AGENDA ITEM NO. 5

CAERPHILLY TOWN CENTRE MANAGEMENT GROUP - 13TH MARCH 2013

SUBJECT: JOB CREATION / JOB LOSSES IN CAERPHILLY TOWN CENTRE 2012 - 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 2012.

2. SUMMARY

2.1 The attached Appendix gives details of every store opening and closing within Caerphilly town centre during 2012. 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 2012

4.1.1 For retailers Christmas 2011 was better than expected following on from very weak autumn sales. In a resolutely tough climate the Christmas spend came late and consumers waited longer, looking for bargains. The big losers were brands occupying the middle ground, whilst those at the premium and value end of the spectrum did relatively well. The message from retail chiefs going into 2012 was to prepare for a year of austerity.

4.1.2 As the year began to unfold consumer confidence continued to slide. In response, seasoned retailers focused on sharpening their price points as they continued to endure punishing trading conditions. This resulted in a host of household names entering administration, including value fashion giants *Peacocks* and *Bonmarche*, *Clinton Cards, Game* and electrical chain *Comet*. In April, the UK slipped back into recession followed by the wettest summer on record. The widely predicted sales bounce from Euro 2012, the Diamond Jubilee celebrations and the London Olympics was limited and towns and cities across the UK recorded a drop in footfall numbers rather than an increase in spend.

4.1.3 As the year closed, cost became the key factor for consumers forcing a renewed emphasis on price. The wider economic picture was a source of concern, in particular the fact that the UK economy fell into a 'double dip' recession, the first since the turbulent years of the 1970's. Another concern was that the Euro Zone was proving to be turbulent and unpredictable as a trading environment. These factors, combined with a tranche of store closures, left many retailers facing an uncertain future.

4.2 Caerphilly Retail Overview 2012

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 2012. *Brighthouse* took over from *Mothercare* to occupy one of the centres anchor units. The loss of *JJB Sports* due to the retailers collapse into administration left another key unit temporarily let to a charity shop. Despite this, the centre continues to provide a strong tenant mix for a small town with retailers including: *WH Smith, Boots, Argos, Poundland, Costa Coffee* and *Bonmarche*. Improvements works to *Thomson* (formally *First Choice*) and *Game* (formally *Gamestation*), as well as securing national retailer *Shoe Zone* as a new tenant, mean that the centre moves into 2013 with confidence.

4.2.2 The year was a mixed one for Cardiff Road and the streets surrounding it. On the positive side, the opening of *Wetherspoons* at the top of Cardiff Road was a catalyst for the regeneration of Clive Street, resulting in a number of new businesses opening, these included: *Siop Menna, Mr Chippy, Yankee Doodle* and *NICE*. In Pentrebane Street, the Café Quarter scheme was completed delivering a new street scene with designated space for tables & chairs. Although there are still vacant properties in the street the opening of *Clarkes Family Fish and Chip Shop* and the retention of existing stores, together with the continued presence of the Indoor Market, bode well for the future. Elsewhere, the opening of *Y Galleri* in St. Fagans Street proved popular with visitors and residents alike. In Cardiff Road itself things were more difficult. The closure of *Stead & Simpson* and *Shoe Zone* left large retail units vacant in addition to those vacated when smaller independent retailers had closed.

4.2.3 For all town centres in the UK, the concern in 2013 is that the wider economic situation and ongoing fall in consumer confidence will affect national retailers and dictate a rationalising of their store portfolios.

4.3 Retail Property Directory

4.3.1 The *Retail Property Directory*, provided through Town Centre Management, enables prospective businesses 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 four principal towns.

4.4 Unique Places Christmas Card

4.4.1 This year the Town Centre Management launched an ambitious Christmas loyalty scheme. The 'Unique Places Christmas Card' was given out free to the public in the weeks leading up to Christmas. Retailers in the four principal towns of Caerphilly, Blackwood, Bargoed and Risca were offered the chance to participate as a way to sustain and grow their sales over the vital Christmas trading period. In Caerphilly, 31 retailers signed up to the scheme.

4.5 Go2 Caerphilly

4.5.1 The Go2 Caerphilly town centre website (http://www.go2caerphilly.co.uk) lists local businesses for free along with special offers, events and community news. The scheme also offers businesses up to 50% financial support towards the cost of a website and hosting. Go2 Caerphilly is linked to 6 other town centres via www.go2mytown.com The Go2 team regularly visit Caerphilly businesses to get them connected and trading online.

4.6 Events

4.6.1 The staging of a Christmas Market, Summer Market and St. David's Day event allowed the towns retailers to engage with a wider group of potential customers. The events run by the Council's Business Enterprise Support Team are proving vital to the continued success of the town centres, particularly in the current economic climate as customers seek to gain more from their town centre visit than just shopping.

4.6.2

Caerphilly Business Comparison			
	2012	2011	LFL Comparison
Businesses Opened	**19**	**19***	**Level**
Businesses Closed	**15**	**12***	**3 more businesses closed**
*Please note that the 2011 data does not include Indoor Market businesses			

4.6.3 The figures in the Appendix provide a detailed breakdown of the jobs created and lost in Caerphilly town centre in 2012.

4.7 Caerphilly Footfall

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

Caerphilly Town Centre Footfall Comparison			
	2012	2011	Difference
Highest Number	**49,284 (03/12/12)**	**49,554 (25/07/11)**	**-270**
Lowest Number	**26,721 (24/12/12)**	**30,011 (26/12/11)**	**-3,290**
Average Footfall	**36,847**	**39,934**	**-3,087**

4.7.2 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.

4.7.3 The Town Centre Management Team 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 2012. However, the results proved to be statistically unreliable due to the very low response rate - just 17 replies in Caerphilly. Nevertheless, a report summarising the survey results was still made available to all retailers.

5. EQUALITIES IMPLICATIONS

5.1 There are no potential equalities implications of this report and its recommendations on groups or individuals who fall under the categories identified in Section 6 of the Council's Strategic Equality Plan. As such, there is no requirement for an Equalities Impact Assessment Questionnaire to be completed for this report.

6. FINANCIAL IMPLICATIONS

6.1 There are no financial implications.

7. PERSONNEL IMPLICATIONS

7.1 There are no personal implications.

8. RECOMMENDATIONS

8.1 It is recommended that Members note the content of the report for information.

9. STATUTORY POWER

9.1 Local Government Act 2000.

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