

# MIDDLESBROUGH TOWN CENTRE ECONOMIC ASSESSMENT

DECEMBER 2018

REPORT TO  
MIDDLESBROUGH  
COUNCIL

Prepared by



**CMS**  
Part of Savills

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# Foreword

This report was commissioned by Middlesbrough Council with the aim of reviewing the economic vitality of the town centre with a view to the production of a set of recommended actions (short, medium and long-term) that the local authority and other key stakeholders can embrace in order for Middlesbrough to meet their aspirations.

Middlesbrough is a town that aspires to greater things. It has a strong and growing University and an industrial past to rival anywhere providing the bedrock of a strong 'place'. What is clear is that the people of Middlesbrough provide a warm and welcoming personality to the area and this positivity is an asset that Middlesbrough can build upon.

This report is published (December 2018) at a time of unprecedented uncertainty for town and city centres across the UK. Places, much like brands, will need to change in order to adapt to the needs of the modern consumer. With the rapid increase in competition to the traditional town centre offer, exacerbated by the UK's high take-up of on-line purchasing and disproportionate operating costs including business rates, consumers have greater choice and increasingly do not need to use town centres in the way in which they once did. Consequently

places need to be focused on the growing 'want' (rather than 'need') economy, providing potential consumers with a place that has a clear sense of purpose and a defined Unique Selling Point (USP) that cannot be replicated online or elsewhere.

Middlesbrough is disproportionately over-exposed to this changing consumer behaviour due to a number of factors. The town centre depends too much upon retail with four large shopping centres and an overall offer that is dominated by 47% of buildings being classified as 'retail' with a 'leisure' mix of only 11%. In addition to this, too few individuals within a 20-minute drive-time have high disposable incomes, there are too few young affluent professionals living within the study area, and too many high earning individuals working within the study area live and spend their incomes elsewhere.



This report has combined both Qualitative and Quantitative research methodology to establish the following recommendations; the rationale for these will be detailed throughout the report.

The recommendations of this report aim to build upon the Middlesbrough of today and to improve prospects through delivery of an action plan aimed at increasing 'want' and relying less upon 'need'. Places that historically survived because people needed them are the ones finding that competing factors such as home/flexible working and study, and internet shopping, are affecting them the most. There is, though, an increasing role for places that people 'want' to invest their time and money in, as the experience they get when are in that place cannot be replicated elsewhere. Our recommendations include:

- 1 Creating a shared vision for the place
- 2 Increasing business engagement
- 3 Developing a strong place brand
- 4 Agreeing upon USPs, and places of special interest (e.g. Linthorpe Road)
- 5 Developing a marketing and communications plan
- 6 Reducing crime and anti-social behaviour
- 7 Encouraging usage of public transport
- 8 Developing a strategy for reducing the number of (or better concealing) vacant shop fronts, considering residential conversions
- 9 Developing a signage strategy
- 10 Alternative uses for retail space in addition to commitment to increase city centre living
- 11 Targeting a younger audience
- 12 Better penetrating the secondary catchment
- 13 Using pop-ups and creating more flexible uses for space
- 14 Re-evaluating the leisure or 'experiential' offer
- 15 Establishing a unique offer or proposition for the four shopping centres, being less reliant upon retail
- 16 Retaining more spend in the town centre from money that is earned by employees, thereby preventing leakage
- 17 Identifying how Middlesbrough should perform like a city in all but name
- 18 Tapping into future potential with the University
- 19 Improving the potential of the visitor market, including developing a plan for use of public spaces, including commercialisation opportunities
- 20 To ensure the maximum impact of the joint recommendations, the local authority must double its efforts to resist out of town retail applications and replace its 'town centre first' policy with a 'town centre only' approach

Based upon the research to date, it appears that these recommendations are those most likely to bring about the longer-term change desired for Middlesbrough, to grow its reputation and to cement its place firmly as a regional destination that people visit because they want to, not simply because they need to.



## 2. Background

CMS, part of Savills, were commissioned in July 2018 to undertake an economic health assessment of Middlesbrough Town Centre (Map appendix 1). The purpose of this assessment was to build on and update the work of both the Middlesbrough Retail Study (2016) and the Middlesbrough Investment Prospectus (2017) whilst also adding additional insight into the social needs from the town centres if the studies and their recommendations are to be successful.

The investment prospectus has the stated goal of:

*“This prospectus sets out our ambitions to transform Middlesbrough and its economy in the medium to long-term in line with my 2025 Vision.”*

Whilst the retail strategy has the aim of:

**1.04** - a key purpose of this Study is to provide an assessment of retail needs and capacity in the Middlesbrough Local Plan period to 2031, through the identification of existing shopping patterns and a review of the current performance of the defined centres in the administrative area.

**1.05** - as such, the Study provides recommendations in respect to the Council's future strategy for the Middlesbrough town centre, the two District Centres, 11 medium-scale Local Centres, 10 small-scale Local Centres and 6 Neighbourhood Centres, to help safeguard their future vitality and viability, and it will assist in bringing forward the redevelopment of key town centre sites.

Both the retail strategy and the investment prospectus set out strong recommendations and provide a good foundation for future growth. The recommendations of this economic assessment build upon these previous studies.

In the period since these two reports were released, the pressure on town and city centres have significantly increased, with significant market volatility. Major brands have become victims of changing consumer habits, with a number of such brands based in Middlesbrough. Most significantly amongst these is House of Fraser which, since its most recent acquisition by the Mike Ashley group and Sports Direct, leaves a core corner of the high-street in the ownership and acquisitions of one retailer (note, Flannels, USC and Sports Direct are located here) highlighting how vulnerable Middlesbrough - like many such centres - is to increased vacancies.

## 3. Research methodology

This report has utilised a wide-ranging research methodology to gather a robust understanding of the quantitative and qualitative factors which impact the economic health of the town. These factors range from crime and health data through to the individual perceptions of key stakeholders. This data has then been compared to a basket of other locations to provide context for how Middlesbrough town centre compares with similar locations, as well as some of its closest competitors. Data collected and methodology utilised has included:

### QUANTITATIVE:

- Land use, including vacancies (by area/sector)
- Residential and employee numbers
- Vacancy rates (lease expiries, imminent closures etc)
- Sales data (sample 100)
- Transport data
- Crime and anti-social behaviour
- Customer flows (number, percentage, weighting)
- Business and consumer questionnaires (500)
- Customer profiling (particularly of greater catchment area)
- Planned changes (public realm etc.)
- Non-user telephone research (500)

### QUALITATIVE:

- Flâneurs and street walkers
- Assessment of communications and engagement
- Assessment of first impressions
- Key stakeholder interviews/workshops

This data is then compared throughout (where available) to a basket of comparable locations including:

- Ipswich
- Newcastle
- York
- Walsall
- Bath
- Sunderland
- Durham
- Hull
- Lincoln
- Huddersfield

The subsequent sections detail the findings of the research and highlight why the recommendations have been outlined for Middlesbrough.

# 4. Quantitative findings

## LAND USE, INCLUDING VACANCIES

The latest Experian data set for the town informs this section. This data included unit vacancy information from March 2018. This was then adjusted by on-site researchers walking the study area and updating the core information, noting any changes of occupancy. Notes were also made of any units that had changed use.

According to GOAD maps the vacancy rate in the Middlesbrough town centre target area is 15.38% (January 2018). This is above the national average shown in the HDH vitality rankings for large towns in the North East with the average being 8.3% (HDH report, 2017).

After the site visit to Middlesbrough town centre and assessing vacant units, the actual vacancy rate was found to be 17.85% (August 2018) with 123 units out of 689 vacant upon inspection (all use classes). GOAD maps were last surveyed in January 2018. This indicates that, since January 2018, vacant units have increased, net, from 106 to 123 units (circa 2.5%). The national town centre vacancy rate was 9.3% in April 2017 showing Middlesbrough is almost double the national average.

Whilst the vacancy rate is higher than average, it is the over-supply of retail units and reliance upon retail (46% of the mix in Middlesbrough vs the UK average of 40%<sup>1</sup>) that creates further structural issues. With just 11% of the premises classified as leisure (bar, club, café, cinema etc) the town is too reliant upon retail. Increasingly the modern consumer uses a town centre for social, service and experiential activities and an increase in alternative uses must be encouraged.

Adding to the mix of problems surrounding the vacancy picture in Middlesbrough, is the significant number of brands located in the town, including House of Fraser, that are seeking to use Company Voluntary Arrangements (CVA's) to reduce their rent obligations. This causes instability for both businesses and landlords.

## RESIDENTIAL AND EMPLOYEE NUMBERS

Middlesbrough has a local resident population of 140,600 but serves as a district centre for the Tees Valley City Region, which has a population of 664,000, rising to circa 2.7 million, within 60 minutes' drive time. These catchment numbers are a substantial asset and opportunity. However, they also present a challenge in how to encourage a higher proportion of the catchment to embrace and use the town more regularly and to consider it as a place in which they want to spend their time for leisure, work, shopping and so on.

Middlesbrough is approximately in-line with the national average for jobs in the lower skilled market including the construction, retail and service industries but also significantly underperforms in the professional services sector, which correlates with a shortage of individuals within a 20 minute drive time and with higher disposable income.

It has a significantly higher proportion of those employed in the social care sector. This may be linked to the strong performance of the Health and Social care course at the University of Teesside.

Opportunities to increase jobs in sectors where the University of Teesside excels need to be identified. 11 subjects saw an improved ranking position compared to 2018, with a number seeing significant improvements. Teesside ranked 5th (of 81 institutions) for 'Music'. In addition, 'Art', 'Biosciences', 'Engineering: Mechanical', 'English & Creative Writing', 'Health Professions' and 'History' each featured in the top third of institutions in their subject table.

<sup>1</sup> Source: <https://www.centreforcities.org/press/city-centres-must-break-reliance-retail-thrive-future/>



## SALES DATA

In order to try and establish the spending behaviours of those visiting Middlesbrough town centre, researchers worked at varying times of the day and varying locations for a two-week period. The sample study (250 interviewees)

included a proportionate split of ages and genders although it should be noted that as the research was conducted outside of term time, therefore the data might not be entirely representative of the student population.

Users were asked how much they spent on grocery shopping, non-grocery shopping and on entertainment with the key findings being:

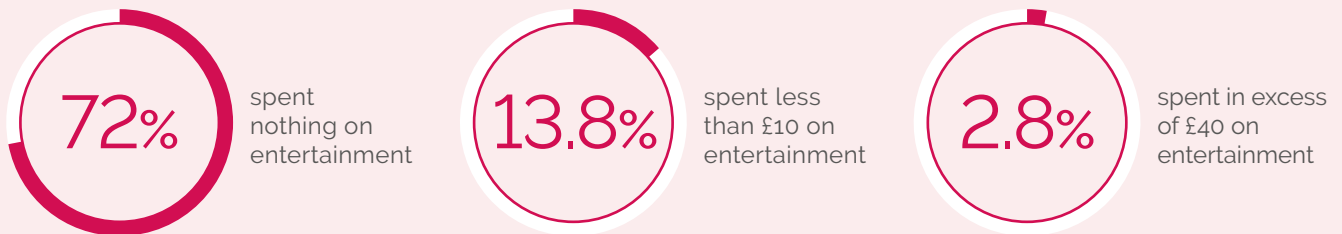
## NON-FOOD SHOPPING



## GROCERY SHOPPING



## ENTERTAINMENT



The sales data leads to the conclusion that the low spend on entertainment is indicative of the small proportion of the town centre mix occupied by leisure businesses and the lack of a depth of offer. In addition to this there is evidence to suggest that a significant proportion of those surveyed spent very little in the town and were in town without their primary focus being the purchasing of goods from stores.

Those spending a more significant amount (in excess of £75) were spending this on non-food based items. This further supports the findings that Middlesbrough has a substantial retail presence, one that is likely to leave it over-exposed to current store closure trends.

## AGAINST A NATIONAL PICTURE WHERE:

More than 50% of our spending goes on four main categories: Food, housing & fuel, transport and recreation. In each of them we spent more than the previous year.

- Transport is the top spend at £79.70.
- We hit a total of £73.50 on holidays, tickets, subscriptions, pets and other recreational purchases
- Housing (though not mortgage payments or Council Tax), fuel and power are third biggest costs, coming in at £73.50 a week.
- Meat and fish make up a quarter of our £58.00 spend on food.

## TRANSPORT DATA

### Car Parking

Middlesbrough has a significant amount of parking spaces within the town, primarily due to the centre having four different shopping centres. Whilst the parking is of varying quality, it is cost comparable to its nearest neighbours and cheaper than similar locations<sup>1</sup>. Whilst the business survey data suggested that the cost of parking was a factor in the underperformance of their business and the town, this does not appear to be supported by the data, though payment for parking is viewed by visitors as a reason for an expected return on their investment of time/spend etc. Therefore,

locations with a poorer overall offer may need to incentivise visits by lower parking costs. The recommendation in Middlesbrough, though, is to focus on improving the offer<sup>2</sup>.

Wherever possible, town and city centres are providing 24/7 albeit parking, innovative payment regimes focused on pay-on-exit and quality of provision with an emphasis on feelings of security.

National Car Park Data: benchmark

## PUBLIC TRANSPORT

### Bus

Using data collated by the Department of Transport Statistics which is collected by operators the yearly passenger journeys per head for Middlesbrough fell year-on-year between 2010/11 and 2016/17.<sup>3</sup> This is exceeding the national average. Middlesbrough's user numbers have declined by circa 25%, whereas the national average was a fall of 8.5%. These statistics will affect the trading performance of the town. The modern consumer is increasingly environmentally aware and wants to use fast,

reliable and technologically advanced public transport to access town centres. There is an opportunity to upgrade buses (e.g. to offer on-board Wi-Fi and charging points etc) and to then promote this as a favourable means of transport. Investment, marketing and communications will be needed to reverse the historic trend, in the first instance to move towards the national average. Over time there is the potential to exceed national averages and this could be a key point of difference.

### Train Travel

Usage data for Middlesbrough station shows that there were 1.35 million passengers travelling through the station (entries and exits) in 2016/17 (Latest statistical releases | Office of Rail and Road, 2018). Breaking this down further, 187,088 of the 1.35 million were travelling using a season ticket, 681,456 were travelling with reduced price tickets and the rest - 487,738 - were travelling with full price tickets.

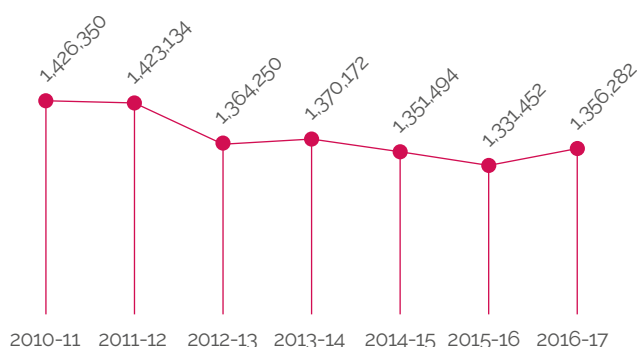
There is a slight increase of 1.9% from 2015/16 to 2016/17. This increase correlates with the upturn in attendance at Middlesbrough football matches, being the Club's first season in the Premier League. During this season they had an extra 5,000 people per home game (average) and a high proportion of this would be travelling spectators.

Using previous data from 2010/11 up until latest statistic release in 2016/17 - it can be seen (Figure 1.2) that the train station has seen a decline up to 2015-16 of around 6.7%.

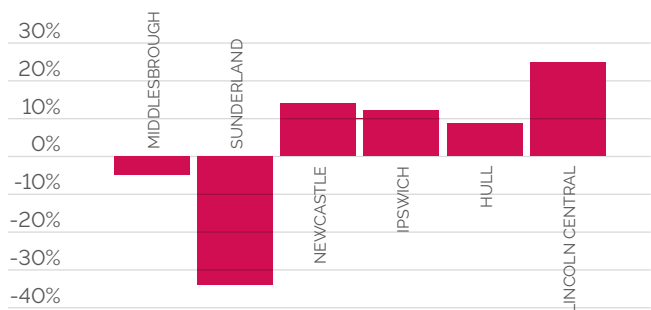
When compared to similar locations, Middlesbrough is lagging behind these other locations with the exception of Sunderland<sup>4</sup>.

Figure 1.2

Middlesbrough train usage since 2010-11



% change of train usage since 2010/11 to 2016/17



<sup>1</sup> Car Parking Costs Data sheet (Appx 2)

<sup>2</sup> En.parkopedia.co.uk. (2018). Find Parking, Car Parks, Street Parking, Private Garages - Book Parking. [Online] Available at: <https://en.parkopedia.co.uk> [Accessed 30 Jul. 2018].

<sup>3</sup> GOV.UK. (2018). Local bus passenger journeys (BUS01). [online] Available at: <https://www.gov.uk/government/statistical-data-sets/bus01-local-bus-passenger-journeys#table-bus0101> [Accessed 30 Jul. 2018].

<sup>4</sup> Assets.publishing.service.gov.uk. (2018). [online] Available at: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/320806/northern-transpennine-consultation.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/320806/northern-transpennine-consultation.pdf) [Accessed 30 Jul. 2018].

Assets.publishing.service.gov.uk. (2018). [online] Available at: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/320806/northern-transpennine-consultation.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/320806/northern-transpennine-consultation.pdf) [Accessed 30 Jul. 2018].

# Crime and anti-social behaviour

Crime data indicates that Middlesbrough has one of the highest numbers of reported crimes compared to other locations. There is a spike in ASB, shoplifting and violence.

In the year ending December 2017 crime rates in Middlesbrough were higher than the average crime

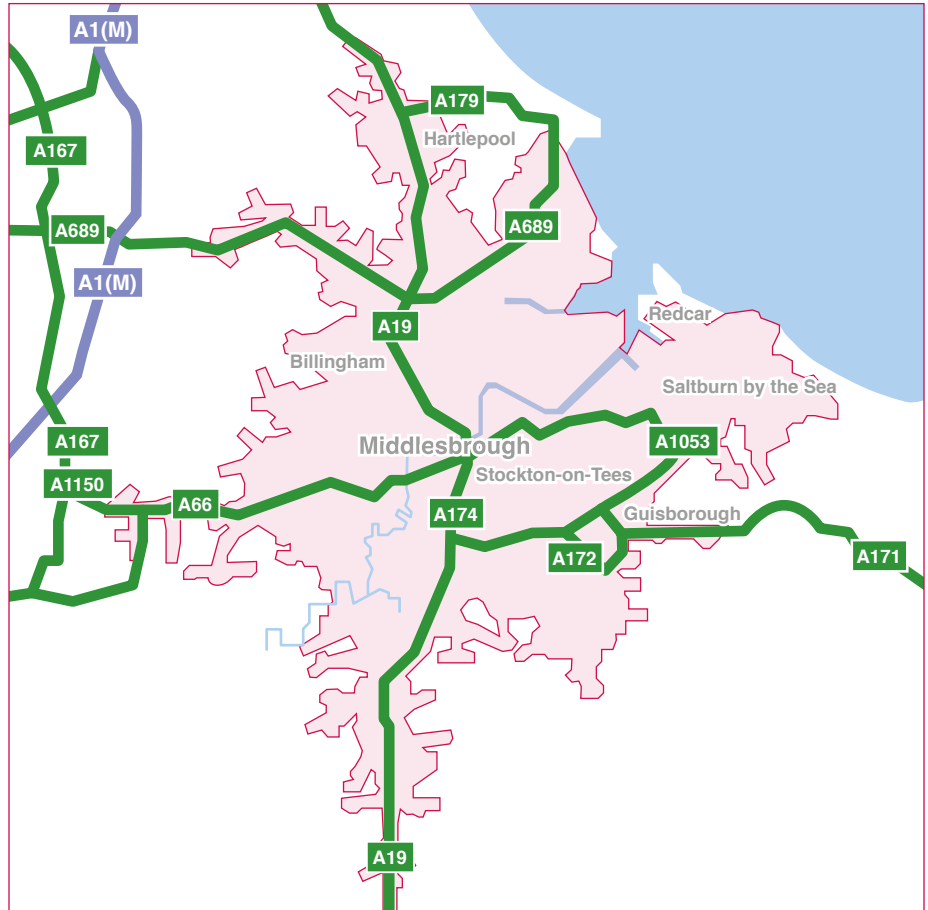
rates across similar areas including Nottingham, Sunderland, Hull, Stoke and Birmingham.

Shoplifting accounts for 12% of all reported crime in the study area, which is high.

	SUNDERLAND SU1		MIDDLESBROUGH TS1		BOLTON BL1		SWANSEA SA1		HULL HU1		LINCOLN LN1		HUDDERSFIELD HD1		IPSWICH IP1	
	No. Crimes	% Of all crime	No. Crimes	% Of all crime	No. Crimes	% Of all crime	No. Crimes	% Of all crime	No. Crimes	% Of all crime	No. Crimes	% Of all crime	No. Crimes	% Of all crime	No. Crimes	% Of all crime
Anti-social behaviour	1,489	27%	4,541	40%	2,369	20%	2,878	26%	558	17%	1,164	35%	1,167	16%	1,430	18%
Bicycle theft	81	1%	188	2%	89	1%	152	1%	176	5%	96	3%	58	1%	253	3%
Burglary	144	3%	567	5%	1,097	9%	491	5%	150	5%	382	11%	358	5%	365	5%
Criminal damage and arson	324	6%	716	6%	1,071	9%	1,002	9%	203	6%	285	9%	553	7%	734	9%
Drugs	108	2%	282	2%	65	1%	437	4%	69	2%	140	4%	273	4%	184	2%
Other crime	66	1%	54	0%	185	2%	152	1%	28	1%	39	1%	113	2%	115	1%
Other theft	405	7%	745	7%	902	8%	802	7%	244	8%	260	8%	659	9%	512	7%
Possession of weapons	25	0%	51	0%	66	1%	67	1%	25	1%	11	0%	91	1%	54	1%
Public order	672	12%	429	4%	1,365	12%	783	7%	225	7%	100	3%	664	9%	587	8%
Robbery	26	0%	93	1%	138	1%	56	1%	29	1%	8	0%	95	1%	92	1%
Shoplifting	801	15%	1,358	12%	544	5%	989	9%	573	18%	114	3%	963	13%	1,086	14%
Theft from the person	117	2%	195	2%	180	2%	159	1%	83	3%	20	1%	254	3%	93	1%
Vehicle crime	125	2%	260	2%	745	6%	553	5%	73	2%	263	8%	323	4%	391	5%
Violence and sexual offences	1,121	20%	1,902	17%	2,972	25%	2,388	22%	800	25%	458	14%	1,840	25%	1,919	25%
<b>Total</b>	<b>5,504</b>		<b>11,381</b>		<b>11,788</b>		<b>10,909</b>		<b>3,236</b>		<b>3,340</b>		<b>7,411</b>		<b>7,815</b>	

# Customer profiling (particularly of greater catchment area)

The following summaries are from Experian and entitled 'Understanding Demographics'. The data is from 2016 and is based upon a 20-minute off-peak drive time, which is highlighted on the map below by the red boundary.



## SUMMARY OF YOUR AREA

**464,319**

people live within a 20-minute off peak drive time (OPDT TS1 2LS)

**227,284**

male

**237,035**

female

**62.36%**

of homes are owner-occupied

**16.37%**

of homes are privately rented

The population of the area is expected to increase by **1.67%** by 2021.

The three highest Mosaic groups are:

### **I** Family Basics

Families with limited resources who have to budget to make ends meet

### **H** Aspiring Homemakers

Younger households settling down in housing priced within their means

### **J** Transient Renters

Single people privately renting low cost homes for the short term

Mosaic UK 6 Group		Area	Base	Index	-10	100	212
A	City Prosperity	0	2,699,611	0			
B	Prestige Positions	19,729	4,747,426	59			
C	Country Living	6,030	4,340,375	20			
D	Rural Reality	3,341	4,454,997	11			
E	Senior Security	45,111	5,022,081	128			
F	Suburban Stability	44,851	3,879,518	165			
G	Domestic Success	39,256	5,777,561	97			
H	Aspiring Homemakers	54,238	6,234,761	124			
I	Family Basics	76,225	5,373,702	203			
J	Transient Renters	52,302	3,744,318	200			
K	Municipal Challenge	45,418	4,034,625	161			
L	Vintage Value	34,541	3,902,030	127			
M	Modest Traditions	26,631	3,064,607	124			
N	Urban Cohesion	2,795	3,520,334	11			
O	Rental Hubs	8,690	4,773,230	26			
<b>Totals</b>		<b>464,318</b>	<b>66,360,642</b>				

Source: Experian Mosaic UK 6 Classification ( 2016 ).

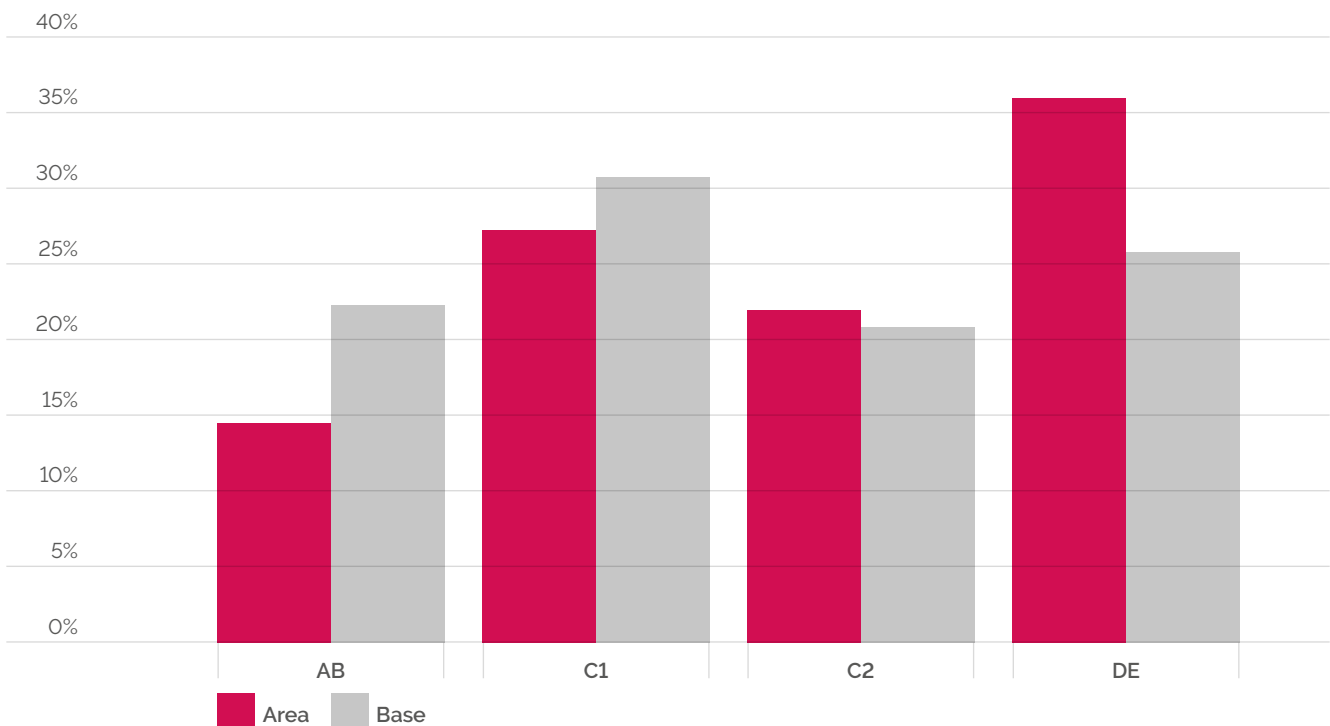
**CHART EXPLANATION:** The chart above represents the index\* value. This indicates the over or under representation of the area selection relative to the base.

## UNDERSTANDING THE SOCIAL GRADE

Mosaic is a cross-channel consumer classification system which segments the population into groups and types that helps you to understand an individual's likely customer behaviour<sup>5</sup>. The above chart shows groups A-O.

Within Middlesbrough's study area, social grade DE forms the largest proportion, with 52,041 people in this

group (35.92 % of the overall distribution). The smallest proportion falls into grade AB with a count of 20,740 taking up 14.32 %. When comparing this to the selected base the most over-represented grade is DE with an index\* count of 138, whereas the most under-represented group is AB with an index count of 64.



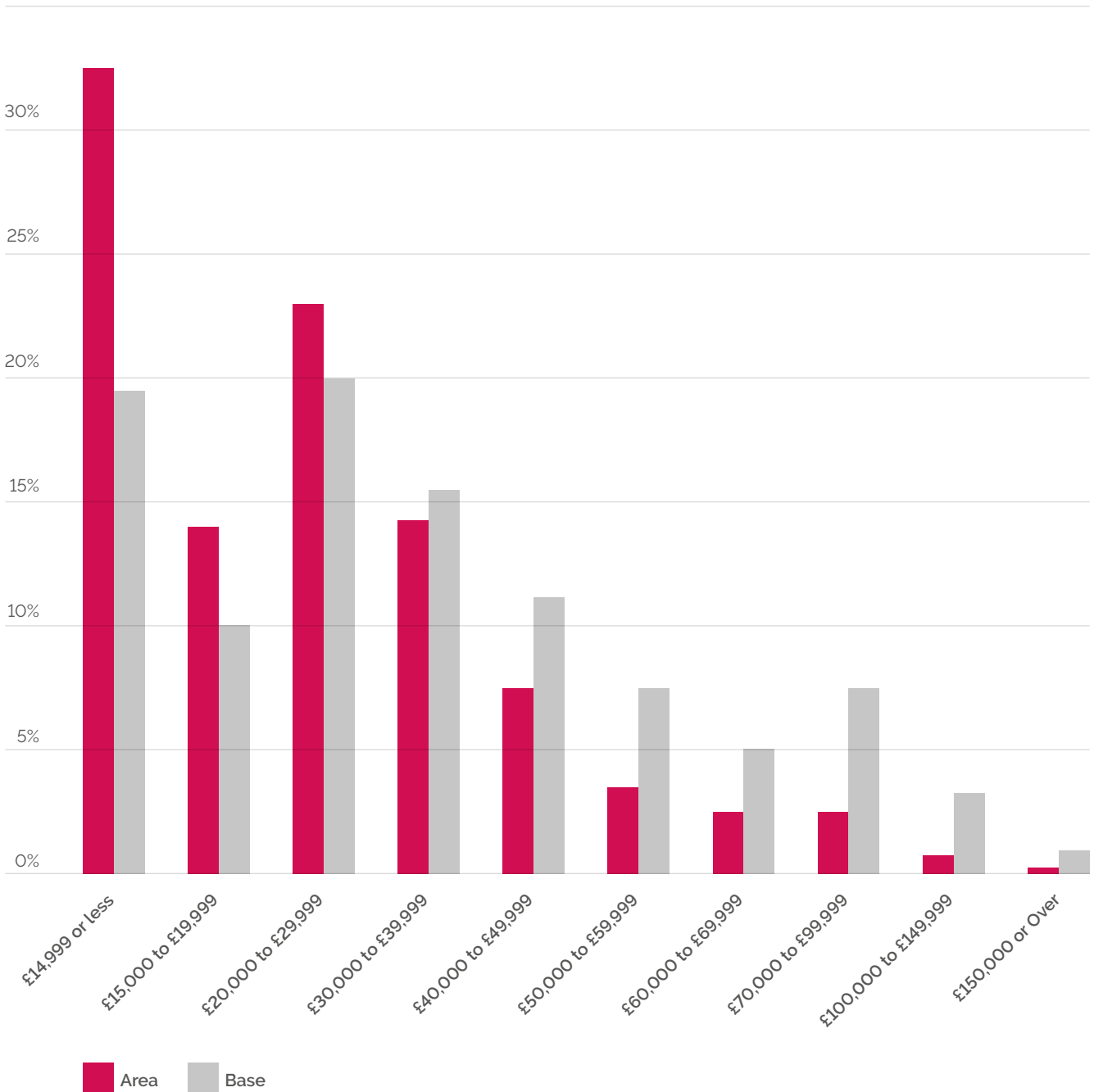
<sup>5</sup> <https://www.theaudienceagency.org/insight/mosaic>

## UNDERSTANDING THE INCOME BREAKDOWN

84,319 households within the area have an income of £19,999 or less, forming 45.90 % of the overall distribution. The smallest count is 175 and these fall into household income band £150,000 or over making up 0.10 %. When using the base as a comparison, most households fall into the income band £20,000 to £29,999, which makes up 19.79 % of the overall view. When using index figures as a guide it is apparent that the income band £14,999 or less is over-represented making up 32.47 % with an index of 166, the most under-represented banding is £150,000 or over with a figure of seven making up 0.10 % of the distribution.

The data presented shows that Middlesbrough has an above base level of residents within a 20 minute drive time that are at the lower end of the socio-economic scale. This will often mean that those individuals have a more limited disposable income and overtime work often provides opportunity in the local community for people to earn more and therefore have more disposable income to spend in the town. However, this means less available time for shopping and leisure etc. In the shorter term, consideration should be given to a strategy that also appeals to individuals from further away who may have a greater disposable income to spend within the town.

35%



## BUSINESS AND CONSUMER QUESTIONNAIRES

### Users

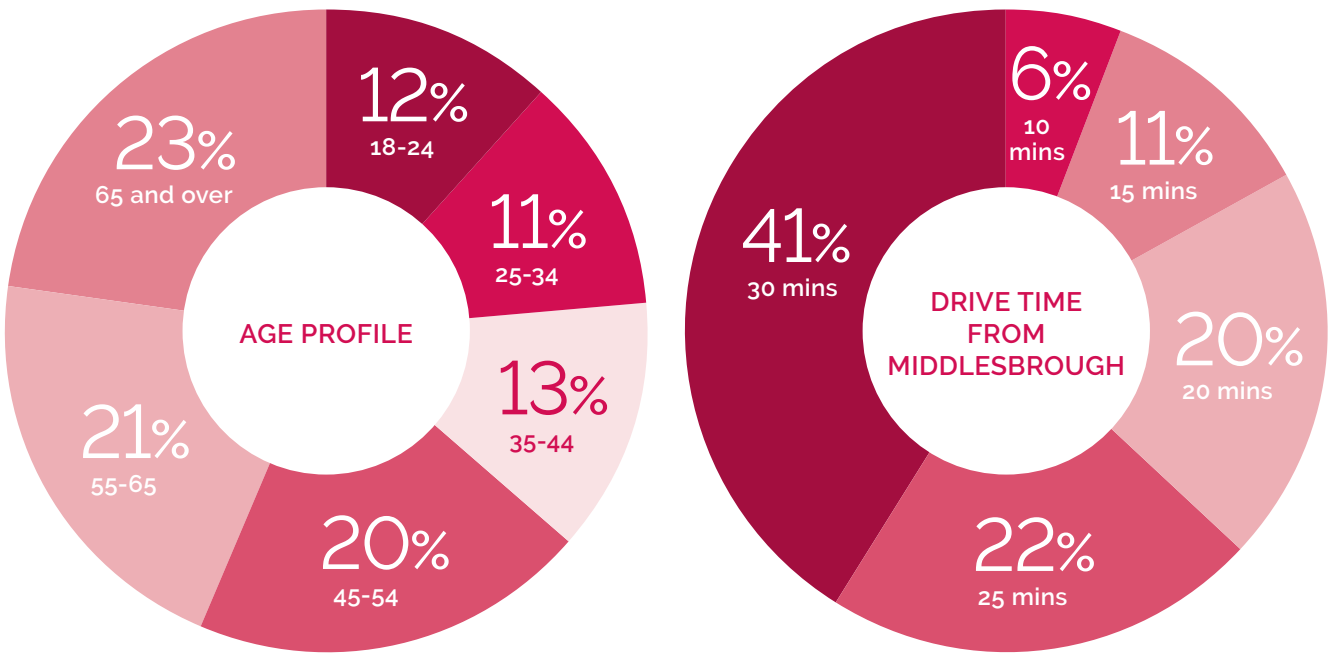


### Businesses feedback:

- Parking costs, beggars, Anti-social behaviour (ASB), signage and the perception of Middlesbrough are of concern to business
- Perception of the place varied between shopping centres
- 'Potential' most common word used
- Negative words to describe Middlesbrough include; scruffy, homeless and beggars, deprived, rough, drugs
- Positive words to describe Middlesbrough include: 'Potential', 'Friendly', 'Diverse'

## NON-USER TELEPHONE RESEARCH (SAMPLE OF 500 COMPLETED SURVEYS)

Non-user telephone research was conducted with those within a 30-minute drive time. A non-user was defined as an 'individual who visited the town centre less than four times per year'.



Consumers were primarily not visiting because they were staying in more local towns. 29% specifically referenced a lack of good quality shops in Middlesbrough and 23% a lack of good quality restaurants.

In summary, the quantitative data shows that Middlesbrough town centre has a lack of individuals using the space with an average or above disposable income, this stems

primarily from a lack of high paying work in the area and a challenging perception problem of those in the non-user survey that Middlesbrough lacked good quality shops and restaurants.

However, the success of Teeside Park indicates the spend potential within the local catchment and the task for Middlesbrough is to better appeal to this target market.

# 5. Qualitative findings

A number of qualitative methods to supplement The Middlesbrough Investment Prospectus (2017) were used. In essence, the Prospectus emphasises that success in Middlesbrough is dependent upon Middlesbrough's ability to continue to attract new businesses, entrepreneurs and investment that will drive job creation and long term prosperity.

## The Prospectus outlines four key ambitions;

- 1) Attract
- 2) Diversify
- 3) Generate
- 4) Inspire, up skill and connect

The qualitative findings in the below research supplement these ambitions and detail the reasoning behind the recommendations to Middlesbrough Council.

## FLÂNEURS AND STREET WALKERS (INCLUDING ASSESSMENT OF FIRST IMPRESSIONS)

A flâneur can most commonly be identified as somebody who is a 'stroller', thereby observing how a place functions and how people interact with it. The famous French poet, Charles Baudelaire, developed a derived meaning of flâneur—that of "a person who walks the city in order to experience it"<sup>6</sup>.

The flâneur technique was undertaken in this

research for a number of reasons. Given an economic 'health check' of Middlesbrough was taking place, this flâneur approach allowed the research team to immerse themselves in the culture of Middlesbrough and its context. Additionally, it provided a deeper understanding of the place, and a visual representation of its challenges, motivations and common themes.

It is worth noting the time of day the flâneur research took place and the profiles of the researchers.

The flâneurs were four males. Their age ranges varied from early 20's, mid 20's, early 30's and mid-50's.

One male conducted his flâneur research driving from Ipswich to Middlesbrough. The other three males arrived to Middlesbrough via train.

The flâneurs were asked to conduct their research at different times of the day, starting at different areas within the defined study area. This was strategically planned to ensure the research team gained a true sense of place and could report back the 'feelings' they had walking around the study routes.

One of the flâneurs also conducted research on the 7th August, a Middlesbrough football game day, which was also the first game of the season. This was important given the strong association of Middlesbrough to the football team and offered a chance for the flâneurs to witness the atmosphere.

Time of day	Route (walk)
8.30am start	North to South of the area – Rail station to Linthorpe road
8.30am start	West to East of the area – Newport Road to Cineworld, passing through town centre
1pm start	North to South of the area – Train station to Linthorpe road
1pm start	West to East of the area – Newport Road to Cineworld, passing through town centre
Starting at 5pm	North to South of the area – Rail station to Linthorpe road

<sup>6</sup> <https://brooklynflaneur.wordpress.com/what-is-a-flaneur/>

## The flâneurs research identified the following observations:

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- The place was generally better than expected
- Feels like a town not a city
- Top perceptions - retail centre, clean, busy
- Most people in area are alone, followed by homeless/begging, couples, commuters, families
- Good public benches
- Lots of independents – mainly Linthorpe Road
- Poor signage in study area. Also worthy of note, there is no mention of Middlesbrough on motorway until 14 miles out. Main directions appear to be for Teesside and to undescribed attractions.
- Difficult to navigate the study area, particularly from the town centre to the water frontage
- Not enough to do (or, rather, not enough that is made obvious)
- Hotels basic
- Lots of public bins
- High visibility of bus stops
- Satisfactory taxi ranks
- Disappointing not to see many cyclists, cycle paths
- Walking route summed up in 3 words – clean, spacious, diverse
- Traffic and congestion not an issue, even in rush hour
- Good architecture
- Lack of high quality hotels
- Excellent art features and sculptures

One of the recommendations in this report is to establish a clear and singular brand for Middlesbrough. The flâneurs research highlighted that there is an opportunity to represent such a brand on public benches, public bins, bus stops and other key areas/popular areas in Middlesbrough. The recommendation is that this brand should make clear what it is that Middlesbrough stands for as a place and showcase its USP(s). This could be made possible by undertaking a wider enlightenment strategy to showcase the offer in Middlesbrough. Public art, history and culture all tended to be great assets to Middlesbrough and there is an opportunity for a brand to raise the awareness of this.

There is an improved 'sense of place' on Linthorpe Road, with a 'buzz' to it, which should be celebrated more. Linthorpe Road is well positioned for attracting students and embracing an independents quarter, an opportunity well-worth exploring. This could be developed as a 'village' all of its own and, with some clever signage etc, could become a great gateway into the main centre. More city living in this area should be encouraged alongside more attractions for the student population.

An independents' quarter for Linthorpe Village would help to acquire new audiences and start to create a greater sense of place to the town as a whole.

The recurring feedback from the flâneurs was around poor signage and therefore it is recommended that signage and mapping (on- and off-line) is reviewed and made easier for visitors as a priority.



## ASSESSMENT OF COMMUNICATIONS AND ENGAGEMENT

Assessment of communications and engagement is particularly important. From an inward investment perspective, potential investors will be very heavily influenced by what is available online and is one of the first factors in determining an impression of a place.

The assessment of communications analysed a number of channels, which are outlined below.

### Google search

The most popular listing on Google when searching for the term 'Middlesbrough' was Middlesbrough Football Club, following closely by crime related news. To an inward investor or visitor, this is a very limited and, arguably, off-putting offer of the place, and may lead to a misleading view of Middlesbrough.

Further Google search finds that councillors in Middlesbrough refer to Middlesbrough as the 'city centre for Teesside'<sup>7</sup> in an aim to push the regenerative opportunities for Middlesbrough. Additionally, the Financial Times named Middlesbrough as one of Europe's top small 'cities'<sup>8</sup>.

With the above in mind, there is a great opportunity to raise the profile of Middlesbrough through a strong PR campaign and communications strategy to capture the inward investment audience and to become a city in all things but name. A big part of a recommended communications strategy would be to improve the organic search criteria of Middlesbrough to rank highly for art, culture and top small cities in the UK.

### Invest in Middlesbrough

Many inward investors look for a 'go-to' place to learn more about the investment opportunities of a place. Middlesbrough is fortunate to be part of the Northern Powerhouse Fund and carries pioneering history in discovering Iron and carrying an industrial legacy. It was possible to locate [investinmiddlesbrough.co.uk](http://investinmiddlesbrough.co.uk), which contains great content, but is not easily discoverable. To attract inward investors, it is recommended that a review of its digital marketing activity is undertaken which will lead to a boost in presence online.

### Love Middlesbrough brand

This appears to be the dominant consumer-facing brand for Middlesbrough and is a brand, which appears to carry good equity, though used in many other locations, so lacks unique quality. There is a lot of promotional material generated by Love Middlesbrough across various online and offline channels but it may suit best the local

audience as a stimulator for local pride rather than acting as a catalyst for new visits and investment. A BID or Destination Management/Marketing Organisation (DMO) could become responsible for such branding work. A blog and Instagram page appeared very active. The Instagram page in particular was the second most active account when searching for profiles connected to Middlesbrough at the time of study, with just over 2,200 followers.

### TripAdvisor

To gain a feel for the perceptions of Middlesbrough by the public, an assessment was undertaken of TripAdvisor.

Looking at the top 10 hotels, only two are in the study area. Researching the top 10 restaurants, the top three all appeared in the study area, predominantly on Linthorpe Road.

Within the 10 top attractions of Middlesbrough, none were identified within the defined study area of this project.

High streets face a national (even international) crisis. As physical retail plummets, there is a need for experiential activities - driven by a 'want' to be there rather than a 'need' - more than ever before. Middlesbrough does include many attractive features, mainly art and culture-based, i.e. The Bottle of Notes. It is these attractions which help pave an opportunity for Middlesbrough to replace retail with leisure and cater to more experiential marketing opportunities which town and city centres are in need of leading on in their own unique way.

Given the acknowledgement of poor signage in the study area, enhanced signage in the town centre to and from these attractions would create greater public awareness and appeal.

The 2018 Chancellor's Autumn Budget announced a £650m High Street Revival Fund, open to Councils to develop an action plan via a partnership approach. This should be a top priority for the Council.

### Summary of communications and engagement

The Middlesbrough Investment Prospectus 2017 highlights that Middlesbrough will become a focal point for high quality office accommodation and urban living, driving demand for a thriving retail sector and leisure services'. Through the assessment of online communications, success of this will be partly determined by how Middlesbrough is promoted and communicated. The above assessment of communications would conclude that a vision to achieve this would require a strong marketing plan to drive this demand, which, on current observations, is not currently visible.



<sup>7</sup> <https://www.gazettelive.co.uk/news/teesside-news/senior-figures-middlesbrough-calling-city-14042385>

<sup>8</sup> <https://www.gazettelive.co.uk/news/teesside-news/middlesbrough-named-one-europes-top-14285548>

## DNA WORKSHOPS AND STAKEHOLDER INTERVIEWS

Place-shaping workshops were held with key stakeholders. The purpose of the workshop was to present emerging themes from the research and test the recommendations presented in this report.

The DNA workshop was supplemented with stakeholder interviews.

The focus of the interviews was to explore the following:

- What will Middlesbrough look like in five years if nothing changes?
- What needs to change?
- What is your vision for Middlesbrough in five years' time?

### If nothing changes?

The most common emerging responses highlighted both physical and social problems. Physically, key stakeholders expressed that if nothing changes in five years, buildings will be 'unattractive', units will become 'vacant', and shops will become 'run down'.

Socially, if nothing changes in five years, interviewees highlighted there will be a 'negative feeling' of Middlesbrough as the place will be considered as 'diminishing' along with a lack of investment, limited Police resource and lack of developments moving forward.

Interestingly, upon further analysis, the responses highlight that the physical infrastructure has a 'knock-on' effect to these social issues, making it ever more important to shape Middlesbrough's prospects with both physical and social constructs at heart.

### What needs to change?

Responses to this question coincided well with the other quantitative and qualitative research undertaken. Interviewees emphasised the need for improved signage and sense of arrival, along with change needed to improve gateways, transport connections, housing and public realm. Notably, stakeholders also identified possible solutions to the retail and vacant unit dilemma - with an emphasis for change needed in Middlesbrough which attracts more events, promotions and 'pop-up' initiatives. These would help to cater for a more experiential offer.

## CHANGE REQUIRED



SIGNAGE



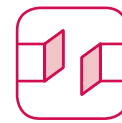
IMPROVED HOUSING



MORE EVENTS



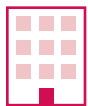
FOCUS ON EXPERIENTIAL



IMPROVE GATEWAYS



MARKETING



OFFICE OCCUPIERS



TRANSPORT CONNECTIONS



CHALLENGE BUSINESSES TO HAVE A STAKE



IMPROVE SAFETY/SECURITY



STRONGER INTERVENTIONS BY COUNCIL



IMPROVE PUBLIC REALM

### Vision in the next five years?

The vision for a place needs to be developed and owned by a range of stakeholders and should remain aspirational, whilst also being authentic. A vision cannot be achieved quickly or easily and often requires compromise by some partners. But, once locked-in, it will guide future investment and priorities and will accelerate change.

Initial responses from stakeholders as to what they may think a vision for Middlesbrough for the next five years might look like, found marketing of the town's assets and USPs to be fundamental. Ideas shared a common theme around desired actions for Middlesbrough such as bidding for the city of

culture, improving the city's vibrancy and offer with city ambassadors, bringing more stakeholders into Middlesbrough and celebrating those, and showcasing the heritage of Middlesbrough. Substantially more work needs to be undertaken to pull these strands into a cohesive vision with deliverables presented in a prioritised manner to move towards the aims.

From an inward investment perspective, the interviews identified that the high-paying jobs are not in Central Middlesbrough, rather, Teesside, where the skill-sets and companies exist. Therefore, the vision is to bring those skills in and with it, companies to invest.

## PRIORITY FUTURE USE OF LAND AND BUILDINGS

These would seem to fit into two distinct categories:

- 1 A targeted approach to reduce dependency on retail provision and introduce experiential-type uses alongside more town centre living (flats and houses) and employment uses (perhaps suiting more flexible styles of working). The University is a key partner to progress this strand
- 2 A realisation that previous reliance on and provision of retail space is highly unlikely to be required in the same proportion in the future, thereby prioritising the need to address the future characteristic of the town's four shopping centres, each in disparate ownership.

The forthcoming government high street revival fund presents an immediate opportunity to attract investment to unlock the opportunities in line with an overarching vision for the town centre.

## SWOT ANALYSIS

### STRENGTHS

- Local customer base
- Good satisfaction score
- Long shopping trips
- Good choice of restaurants
- Growing university

### OPPORTUNITIES

- Students
- Stronger brand identity
- More leisure based business
- Penetrate local catchment of high earners
- Linthorpe road

### WEAKNESSES

- Poor spend per visit
- Poor perception of place from businesses
- Perception of ASB as a problem
- Lack of residents in the study area
- Spend differs to outside area

### THREATS

- Out of town retail
- Over supply of retail stores - 4 centres
- Lack of skills locally
- Lack of well paid jobs

# 6. Consolidated findings and recommendations

This report carries out an economic assessment of Middlesbrough today and provides recommendations as to future actions to improve prospects.

The recommendations take into account today's modern consumer who is spending more time and money on leisure, experiences and service industries. These behaviours and trends create an opportunity to reflect on the attractiveness of their place. There is a demand to prevent 'boring' places by increasing 'want', rather than just 'need'. This report positively positions Middlesbrough to be able to respond to this with a set of 20 recommendations, and with it will help draw inward investment.

The report is supported by in-depth quantitative and qualitative research, identifying logic behind improving prospects and the Middlesbrough of today. The next steps will be to develop and implement an action plan which draws on these recommendations and the Middlesbrough Council City Centre Strategy.

It is important to channel these recommendations within a realistic timeframe to attract investment. It is clear that not all of these recommendations are 'quick wins', and it is vital to recognise that all of the recommendations should be delivered in a collaborative, holistic way amongst key stakeholders in Middlesbrough.

- 1 Creating a shared vision for the place - agree upon a statement that expresses the ambition for change, alongside which will be a strategy document setting out the process and actions to achieve the Vision
- 2 Increasing business engagement - examine various business based pro-active solutions, including the potential of a Business Improvement District.
- 3 Developing a strong place brand - Establish a strong place brand for Middlesbrough which utilises the USP's in Middlesbrough's culture, heritage and people.
- 4 Agreeing upon USPs, and places of special interest (e.g. Linthorpe Road) - Examine priority zones for investment potential.
- 5 Developing a marketing and communications plan - Agree a set of marketing and communications methods that build on the place brand and USP's recommended.
- 6 Reducing crime and anti-social behaviour - Middlesbrough Council to work with key stakeholders including the Police and Business Crime Reduction Partnership to determine a unified strategy to best tackle crime and ASB over the next five years.



- 7 Encouraging usage of public transport - Encourage transport providers to invest in modern, technologically advanced and environmentally friendly bus stock.
- 8 Developing a strategy for reducing the number of (or better concealing) vacant shop fronts, considering residential conversions - In the short term, implement Vinyl wrapping of long term vacant units. In the medium to long term, work with significant landlords to define a strategy for the reduction of vacant units, leading towards Middlesbrough achieving a national average vacancy rate or below.
- 9 Developing a signage strategy - Urgently address the lack of clear signage within the town centre, particularly on key transport routes, e.g. rail station to town centre.
- 10 Alternative uses for retail space in addition to commitment to increase city centre living - Explore experiential and leisure based alternatives to respond to the national decline in retail space. E.g. virtual reality experiences.
- 11 Targeting a younger audience - Engage and embrace the university population, providing a key marketing message which attracts their spend and footfall.
- 12 Better penetrating the secondary catchment - In the short term; capture those within a 20-minute drive time via a series of strong marketing campaigns. In the long term, increase the spending power of consumers from wider catchment areas to highlight that there is a wide offer available to them in Middlesbrough town centre.
- 13 Using pop-ups and creating more flexible uses for space - Work with the university to engage their young, entrepreneurial students to take vacant space in the city, providing innovative and desirable independent businesses and increase the student retention rate in Middlesbrough.
- 14 Re-evaluating the leisure or 'experiential' offer - Work with Middlesbrough Council to address absent leisure businesses in Middlesbrough and directly target those with competitive rates on vacant units.
- 15 Establishing a unique offer or proposition for the four shopping centres, being less reliant upon retail - Encourage each of the shopping centres to collaboratively define their target audience, giving each centre a more defined customer profile
- 16 Retaining more spend in the town centre from money that is earned by employees, thereby preventing leakage - Consider loyalty scheme potentially via a Business Improvement District to reward employees in Middlesbrough for spending their income in the town centre.
- 17 Identifying how Middlesbrough should perform like a city in all but name - Agree a strategy which positively positions Middlesbrough against its competitors, in line with the shared vision for the place.
- 18 Tapping into future potential with the University - Meet the demand of a skills shortage in Middlesbrough by working closely with the University to retain students long-term.
- 19 Improving the potential of the visitor market, including developing a plan for use of public spaces, including commercialisation opportunities - Examine the implementation of online and offline marketing initiatives with Middlesbrough Council to enhance the visitor market appeal in parallel with the marketing and communications plan
- 20 To ensure the maximum impact of the joint recommendations, the local authority must double its efforts to resist out of town retail applications and replace its 'town centre first' policy with a 'town centre only' approach - Seek to engage an agency in the short term for a series of events and animation to enliven the town.



# 7. Your study team - Project Leads

## **PAUL CLEMENT BSC MA**

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### **Chief Executive Officer**

Paul has over a decade of experience in place management having started his first town centre management company in April 2000.

He has a Master's Degree in global influences on urban centres from De Montfort University. This, together with his practical experience, led to the creation of CMS in 2011. He has helped to re-shape locations around the UK and, as well as CEO of CMS, he is director, head of place-shaping at Savills.



## **FIONA WRIGHT LLB**

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### **Chief Operating Officer**

Fiona has worked in Place-marketing for over 20 years with a focus on large-scale mixed use developments through to town and city centres and tourism projects. She has worked at CMS since its creation in 2011 and is a Director at Savills.



# 7. Your study team - Project Team

## **LEE WALKER BSC**

**Associate Director, Research and Development.**

Lee graduated from the University of Southampton and manages the research and development team within CMS. Lee ensures that any research conducted by CMS includes the correct amount of qualitative and quantitative data to ensure clients have an accurate understanding of the business need in their area.



## **EMILY RICHARDS BA HONS, IDM DIP DIGM**

**Marketing and Communications Manager.**

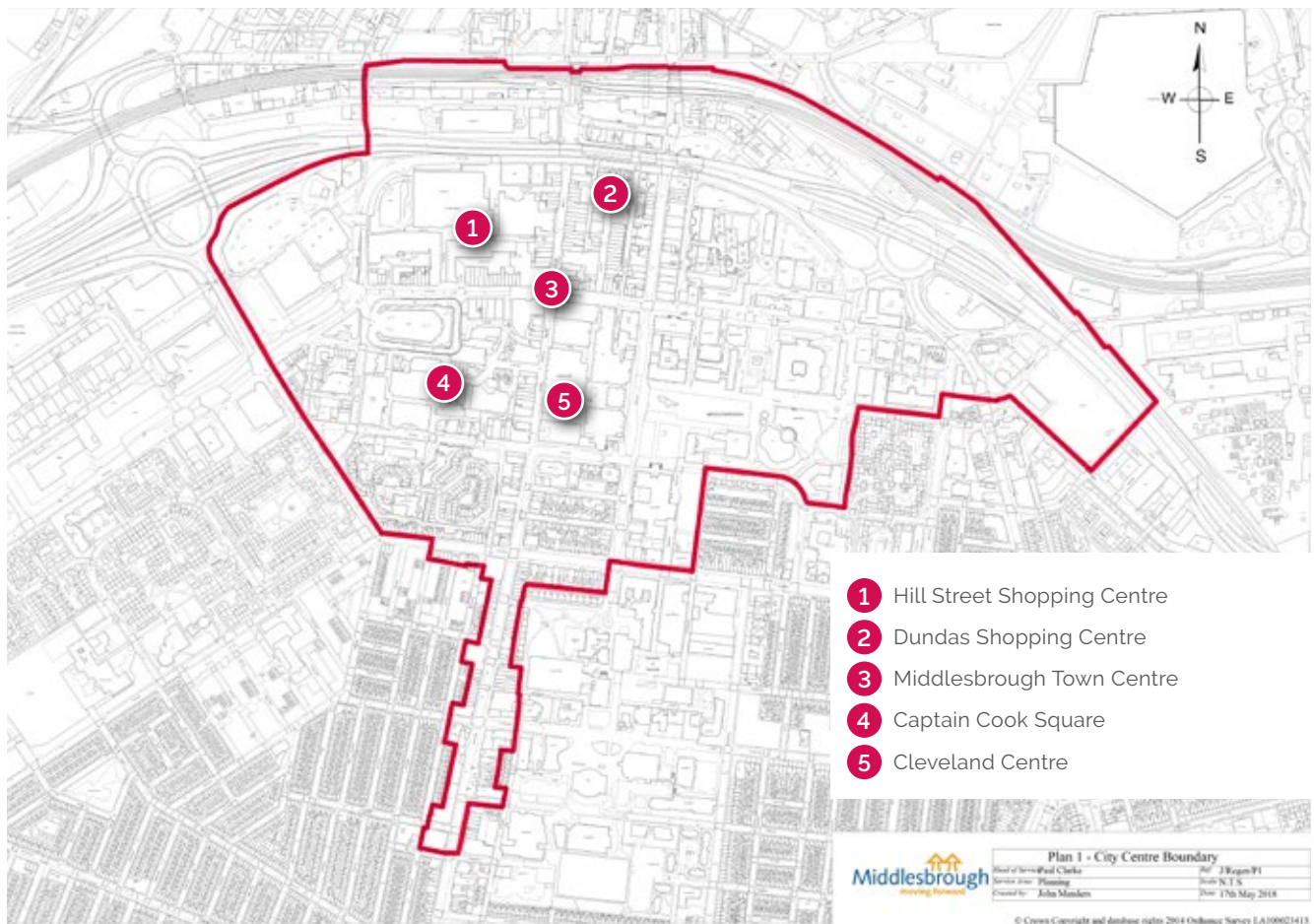
Emily has developed improved brands for places and has a strong understanding of the changing needs of consumers when identifying with one place as opposed to another. Emily studied social sciences at Nottingham University analysing the ways in which consumers and society behave.



Contributing researchers - Benjamin Clark, Mosh Choudhury, and Latimer Appleby.

# Appendices:

**Appx 1:** Map of study area



**Appx 2:** Car parking costs datasheet

Car Parks	Operator	Spaces	Price - 2hrs	After 2 hours
Captain Cook Square	Middlesbrough Borough Council	780	Free	£1.30/hour thereafter*
Hill Street Shopping Centre	Hill Street Shopping Centre	653	£1.60	£1.50/hour thereafter*
Dundas Shopping Centre	Dundas Shopping Centre	178	£1.40	£1.50/hour thereafter*
Gurney Street	Middlesbrough Borough Council	69	£1.30	£4.30 for over 4 hours
Cleveland Centre	Cleveland Centre	600	£1.50	£1.50/hour thereafter*
Sainsburys	Horizon Ltd	400	£2.00	
Denmark Street	Middlesbrough Borough Council	137	£1.30	£4.30 for over 4 hours
France Street	Middlesbrough Borough Council	515	£1.30	£2.30 for up to 4 hours**
MIMA	Middlesbrough Borough Council	37	£2.60	£1.30/hour thereafter*
Buxton Street	Middlesbrough Borough Council	93	£2.60	£1.30/hour thereafter*
Zetland Multi-Storey	Middlesbrough Borough Council	897		£2.00 for up to 10 hours
Jedburgh Street	Middlesbrough Borough Council	13	£0.80	£2.30 over 4 hours
<b>Total Spaces</b>		<b>4,372</b>		

\*Levels 4, 5, 6 Free for 2 hours, £2.30 for up to 4 hours, £3.30 for over 4 hours

\*\*£3.30 for over 4 hours. Charges apply Mon-Fri only, No charge on Saturdays or Bank Holidays

Not including on street parking

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