



Belfast City Council

Report to:	Development Committee
Subject:	Retail Support Plan 2012-2013
Date:	17 April 2012
Reporting Officer:	John McGrillen, Director of Development, ext 3470
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1	Relevant Background Information
1.1	The purpose of this paper is to provide Members with an overview of proposed Council support for the development of Belfast's independent retail sector during 2012-2013.
1.2	Members will be aware from previous meetings of the Development Committee that Belfast City Council has been particularly proactive in supporting a wide range of initiatives to assist in the development and promotion of the independent retail sector across the City. An overview of the outputs and outcomes from this intervention is attached as Appendix 1 . Support for the independent retail sector also forms part of the Council's new Investment Programme and there is a commitment to continued investment in the sector over the lifetime of this programme.
1.3	Members will also be aware that the Council provides significant support to Belfast City Centre Management (BCCM) to provide an interface between council and local businesses within the city centre and to deliver specific services on behalf of the council within this area. One of the key areas of work for BCCM is to improve economic performance for city centre businesses, the majority of whom are retailers. Of the retailers in the city centre, it is anticipated that around 50% can be categorised as "independent" traders. However BCCM also provide an important interface with the larger retailers and the shopping centres, and this can provide council with a wider perspective of the challenges faced by the broader retail sector.

2	Key Issues
2.1	A thriving independent retail sector is important for the vitality and variety of our city, and Council has been instrumental in developing and delivering a number of initiatives, particularly over the last three years. Equally, the sector is dependent on a vibrant economy and, in the current climate, the retail sector – and in particular independent retailers – are under considerable pressure to sustain their business.

2.2	The Belfast Business Needs Survey 2011 has provided up to date research on the size and subsequent needs of the retail sector in Belfast. This research, teamed with discussions with the retail sector, has allowed Council to identify a range of targeted interventions that will help fill gaps in provision that have been identified by independent retailers and key stakeholders across the city.
2.3	The Belfast Business Needs survey noted that 56% of retailers in the city were particularly concerned at the inactivity and impact of the economic climate on their business. Retailers also raised concerns about competition and the rising cost of supplies. These issues were mirrored in discussions with retailers who also noted difficulties in promoting their unique independent retail offering and in marketing this to both Belfast residents and tourists. The Business Survey also noted the key areas of support of interest to retailers including trading online, sales development and business planning.
2.4	While the majority of council support to date has focused on independent retailers, we also work with larger retailers to see how they can support our activities and complement the offering. One example of this is our work with House of Fraser on a design programme for undergraduate Fashion Management students, as a result of which one student was awarded an internship and subsequently a full-time employment opportunity with House of Fraser's design team. We have also had discussions with House of Fraser about how they can include local franchises and concessions within the store and we worked closely with Jason Shankey in establishing his franchise within the Belfast store. We are due to meet with the larger retailers shortly and will bring any additional proposals back to Council in due course.
2.5	The current economic downturn presents real challenges for our independents and it is considered essential that an appropriate, tailored support programme is provided to the businesses at this time. This proposed support package should be considered in the context of the wider Council support for businesses, where the focus is on increasing productivity and competitiveness as a means of driving business growth. Independent retailers can also avail of many of these generic business development programmes and events.
2.6	<p>The proposed activities are set in the framework of the recently-published report by Mary Portas on behalf of the UK government. This report suggests that "High Streets of the future must be a hub of the community that local people are proud of and want to protect." Members will be aware of previous activity in this regard where BCC has asked Minister McCausland to consider Belfast in its new 'Portas' based initiative which comprises local research into Northern Ireland's towns on retail competitiveness. The Portas Review sets out six themes with 29 recommendations to re-animate town and city centres as well as local neighbourhoods. These include:</p> <p>1. Getting our town centres running like businesses</p> <ul style="list-style-type: none"> - <u>Introduction of 'Town Teams' to engage with local retail stakeholders to create sustainable high streets of the future</u> – Council already supports a number of fledgling and established voluntary groups across the city as well as BCCM in the city centre. - <u>Importance of markets as a vibrant attraction in any retail area</u> - (Belfast City Council already makes significant investment in Smithfield and St George's Market and we have recently run a successful "Market Start Up" programme, creating 9 new businesses). - <u>Importance of Business Improvements Districts (BIDS) in providing local businesses to form a strategic partnership to benefit their area.</u> In Northern Ireland the BIDS Bill is currently being drafted, with the DSD Minister Nelson

McCausland aiming to introduce the Bill to the Assembly before the summer recess. Once the bill receives Royal Assent secondary legislation will be required. DSD expect that the BIDS legislation will be operational by next summer. This legislation could have implications for some of the key retail areas (who may consider becoming a BID) and for BCCM.

2. Getting the basics right to allow business to flourish

- The Portas Review focuses on the operating environment for retailers in England, particularly around rate concessions and controlled parking schemes. Belfast City Council has no direct control over these issues. We can however continue to lobby and liaise with public bodies to identify how they can best support retailers and businesses across the city.
- Make high streets accessible, attractive and safe. This is a key area of work for Belfast City Centre Management, within input from a number of council services including cleansing and community safety. The new Clean Neighbourhoods legislation provides a framework for council to make more impact in this area of work.

3. Levelling the playing field

- Introduce Secretary of State 'exceptional sign off' for new out of town developments and encouraging retailers to report on their support of the high street. Belfast City Council will continue to lobby for appropriate planning instruments to support town centre development.

4. Defining landlords roles and responsibilities

- Encourage property owners to be responsible landlords and explore further disincentives to prevent landlords from leaving properties empty. Although Council has no discretionary powers to do this, much work has been done by the Renewing the Routes in identifying areas of the city for support and working with property owners to improve the physical appearance of streets across the city. We are also working closely with BCCM and other partners to look at the implementation of recent legislative changes to incentivise occupancy of vacant units, both for "meanwhile" use and for more sustainable business ventures. A report on Empty Retail Spaces will be presented to Committee next month.

5. Giving communities a greater say

- Give local retailers more say in what happens in their area. To support this it is proposed that council continue its support of traders groups across the city, and facilitate a proposed retail forum to give retailers an opportunity to raise and respond to issues and exchange ideas.

6. Re-imagining our high streets

- The Portas Review challenges us to look at our 'high streets' differently and to appreciate that they are not just places to shop but also act as neighbourhood hubs. Many of the traders' groups are engaging with non-retail businesses in their area and becoming "business associations". This recognises the mix of businesses on the high street. It also encourages support for a wider range of initiatives to benefit all businesses within an area, not just retailers.

2.7 Taking account of these recommendations, a draft support programme for the retail sector is attached for consideration.

2.8 The programme includes a range of marketing and promotion, business development, networking and mentoring initiatives to improve the performance of existing businesses and support collaborative marketing initiatives to increase footfall in

	identified retail locations. Details of each of the individual activities is identified below:
2.9	Business development initiatives:
2.10	<p>1. <u>Retail Therapy Programme</u></p> <p>The Retail Therapy programme has been a feature of previous support programmes for the independent retail sector. Given its success to date – every £1 invested generates £10 additional business for participating companies – it is proposed that this tailored support continues. As part of the programme each participating retailer undertakes a business needs audit to identify the key issues facing them, followed by the creation of individual improvement plans. Businesses then have access tailored one-to-one mentoring, workshops and best practice visits. Participants are also be eligible for small grants from Council to help with the implementation of their improvement plans, therefore providing long term benefits to each participant.</p>
2.11	The participants on previous waves of the Retail Therapy greatly valued the programme and provided positive feedback regarding areas of future support. It is proposed that 30 Retailers be recruited on to this programme.
2.12	<p>2. <u>Retail Masterclasses</u></p> <p>In 2011-2012, a series of retail masterclasses were provided. These were open to all independent retailers across Belfast and offered free of charge. Nine masterclasses were provided and these were attended by approximately 160 independent retailers across the city. Feedback from these sessions has been extremely positive and many whom attended have indicated an eagerness to attend similar Council led events in the future. As a result it is proposed that these masterclasses continue to provide flexible and timely support to retailers to provide knowledge in appropriate areas and provide opportunities for networking.</p>
2.13	<p>3. <u>Retail Mentoring Programme</u></p> <p>Retailers across the city have identified a need for flexible and timely mentoring in response to issues arising which may affect their business. They noted that, while the masterclasses were extremely useful, they would benefit greatly from access to one-to-one expertise on topics including finance, succession planning, training and social media.</p>
2.14	It is therefore proposed that council provide flexible mentoring support of up to two days for retailers who identify a specific need within their business and who are not on any other council supported programme. It is proposed that flexible mentoring be offered to at least 25 retailers. This mirrors the mentoring support that we can offer to other businesses but which is not currently open to retail businesses (given that European Regional Development Fund (ERDF) funding cannot be used for retail businesses).
2.15	<p>4. <u>Market Start Up Programme</u></p> <p>This programme was introduced as a pilot in 2011-2012 to support potential entrepreneurs and new start-up businesses to explore market trading as a possible business model, in advance of progression to establishing a retail outlet at a future date.</p>
2.16	The programme aims to provide support to individuals interested in establishing a specialist food or craft business and includes one-to-one mentoring, the opportunity to explore best practice, market research, product development and the development of business plans. On successful completion of the programme and subsequent vetting, participants were able to test trade at St George's Market for a limited period.

2.17	It is proposed that two waves of this programme take place with a total of 20 participants, subject to discussions with the markets management team regarding available space and taking account of existing waiting lists.
2.18	Marketing and promotion initiatives
	<p>5. <u>New trader group facilitation</u></p> <p>It is proposed that council will provide support to new traders groups across the city to help them to form legally constituted groups/associations. Tailored advice sessions will be offered to groups to help facilitate this, to link into existing support; identify their priorities for action to address the challenges and help deliver on these.</p>
2.19	It is proposed that seed funding should be made available to work on issues such as collaborative promotion and marketing campaigns, events to increase footfall and customer loyalty initiatives. Initial discussions with traders have highlighted a wider range of issues including business rates; street cleansing; car parking and environmental improvements. Whilst we can advise on these issues and advocate on their behalf to relevant agencies, through local elected representatives, it is suggested that the focus of this particular support should remain on those marketing-related issues.
2.20	We are currently working with six groups (Lower North Belfast Business Alliance, Cliftonville Circus Traders, Shankill Road, Antrim Road Traders, Holywood Arches, West Belfast) and it is proposed that we work with an additional three groups in the coming year.
2.21	<p>6. <u>Area Marketing Campaigns</u></p> <p>Collaborative marketing and promotional campaigns will be encouraged for promoting the clusters of independent retail businesses across Belfast with a “shop local” focus and aimed at improving recognition of the importance of the independent retail sector in the city. This funding will be open to existing traders’ groups who area already constituted.</p>
2.22	Under the previous retail support plan, provision had been made for local campaigns to enhance the profile of designated shopping areas through a range of targeted support initiatives. This enabled groups to undertake activities such as producing local trader maps and business directories, creating a website for promotion and online trading and organising local events to increase footfall and trading in specific areas.
2.23	It is proposed that constituted traders groups may apply for up to £30,000 in support for expenditure against a range of agreed promotional activities, similar to those identified above, within the current financial year. It is also accepted that a number of the traders groups are more advanced than others and that some may be able to bring resources to supplement the council contribution. In recognition of this, it is proposed that, beyond the £30,000 support provided, Belfast City Council can match the trader contribution £ for £, up to a total maximum contribution from council of £40,000. Consideration should be given to the sustainability of the proposed intervention, given that funding levels cannot be guaranteed in future years.
2.24	<p>Networking initiatives</p> <p>7. <u>Retail Forum</u></p> <p>It is proposed that Council facilitate a Retail Forum to allow exchange of ideas between stakeholders including local traders groups, Council representatives, Belfast City Centre Management, the Northern Ireland Independent Retailers Trade</p>

	Association and other bodies. BCCM currently operate a Retailer Stakeholder Group based on the City Centre, therefore account will be taken as to how these fora should interrelate. The forum could also update retailers on council initiatives, changes in legislation and provide an opportunity to network with other retailers.
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3	Resource Implications																						
3.1	<p><u>Financial</u></p> <table border="1"> <thead> <tr> <th>Programme Activities</th> <th>Indicative Budget</th> </tr> </thead> <tbody> <tr> <td colspan="2" style="text-align: center;">Business development initiatives</td> </tr> <tr> <td>Retail Therapy Programme (incl. Retail Masterclasses): Business Development Programme for 30 retailers and six retail masterclasses.</td> <td style="text-align: right;">£51,000</td> </tr> <tr> <td>Market Start Up Programme: Support programme to help establish 20 new market businesses.</td> <td style="text-align: right;">£30,000</td> </tr> <tr> <td>Retail Mentoring Programme</td> <td style="text-align: right;">£14,000</td> </tr> <tr> <td colspan="2" style="text-align: center;">Marketing and promotion initiatives</td> </tr> <tr> <td>Trader Engagement: Support to help traders form legally constituted groups /associations</td> <td style="text-align: right;">£10,000</td> </tr> <tr> <td>Area Marketing Campaigns for constituted Trader Groups: Support for local traders groups to develop collaborative marketing campaigns.</td> <td style="text-align: right;">£100,000</td> </tr> <tr> <td colspan="2" style="text-align: center;">Networking initiatives</td> </tr> <tr> <td>Trader Forum: Support two retail focus forum events</td> <td style="text-align: right;">£5,000</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">£210,000</td> </tr> </tbody> </table>	Programme Activities	Indicative Budget	Business development initiatives		Retail Therapy Programme (incl. Retail Masterclasses): Business Development Programme for 30 retailers and six retail masterclasses.	£51,000	Market Start Up Programme: Support programme to help establish 20 new market businesses.	£30,000	Retail Mentoring Programme	£14,000	Marketing and promotion initiatives		Trader Engagement: Support to help traders form legally constituted groups /associations	£10,000	Area Marketing Campaigns for constituted Trader Groups: Support for local traders groups to develop collaborative marketing campaigns.	£100,000	Networking initiatives		Trader Forum: Support two retail focus forum events	£5,000	Total	£210,000
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3.2	It is proposed that, for those programmes that are subject to public tender, delegated authority be given to the Director of Development, in consultation with the Chair and Deputy Chair of Development Committee (or nominees), to approve the most economically advantageous tender, subject to the completion of a contract by Legal Services.																						
3.3	<p><u>Human Resources</u></p> <p>No additional staff resources required.</p>																						
3.4	<p><u>Asset and Other Implications</u></p> <p>No specific asset implications.</p>																						

4	Equality and Good Relations Considerations
4.1	No specific equality or good relations implications to this report.

5	Recommendations
5.1	<p>Members are asked to:</p> <ul style="list-style-type: none"> - Note the contents of this report and approve the proposed Action Plan for 2012-2013 - Agree that, for those programmes that are subject to public tender, delegated authority be given to the Director of Development, in consultation with the Chair and Deputy Chair of Development Committee (or nominees), to approve the

	most economically advantageous tender, subject to the completion of a contract by Legal Services.
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6	Decision Tracking
Progress report to be presented to committee at end of financial year. Timescale: March 2013 Reporting Officer: Shirley McCay	

7	Key to Abbreviations
BCCM – Belfast City Centre Management BIDS – Business Improvement Districts ERDF – European Regional Development Fund	

8	Documents Attached
Appendix 1 Review of Retail Action Plan 2011-2012	