



BARGOED TOWN CENTRE MANAGEMENT GROUP – 16TH MARCH 2011 – FOR INFORMATION

SUBJECT: BARGOED TOWN CENTRE REPORT 2010

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 2010.

2. SUMMARY

- 2.1 The attached Appendix gives details of every store opening and closing within Bargoed town centre during 2010. 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 five-year regeneration programme entitled "People, Businesses and Places". The proposals within the strategy are based on a number of regeneration principles, one of which is "Strengthening Town Centres".

4. THE REPORT

4.1 UK Retail Overview 2010

- 4.1.1 It has been an eventful and challenging year for retailers. It began well with major retailers reporting that their trading figures for Christmas 2009 were better than expected. However, the onset of a severe winter hit many in the sector hard. Much of the UK was blanketed in snow for long periods, resulting in many town and city centres being effectively shutdown for days as transport infrastructure struggled to operate in the conditions.

The election of a coalition Government in May was quickly followed by announcements that there would be extensive cuts to public sector services. This in turn dented confidence, with many consumers becoming concerned for their long-term job insecurity. By late summer, national retailers reported what they were starting to see a cooling in retail demand.

Across the UK, vacancy rates on High Streets continued to grow throughout the year due to national retailers rationalising their store portfolios by closing stores in response to falling sales and rising costs. According to research by the *Local Data Company* (September), Altrincham had the highest vacancy rate in the UK at 30%. In Wales, the highest was Newport at 16%.

In the final quarter of 2010, the UK's high streets took on a somber mood in expectation of the looming cuts in public sector. Households began to actively reduce their spending and exercise prudence in their domestic budgeting. Consequently, demand for goods across all sectors weakened and retailers, both national and independent, struggled to make sales, even with increased promotional activity. Retail analysts predicted that Christmas 2010 would be seen by many as a last chance to indulge before the austerity measures begin to take affect early in 2011.

4.2 Bargoed Retail Overview 2010

Over the past year, Bargoed has continued to undergo immense changes as the different strands of the 'BIG Idea' regeneration project have progressed. Work on the conversion of the Hanbury Road Baptist Church as the site of a new library began, as did Phase One of the public realm works. The construction of the new bus station and building of a pedestrian link with High Street were visible signs to the wider public that the regeneration scheme was progressing at pace. As the year went on, the mood amongst the towns existing retailers became more positive, this was further bolstered by footfall figures that showed shoppers were returning to the town.

In purchasing the former *Woolworths* building, the council were in a strong position to react quickly to a changing picture across the UK's High Streets. The demise of the *Woolworths* brand created a gap in the retail market, one that a number of value retailers were quick to realise. Many rolled out aggressive expansion strategies when prime town centre sites became available. The council respond to this opportunity and managed to secure the *Original Factory Shop* as a tenant for the former *Woolworths* store. In the short term, the opening of the *Original Factory Shop* expands Bargoed's retail offer, whilst in the long term, it complements the retail plateau development at the south end of the town centre.

Throughout 2010, Bargoed has continued to attract a number of new independent retailers to the town. These retailers have taken up prominent sites in the town's core retail areas and have considerably enhanced and expanded the retail offer. Through HoV funding, a shop signage strategy was successfully piloted. This provided all independent retailers with the chance to have a bespoke sign erected outside their premises. The scheme added to the visual amenity of the town centre and proved so successful that it was extended due to demand.

A new electronic *Retail Property Directory*, provided through Town Centre Management, has enabled people to start looking for retail properties to rent or buy in the town online. This initiative provides a service, which actively encourages people to open a business in one of the County Borough's three principal towns.

The staging of a Christmas Market and an ice rink allowed Bargoed's retailers to engage with a wider group of potential customers on a key date in the retail calendar. The event, staged by the Councils Advisory Services Team, gave all retailers in the town centre the opportunity to take part in a voucher offer. This entailed offers being collected together into a booklet and given out free to all visitors who attended the market and the ice rink.

Bargoed Business Comparison			
	2010	2009	LFL Comparison
Businesses Opened	8	3	5 more businesses opened
Businesses Closed	2	7	5 fewer businesses closed

4.2.3 The figures in the Appendix give a detailed breakdown of the jobs created and lost in Bargoed town centre in 2010.

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. **Note:** The comparison figures for the Bargoed South counter are not available as it was unable to record data throughout much of 2009 due to demolition works.

Bargoed North Footfall 2010 Comparison			
	2010	2009	Difference
Highest Number	15,823 (13/12/10)	15,361 (16/03/09)	+ 471
Lowest Number	10,184 (28/12/10)	9,785 (28/12/09)	+ 399
Average Footfall	12,817	12,806	+ 11

Bargoed South Footfall 2010 Comparison			
	2010	2009	Difference
Highest Number	7,105 (13/12/10)	N/A	N/A
Lowest Number	3,707 (28/12/10)	N/A	N/A
Average Footfall	5,952	N/A	N/A

- 4.3.2 The focus, through Town Centre Management and the Town Centre Improvement Group, remains 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 continued to support retailers. For the first time every business in the town centre receives a copy of the *Town Centre News* each month and those who provide an e-mail address are also sent the Footfall data electronically. A *Retail Survey* was again undertaken across the three principle town centres in 2010. This enabled retailers to gain a wider perspective as to how others in the sector viewed the economic situation and how it was affecting on their business. A report summarising the survey results was made available to all retailers in Blackwood town centre.

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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