



BARGOED TOWN CENTRE MANAGEMENT GROUP – 28TH JANUARY 2009

SUBJECT: RETAIL JOB CREATION, BARGOED 2008 – FOR INFORMATION

REPORT BY: CHIEF EXECUTIVE

1. PURPOSE OF REPORT

- 1.1 This report provides information on the number of jobs created and lost in Bargoed town centre throughout 2008.

2. SUMMARY

- 2.1 The attached Appendix gives details of every store opening and closing within Bargoed town centre during 2008. The numbers of jobs created and lost are also provided for information. The Town Centre Development Manager compiled these figures during weekly town centre visits over the course of a 12-month period. It should be noted that they are as accurate as possible given the method of data collection.

3. LINKS TO STRATEGY

- 3.1 The Council has agreed to a ten-year regeneration programme entitled "The Smart Alternative". The proposals within the plan are based on 6 regeneration principles, one of which is "to re-establish town centres as a focus of economic activity".

4. THE REPORT

- 4.1 It has been a period of unprecedented turmoil in the global financial markets, leading to the old certainties regarding banking and financial services, being swept away. In turn, this has caused a worldwide economic downturn that has affected every retailer in the UK, both large and small, independent and multiple. These challenging market conditions have led to major names in the world of retail simply disappearing from our high streets, whilst others have been taken over by new owners. Even established retail giants have struggled to generate sales as customers have been forced to rein in their discretionary spending. The rise in the cost of living means that in real terms, today's shopper now has less money in their pocket to spend.
- 4.2 As a consequence of the global economic climate, it has been an extremely difficult year for retailers in Bargoed town centre. The regeneration scheme has, to a degree, acted as a catalyst to attract some new retailers into the town centre during the course of 2008. Amongst the businesses Bargoed welcomed was a new coffee shop - The Fireside Coffee Lounge and the Halifax / Harper Willis Estate Agents. However, it was disappointing to lose the Select store after the parent company experienced problems. By far the biggest impact on the town in terms of job losses was the closure of the Woolworths store in December. The local store fell victim to the deeper problems of the Woolworths brand. Over recent years the retailer slowly lost touch with its core market as a big store in a small town, this resulted in a chain of events that eventually led to the company being placed into administration after 99 years on the High Street. For a town the size of Bargoed to lose a store such as Woolworths leaves a big gap in the retail offer.

- 4.3 It is recognised that in the time it takes to complete the Greater Bargoed Regeneration Scheme a realistic goal is to retain the existing multiple retailers and if possible add to the town's independent offer. The affect of the Bridge Street / Station Road closure has been considerable. The footfall fell and retailers found themselves battling, not only a nationally depressed retail sector, but also a local problem that had a greater impact than expected. Despite the problems facing retailers, the overall mood remained optimistic with the regeneration scheme seen as providing a bright future for the town. The hope is for an improved retail offer with the building of a new food store and additional retail space. Also, it has been extremely encouraging to see a number of retailers carrying out work to improve both the interior and exterior of their premises.
- 4.4 In response to the difficult trading situation after the road closure at the northern end of the town, the Town Centre Development Manager entered into a dialogue with the Valuation Office. After considering the appeals made by retailers and the Footfall data supplied by the council, the Valuation Office agreed to reduce the rateable value of the properties in the town centre by 12%.
- 4.5 A unique scheme of painting window shutters in the town centre was undertaken in 2008. A number of retail properties had a range of designs spayed onto them by an artist. The scheme was funded through the Heads of the Valley project and the resulting artwork has been extremely well received both in Bargoed and in the wider area.
- 4.6 Throughout the year, the focus through Town Centre Management and the Town Centre Improvement Group has been to create and sustain a town centre environment that is attractive to national retailers and encourages new independent businesses. The Town Centre Development Manager has worked to support retailers, supplying them with information about developments in the town and assuring them of the towns long-term future. A monthly *Town Centre News* has also been introduced to promote a sense of community amongst those who work in the town. This has been extremely well received by retailers.
- 4.7 The figures in the Appendix show that in Bargoed town centre 21 jobs were gained and 29 were lost in 2008; this was compared to 18 gained and 14 lost in 2007. It is encouraging to see new retail jobs being created even in these economic conditions. Amongst them are some good business ideas run by enthusiastic and experienced retailers. The world of retail in 2008 has been a difficult one, the aim through Town Centre Management has been to react and respond to the new challenges in the sector and provide support and encouragement to retailers.

5. FINANCIAL IMPLICATIONS

- 5.1 There are no financial implications.

6. PERSONNEL IMPLICATIONS

- 6.1 There are no personal implications.

7. RECOMMENDATIONS

- 7.1 The report is submitted for the perusal and information of the members of the Bargoed Town Centre Management Group.

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