

BARGOED TOWN CENTRE MANAGEMENT GROUP - 29TH JANUARY 2014

**SUBJECT: JOB CREATION / JOB LOSSES IN BARGOED TOWN CENTRE 2013 -
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 2013.

2. SUMMARY

- 2.1 The attached Appendix gives details of every store opening and closing within Bargoed town centre during 2013. The Town Centre Management Team 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 2013

- 4.1.1 As the year unfolded the brittleness of UK economy lead to a number of High Street stalwarts falling into administration; *HMV*, *Jessop's* and *Blockbuster* were followed later in the year by *Internazionale*, *Dwell*, and *Model Zone*. Those who did weather the storm needed to adapt to a changing market place. A modern retail business is required to deliver its products not only on the High Street, but also on a PC, tablet and Smartphone. The future for many multiple retailers is fewer stores with a better customer environment.

The long, hot summer allowed clothing retailers in particular to sell more products at full price and shorter sales periods improved margins. In the last quarter of the year retailers increased their lobbying of Government over the issue of business rates. In September, the much anticipated 'Grimsey Review' was published. Whilst not as accessible as the 2011 review published by retail tsar Mary Portas, the 'Grimsey Review' renewed calls for a radical rethink of high street policies and reignited the debate about the future of the high street.

Christmas 2013 promised to be a crucial for retailers, to survive it was necessary for them to employ planned and tactical promotions as a shift to a discount culture became embedded in the customer psyche. The recovery seen in the manufacturing and service industries is yet to be reflected in the retail sector and a combination of the growth in online sales, low consumer confidence, and heavy discounting created a testing trading environment. One of the toughest battles was in the grocery sector where *Asda*, *Tesco*, *Sainsburys* and *Morrisons* were all challenged by the rise of the discount brands who sharpened their focused on price, product and marketing.

4.2 Bargoed Retail Overview 2013

4.2.1 The last year has been a challenging one for retailers in Bargoed. The ongoing public realm works have meant disruption and inconvenience, which have adversely affected retail sales. The contractor *Griffiths* continued to support local businesses by working alongside them to facilitate deliveries. Over the course of 2013, a number of retailers closed including *Le Fleur*, *Valley Heating*, *Brides of Elegance* and *Ditzy Dolls*. However these losses were offset as the town attracted new businesses including *Bargoed Chiropractic*, *RBM Discounts*, *Wardrobe* and *KL Heating Plumbing & Bathroom*. At the start of the regeneration scheme the aim was to preserve equilibrium in business numbers until the new *Morrisons* store opened, this has been achieved.

4.2.2 The mood amongst Bargoed's retailers remained positive, with many undertaking improvements to their own properties. Parking enforcement in the town centre remains a key concern and despite careful positioning of the street furniture illegal parking is still prevalent. The Chamber of Trade asked for a Street Market pilot to be considered and following the request officers worked with *M & B Markets*, who have street markets in other South Wales towns, to develop a pilot project for Bargoed. The market ran in St Gwladys car park for 10 weeks before the operator decided to discontinue it, citing low footfall numbers as the reason for their withdrawal.

4.2.3 It is hoped that the completion of the street works, the opening of *Morrisons* store and the additional retail units on Lowry Plaza will act as a catalyst to transform Bargoed into a destination shopping location for people from the communities in the north of the County Borough.

4.2.4 The concern in 2014 is that as a result of falling retail sales, multiple retailers are rationalising their store portfolios. Locally, independent retailers are struggling to survive and when an independent retailer does close, a new business start up is not always there to replace them.

4.3 Retail Property Directory

4.3.1 The *Retail Property Directory*, provided through Town Centre Management, enables people to start looking online for retail properties to rent or buy across the five managed town centres. This initiative provides a service that actively encourages people to open a business in one of the County Borough's town centres.

4.4 Unique Places Christmas Discount Card

4.4.1 In 2013, Town Centre Management once again ran a customer loyalty scheme to encourage local spend in the vital Christmas period. The 'Unique Places Discount Christmas Card' was given out free to the public in the weeks leading up to Christmas. Retailers in the five principal towns of Caerphilly, Blackwood, Bargoed, Risca and Ystrad Mynach were offered the chance to participate. In 2012 a total of 64 retailers across the County Borough signed up for the scheme, in 2013 this number increased to 80, of those 21 were from Bargoed town centre.

4.5 Go2 Bargoed

- 4.5.1 The Go2 Bargoed town centre website (<http://www.go2bargoed.co.uk>) lists local businesses for free along with special offers, events and community news. The scheme also offers businesses up to 50% financial support towards the cost of a website and hosting. Go2 Bargoed is linked to 6 other town centres via www.go2mytown.com. The Go2 team regularly visit Bargoed businesses to get them connected and trading online.

4.6 Events

- 4.6.1 The staging of a Christmas Market, Spring Fayre and St. David's Day event allowed the towns retailers to engage with a wider group of potential customers. The events, run by the Council's Business Enterprise Support Team, are proving vital to the continued success of the town centres, particularly in the current economic climate as customers seek to gain more from their town centre visit than just shopping.

Bargoed Business Comparison			
	2013	2012	LFL Comparison
Businesses Opened	13	7	6 more businesses opened
Businesses Closed	8	4	4 more businesses closed

4.7 Bargoed Footfall

- 4.7.1 Footfall in the town centre is measured at two points, 'Bargoed North' outside Peacocks and 'Bargoed South' outside Bargoed Sight Centre.

Bargoed North Footfall Comparison			
	2013	2012	Difference
Highest Number	13,776 (02/12/13)	13,763 (17/12/12)	+13
Lowest Number	6,203 (23/12/13)	5,854 (09/01/12)	+349
Average Footfall	11,093	10,627	+466

Bargoed South Footfall Comparison			
Note: Due to refurbishment works in the host premises, the Bargoed South system was offline for a significant part of 2013. Works on the Morrisons store caused the camera to be offline for most of 2012 as well, so no comparison is available.			

- 4.7.2 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.
- 4.7.3 The Town Centre Management Team has continued to support retailers. Each month every business in the town centre receives a copy of the *Town Centre Gazette* and those who provide an e-mail address are also sent the Footfall data electronically. A *Retail Survey* was again undertaken across the five principle town centres in 2013 and the results provided to all retailers.

5. EQUALITIES IMPLICATIONS

- 5.1 There are no potential equalities implications of this report and its recommendations on groups or individuals who fall under the categories identified in Section 6 of the Council's Strategic Equality Plan. As such, there is no requirement for an Equalities Impact Assessment Questionnaire to be completed for this report.

6. FINANCIAL IMPLICATIONS

6.1 There are no financial implications.

7. PERSONNEL IMPLICATIONS

7.1 There are no personal implications.

8. RECOMMENDATIONS

8.1 It is recommended that Members note the contents of the report for information.

9. STATUTORY POWER

9.1 Local Government Act 2000.

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