



BLACKWOOD TOWN CENTRE MANAGEMENT GROUP – 27TH JANUARY 2011

**SUBJECT: INFORMATION REPORT - BLACKWOOD 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 Blackwood town centre throughout 2010.

2. SUMMARY

- 2.1 The attached Appendix gives details of every store opening and closing within Blackwood 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.

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.
- 4.1.2 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.
- 4.1.3 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%.

- 4.1.4 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 Blackwood Retail Overview 2010

- 4.2.1 At the beginning of the year, the retail properties in High Street were almost fully let. However, in the early months of 2010, a number of independent businesses closed. As a result, by the mid point of the year, a number of premises were displaying 'To Let' signs. In late summer and early autumn, vacancy rates improved significantly as a succession of new independent businesses opened. It was reassuring to note that units for rent on the High Street were rarely empty for long and enquires with the Town Centre Development Manager remained steady. Vacancy rates on Blackwood High Street remain low, especially when compared to other town centres in the UK and in particular South Wales.
- 4.2.2 Throughout 2010, *The Market Place Shopping Centre* continued to have a number of its units empty, including its anchor unit, the former *Somerfield* site. The appointment of a new centre manager and fresh impetus by its new owners, does offer the possibility that these empty units may be let in 2011.
- 4.2.3 The strength of Blackwood is that it continues to provide a shopping offer, which successfully mixes independent and multiple retailers. The expectation for 2011 is that current occupancy rates on the High Street can be maintained. Although it should be recognised that the impact of spending cuts in the County Borough's largest employer - Caerphilly Council, has the potential to have a direct impact on vacancy rates, retail sales and service demand in Blackwood town centre in 2011.
- 4.2.4 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.
- 4.2.5 The staging of a Dickensian Christmas Market allowed the towns retailers to engage with a wider group of potential customers in the crucial pre Christmas trading period. 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 the offers being collected together into a booklet and given out free to all visitors who attended the event.

Blackwood Business Comparison			
	2010	2009	LFL Comparison
Businesses Opened	14	13	1 more business opened
Businesses Closed	9	6	3 more businesses closed

- 4.2.6 The figures in the Appendix provide a detailed breakdown of the jobs created and lost in Blackwood town centre in 2010.

4.3 Blackwood Footfall

4.3.1 Footfall in the town centre is measured outside *Boots* on High Street.

Blackwood Town Centre Footfall Comparison			
	2010	2009	Difference
Highest Number	43,673 (20/12/10)	51,156 (14/12/09)	- 7,483
Lowest Number	30,101 (04/01/10)	29,869 (02/02/09)	+ 232
Average Footfall	35,981	37,662	- 1,681

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 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 Blackwood Town Centre Management Group.

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