

## BRIEFING REPORT

**Additional Information in respect of the Council decision to designate Belfast district (or the city centre) as a ‘holiday resort’ providing large shops with an option to extend Sunday trading hours between the months of March and October**

### 1. Comparison of Sunday Trading laws in England, Wales, Scotland and Northern Ireland

A comparison of the laws governing opening hours in England, Wales, Scotland and Northern Ireland is included below.

- Scotland has no regulation of Sunday opening hours and may choose as to what times they open and close on any Sunday throughout the year.
- In England and Wales large shops (over 280 sq m) may open between 10am and 6pm but for no longer than 6 hours in total.
- In Northern Ireland large shops (over 280 sq m) may open on a Sunday between 1pm and 6pm (a maximum of 5 hours).

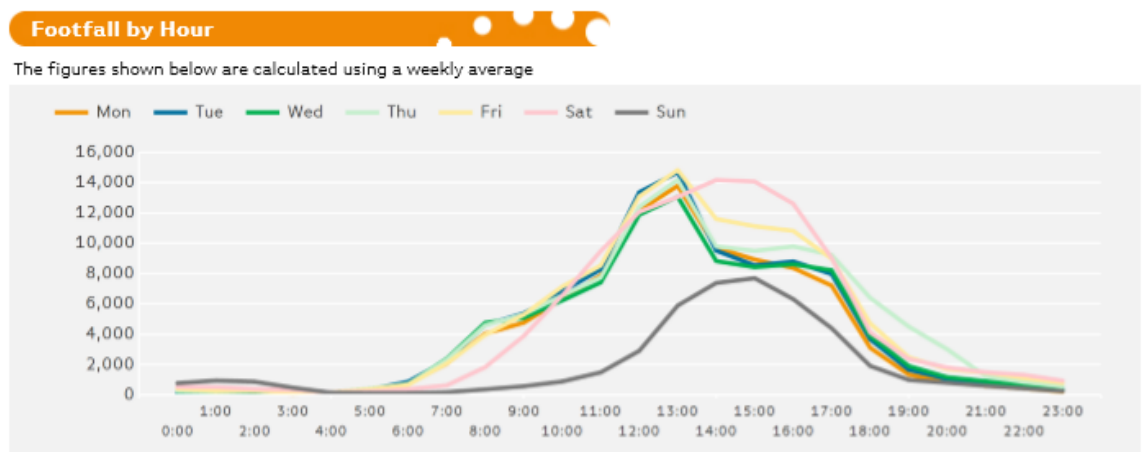
Opening hours	<b>England and Wales</b> (6 hours max between 10am and 6pm)	<b>Scotland</b> (no regulation)	<b>Northern Ireland</b> (5 hours maximum)
6am – 10am	Cannot trade	Can trade	Cannot trade
10am – 1pm	Can trade	Can trade	Cannot trade
1pm to 4pm	Can trade	Can trade	Can trade
4pm to 6pm	Can trade	Can trade	Can trade
6pm to 8pm	Cannot trade	Can trade	Cannot trade

### 2. Footfall in the city centre - Belfast One area March 2018

- Members will be aware that one of the issues of concern for all city centres is how they can establish a vibrant mix which will generate footfall and increase spend on the range of services and facilities on offer.
- There are now three Business Improvement Districts (BIDs) operational in Belfast city centre. The largest BID – Belfast One – covers more than 1200 properties in the retail core.
- Belfast One’s levy payers identified the need to drive additional footfall into the city centre as one of their main areas of focus. In order to establish a baseline for footfall, they installed six footfall cameras, which are placed at

locations from City Hall towards the northern end of Royal Avenue (adjacent to Castlecourt).

- Footfall reports are generated for each month. These provide an accurate measurement of levels of footfall by time of day. Other variables are also considered including weather conditions and events. Footfall figures are measured against previous months' performance in order to give some perspective on how the city is performing.
- The diagram below for the month of March 2018 shows that the footfall on a Sunday is lower than on each of the other days of the week.



- The trend for Sunday shows a significant lag when compared to other days of the week. On a Sunday, the peak time is currently 3pm and footfall only really starts to climb after 1pm – coinciding with the opening hours for the main retail provision in the city. This is despite the fact that hotel occupancy rates are at their highest levels on a Saturday (with average occupancy rates on a Saturday night over the Summer months at 91.7%).

### 3. Research from Visit Belfast – campaign evaluation (2017/18 undertaken by Kantar MBU):

- 30% of visitors from GB associated brand Belfast as a 'vibrant city break destination with great shopping' – it's therefore important that the city meet visitor expectations to ensure visitor satisfaction, encourage repeat business and word-of-mouth recommendations
- 42% of GB visitor spend was on shopping, which equates to £2.5m
- 43% of visitor spend ROI was on shopping which equates to a total of £10.5m (Christmas)
- 60% of visitors from GB would expect to be able to shop on a Sunday morning whilst on a weekend break

- 93% of visitors from GB would expect for shops to be open before 1pm on a Sunday in Belfast, with 50% stating they should be open from 10am
- Nearly a quarter of visitors from GB (23%) said they would like to see shops open earlier
- 23% of visitors from GB have said this would impact their decision to Visit Belfast

#### 4. Details on cruise ship visitors to the city (focusing on Sat and Sun)

##### Cruise visitors 2017

- 94 ships arrived in to Belfast with 158,000 cruise visitors
- 14 arrived in on a Sunday with 22,089 cruise visitors

	April	May	June	July	August	Sept	Total
<b>Saturday arrivals</b>	0	1	2	2	5	2	12
<b>Saturday cruise visitors</b>	0	3,502	2,068	4,543	4,229	6,275	20,617
<b>Sunday arrivals</b>	2	3	1	2	5	1	14
<b>Sunday cruise visitors</b>	1,495	1,939	4,375	5,081	8,048	1,150	22,089

##### Cruise Visitor 2018

- Visit Belfast expects 117 ships to arrive in Belfast with 200,000 cruise visitors
- **21 will arrive in on a Sunday with 36,461 cruise visitors**

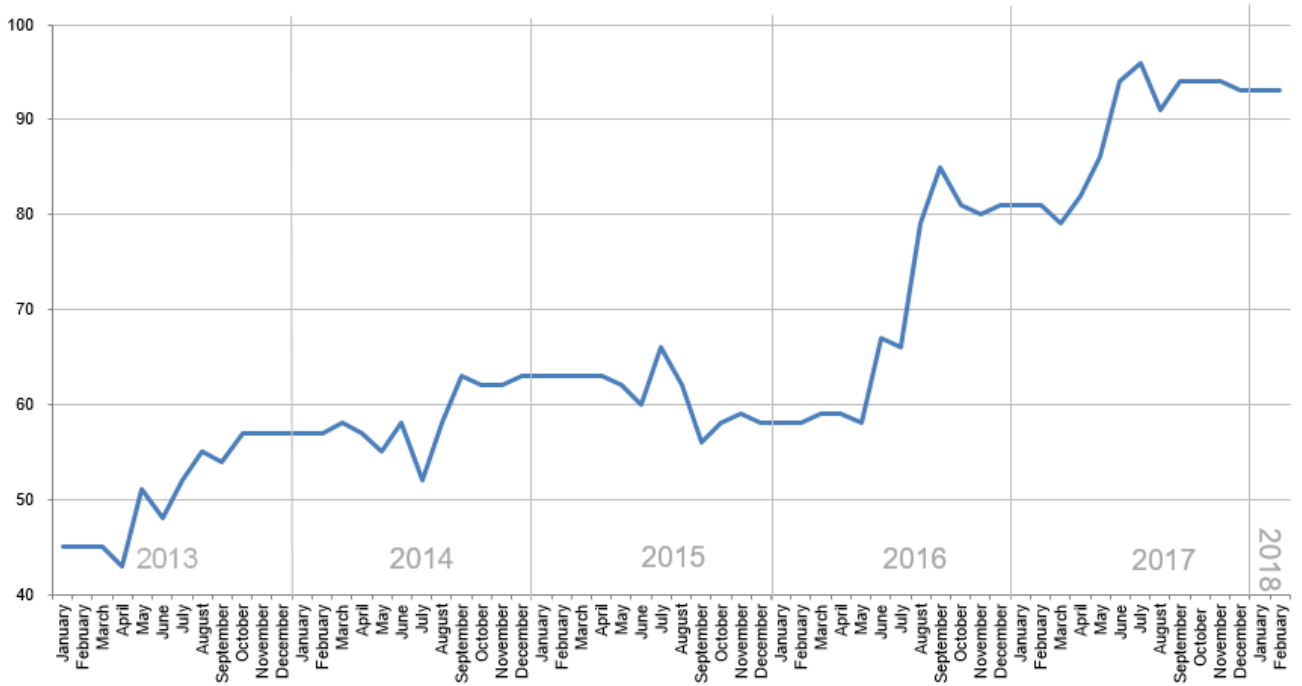
	April	May	June	July	August	Sept	Total
<b>Saturday arrivals</b>	2	3	3	2	3	4	17
<b>Saturday cruise visitors</b>	2,835	3,937	2,151	2,004	6,290	1,032	27,249
<b>Sunday arrivals</b>	0	4	4	4	4	5	21
<b>Sunday cruise visitors</b>	0	7,835	3,446	9,184	9,486	6,550	36,481

With regard to the Sunday arrival/departures:

- 18 of the 21 ships will be in the port by 08.00
- 2 of the ships will be arriving by 09.30 and one at 12.00 noon
- 7 of the ships will depart between 14.00 and 18.00

- 14 of the ships will depart between 19.00 and 23.00.

**Chart 1.2: Number of Cruise Ships Docking at Belfast Ports (12 Month Rolling) January 2013 Onward**



## 5. Details on how many cruise visitors come into the city centre

- Based on analysis from the 2017 cruise schedule, 43% of cruise visitors booked a shore excursion, and up to 57% of those visited the Belfast city area as part of their excursion. The majority of those coming to Belfast used the shuttle bus service that drops cruise visitors off at the Visit Belfast Welcome Centre.
- Applying the percentages to 2018 cruise arrivals, Visit Belfast expects 114,000 cruise visitors to arrive into the city centre during the cruise season.
- Focussing on those ships arriving into Belfast on a Sunday morning, there are **20,794 cruise visitors** expected on a Sunday between April and September.
- Based on 2017 analysis of those who booked shore excursions, 60% booked a half-day excursion, providing an additional 9,412 people in Belfast on a Sunday during the same period. Therefore, we could expect 30,000 cruise visitors to come into the city centre on a Sunday.

## 6. Details on hotel occupancy at weekends in the city – focusing on the Summer period (April-September)

2018 will see a 24% increase in the number of hotels and a 38% increase in the number of rooms in the city.

Grade	2017 hotels	2018 hotels	Change (%)	2017 rooms	2018 rooms	Change (%)
Four/ five star	17	23	35	1,906	3,025	59
Three star	11	12	9	930	1,199	29
Budget	7	8	14	864	945	9.4
Ungraded/ awaiting grading	3	3	0	122	122	0
<b>TOTALS</b>	<b>38</b>	<b>47</b>	<b>24%</b>	<b>3,822</b>	<b>5,291</b>	<b>38</b>

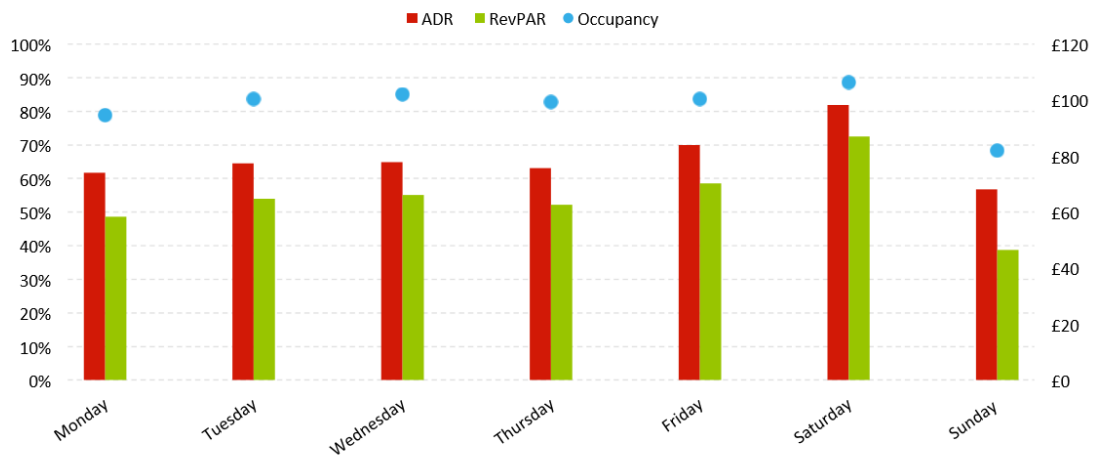
- Hotel occupancy levels are at their highest on a Saturday evening.
- On average, the occupancy level on a Saturday evening over the core Summer period (April-September) last year was **91.7%**.
- Occupancy levels were as high as 97.2% on a Saturday evening in August 2017 (source STR Global). Details of how these averages were broken down are set out below:

## Saturday Hotel Room Occupancy (April-Sept) 2017

	April	May	June	July	August	Sept	AVERAGE
<b>Saturday Room Occupancy</b>	86.7%	91.6%	94.9%	88.2%	97.2%	91.3%	<b>91.7%</b>

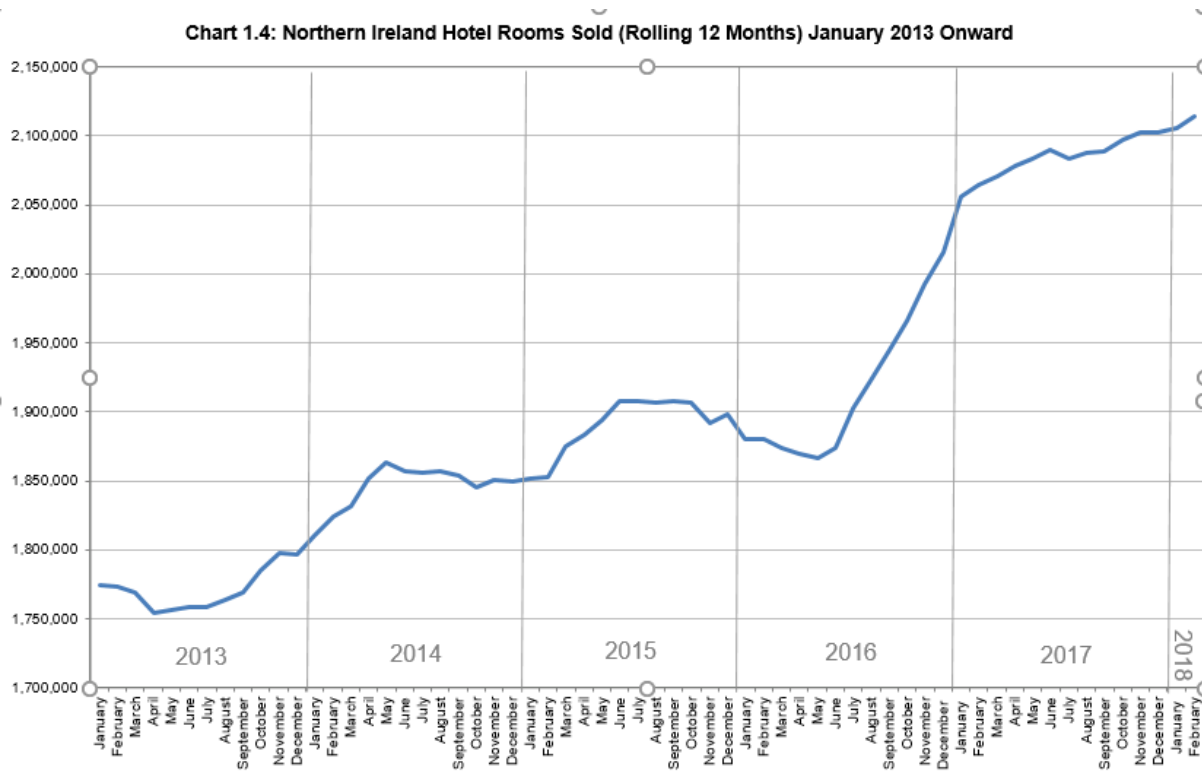
### Belfast - day of week analysis

Occupancy, ADR, RevPAR  
GBP, Full Year 2017



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Revenue per available room (**RevPAR**) is a performance metric used in the hotel industry. It is calculated by multiplying a hotel's average daily room rate (**ADR**) by its **occupancy** rate. It may also be calculated by dividing a hotel's total room revenue by the total number of available rooms in the period being measured.



- Visit Belfast estimates around 10,000 people will overnight in a Belfast on a Saturday and therefore in the city centre on any given Sunday morning during the peak Summer months (staying in hotels and other guest accommodation).
- The NI Hotel Federations position on the issue of resort status is that they support it on the following basis:
  - Hotel Rooms are set to grow by 25% in the city by 2020
  - Belfast is competing as a short break destination and this market sees shopping as a key activity
  - Sunday morning and a lack of things to do has been identified as a weakness in our tourism offering. The NIHF accept that a number of attractions and activities are available but lack of a retail option appears to be a negative

## 7. Details on the number of people employed in retail in Belfast

- A report on “Belfast’s Future Skills Needs” undertaken by the UU’s Economic Policy Centre in April 2017 noted that retail accounted for around 30,000 jobs in businesses based in the Belfast City Council area (12% of all jobs).
- This makes the sector the third largest employer after health and social work (37,000 jobs) and administration (32,000 jobs).

- Usdaw have indicated that of their 18,000 members in Northern Ireland there are around 16,000 employed directly in retail with the others in associated industries.
- Usdaw have indicated that they have around 5,300 members working in retail who are resident in Belfast and more who likely commute in.

#### **8. Details on the number of large shops in Belfast (i.e. 280m2+)**

- It is difficult to obtain a reliable figure for the total number of large shops (i.e. those with an internal space greater than 280m2 used for the sale or display of goods) but it appears that at least 80% of premises in the Belfast area would not be classed as a 'large shop'.
- Whilst officers have been able to obtain information from LPS (Nov 2016) about the size of the footprint of individual premises, there is no way to differentiate between retail and storage areas within the footprint without carrying out a survey. It is however possible to infer from the data available that:
  - 843 records in the Belfast City Centre area are classed as shop, showroom, supermarket, etc.
  - 74 of these records have a ground floor area greater than 280m2 but this is not necessarily the size of the retail and display area (it could well be less and therefore this number of records would reduce)
  - No more than 159 (19%) of the 843 premises coded as shop, showroom or supermarket have an internal floor area greater than 280m2. Internal floor area relates to the whole building and includes storage and other areas. Therefore the retail area could be below 280m2 and therefore not a 'large shop'.
  - At least 684 (81%) of the 843 premises coded as shop, showroom or supermarket have an internal floor area less than 280m2 (i.e. which relates to the whole building and includes storage and other areas).



**9. Details on the numbers of large shops (i.e. 280 sqm +) who currently have staff in work before the normal Sunday trading hours (i.e. staff working before 1pm)**

Belfast One Bid indicate that of twelve city centre multiple retailers asked if they had staff working before 1pm:

- 6 stores indicated that they have 10 staff in from 11am
  - 1 store has staff in from 10am
  - 1 store has staff in from 12pm
  - 1 store has no staff in before 1pm
  - 3 stores didn't respond
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- Usdaw have indicated that their members have responded that there are a small but noticeable number of stores utilising 'browsing time' to extend their opening hours and that the average shift length was slightly longer than the average opening hours, most likely reflecting set up and closing down time at the beginning and end of workers' shifts.
  - Usdaw say this shows that whilst large stores might be restricted to opening between 1pm and 6pm, this can already equate to workers' shifts beginning at 12pm and extending beyond 6pm.

**10. The economic impact of Holiday Resort designation in other areas in NI**

- It has not been possible to draw any conclusions on the economic impact of 'holiday resort' designation in any of the three council areas within NI which have current designations under Article 6 of the 1997 Order as no work or analysis on the economic impact has been carried out to date.
- Looking at the UK and England and Wales in particular, there have been arguments for and against the deregulation of Sunday Trading over the past number of years. It is important to note that the debate in England and Wales however is in respect of further deregulation of hours from the existing 10am to 6pm window (up to a maximum of 6 hours) currently available to large shops.
- The British Infrastructure Group (BIG) Report dated May 2016 into "Sunday Trading – A BIG study into saving the Great British High Street by localising Sunday Trading" claims that deregulation of Sunday trading in Scotland has been a success and that the consequences of liberalising Sunday trading laws have failed to materialise and it is difficult to see any negative impact. The report states that 'similar warnings were issued when the law was relaxed in 1994 yet since then consumers have spent £20 billion in the shops on Sundays

and Sundays have become the second most popular shopping day of the week<sup>1</sup>.

- However, Retail NI in its original submission have pointed to the temporary liberalisation of Sunday trading hours during the 2012 London Olympics and Paralympics which caused a market displacement of trade from smaller to larger stores.

They indicate that there are differing results shown from stores which have more large stores close by. The range of impact for stores with one or more large stores nearby was 4% to 7%. Changing sales patterns in 2012 are likely to underestimate the impact of these changes if they became permanent, because shopping habits change over time and are not fully established over a 12-week period. Whilst this data does not relate directly to Belfast City centre the principle impact of extending Sunday trading hours is the same according to Retail NI; displacement of trade from small businesses to large businesses.

- In a much broader study, research from the London School of Economics and Political Science entitled “Evaluating the Impact of Sunday Trading Deregulation” dated March 2015 analyses the impact of deregulation using data from 30 European countries on retail prices, expenditure, employment and market structure over the period 1999-2013<sup>2</sup>. The results of this study suggest that:

*‘Sunday trade deregulation has a significant positive impact on employment, stemming both from new firms entering the market and from job creation in existing firms’.*

*‘Whilst opening a shop on a Sunday may increase costs that vary with opening hours, such as wages and energy, the shops fixed costs (rent, interest payments) are spread out over higher turnover. The overall impact may not necessarily be positive; however deregulation gives entrepreneurs the chance to test the proposition in practice’.*

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<sup>1</sup> A British Infrastructure Group Report - A BIG study into saving the Great British High Street by localising Sunday Trading – May 2016 (chaired by Rt Hon Grant Shapps)

<sup>2</sup> CEP Discussion Paper No 1336 March 2015 – Evaluating the Impact of Sunday Trading Deregulation (Christos Genakos and Svetoslav Danchev)