



Belfast City Council

Report to:	Development Committee
Subject:	Proposed approach to Retail Action Plan 2013-2014
Date:	20 June 2013
Reporting Officer:	John McGrillen, Director of Development, ext 3470
Contact Officer:	Shirley McCay, Head of Economic Initiatives and International Development, ext 3459

1	Relevant Background Information
1.1	Members will be aware that at the 5 March meeting of Development Committee it was advised that work was to commence on developing a new retail plan for 2013/14. It was agreed that a full review of the results of the current year's plan along with a stakeholder engagement and consultation process was required to re-shape the plan in line with current needs.
1.2	A review of current retail support has been completed and engagement with retailers has highlighted several business development needs that could be addressed through the Retail Action Plan 2013-2014.

2	Key Issues
2.1	<p><u>Retail Action Plan 2012-2013</u></p> <p>Members will be aware that the retail action plan for the 2012-2013 was approved by the Development Committee on 17 April 2012. This included a range of business support, marketing and promotion and networking initiatives to support local independent traders. A funding allocation of £210,000 was set aside for this work. The majority of this was set aside for development support to help traders' groups to become operational and to engage in targeted promotional activity. It was intended that the Council's resources would help lever other funding and that it would be used to create sustainable business associations that would not be wholly reliant on public support. The remainder of the budget was set aside for retail mentoring, Market Start Up Programme and establishment of a retail forum.</p> <p>A review of the Retail Action Plan 2012-2013 can be found in Appendix 1.</p>
2.2	<p><u>Review of Trader Group Support</u></p> <p>We worked with 12 groups over the course of last year, The groups drew down a</p>

total of £135,000 and we also provided direct advisory support to other groups. From our review there are a number of issues with funding trader groups/business associations in current format:

- We need to be assured that the Council's investment is maximised and that it can be measured. One issue that has been identified is the difficulty in measuring the impact of investment in the trader group activity given the absence of baselines and targets. On the other hand programmes like market start up have clear targets and we have been able to demonstrate that they have significantly exceeded them.
- The current trader groups have a mixed composition and are not solely retail focused therefore the current marketing/promotional focus doesn't necessarily meet the needs of the mix of group members:
 - Strandtown Traders – 41 paid members, 78% retail, 22% non-retail
 - Lisburn Road Business Association – 34 paid members, 82% retail, 18% non-retail
 - Ballyhackamore Business Association – 30 paid members, 69% retail, 31% non-retail
 - Finaghy Business Association – 36 paid members, 73% retail, 27% non-retail
 - Castlereagh Business Association – 30 paid members, 70% retail, 30% non-retail
 - West Belfast Traders – 108 non-paying members, 58% retail, 46% non-retail
 - The implication of this is that if the policy direction is towards retail support, there is on average one third of businesses in these groups that are not retailers and therefore cannot benefit fully.
- Some of the groups do not have the capacity to manage and deliver the range of promotional and marketing activity on their own. In the last year, all the new groups have benefitted from the support of advisory resource provided under the Retail Action Plan. This support is unsustainable in the long-term and does not encourage the groups to take ownership of the activity. It is questionable whether some of the groups will be able to continue into the future without such support. However, on the other hand, our experience is that the businesses must take the lead to make any initiative sustainable and successful.
- The focus on marketing activity is not completely relevant for neighbourhood shopping areas (e.g. Ardoyne) and therefore consideration may need to be given to how these groups can be supported outside of formal traders' groups and what types of activity are eligible for funding.
- The Council impacts on traders in many different ways – both directly and indirectly – and consideration should be given to how we can communicate with these businesses more effectively.
- Groups need to look at the sustainability of their organisation as future funding may not be available. Currently some groups are relying solely on council funding which is unsustainable – it is

	<p>suggested that any funding agreed should be fully match funded to demonstrate their commitment and ownership.</p> <ul style="list-style-type: none"> - There are opportunities for groups to work collaboratively on initiatives, pooling resources and developing creative and imaginative ideas. However, unless we make this a condition of the funding, some groups are unlikely to engage in this type of activity. - In the last financial year there were six traders' associations in existence. We know that there are now 12 or 13 groups: consideration needs to be given to the levels of expectation created as well as the potential for collaboration between groups, to avoid duplicity of activity.
2.3	<p><u>Engagement with retailers</u></p> <p>Engagement with retailers across the city including traders groups has revealed a series of business development needs including Sales Development, Strategy Development and Environmental Management Support. Businesses noted an interest in developing their skills in financial management, visual merchandising and customer service to enable them to face the challenges presented by the current economic situation and changes in the retail environment. Retailers were also keen to understand and fully utilise social media and new technology in the retail sector, and to consider options for trading online, alongside their high street presence.</p>
2.4	<p><u>Engagement with trader groups</u></p> <p>At a consultation with traders groups and councillors on 11 June several issues were raised as follows:</p> <ul style="list-style-type: none"> - Traders groups were happy with the support that Council has provided to date particularly around the destination branding and marketing. - Groups would welcome a forum to meet with traders, councillors and support organisations across the city to look at current issues and to network. They also expressed an interest in regular engagement with the Council at a political level. - Basic skills set within businesses needs to be enhanced and supported, through targeted interventions. - Attendees noted that groups should have a membership fee to ensure buy in and that trader groups should be representative of their whole area to ensure that the impact of support is advantageous to all. - Several groups raised significant difficulties around parking in their areas and would welcome Council support to lobby in this regard. - Groups were keen to find out more about Business Improvement Districts (BIDS) and to engage with commercial/estate agents to look at how vacant premises could be utilised. - Anti-social behaviour remains a problem in the evenings in some areas and co-ordinated youth liaison and support would be welcome.

2.5	Given the range of issues identified it is clear that the traders would benefit from a more collaborative approach to trader group/individual retailer support within the council as opposed to the current more ad-hoc and fragmented way of working.
2.6	<p><u>Potential Programme Activity 2013-2014</u></p> <p>If there is a commitment to a sector-specific approach in the coming year, a number of potential avenues for support are outlined below under three headings as follows:</p> <ol style="list-style-type: none"> 1. Retail business development support 2. New retail and product development support 3. City-wide retail networking and promotion
2.7	<p>1. <u>Retail Business Development Support</u></p> <p>The Belfast Business Survey has identified the key areas that retailers require business development support as: Sales Development, Strategy Development and Environmental Management Support. Businesses have also fed back an interest in developing their skills in financial management, visual merchandising and customer service to enable them to face the challenges presented by the current economic situation and changes in the retail environment. Businesses have also noted the need to understand and fully utilise social media and new technology in the retail sector.</p>
2.8	Potential business development support could focus on 3 areas:
2.9	<p><u>Masterclasses, Workshops and Best Practice Visits</u></p> <p>It is proposed that a series of masterclasses and best practice visits be offered to retailers covering a range of topics including: Visual merchandising, Efficient Stock Management and Buying, Business planning, Finance for retail and marketing.</p>
2.10	<p><u>Tailored Mentoring Support</u></p> <p>It is proposed that retailers have access to flexible, tailored mentoring support to help businesses develop and grow. Retailers will be matched with appropriate mentors to look at key issues including sales development, finance, visual merchandising and marketing.</p>
2.11	<p><u>Visual Merchandising Support</u></p> <p>As well as the masterclasses and mentoring support offered above it is proposed that retailers have access to visual merchandising degree students who will work with the retailers to design and complete a window display. Not only will this assist the retailer in providing new fresh ideas and a professional window it will also provide an opportunity for students to complete 'real life' projects as part of their degree coursework.</p>
2.12	2. <u>New retail and product development support</u>
2.13	<p><u>Market Start Up Programme</u></p> <p>In 2012-2013 20 companies completed this programme with 17 test-trading at St. George's Market with others also test-trading at other markets and at special in-store events. To date 12 have established their own business. It is proposed that the Market Start Up Programme supports a further 20 participants in 2013-2014 providing further test trading opportunities through additional market outlets and the trialling of a pop-up shop resource.</p>

2.14	<p><u>Introduction to Retail Programme</u></p> <p>The Market Start Up programme focuses on food and craft businesses but there is an opportunity to provide support to new independent retailers interested in fashion, flowers, services etc. This pilot programme would provide the skills needed to establish a retail unit, providing test trading opportunities alongside mentoring and workshops. The programme could also look at alternate models for retail including e-commerce, show-rooming, pick up and collect as well as pop ups. Participants would have access to a comprehensive business support and product development programme with opportunities to test-trade.</p>
2.15	3.City-wide retail networking and promotion
2.16	<p><u>City-Wide Retail Forum and Information Seminars</u></p> <p>It is proposed that Council facilitate a retail forum chaired by the Lord Mayor/Chair of Development with stakeholders including local traders groups, Council representatives, Belfast City Centre Management, the Northern Ireland Independent Retailers Trade Association and other bodies. The forum could also update retailers on council initiatives, changes in legislation and provide an opportunity to network with other retailers. It is proposed that Council facilitate a series of information and best practice seminars to inform retailers about the forthcoming BIDS legislation as well as Council initiatives e.g. Belfast Restaurant Week.</p>
2.17	It is proposed that up to four information seminars take place looking at significant issues and providing networking and collaboration opportunities for retailers.
2.18	<p><u>Area Development Support</u></p> <p>It is proposed that area development support continues in this financial year albeit at a reduced rate compared to the levels of support in 2012-2013, as a result of there being a higher number of groups in existence and a similar budget to that in previous years. Existing groups have been made aware that the rate may be reduced and were asked to consider sustainability in the 2012-2013 Retail Action Plan. Groups wishing to draw down support should be constituted and committed to a programme of development activities with a view to becoming sustainable. Clear economic benefits should be outlined and measured by the traders groups. In order to allow the groups to implement these development action plans, it is proposed that they complete a support application detailing clear objectives and outputs for an amount of £7,000 for expenditure against a range of agreed development activities including consultancy support to put in place a development action plan, within the current financial year. Groups can also apply for up to a further £8,000 if they can provide evidence of £ for £ match funding. Groups will be asked to evaluate and assess the impact of their initiatives as part of a review of this support.</p>
2.19	<p>It is recommended that the focus of the activity to be funded should be on some or all of the following areas:</p> <ol style="list-style-type: none"> 1. Driving footfall to the area. 2. Enhancing the profile of the area with identified target audience with a view to stimulating economic activity. 3. Supporting the sustainability of the group by developing management resources.
2.20	Where this funding is provided, Belfast City Council should ensure that the proposed activity does not duplicate or conflict with the work undertaken by other

	partners (particularly Belfast Visitor and Convention Bureau and Belfast City Centre Management), other council initiatives e.g. Area Working Groups and that additional funding is levered in to support the council contribution through membership fees. Trader groups will also be encouraged to collaborate on issues in which they have a common interest.
2.21	<p>In considering the trader group development support and the area campaigns, a number of issues should also be taken into account:</p> <ul style="list-style-type: none"> - The work should support other council activity, where possible (e.g. Renewing the Routes) - Traders groups should be representative of their whole area with a proportional membership to the number of businesses in the locality. - Projects should have clear economic impact and this should be clearly identified and measured. - The work should support additional business and should not lead to displacement i.e. moving business from one area to another or supporting one business or area to the detriment of another - The trader representatives should be encouraged to take responsibility for the work and should be committed to making the initiative sustainable, when the funding comes to an end - The trader groups should be acting collectively for the benefit of an area rather than on a business-by-business basis.

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

5	Recommendations
5.1	<p>Members are asked to;</p> <ul style="list-style-type: none"> - Approve plan as above - Agree that future consideration should be given to a co-ordinated programme of activity within Council linking in with area working groups and other initiatives to ensure effective delivery of service and avoid duplication. - Agree that Trader groups receiving funding should be required to carry out an evaluation assessing the impact of any support to ensure value for money. This will support feedback to committee in February 2014 as part of an overall review of retail support provision.

6	Decision Tracking
	No specific decision tracking required.

7	Key to Abbreviations
	BIDS - Business Improvement Districts

8	Documents Attached
	Appendix 1 - Review of the Retail Action Plan 2012-2013

Appendix 1

Retail Action Plan 2012-2013

Members will be aware that the retail action plan for the current year was approved by the Development Committee on 17 April 2012. This included a range of business support, marketing and promotion and networking initiatives to support local independent traders. A funding allocation of £210,000 was set aside for this work. The majority of this was set aside for development support to help traders' groups to become operational and to engage in targeted promotional activity. It was intended that the Council's resources would help lever other funding and that it would be used to create sustainable business associations that would not be wholly reliant on public support. The remainder of the budget was set aside for retail mentoring, Market Start Up Programme and establishment of a retail forum.

Market Start Up Programme

This programme aimed to support potential entrepreneurs and new start businesses to explore market trading as a possible business model, in advance of progression to establishing a retail outlet at a future date.

It focused on individuals interested in establishing a specialist food or craft business with support including one-to-one mentoring, best practice visits, market research, product development, buyer meetings and the development of business plans. Participants were also able to test trade at St George's Market for a limited period during the Christmas Market and at The Wickerman as well as online opportunities.

Outputs to date:

- 55 applicants for 20 places
- 20 participants completed the programme gaining new skills including the Certificate in Food Hygiene
- 12 new businesses were established including the opening of one new retail shop
- 1 participant has established a retail business in fixed premises in Ballyhackamore
- 2 businesses have been given the opportunity to take a stand at the Spring Continental and Maritime markets.

The programme costs for this initiative were £30,000 so this represents a significant return on investment.

Flexible Mentoring

Twenty retailers have availed of this mentoring service to address a range of business development needs including finance, marketing and social media.

Traders' Groups

There are currently 12 constituted traders groups in the city including six recently formed groups. Details of the groups and the financial allocations for 2012-2013 are outlined overleaf.

Trader Group	Awarded	Amount paid 2012-2013
Lisburn Road Business Association	£40,000	£35,692.22
Ballyhackamore Business Association	£28,705.00	£24,399.25
Strandtown Traders Group	£29,565.00	£24,782.50
Ormeau Road Business Association	£14,742.00	£14,742.00

Antrim Road Business Association	£4,500 plus advisory support	£4,500.00
West Belfast Traders	£25,170.00 plus advisory support	£25,170.00
Finaghy Business Association	£2,800.00 plus advisory support	£2,800.00
Castlereagh Business Association	£3,411.50 plus advisory support	£3,411.50
Stranmillis Business Association	Advisory support	0
Newtownards Road Traders	Advisory support	0
Hollywood Arches	Advisory support	0
Cliftonville Circus Traders	Advisory support	0
TOTAL		£135,497.47