



CAERPHILLY TOWN CENTRE MANAGEMENT GROUP – 19TH MARCH 2008

SUBJECT: RETAIL JOB CREATION, CAERPHILLY 2007 – 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 Caerphilly town centre throughout 2007.

2. SUMMARY

- 2.1 The attached Appendix gives details of every store opening and closing within Caerphilly during 2007. 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.

3. LINKS TO STRATEGY

- 3.1 The Council has agreed to a ten-year regeneration programme entitled "The Smart Alternative". The proposals within the plan are based on 6 regeneration principles, one of which is "to re-establish town centres as a focus of economic activity".

4. THE REPORT

- 4.1 Last year was a time of uncertainty in Caerphilly town centre, the full planning consent for a large mixed-use development in Cardiff Road resulted in a number of businesses either moving location or closing down. Therefore, there are a number of premises that still remain vacant in the Cardiff Road area, many of these come under the broad umbrella of the new development and have been unoccupied throughout the whole of 2007. The closure of the Post Office at The Twyn was a highly controversial decision and one opposed by many in the town, including members of the Town Centre Management Group. However, now that the decision has been made, it should be recognised that at least it ensures the town retains its Post Office at a time when other towns in the UK are losing this essential service. The relocation of the Post Office into WH Smith in Castle Court Centre has led to an initial drop in the usage of the Twyn Car Park. The result of this fall in use, combined with the changing retail mix in Cardiff Road, can be seen in the weekly footfall numbers in Cardiff Road, which have fallen on average by 6%.

So far it appears to be a fairly negative picture, but it needs to be understood that the town now trades as two entirely separate entities. The Castle Court Shopping Centre is the other retail area and it has had a good year with its average weekly footfall numbers rising to around 105,000. The centre has successfully attracted some exciting new retailers and strengthened its portfolio. Costa Coffee is viewed in the retail industry very much as a

benchmark as to how a town is developing. If a town has a Costa or a Starbucks it is viewed in the industry as on the way up and one to watch. Therefore, the opening of Costa Coffee in Caerphilly is an extremely positive sign of the town's improved standing in national retail terms. This new offer should be seen as complementary to Glanmores as it appeals to a different customer base and both retailers will lengthen customer dwell time in the town. Other new tenants Gamestation and Phones4U have further strengthened the centres tenant mix.

- 4.2 Nationally the retail climate has been very difficult, this has led many multiple retailers to move away from a smaller store format and look for potential store closure options across the UK. In addition a number of mergers in the retail sector in 2007 have led to some stores entering 2008 with a question mark over their future. Therefore 2007 was always going to be a challenging year for small towns such as Caerphilly. The focus, through Town Centre Management and the Town Centre Improvement Group, remains on creating a town centre environment, which is attractive to national retailers and encourages new independent businesses. The Town Centre Development Manager has continued to support national and independent retailers, supplying information about the Cardiff Road development, to assure them of the towns long-term future.
- 4.3 The figures in the Appendix show that 66 jobs were gained and only 38 were lost in 2007; this was compared to 23 gained and 13 lost in 2006. It is encouraging to see so many new retail jobs being created. Amongst them are some good business ideas run by enthusiastic and experienced retailers. The aim of 2007 was to manage the challenges that the new development presented and continue to attract new national stores and independent retailers to Caerphilly. The Appendix is evidence that this aim was achieved in 2007.
- 4.4 The towns trading pattern is now polarised, the two separate retail areas of Cardiff Road and Castle Court offer very different retail experiences and record diverse footfall figures. Ideally there should be a cross over with visitors walking between the two, but particularly since the closure of the Post Office, this does not appear to be evident. However the widespread publicity surrounding the unveiling of the 'Tommy Cooper' statue has, certainly in the short term, begun to draw visitors to the town just to view it. Overall, Caerphilly should view 2008 with a degree of confidence, it is hoped that once work begins on the site of the new development some of the uncertainty regarding Cardiff Road will cease, allowing the property market to achieve a degree of stability. Castle Court will continue to strengthen its retail offer and capitalise on Caerphilly's growing reputation amongst national retailers as an emerging retail market in South Wales. The new Cardiff Road development and the continued strength of Castle Court Shopping Centre, has led CACI, one of the country's leading retail analysts, to predict that Caerphilly will be one of Wales' top 10 retail winners between 2005 – 2015.

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 Caerphilly Town Centre Management Group.

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