Wed2B, Burger King, Costa Coffee, Prezzo, Meacure, Simply Gym and the overall development is currently promoting 5 remaining units following GHM purchasing the Poundland retail chain.

#### 5. BLOCK C

- 5.1 In support of the project the Council purchased Block C to extend its commercial estate and add to its retail offer within Hinckley town centre some additional 41600sqft retail space inclusive of cinema. Cineworld's occupation was agreed as a pre-let anchor tenant for the leisure sector within the development.
- 5.2 Following a report to Council in November 2015 it was agreed to reconfigure the ground floor area of Block C to provide accommodation for a "headline tenant". Alongside Cineworld and The Taro Lounge, Block C tenants now include Wildwood; Rossini Italian Restaurant; Mobility & Lifestyle; Elbow Room (a local micro pub) and

FAB (a local fast food business). There are currently two vacant units remaining within Block C (8,738sqft) being marketed by Strutt & Parker and FHP who are more locally centric letting agents.

5.3 The current years predicted income is £331,143.00 with a potential income of circa £475,643.00. Budget remains to support £566,250.00 incentives to attract tenants / remodel the two remaining units.

5. FINANCIAL IMPLICATIONS [AW]

5.1 The current years income noted above of £331,143 is £68,200 less than the budgeted rental of £399,343 for the year due to unlet units remaining empty for a longer period than expected. This will mean a lower contribution to balances than original planned.

6. LEGAL IMPLICATIONS [AR]

6.1 None arising directly from this report.

7. CORPORATE PLAN IMPLICATIONS

7.1 The options contained within this report will support our priority ambition creating clean an attractive places to live and work - Encouraging growth, attracting businesses, improving skills and supporting regeneration.

8. CONSULTATION

8.1 No consultation has been necessary in the production of this report.

9. RISK IMPLICATIONS

9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Ensuring the Council can demonstrate compliance with its duty to get best value from all of its Assets	Monitor performance and Follow the Councils Debtors Policy, Disposal Strategy & seek Advice from the Director of Corporate Services	ME

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 No implications have been raised at this time and until a preferred option is agreed alongside the Councils Disposal Strategy.

11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications
- Planning implications
- Data Protection implications
- Voluntary Sector

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Background papers:

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