



<b>Report to:</b>	Strategic Policy and Resources Committee
<b>Subject:</b>	Enhanced Christmas In Belfast Campaign
<b>Date:</b>	15 November 2013
<b>Reporting Officer:</b>	<b>John McGrillen, Director of Development, Ext. 3470</b>
<b>Contact Officers:</b>	Shirley McCay, Head of Economic Initiatives and International Development

1	Relevant Background Information
1.1	<p>At the meeting of 4 November 2013 the Council referred to the following Notice of Motion to the Strategic Policy and Resources Committee for further consideration:</p> <p><b><u>Notice of Motion - Belfast City Centre</u></b></p> <p>“This Council recognises that Members will always seek to represent the areas for which they were elected. However, the City Centre businesses contribute a very large portion of the rate base which, in turn, contributes to the cost of provision of services across the City. The views and plans of the business community for the future of the City are important.</p> <p>The Council agrees that the Party Leaders of the Council should provide civic leadership in seeking to provide a united voice, along with City Centre businesses, and, to that end, requests the Party Leaders to meet regularly as a group with representatives of the business community to ensure the future development and prosperity of the entire City of Belfast.</p> <p>Furthermore, recognising the importance of the Christmas period to those businesses, the Council agrees that it is vital to attempt to build upon the normal Christmas promotion campaign through helping to animate the city and to promote the many exciting and enjoyable events, activities and offers happening in Belfast in the lead up to the Christmas. Accordingly, the Council requests the Strategic Policy and Resources Committee to give urgent consideration as to the possibility of identifying additional resources which could be allocated to that promotion campaign and, due to the urgency of making quick decisions, agrees, if such resources can be identified, to delegate authority for a decision to the</p>

	Strategic Policy and Resources Committee, so that the activities funded by the resources can be put in place before Christmas.”
1.2	At the meeting of the Strategic Policy and Resources Committee on 8 November 2013, Members agreed to arrange a Special Meeting of the Committee on 15 November to consider the issues raised within the paper presented. Members also raised a number of issues which have been incorporated into this report.

<b>2</b>	<b>Key Issues</b>
	Christmas Campaign
2.1	As Members will be aware the Christmas period is absolutely critical to the financial sustainability of the retail and hospitality sectors. To that end, Belfast City Council provides support annually to Visit Belfast, part of which is to help finance a marketing campaign to encourage people from across Northern Ireland and the Republic of Ireland to visit the City and enjoy the City’s retail and hospitality offering.
2.2	As has been their normal practice in recent years, Visit Belfast have prepared a marketing campaign for this year’s Christmas season in consultation with the Chamber of Commerce, CastleCourt, Victoria Square and Translink. The resources available for the campaign are £210K, including a £85K contribution from the DSD and £20K from the city centre retailers.  This marketing campaign is additional to BCTC members’ own advertising and PR Campaigns with the two main Shopping Centres alone spending in excess of £330K to attract visitors to the City.
2.3	As is the case with many city centres across the UK and Ireland, 2013 has proven to be a difficult year, particularly for the retail sector. Whilst this is in part due to disposable incomes remaining low a major challenge comes from on-line retailers. Recent UK Press reports suggest that up to 50% of Christmas retailing this year will be done on-line. In order for town and city centres to survive it is important that they are seen as destinations which offer more than simply retail outlets, but are places where people have an enjoyable and memorable experience with access to culture, art, entertainment, bars, restaurants and retail.  From a Council perspective the survival of city centre businesses is critical to the Council’s finances as these businesses contribute approximately £30m to the Council’s annual rates income.
2.4	Belfast has a strong hospitality and entertainment offering, ticket sales are currently strong in the City’s key cultural venues for Christmas shows, forward booking of restaurants are also strong and sales are going well for music gigs and sporting events.
2.5	The retail sector, however, is not so robust. Research conducted by Belfast Chamber of Trade and Commerce (BCTC) shows that year-on-year sales are down by 9% on last year. Whilst this is in part due to an increase in on-line shopping the City is also suffering from a persistent perception that it is hard to access during times of parades or demonstration, that car parking is

	<p>prohibitively expensive and the introduction of further bus lanes has made the City inaccessible. This is further backed up by evidence that there has been a substantial decline in the number of people travelling in from neighbouring towns and cities to shop in Belfast.</p> <p>In an attempt to address the issue of car parking charges, Castle Court (which is the only city centre shopping centre with control over its car park pricing policy) will reduce charges to £1/hour up until and during Christmas at a cost of £40k and NCP will also introduce reduced car parking tariffs at a cost of £15k.</p>
2.6	<p>The President of BCTC, Mr Paul McMahon, has approached the Council on behalf of the Chamber's membership to offer to work alongside the Council to help address the perception issues which the city faces. However given the very difficult year which traders have experienced to date (due to the introduction of bus lanes, the negative publicity surrounding this and the substantial increase in the number of parades and demonstrations) the Chamber has asked if the Council would be prepared to enhance the Advertising and PR campaign planned by Visit Belfast in the lead up to Christmas.</p> <p>In addition to the City Centre, traders along the City's arterial routes have also been impacted by the downturn in retail numbers and would equally benefit from support from the Council.</p>
2.7	<p>The evaluation of last year's Backin' Belfast campaign would suggest that any additional support to the proposed campaign would be best done through animating the City, increased direct advertising aimed at those towns from which visitor numbers have dropped along with a targeted PR and social media campaign.</p>
2.8	<p>DSD has indicated that if the Council was minded to provide additional support to the traders in the city it would look favourably on an application from the Council for 50% of the cost of a publicity campaign up to a maximum of £75K. This would be in addition to the £85k referred to in paragraph 2.2 above.</p> <p>It should be noted that DSD will also be providing an ice rink in Custom House Square to enhance the visitor experience and the Christmas Market has also agreed to extend their stay by 3 days.</p>
2.9	<p>A number of Members have asked for information on the cost of other activities undertaken by the Council to promote the City over the festive season. These include the Christmas lights switch-on, Christmas lighting on City Hall and the Christmas tree which collectively cost circa £130k. It should be noted however that these activities bring substantial economic benefit to the hospitality sector but they tend to reduce the footfall in the retail stores when they are taking place.</p>
2.10	<p>Last year the Council also made its three staff car parks available for free parking over weekends prior to Christmas. This is something that the Committee might wish to consider doing again this year. Given the Council's</p>

	support to the NI Hospice it has been suggested that hospice volunteers could use this as an opportunity to seek a voluntary contribution from patrons using the Council car parks.
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<b>3</b>	<b>Resource Implications</b>
3.1	<p>The Director of Finance has indicated that he will be reporting to the next meeting of the Strategic Policy and Resources Committee a year end forecast under spend totalling £900k of which £250k has already been committed to the NI Hospice. He has indicated that up to £300k of the remaining £650k could be made available for re-allocation to support the enhanced Christmas in Belfast Campaign, if that was the wish of Members.</p> <p>Based on this projection Members may wish to consider the following options for providing support to traders across the City.</p>
3.2	<p><b>Animation:</b></p> <ul style="list-style-type: none"> <li>• Animation Programme - £150,000</li> </ul> <p>The animation programme will utilise the most successful elements of the Backin' Belfast campaign to animate the City's streets and deliver an enjoyable family-friendly experience. Previous experience would suggest that an effective animation programme would cost approximately £150K. This will be enhanced by other programmes to add value to the core retail and hospitality offering. Street entertainers, spot prizes of vouchers for use in particular stores and music were all elements used last year in respect of this.</p> <p>Commencing weekend 30 November/1 December for 4 weekends, this programme would be delivered by an external organisation following a procurement exercise. Council officers would oversee the procurement of the organisations which would provide the on-street animation. This would be managed by Council officers and would be rolled out across both the City Centre and local neighbourhoods. Officers will endeavour to ensure a 50/50 split between the city centre and neighbourhoods, however, this will be dependent upon an audit of all activity taking place around Belfast at this time to ensure activities complement those already in place and avoid displacement.</p> <p>This will enhance the visitor experience and dwell time along with other attractors, such as the Continental Market and ice rink in Custom House Square.</p> <p>Activity programmed and planned by the 12- trader groups across the City, as a result of funding already provided by the Council, will also be incorporated as part of this campaign.</p>
3.3	<p><b>Additional Advertising and Public Relations</b></p> <p>In addition to animating the City streets, Members might wish to complement Visit Belfast's planned Christmas advertising and PR campaign in order to deliver strong and positive messaging around some of the perceived barriers to a visit to Belfast at Christmas time. In particular, it would target those areas</p>

which have seen fewer people visit the City.

This support could include the following options:

ACTIVITY	BUDGET		
	£50K	£100K	£150K
Additional Advertising	£15K	£20K	£40K
Additional PR Activity	£10K	£10K	£20K
Tactical TV/Radio Press	£10K	£20K	£25K
Vox Pops (to support social media activity)	£10K	£15K	£15K
60-second TV Slots		£25K	£40K
Evaluation	£5K	£10K	£10K

The most coherent way to deliver this activity would be through the contract which has already been put in place through an OJEU competition by Visit Belfast. Legal Services have confirmed that this option is fully compliant with the Council's procurement processes. This would ensure an integrated approach, add value to and complement the Visit Belfast Christmas marketing campaign.

An alternative approach would be to procure competent agencies to deliver elements of the above programme. Members should be aware, however, that due to time limitations and the need to adhere to the Council's procurement procedures this could only be done on the basis of quotations which would require the programme to be broken down into distinct elements of no more than £30k. Whilst this approach would potentially provide greater levels of creativity it would be difficult to deliver a coherent programme of support within the timescales available.

3.4 Officers will also engage with car park operators to encourage discounted car parking rates at various sites across the City.

4	Recommendations
4.1	<p>Members are asked to consider this report and determine:</p> <p>(1) Does the Committee wish to provide additional financial assistance to animate and promote the city in the run up to Christmas?</p> <p>(2) If the Committee is minded to do so, how much resource does it wish to employ? A number of options are set out in paragraph 3.2 and are listed below:</p> <ul style="list-style-type: none"> <li>a. Animation only - £150k</li> <li>b. Animation plus additional advertising and PR at the level of an additional: <ul style="list-style-type: none"> <li>i. £50k making a total of £200k</li> <li>ii. £100k making a total of £250k</li> <li>iii. £150k making a total of £300k.</li> </ul> </li> </ul>

4.2	The Department of Social Development have indicated that they would be prepared to consider match funding Council additional spend on promotional activities up to a maximum contribution of £75k, which would provide an additional option of the Council making a contribution of £75k making a total of £225k.
4.3	Members are also asked to agree to the Council's 3 staff car parks being made available to weekend shoppers at no cost with the NI Hospice being permitted to seek voluntary contributions from patrons using the car parks.
4.4	Members are also requested to note that a detailed report on the future funding of promotional activities for the City Centre will be brought back to the Development Committee and will be considered alongside the annual review of funding for Visit Belfast.

<b>5</b>	<b>Decision Tracking</b>
There is no decision tracking attached to this report.	

<b>6</b>	<b>Key to Abbreviations</b>
DSD – Department of Social Development BCTC- Belfast Chamber of trade and Commerce	