AGENDA ITEM NO. 11

CAERPHILLY TOWN CENTRE MANAGEMENT GROUP - 11TH FEBRUARY 2014

SUBJECT: **BUSINESS REPORT - CAERPHILLY TOWN CENTRE 2013 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 2013.

2. SUMMARY

2.1 The report gives details of the numbers of businesses opening and closing within Caerphilly town centre during 2013. The Town Centre Management Team 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 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 2013

4.1.1 As the year unfolded the brittleness of UK economy lead to a number of High Street stalwarts falling into administration; *HMV, Jessop's* and *Blockbuster* were followed later in the year by *Internazional, Dwell*, and *Model Zone*. Those who did weather the storm needed to adapt to a changing market place. A modern retail business is required to deliver its products not only on the High Street, but also on a PC, tablet and Smartphone. The future for many multiple retailers is fewer stores with a better customer environment.

4.1.2 The long, hot summer allowed clothing retailers in particular to sell more products at full price and shorter sales periods improved margins. In the last quarter of the year retailers increased their lobbying of Government over the issue of business rates. In September, the much anticipated 'Grimsey Review' was published. Whilst not as accessible as the 2011 review published by retail tsar Mary Portas, the 'Grimsey Review' renewed calls for a radical rethink of high street policies and reignited the debate about the future of the high street.

4.1.3 Christmas 2013 promised to be a crucial for retailers, to survive it was necessary for them to employ planned and tactical promotions as a shift to a discount culture became embedded in the customner psyche. The recovery seen in the manufacturing and service industries is yet to be reflected in the retail sector and a combination of the growth in online sales, low consumer confidence, and heavy discounting created a testing trading environment. One of the toughest battles was in the grocery sector where *ASDA, Tesco, Sainsburys* and *Morrisons* were all challenged by the rise of the discount brands who sharpened their focused on price, product and marketing.

4.2 Caerphilly Retail Overview 2013

4.2.1 Castle Court Shopping Centre experienced a year of stability, which given the current economic climate was a huge achievement. The centre continues to offer a number of key multiple retailers including: *WH Smith, Boots, Argos, Poundland, Costa Coffee, Brighthouse, Shoe Zone, Greggs, Store 21, EE, Game* and *Bonmarche.* Considering the size of the town and its proximately to Cardiff, this is a strong tenant mix.

4.2.2 Cardiff Road and its surrounding streets enjoyed a stronger second half of the year after a difficult start. Following the loss of notable tenants *Bet Fred* and *Cooperative Travel*, new businesses *Smart Money Credit Union*, *Age Cymru* (in the former *Stead & Simpson* shop) and *Caru Brides* have rebalanced the shopping offer. In Pentrebane Street, the relocation of *Dunbar Costumes* and opening of *The Furniture Revival* have created more footfall in the street which will help sustain the Indoor Market. Clive Street continues to evolve into a destination in its own right, with a number of new businesses opening including: *The Deli* and *The Sweet Shop.* Over the summer new parking regulations in Cardiff Road, Clive Street and Pentrebane Street have created 30 minute waiting bays, these have been welcomed as a positive step by retailers, encouraging more people to 'stop & shop'. From a Police perspective the new traffic order is easier to enforce making more effective use of resources.

4.2.3 The concern in 2014 is as a result of falling retail sales multiple retailers are rationalising their store portfolios. Locally, independent retailers are struggling to survive and when an independent retailer does close, a new business start up is not always there to replace them.

4.3 Retail Property Directory

4.3.1 The *Retail Property Directory*, provided through Town Centre Management, enables people to start looking online for retail properties to rent or buy across the five managed town centres. This initiative provides a service that actively encourages people to open a business in one of the County Borough's town centres.

4.4 Unique Places Christmas Discount Card

4.4.1 This year once again Town Centre Management ran a customer loyalty scheme to encourage local spend in the vital Christmas period. The 'Unique Places Discount Christmas Card' was given out free to the public in the weeks leading up to Christmas. Retailers in the five principal towns of Caerphilly, Blackwood, Bargoed, Risca and Ystrad Mynach were offered the chance to participate. In 2012 a total of 64 retailers across the County Borough signed up for the scheme, in 2013 this number increased to 80, of those 26 were from Caerphilly town centre.

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 Medieval Market, The BIG Cheese, Tour of Britain and Food Festival 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			
	2013	2012	LFL Comparison
Businesses Opened	**17**	**19**	**2 fewer businesses opened**
Businesses Closed	**15**	**15**	**Level**

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			
	2013	2012	Difference
Highest Number	**43,305 (22/07/13)**	**49,284 (03/12/12)**	**-5,979**
Lowest Number	**31,308 (14/01/13)**	**26,721 (24/12/12)**	**+4,587**
Average Footfall	**27,671**	**36,847**	**-9,176**
Note: The system was offline for a total of 12 weeks in 2013.			

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 Gazette* and those who provide an e-mail address are also sent the Footfall data electronically. A *Retail Survey* was again undertaken across the five principle town centres in 2013 and the results provided 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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