



BARGOED TOWN CENTRE MANAGEMENT GROUP - 8TH MARCH 2012 - FOR INFORMATION

SUBJECT: JOBS BARGOED TOWN CENTRE 2011

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 2011.

2. SUMMARY

- 2.1 The attached Appendix gives details of every store opening and closing within Bargoed town centre during 2011. 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 2011

- 4.1.1 The year began with retailers reporting on their Christmas trading figures. Overall, premium retailers performed slightly better than value ones, but for all in the retail sector, Christmas 2010 was a challenge due to the arctic winter that gripped the country. In the key weeks leading up to the big day, snow, ice and freezing temperatures made travel increasingly difficult for shoppers.
- 4.1.2 As the year unfolded, the issue that began to impact on all retailers, both multiple and independent, was the affect of the Government austerity measures introduced to tackle the economic deficit. These resulted in job losses and wage freezes across both the private and public sector. With unemployment rising and individual household budgets gradually being eroded through rising fuel, utility and food prices, consumer confidence began to fall sharply. The direct result of this was a significant drop retail sales across all sectors.

- 4.1.3 Another poor summer weather-wise did nothing to help ease the pressures and across the UK, vacancy rates on High Streets grew steadily throughout the year. *Springboard* reported that the national town centre vacancy rate in the UK rose to 11.2% (May 2011). Northern Ireland (17.1%) was the area with the highest vacancy rates, followed closely by Wales (13.4%). Footfall was also hit, with *Springboard* warning that over the last 12 months high streets had seen on average a drop in footfall of 2.6%. Again Wales bore the brunt of this recording a drop of -9.2%.
- 4.1.4 As the year closed, the retail environment remained very tough and concern over low consumer confidence began to be voiced publically by leading retailers. The mild autumn temperatures meant that clothing sales slowed considerably, despite strong promotions. In the wake of wider economic concerns about the Euro zone and continued lack of consumer spend; leading multiple retailers entered the Christmas period predicting more store closures across town centres in 2012.

4.2 Bargoed Retail Overview 2011

- 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. Two landmark projects in the scheme were completed during 2011: the new Hanbury Chapel library building and Phase One works. The new Library opened in October, the facility offers not only a library, but also a *Customer First* centre, worship space, coffee shop and *Family History centre*. All of these are welcome additions to the town centre and reasons for people to visit, aside from shopping. Phase One consisted of the construction of a new bus station and a pedestrian link with High Street. Both of these projects were finished in late summer. The Phase 2 works on Lower High Street / Upper High Street and the renamed Royal Square, began in late summer and are scheduled to continue, with a break for Christmas, into 2012. The disruption has undoubtedly had an impact on footfall numbers and retail sales. With the physical regeneration works in evidence, the mood amongst the towns existing retailers remained extremely positive with many undertaking improvements to their own properties.
- 4.2.2 The aim throughout the regeneration works has been to retain the existing retailers already trading in the town centre. Throughout 2011, not only has this been achieved, but also in addition, a number of new independent retailers have opened. Significantly, the council secured the *Original Factory Shop* as a tenant for the former *Woolworths* site. This particular high street retailer is emerging as the natural successor to the *Woolworths* brand and occupies the important place on the high street as 'the big shop in the small town'. However, the threat of losing stores due to multiple retailers rationalising their portfolios, is a real one. In Bargoed, this has been evidenced in the proposed sale of *Shoe Zone*.
- 4.2.3 The *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. In addition, the *GO2 Bargoed* web site project through Business Enterprise Services continued to progress and was launched in November, offering businesses the opportunity to trade online.
- 4.2.4 The staging of a Christmas Market and an ice rink once again allowed Bargoed's retailers to engage with a wider group of potential customers. The event, run by the Councils Advisory Services Events Team, gave all retailers in the town centre the opportunity to take part in a special offer poster initiative.

| Bargoed Business Comparison | | | |
|------------------------------------|----------|----------|----------------------------------|
| | 2011 | 2010 | LFL Comparison |
| Businesses Opened | 9 | 8 | 1 more business opened |
| Businesses Closed | 2 | 8 | 6 fewer businesses closed |

- 4.2.5 The figures in the Appendix give a detailed breakdown of the jobs created and lost in Bargoed town centre in 2011.

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.

| Bargoed North Footfall Comparison | | | |
|--|--------------------------|--------------------------|--------------|
| | 2011 | 2010 | Difference |
| Highest Number | 16,377 (04/04/11) | 15,823 (13/12/10) | + 554 |
| Lowest Number | 9,011 (26/12/11) | 10,184 (28/12/10) | -1173 |
| Average Footfall | 12,540 | 12,817 | -277 |

| Bargoed South Footfall Comparison | | | |
|--|-------------------------|-------------------------|-------------|
| | 2011 | 2010 | Difference |
| Highest Number | 7,707 (26/09/11) | 7,105 (13/12/10) | +602 |
| Lowest Number | 3,895 (26/12/11) | 3,707 (28/12/10) | +188 |
| Average Footfall | 6,255 | 5,952 | +303 |

- 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. Each month every business in the town centre receives a copy of the *Town Centre News* and those who provide an e-mail address are also sent the Footfall data electronically. A *Retail Survey* was again undertaken across the four principle town centres in 2011. 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 Bargoed 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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Appendices:
Appendix 1 - Bargoed Town Centre Footfall Figures 2011