



## CAERPHILLY TOWN CENTRE COMMITTEE MEETING - 16TH FEBRUARY 2012

**SUBJECT: RETAIL JOBS REPORT FOR INFORMATION**

**REPORT BY: CHIEF EXECUTIVE**

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### 1. PURPOSE OF REPORT

- 1.1 This report provides information on the number of jobs created and lost in Caerphilly town centre throughout 2011.

### 2. SUMMARY

- 2.1 The attached Appendix gives details of every store opening and closing within Caerphilly 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 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 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 Caerphilly Retail Overview 2011

4.2.1 Castle Court Shopping Centre began the year fully let and continued to add a number of key retailers to its tenant mix in 2011. The women's clothing retailer *Bonmarche* is a welcome addition to the town centre catering for a demographic of shopper who previously was poorly serviced in fashion terms. In addition, the opening of a *Greggs* has generated additional footfall in the centre. However, the loss of *Mothercare* in November due to the retailers national decision to rationalise its portfolio was a loss to the towns overall retail offer. The Centre Manager reported that Castle Court was consistently performing well and that it approaches 2012 with cautious optimism after securing *Brighthouse* as a new tenant.

4.2.2 The area of the town centre situated around Cardiff Road enjoyed a mixed year. In Pentrebane Street the reopening of the Indoor Market brought dozens of new businesses into the town centre. Although each was a small operation, usually run by one or two staff, they offered the possibility of eventually growing into established retailers, taking shop units of their own. Evidence of this was seen as *The Sugar Hut* progressed from market stall to a shop in Clive Street. The future of the market still remains fragile and this is reflected in the high turnover of stalls. Elsewhere in Pentrebane Street, the delay in the implementation of the Café Quarter scheme, due to the *Wales & West* works, was a huge disappointment to the streets retailers and inhibited retail development. The loss of *Bonny Baby* and *Poundworld* was indicative of a difficult economic climate. However, the relocation of *Profile* from Castle Court Shopping Centre and opening of *Mals & Pals* pet store were welcome additions to Pentrebane Street. In Clive Street, the long awaited commencement and completion of the *Wetherspoons* development was accompanied by a number of previously vacant properties becoming occupied by new tenants. In Cardiff Road itself, the continued presence of *Peacocks*, *Stead & Simpson* and *Shoe Zone*, *New Look*, *Tesco* and *Select* mean that its core retail offer is still comparatively strong. New independent retailers *Phaze* and *Bagz* provide a valuable point of difference for shoppers. The concern is that when new units become available there are not independent retailers looking to start businesses due to the market conditions.

4.2.3 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.

4.2.4 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, run by the Councils Advisory Services Events Team, gave all retailers in the town centre the opportunity to take part in a special offer poster initiative.

Caerphilly Business Comparison			
	2011	2010	LFL Comparison
Businesses Opened	<b>52</b>	<b>7</b>	<b>45 more businesses opened</b>
Businesses Closed	<b>33</b>	<b>5</b>	<b>28 more businesses closed</b>

4.2.3 The figures in the Appendix provide a detailed breakdown of the jobs created and lost in Caerphilly town centre in 2011. Note: The large number of business opening and closing is due to the Indoor Market.

### 4.3 Caerphilly Footfall

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

<b>Caerphilly Town Centre Footfall Comparison</b>			
	2011	2010	Difference
Highest Number	<b>49,554 (25/07/11)</b>	<b>50,165 (06/12/10)</b>	<b>-611</b>
Lowest Number	<b>30,011 (26/12/11)</b>	<b>31,731 (28/12/10)</b>	<b>- 1,720</b>
Average Footfall	<b>39,934</b>	<b>39,564</b>	<b>+370</b>

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 Caerphilly 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.

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

### Appendices:

Appendix 1 Town Centre Jobs - Caerphilly  
Appendix 2 Town Centre Jobs - Blackwood  
Appendix 3 Town Centre Jobs - Bargoed  
Appendix 4 Town Centre Jobs - Risca