



CAERPHILLY TOWN CENTRE MANAGEMENT COMMITTEE - 4TH MARCH 2010

SUBJECT: RETAIL JOB CREATION, CAERPHILLY 2009 – 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 2009.

2. SUMMARY

- 2.1 The attached Appendix gives details of every store opening and closing within Caerphilly town centre during 2009. 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 the town centre over the year using the Footfall electronic pedestrian counting system.

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 Retail Sector 2009

- 4.1.1 The past year has been one of consolidation for major retailers. The shock of seeing an established household name such as *Woolworths* going into administration has continued to resonate through the industry in 2009. Many of the large multiple retailers took steps to protect themselves against the prevailing tide of economic uncertainty. Store portfolios were trimmed, supplies squeezed and administrative costs cut wherever possible. In a challenging market, the only retailers who were able to consider expansion plans were those operating within the 'value' sector. Retailers such as *B&M Bargains*, *Home Bargains*, *Iceland*, *Peacocks* and *Poundland* all snapped up the vacant *Woolworths* stores in prime locations which unexpectedly came onto the market in the wake of the retailers collapse. However, many secondary locations were left unoccupied and town centres had to cope with empty premises, often in their primary retail areas. By November, approximately 75% of the 800 former *Woolworths* stores had found new owners. *Woolworths* was by no means the only familiar name on the High Street to run into difficulties, *Threshers*, *Principles*, *Zavvi*, *Birthdays* and *Boarders* all followed it into administration.

- 4.1.2 The last quarter of the year, the lead up to Christmas, is a crucial one for all retailers

irrespective of the area they operate in. In South East Wales, this trading quarter in 2009 was dominated by the opening of the new St David's Shopping Centre in Cardiff with its *John Lewis* anchor store. Such a high profile scheme, close to the town centres of the County Borough, was always going to have an affect on the footfall in the towns. However, the impact that it has had, from analysing the Footfall data, particularly in Caerphilly and Blackwood, has been greater than expected.

- 4.1.3 In anticipation of this new development in Cardiff, a new strategy for the County Borough's three-principle town centres was launched in September. 'Town Centres...Unique Places' replaced the 'Window of Opportunity' strategy originally launched in 2006. 'Unique Places' aims to highlight that each town centre has its own individual identity and character, which tells the story of the local community. It also highlights that in addition to shops, town centres offer a wide range of services and community activities.

4.2 Caerphilly Retail

- 4.2.1 During 2009, the Cardiff Road area of the town centre welcomed a total of nine new businesses, which should be regarded as impressive in view of the current economic conditions. The businesses were across the retail spectrum, ranging from clothing and furniture to a butchers and a coffee shop. The nine new businesses are: in Cardiff Road – *Caerphilly Surplus Supplies, Castle Bikes, Dragon Wear* and *Roberts Estate Agents*. In Bartlett Street – *printing.com* and *Celtic Meats* and in Pentrebanne Street – *Exquisite Furniture* and *Shake It Up & Coffee Shop*. The continued uncertainty over the new development scheme in Cardiff Road abated as the various funding options were exhausted. This gave some much-needed stability to the area and meant that new businesses began to occupy some of the units that had been left vacant.

- 4.2.2 For much of the year the unit in Castle Court Shopping Centre, which previously was occupied by *Woolworths*, stood empty. This store had in the past brought people into the town centre from both the locality and north Cardiff. Consequently, its absence significantly affected the towns overall retail offer as the diversity of the range of goods it carried was lost. The closure of the *Adams* store, at roughly the same time, meant that the town had to bear the loss of two of its principle multiple retailers. The process of securing another tenant was a long and protracted one, notwithstanding the interest in the site from a number of prospective retailers. Lettings of both stores meant that by the start of the crucial Christmas trading period the centre was again fully let. The *Poundland* store has proved to be a great addition to the town from the customer point of view. It has generated strong sales and sparked interest from shoppers outside Caerphilly. The investment that the company have made shows that it is regarded as something of a flagship store in South Wales, which reflects extremely well on Caerphilly.

Caerphilly Jobs Comparison			
	2009	2008	Summary
Jobs Created	44	21	23 more jobs created
Jobs Lost	14	85	71 fewer jobs lost

- 4.2.3 The figures in the Appendix provide a detailed breakdown of the jobs created and lost in Caerphilly town centre in 2009.

4.3 Caerphilly Footfall

- 4.3.1 Footfall in the town centre is measured outside *Health With Herbs* in Cardiff Road.

Caerphilly Town Centre Footfall 2009 Comparison			
	2009	2008	Difference
Highest Number	54,070 (07/12/09)	59,603 (01/12/08)	- 5,533
Lowest Number	36,885 (09/11/09)	33,831 (14/01/08)	- 3,054
Average Footfall	41,952	44,190	- 2,238

- 4.3.2 Throughout the year, the focus, through Town Centre Management and the Town Centre Improvement Group, has been 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 worked to support retailers, supplying them with information through a *Town Centre News, Retail News and Footfall Index*. In addition to these, a *Retail Survey* was undertaken across the three principle town centres. Its aim was to provide retailers with some idea as to how others within the sector were perceiving the recession and its affect on their business. A summary of the survey results was given to the retailers in Caerphilly.

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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