



Subject:	Retail Action Plan
Date:	12 August 2015
Reporting Officer:	Lisa Toland, Head of Economic Initiatives and International Development,
Contact Officer:	Colin McCabrey, Economic Development Manager

Is this report restricted?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Is the decision eligible for Call-in?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

1.0	Purpose of Report
1.1	The purpose of this report is to update Members on the activities delivered through the Retail Action Plan 2014-15, across the city and its arterial routes and neighbourhoods, and to agree the way forward on future support for the sector.
2.0	Recommendations
2.1	Members are asked to: <ul style="list-style-type: none">– Note the work undertaken through the 2014/15 Retail Action Plan– Note the review of activities undertaken to inform the future structure of support for retail across the city– Approve the recommendations to:<ul style="list-style-type: none">– Continue to deliver a programme of Area Development Support for Business Associations, focusing on marketing and promotional activities, and with an increased focus on considering the sustainability of these local groups– Provide support for retail start-ups and existing retail businesses through the mainstream support programmes that are currently being expanded and re-configured, following the transfer of economic development powers as part of local government reform

	<ul style="list-style-type: none"> – Reconvene the Retail Forum, strengthening engagement with local traders groups and incorporating a wider representation of Council services, aligned to trader needs.
3.0	Key issues
3.1	Members will be aware that the Council – principally through the Economic Development Unit (EDU) – provides a range of support initiatives to encourage business start-up and growth across a number of key sectors. Although retail as a sector has contracted in recent years, it continues to be an important employer within both large and small business outlets. Local neighbourhood-based retail plays an important role in the fabric of local communities and provides a critical service in these areas.
3.2	<p>As Members may be aware, approval was given at the March 2014 meeting of Development Committee to support the development of the retail sector across the city. Initiatives delivered through the 2014/15 Retail Action Plan included:</p> <ul style="list-style-type: none"> – Area Development Support – funding for locally-based business groups to support efforts to increase footfall in the areas – Start-up and product development support – targeted start-up support for new retail businesses – Support for the Retail Forum – a grouping of retail support organisations to share information on upcoming events and to plan collaborative activity.
3.3	An evaluation of the activity has now been undertaken by Council staff. An overview of the key activities and their impact is detailed below.
3.4	<p><u>Area Development Support</u></p> <p>Funding was allocated to eight local business groups to increase footfall and sales, enhance the area’s profile through branding and ‘shop local’ initiatives and support the sustainability within groups. In the 2014-15 financial year, funding requested totalled around £79,200, while £67,600 was actually drawn down. In addition four business associations also received resources through Area Working Group funding, with £46,000 allocated from these funds.</p>
3.5	<p>An evaluation of the activities undertaken identified the following key issues:</p> <ul style="list-style-type: none"> – Whilst some groups have a strong retail focus, others represent a wider business base and therefore their focus is broader than the economic growth agenda

supported by the Economic Development Unit (currently the only source of funding available for this activity)

- The activities undertaken are largely reliant on Council funding: while many now operate a membership fee, the Council funding is required to support the delivery of promotional activities. Despite efforts to encourage self sustainability, the groups still depend on support from the Council
- Business Associations depend on the efforts of a small number of individual traders whose principal focus is the operation of their own business. They often do not have the necessary skills to undertake required activities or to understand what will work best for their area, and they need significant support from Council staff and other resources in this regard
- Activities delivered are often ad hoc in nature; a more coordinated approach incorporating wider catchment areas of trader groups could help maximise the impact of spend
- Most groups are interested in issues much wider than marketing and promotional activity. These include parking issues, graffiti and street cleansing and commercial waste issues. Consideration should therefore be given to a joined-up approach which integrates support such as physical, environmental and infrastructure improvements. The Area Working Groups could be a useful conduit in channelling resources for this type of activity but the absence of funding for any revenue activity means that this is currently a significant challenge.
- The groups have limited capacity to measure the impact of the activities that they undertake. Likewise, their data gathering is poor and it is difficult for officers to identify whether activities meet the targets set. This means that the groups themselves do not know what works well and what does not and cannot identify what impact specific activities might deliver. The assumption is that much of the activity is undertaken as it can create a “feel good” factor but the actual benefits accrued are often extremely difficult to measure.

3.6

Start up and product development activity

The Retail Start Up Programme supported 20 individuals interested in starting a retail business. Support provided included a variety of skill development workshops, best practice visits, test trading opportunities and product development support. As a result of their engagement in the programme, 14 new retail businesses are now in operation. The new entrepreneurship powers transferred through Local Government Reform mean that the Council now has statutory responsibility for business start. In that regard, it is

proposed that this type of support activity can be delivered through the mainstream support programme that will be put in place post-October 2015.

3.7 Retail Forum

To provide a forum for local traders to engage with the Council, a Retail Forum was established, chaired by the Chair of Development Committee. Three meetings were held in 2014/15 at which trader groups from across the city were invited to participate along with BCCM, NIIRTA and representatives from the Council's Economic Development Unit. Whilst the forum provided a useful mechanism for engagement, and traders suggested that they benefitted from the contact, it was recognised the issues faced by local traders extend beyond economic development functions with issues such as car parking, cleansing, licensing etc all being highlighted. The potential therefore exists to consider how the forum could be extended to include a wider representation of Council services.

3.8 Taking account of the issues outlined above, it is recommended that the following approach is adopted regarding Council support for the current financial year:

3.9 Area-based capacity building and marketing support

Funding awarded to local business groups to date has primarily focused on increasing footfall into the respective catchment areas. This continues to be the main economic priority for the groups. However the recent review has identified that some groups require additional support to build capacity and help them become sustainable entities. Additionally, some groups are investing in marketing and promotional activities without understanding whether or not these will help deliver the anticipated benefits, or whether indeed these are the types of activity that can make a difference to the businesses in their area.

3.10 It is therefore proposed that resources will be set aside to provide guidance around group sustainability and effectiveness of proposed marketing activities. Business groups will be invited to make applications for support and, before activity plans are agreed and letters of offer are issued, support will be provided to test the viability of the proposed programme of promotional activities, explore opportunities for collaboration across a range of groups, agree possible targets and impact measurements and also look at how the group might continue to operate in a future scenario where there may be less or no funding available.

3.11	<p>It is proposed that funding of up to £3,000 is made available to all groups, with up to a further £2,000 available if the group can provide evidence of £ for £ match funding. This would mean that the maximum Council contribution is £5,000, on condition that the group also makes a financial contribution of £2,000 towards the programme of activities – hence an overall maximum budget of £7,000 per group.</p>
3.12	<p><u>Mainstreaming support for retail businesses</u></p> <p>It is proposed that start up support and business growth support for individual retail businesses will be provided through mainstream programmes provided by the Economic Development Unit. Flexibility within these programmes allows for bespoke specialist sector support. Efforts will also be made to work with colleagues in planning, building control and urban regeneration to look at opportunities for helping retailers to establish in vacant units, and to avail of all relevant exemptions and reliefs.</p>
3.13	<p><u>Retail Forum</u></p> <p>It is proposed to reconvene the Retail Forum, chaired by the Chair of the City Growth and Regeneration Committee. External stakeholders invited to participate on the forum will include local business associations including current or emerging groups, BCCM and NIIRTA. It is proposed to host up to four meetings of the forum per annum, with a focus on:</p> <ul style="list-style-type: none"> – Marketing and promotion: promoting initiatives such as Small Business Saturday, Independents' Day and raising awareness of city events and activities which will bring additional footfall to the city centre and other parts of the city – Encouraging business networking and collaboration across trader groups to share experience and knowledge or pool resources to achieve cost efficiencies – Providing a platform for structured engagement between retailers and relevant Council officers to join up business-facing services across the Council including cleansing, urban regeneration, consumer advice, environmental health, planning, community safety and good relations.
3.14	<p><u>Financial Implications</u></p> <p>£60,000 has been set aside within the Economic Development budget for the 2015/16 financial year. The majority of this budget will be utilised to deliver the area development support activity. The Retail Forum will require limited resources to support the hosting of up to four meetings in the year.</p>

3.15	Resources to deliver all other recommended activity will be delivered within existing Economic Development financial and staffing resources.
3.16	<u>Equality and good relations implications</u> There are no specific equality and good relations implications.
4.0	Appendices – Documents Attached
4.1	None.