



CAERPHILLY TOWN CENTRE REPORT 2010 – 2ND MARCH 2011

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 2010.

2. SUMMARY

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

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.

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%.

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 Caerphilly Retail Overview 2010

The year was a time of transition for the Cardiff Road area of the town centre. The major redevelopment scheme for the west side of Cardiff Road was unable to be realised and as a result, many of the properties previously within the boundary of the scheme, were given a new lease of life. Pentrebanne Street was rebranded as a 'Café Quarter' and a scheme installed, which allowed cafes to place tables and chairs on the adopted highway in specially demarcated areas. The 'Café Quarter' was seen as a catalyst for change and its implementation was followed by the sale of the Indoor Market building. Following extensive refurbishment of the facility the Indoor Market reopened in December. The former Co Co's building, whose appearance had detracted from the visual amenity of the town's southern gateway, was subject to an ambitious planning application by a national restaurant. The vacancy rates in Cardiff Road continued to fall as new business opened. Of particular note was the extensive refurbishment of the Shoe Zone and Stead & Simpson stores, in addition to a new exterior facia on the front of the Peacocks store. All of this new investment in the Cardiff Road area of Caerphilly demonstrated a renewed confidence in the town.

Castle Court Shopping Centre remained fully let throughout the year and added a number of key retailers to its tenant mix in 2010. The sales of value retailer *Poundland* proved to be particularly strong. Over the summer, the Centre Manager reported that Castle Court was consistently attracting more shoppers per calendar month than in 2009. The centre approaches 2011 with renewed confidence and is set to agree terms with a number of new tenants including *Orange*, which will further strengthen its retail offer.

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.

The staging of a Medieval Christmas Market allowed Caerphilly's 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 Medieval Market.

Caerphilly Business Comparison			
	2010	2009	LFL Comparison
Businesses Opened	7	11	4 fewer businesses opened
Businesses Closed	5	7	2 fewer businesses closed

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

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			
	2010	2009	Difference
Highest Number	50,165 (06/12/10)	54,070 (07/12/09)	- 3,905
Lowest Number	31,731 (28/12/10)	36,885 (09/11/09)	- 5,154
Average Footfall	39,564	41,952	- 2,388

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 Caerphilly Town Centre Management Group.

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