



Belfast City Council

Report to:	Development Committee
Subject:	Economic Development Update
Date:	10 December 2008
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Relevant Background Information

Belfast City Centre Management

BCCM are currently working on their business plan for the financial year 2009-2010 and have asked for an opportunity to present their draft proposals to members at an upcoming meeting of the Development Committee.

World Trade Centre Belfast Business Plan

Belfast City Council acquired the World Trade Centre Belfast licence in 2002 in partnership with Multi Development. In 2007, the Council purchased back Multi Development's 50% of the licence. Since the appointment of the WTC Officer in March 2007, work has been undertaken to develop WTC Belfast activities. This has included a WTC Belfast Export Excellence Seminar Series for local companies this year as well as managing inward investment activities. To determine the longer term plans for WTC Belfast services, a business plan has been developed.

Employability support

Members will be aware that, at the Development Committee meeting of 8 May 2008, the findings of two major elements of research on employability issues and skills were presented for information. Since completion of the research, work has continued with key partners to consider how the issues identified might be addressed.

Crescent Market

At the September meeting of the Development Committee, members agreed to support a range of activities to promote the development of the independent retail sector in the city. South Belfast Partnership is currently planning to hold a one-day festival which will offer an opportunity for local artists and art students to promote their designs by holding a market at Crescent Open Space.

Key Issues

Belfast City Centre Management

Belfast City Centre Management is undertaking a number of initiatives aimed at improving the environment and the retail offering within the city centre area. Following a successful year, BCCM are now considering a range of new initiatives as well as further development of existing activity and have asked for an opportunity to present this to the Development Committee.

World Trade Centre Belfast

The strategies outlined by Programme for Government, DETI and Invest NI emphasise the need to support more companies to become exporters. Invest NI currently support approximately only 5% of local companies and one of their priorities is to attract more client companies. The WTC business plan highlights the trade barriers and needs of local companies, the current assistance available and gaps in provision which WTC Belfast can fill. The business plan also details the commercial opportunities for WTC Belfast to secure income in order to secure the sustainability and growth of the service activities.

It proposes the following services:

- WTC Belfast Membership – target of 200 member companies established
- WTC Global Skills Workshops – introducing companies to the practicalities of trading internationally
- WTC Belfast Trade Missions – linking in with current providers (NICCI, Invest NI), we will undertake a small number of trade missions to target markets
- WTC Global Supply Chain Management Programmes – helping companies improve their global supply chain management by looking at how they buy, sell or make products internationally

- WTC Belfast Local Networking Events – series of breakfast events on key topics of interest to local businesses
- WTC Belfast Investor Gateway Service – promoting Belfast as a city in which to invest and do business, linking with the key public and private sector agencies that can support potential investors.

WTC Belfast will adopt the following principles in terms of service delivery:

- Commercial approach: Services will be charged and income generated
- Regional approach: Membership and services will be offered to companies both regionally and internationally in cases where income can be generated or potential investment can be brought to the city. A regional approach also serves to attract co-funding for projects delivered on behalf of other organisations such as Invest NI. Participation costs by companies located outside of Belfast will be higher than those for Belfast businesses.
- Partnership approach: WTC Belfast will work in partnership with other local delivery organisations as well as the wider WTC network.

Further details on the proposed activities can be found in **Appendix 1**.

Employability Support

The employability research undertaken identified the need for a strategy on skills and employability at a Belfast level. The strategy should address the central problem that, whilst the number of jobs in the city has (or had) been growing, the number of Belfast residents in work had not shared in this growth. Equally, if Belfast is to climb the value

chain in terms of employment, it needs to consider the skills implications and promote graduate retention levels in the city.

Since the completion of this work, it is clear that the economic picture has changed. Redundancy levels are increasing and the number and nature of people seeking employment is different from what existed in the past.

While discussions with key stakeholders around the strategic issues affecting skills and employability in Belfast will progress in the coming months, it is proposed that some short-term interventions are undertaken with those who are already or who risk becoming unemployed. These individuals may not qualify for statutory benefits. Equally, they may be pre-disposed to working and therefore are likely to be keen to get back into employment as soon as possible. Support required may be around skills transfer issues, consideration of "interim" employment in a different sector, liaison with employers to identify upcoming opportunities and skills requirements as well as some forecasting work on future employment sectors and skills needs. This work could use the brand that "Belfast is working" and would demonstrate the fact Belfast City Council is taking a proactive approach to addressing the effect of the economic downturn on employment in the city.

Crescent Market

South Belfast Partnership has been successful in attracting funding under the Community Festivals Fund to organise a community festival which will feature, for the first time, a market which will allow local artists and designers to showcase their products. The Partnership is currently seeking additional support in order to encourage new traders to sell at the market for the first time and to ensure that the appropriate display equipment and materials are used. The funding will also be used to help students sell their designs at the event by carrying out preparation and development work with them in advance of the event.

Resource Implications

Belfast City Centre Management

No resource implications.

World Trade Centre Belfast

The cost to deliver the identified services for the period January 2009 – March 2010 will be £160,000. The budget for operations in the financial year 2008-2009 (£60,000) was approved as part of the Departmental plan in May 2008; £100,000 will be required for the financial year £2009-2010. An application was submitted to DETI for 50% funding for WTC Belfast activities for this period and this has been approved. Invest NI have also agreed to co-fund the first WTC Belfast trade mission to Doha, Qatar. Further opportunities for private sector sponsorship will be explored.

Employability Support

No additional financial commitment required – budget approved under "Job readiness programme for local unemployed citizens" as part of Departmental Plan approved by Development Committee in May 2008.

Crescent Market

£4,000 additional support required to attract additional traders to the event. This funding was approved as part of the independent retail support plan for 2008-2009 which was approved at the September meeting of the Development Committee.

Recommendations

It is recommended that members:

- Agree to receive a presentation from BCCM at an upcoming meeting of the Development Committee
- Agree the proposed activities to be delivered as part of the World Trade Centre Belfast activity plan for the period 2009-2010 and approve a budget of £100,000 for activities to be undertaken in the financial year 2009-2010
- Note the proposal to work with key partners on a Belfast Skills and Employment strategy and endorse a programme of targeted interventions to help people recently unemployed or at risk of becoming unemployed back into the labour market.
- Approve the allocation of £4,000 towards the organisation of a market at Crescent Open Space on 28 March 2009 (budget already approved by Development Committee in September 2008 as part of Council's contribution to support for independent retail in the city)

Key to Abbreviations

BCCM – Belfast City Centre Management
WTC – World Trade Centre

Documents Attached

Appendix 1 - Background information on proposed WTC Belfast services

Appendix 1

World Trade Centre Belfast Proposed Services for the period January 2009 – March 2010

1. WTC Belfast Operating Principles

Commercial Approach

The long-term plan for WTC Belfast is to create professional services which can bring economic benefit, generate income and contribute towards the sustainability and growth of WTC Belfast.

Regional and International Approach

WTC Belfast is a commercial venture of Belfast City Council and charged services will be offered to companies in Belfast, regionally and internationally. A regional approach is also important in order to attract recognition, support and additional finance from regional organisations such as Invest NI, NICCI and other Councils.

Partnership Approach

The services offered by WTC Belfast will be differentiated from other organisations and will serve to enhance the existing support. WTC Belfast will partner organisations to offer joint activities and aims to attract co-funding for regional activities.

2. WTC Belfast Services

There are 6 key service areas:

1. WTC Belfast Membership
2. WTC Belfast Global Skills
3. WTC Belfast Global Supply Chain Management
4. WTC Belfast Trade Mission
5. WTC Belfast Local Networking Series
6. WTC Belfast Inward Investment

1. WTC Belfast Membership

A WTC Belfast membership will be established which will enable companies to utilise the WTC network of over 330 WTCs and their 750,000 associated companies. The membership will be offered to companies throughout NI.

Companies across NI will pay to become members of WTC Belfast and the cost will depend on employee numbers. Companies based in Belfast will receive 50% discount on WTC Belfast membership, this will be promoted as being subsidised by Belfast City Council.

Employee Numbers	NI Membership Costs/per annum	Belfast companies/per annum
>10	£100	£50
10-50	£150	£75

> 50	£200	£100
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Initial discussions have been held with NICCI regarding an associated membership arrangement and these will be pursued within the financial year 2008-2009.

Cost	£5,000
Target numbers	200 companies
Anticipated Income	£15,000
Timescale	Commences January 2009

2. WTC Belfast Global Skills Workshops

WTC Belfast will offer short practical workshops on relevant trade topics not currently offered by other organisations.

Pre-organised courses will be offered by WTC Belfast as well as 'supply on demand' courses where companies determine what training they need and WTC Belfast will organise this in response.

Cost	£20,000
Target numbers	12-15 companies per workshop
Anticipated Income	Half day workshop: £40 per person; 1 day workshop: £75 per person; 2 day workshop: £150 per person; 20% discount to WTC Belfast members
Timescale	Commences March 2009

3. WTC Belfast Global Supply Chain Management Programmes

WTC Belfast will offer companies the opportunity to improve their global supply chain management with regards to how they buy, make or sell products internationally. Participant companies will receive two day group training as well as individual mentoring. Belfast City Council will subsidise most of the costs for Belfast based companies. Companies outside of Belfast that wish to attend will pay the full amount or receive financial support from another organisation.

Cost	£50,000
Target numbers	20 companies
Anticipated Income	£16,000
Timescale	Commences September 2009

4. WTC Belfast Trade Missions

Outbound trade missions

WTC Belfast will organise outbound trade missions co-ordinated with a partner WTC. The first event will be taking a delegation of companies to Futurallia, an international SME matchmaking event taking place in Doha, Qatar in May 2009. This event is being organised by WTC Doha. Invest NI have agreed to co-fund. BCC and Invest NI will subsidise 50% of the participant fee, accommodation and flights for local companies.

Inbound visits/missions

WTC Atlantic Canada has expressed an interest in organising exchange visits to Belfast and Halifax. There is potential to link in environmental companies as well as to discuss plans for Titanic 2012.

Cost	£17,500
Target numbers	Minimum 10 companies for each mission
Anticipated Income	Futurallia: each company to pay £550 and INI to fund 50% participant costs and flights for companies outside Belfast (companies pay the other 50%)
Timescale	Futurallia event takes place May 2009

5. WTC Local Networking Events

WTC Belfast will organise a breakfast networking series to facilitate peer to peer learning and help foster local business collaborations which can see companies partner with regards to international trade activity.

Cost	£12,000
Target numbers	5 events, 40 companies to attend each event
Anticipated Income	£15 per company, per event
Timescale	From February 2009

6. WTC Belfast Inward Investment

Investor Gateway Service

WTC Belfast will use the website to promote Belfast as an ideal city to visit, invest and do business. We will link with EDU colleagues and other partners to provide potential investors with information on Belfast, host inward visits and make key introductions.

Cost	No costs
Target numbers	30 inquiries per year
Anticipated Income	N/A
Timescale	From January 2009

3. WTC Belfast – Other Activities

WTC Network Participation

Attendance at selected key WTC networking events.

Costs

£6,000

WTC Belfast Website

Development of WTC Belfast website to promote membership, events and profile Belfast as an ideal inward investment location. Scheduled launch date January 2009.

Costs
£13,000

Local partnerships

It is important that WTC Belfast establishes good relationships with other local organisations involved in international trade and economic development as well as membership organisations. This includes Invest NI, NICCI, Northern Irish Exporters Association and Institute of Export as well as banks and freight associations.

Invest NI have co-funded the first trade mission to Futurallia and have agreed to support and collaborate with WTC Belfast in other areas such as the delivery of trade workshops. Initial discussions have been held with the NICCI with regards to offering joint membership incentives.

Other Councils

It is proposed that other councils could support access to WTC Belfast services and activities for some of their companies.

WTC network

Relationships have been developed with many WTCs to date and ongoing efforts will be made to establish more, where relevant. There is also commitment from the UK WTCs (Hull, Milton Keynes) to work together to raise awareness of the WTC network in the UK.

4. Summary of WTC Belfast costs

Activity	Cost
WTC Membership	£5,000
WTC Belfast website	£13,000
WTC Global Skills Workshops	£20,000
Supply chain management programmes	£50,000
Futurallia Trade Mission	£17,500
WTC Breakfast Networking Series	£12,000
WTC Network Participation	£5,000
WTC Belfast marketing/sponsorship	£20,000
WTC Annual Licensing Fee	£10,000
Local memberships and subscriptions	£2,500
Trade market intelligence system	£5,000
	£160,000