



BLACKWOOD TOWN CENTRE MANAGEMENT COMMITTEE – 22ND MARCH 2012

SUBJECT: BLACKWOOD JOBS REPORT

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 2011.

2. SUMMARY

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

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 Blackwood Retail Overview 2011

- 4.2.1 In Blackwood, it was a strong start to the year with the opening of the new *Poundland* store in the former *Woolworths* building. This gave the town's footfall a welcome boost and *Poundland's* strong trading from day one confirmed it as a worthy successor to the *Woolworths* legacy. In the second quarter of the year, a number of new independent businesses opened including quality retailers such as *Carnaby Street* and *The Cooks Cupboard*. The relocation of the *Post Office* to a unit in The Market Place Shopping Centre initially caused some concern amongst both retailers and the shoppers. However, the new facility has performed well and benefits from a committed management team who are intent on offering a better and boarder service for customers. As the year unfolded, Blackwood's vacancy rate increased and the loss of *Bolwells* and *Jeans of Blackwood* were particularly poignant. Whilst any town centre expects a changing of the retail guard, those new business ideas to replace long established retailers have not materialised. Despite this, vacancy rates on Blackwood High Street still remain comparatively low, when compared to other town centres in the UK and in particular South Wales. The comprehensive refit of the *Wilkinsons* store in September was a welcome vote of confidence for the town and cemented *Wilkinsons* place as the High Streets largest retailer.
- 4.2.2 A *Blackwood Retail Partnership* was established in 2011. Initially, its focus has been to tackle retail theft by utilising a data sharing agreement with Gwent Police. This allows the Police to pass members of the partnership photo's of known shoplifters to make staff more aware of potential offenders.
- 4.2.3 Throughout 2011, *The Market Place Shopping Centre* has slowly begun to let its empty units. In addition, *Iceland* underwent a full refit and remains a very strong performer for the centre. The appointment of a new facilities management structure offers the opportunity for the new owners to explore filling the former *Somerfield* site in 2012.
- 4.2.4 The strength of Blackwood continues to be its mix of independent and multiple retailers. The concern in 2012 is that the wider economic situation and ongoing fall in consumer confidence, will affect national retailers.
- 4.2.5 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.
- 4.2.6 The staging of a 'Dickensian Christmas Market' and summer event allowed the towns retailers to engage with a wider group of potential customers in the crucial pre Christmas trading period. The event, run by the Councils 'Business Enterprise Support Team' (B.E.S.T), gave all retailers in the town centre the opportunity to take part in a special offer poster initiative.

Blackwood Business Comparison			
	2011	2010	LFL Comparison
Businesses Opened	12	14	2 fewer businesses opened
Businesses Closed	14	9	5 more businesses closed

4.2.7 The figures in the Appendix provide a detailed breakdown of the jobs created and lost in Blackwood town centre in 2011.

4.3 Blackwood Footfall

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

Blackwood Town Centre Footfall Comparison			
	2011	2010	Difference
Highest Number	54,896 (19/12/11)	43,673 (20/12/10)	+11,223
Lowest Number	31,950 (03/01/11)	30,101 (04/01/10)	+1,849
Average Footfall	37,600	35,981	+1,619

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 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 contents of the report to be noted.

Author: Andrew Highway, Town Centre Development Manager
 Consultees: Pat Mears, Head of Planning, Economic Development & Regeneration
 Jan Bennett, Group Manager Advisory Service
 Roger Tanner, Strategic Planning and Urban Renewal Manager