

BARGOED TOWN CENTRE MANAGEMENT GROUP – 20TH JANUARY 2010 - FOR INFORMATION

SUBJECT : JOBS CREATED AND LOST IN BARGOED TOWN CENTRE

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 2009.

2. SUMMARY

- 2.1 The attached Appendix gives details of every store opening and closing within Bargoed town centre during 2009. 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. In addition, the report provides an assessment of the footfall data collated in town centre over the year using the Footfall electronic pedestrian counting system.

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 Retail Sector 2009

- 4.1.1 The past year has been one of consolidation for major retailers. The shock of seeing an established household name such as *Woolworths* going into administration has continued to resonate through the industry in 2009. Many of the large multiple retailers took steps to protect themselves against the prevailing tide of economic uncertainty. Store portfolios were trimmed, supplies squeezed and administrative costs cut wherever possible. In a challenging market, the only retailers who were able to consider expansion plans were those operating within the 'value' sector. Retailers such as *B&M Bargains*, *Home Bargains*, *Iceland*, *Ethel Austin*, *Peacocks* and *Poundland* all snapped up the vacant *Woolworths* stores in prime locations which unexpectedly came onto the market in the wake of the retailers collapse. However, many secondary locations were left unoccupied and town centres had to cope with empty premises, often in their primary retail areas. By November, approximately 75% of the 800 former *Woolworths* stores had found new owners. *Woolworths* was by no means the only familiar name on the High Street to run into difficulties, *Threshers*, *Principles*, *Zavvi*, *Birthdays* and *Boarders* all followed it into administration.

- 4.1.2 The last quarter of the year, the lead up to Christmas, is a crucial one for all retailers irrespective of the area they operate in. In South East Wales, this trading quarter in 2009 was dominated by the opening of the new St David's Shopping Centre in Cardiff with its John Lewis anchor store. Such a high profile scheme, close to the town centres of the County Borough, was always going to have an affect on the footfall in the towns. However, the impact that it has had, from analysing the Footfall data, particularly in Caerphilly and Blackwood, has been greater than expected.
- 4.1.3 In anticipation of this new development in Cardiff, a new strategy for the County Borough's three-principle town centres was launched in September. 'Town Centres...Unique Places' replaced the 'Window of Opportunity' strategy originally launched in 2006. 'Unique Places' aims to show that each town centre has its own individual identity and character, which tells the story of the local community. It also highlights that in addition to shops, town centres offer a wide range of services and community activities.

4.2 Bargoed Retail

- 4.2.1 Over the past year, Bargoed has continued to undergo immense changes as the different strands of the 'BIG Idea' regeneration project have progressed. To some degree, the town's retail development has been hampered by the wider global economic circumstances. The plans to build a new food store on the Retail Plateau site have come at a time when the major supermarket retailers are exercising caution in respect to the number of new store openings they are undertaking. Consequently, this has been one of the factors determining how quickly the Bargoed scheme has been able to progress.
- 4.2.2 Elsewhere in the town centre, the decision by QS to close a number of its stores nationally resulted in the closure of the Bargoed branch, with the loss of six jobs. In 2008 and 2009 the recession directly resulted in Bargoed losing three of its key retailers - *Woolworths*, *Select* and *QS*. Despite these stores performing relatively well at a local level, the prevailing market conditions have forced their closure. The other six businesses that closed were independent retailers unable to survive the recession. The town has still been able to attract two new businesses *Pretty Woman* and *Harry Stores*, who both appear to be trading well at this time. Also, *Impressions* reopened in a new store on High Street after its former premises was one of those affected by the library demolition.

Bargoed Jobs Comparison			
	2009	2008	Summary
Jobs Created	5	21	18 fewer jobs created
Jobs Lost	15	29	15 fewer jobs lost

- 4.2.3 The figures in the Appendix give a detailed breakdown of the jobs created and lost in Bargoed town centre in 2009.

4.3 Bargoed Footfall

- 4.3.1 Footfall in the town centre is measured at two points, 'Bargoed North' outside Peacocks and 'Bargoed South' outside the council's cash office. For much of the year the 'Bargoed South' camera has been unable to record data due to the position of a scaffold around the properties scheduled to be demolished along with the library. The 'Bargoed North' camera did record data over the whole year.

Bargoed North Footfall 2009 Comparison			
	2009	2008	Difference
Highest Number	15,361 (16/03/09)	16,007 (15/12/08)	- 646
Lowest Number	9,785 (28/12/09)	11,108 (01/09/09)	- 495
Average Footfall	12,806	13,134	- 328

- 4.3.2 Throughout the year, the focus, through Town Centre Management and the Town Centre Improvement Group, has been to create and maintain a town centre environment that is attractive to national retailers and encourages new independent businesses.
- 4.3.3 The Town Centre Development Manager has worked to support retailers, supplying them with information through a *Town Centre News, Retail News and Footfall Index*. In addition to these, a *Retail Survey* was undertaken across the three principle town centres. Its aim was to provide retailers with some idea as to how others within the sector were perceiving the recession and its affect on their business. A summary of the survey results was given to the retailers in Bargoed.

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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