



Subject:	<b>Growing the Economy: Programme of Work 2019/20</b>
Date:	6th March, 2019
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<b>Restricted Reports</b>	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Sometime in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

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

<b>1.0</b>	<b>Purpose of Report or Summary of Main Issues</b>
1.1	The purpose of this report is to seek approval for the proposed programme of work to be delivered in the 2019/20 financial year as part of the Committee's ambitions to support delivery of the targets under the Growing the Economy pillar of the Belfast Agenda.
<b>2.0</b>	<b>Recommendations</b>
2.1	The Committee is asked to: i. note the Council's performance and contribution to delivering against Belfast Agenda ambitions to grow the Belfast economy, focusing on Starting a Business; Growing a Business and Investing in Belfast;

	<ul style="list-style-type: none"> <li>ii. note that the associated activity will support the creation of up to 957 jobs in the course of the year;</li> <li>iii. approve the 2019/20 Work Plan to support the delivery of these ambitions, as set out in sections 3.4 to 3.7 and as detailed in the attached appendix, including the associated budget commitment of £1,342,075 (excluding Innovation Factory costs); and</li> <li>iv. approve the proposed approach to requests for financial contributions to support conferences and events aligned with the Economic Development Unit's profile of activity. To be administered in-line with the the delegated authority granted to the Director of Economic Development and Strategic Director of Place and Economy Department.</li> </ul>
<b>3.0</b>	<b>Main Report</b>
3.1	<p>Members will be aware that, at the City Growth and Regeneration Committee meeting on 11th April, 2018, approval was given for the delivery of the Growing the Economy work plan for the current financial year. The work plan was developed as part of the Council's contribution towards the commitments identified under this theme within the Belfast Agenda.</p>
3.2	<p>Since April 2018, the Council has developed and delivered a range of activities to address the challenges around low levels of start-up, innovation, competitiveness and productivity. Whilst work is ongoing to deliver the 2018/19 work plan, key achievements to date include:</p> <ul style="list-style-type: none"> <li>- 770 individuals engaged through Enterprise Awareness activates this year, providing them support and guidance to start a business or social enterprise</li> <li>- By the end of January 2019, we had supported 311 individuals through the Go For It programme supporting the creation of 196 jobs</li> <li>- Through our Go Social programme, we have supported 32 Social Enterprises and Co-operatives, creating 31 jobs</li> <li>- We provided support for 60 university/FE college student entrepreneurs to develop their new businesses while still in education. We also launched a new initiative providing grant assistance to programme participants in partnership with Invest NI which aims to provide a salary and wrap around support for one year to enable them to start their business</li> </ul>

- We successfully launched high growth start-up support which has to date engaged 64 new high growth businesses based in Belfast
- We continue to support the Innovation Factory (IF): occupancy levels are forecast at 55% by end of March 2019 representing representing approximately 249 jobs across 40 offices and 22 dedicated desks (excluding 22 business members and virtual office users). Through its social regeneration programme, IF has facilitated 60 work placements, engaged with 461 businesses and has achieved a procurement spend of 96% of its budget within the Belfast area
- We have provided business mentoring support for 130 small businesses, creating an additional 65 new jobs. We have also supported 150 businesses through SME skills development workshops on strategy and leadership, finance and talent management
- This year we supported 20 local high growth businesses to access intensive acceleration support through scaling programmes in partnership with Invest Northern Ireland and Catalyst Inc. Companies received support around pitching, targeting investment and partnership development and accessed opportunities to network with other Boston-based companies to develop new partnership arrangements and collaborations
- We reached agreement on a new Enterprise Framework for Belfast, in partnership with our enterprise and business growth stakeholders across the city. This Framework sets the vision for Belfast to become “a city recognised for its diverse community of entrepreneurs, who benefit from a comprehensive, planned and coherent system of enterprise support, which fulfils their needs at all stages of the business growth life-cycle”
- The City for Investment Service pilot has just completed its first year. To date the service has supported 57 businesses attracting a potential £72 million investment to the city.

3.3 Building on these achievements, the proposed work programme for the next financial year (2019/20) continues to align to the Growing the Economy pillar of the Belfast Agenda. Across this work programme, it is expected that 1,752 Individuals will access support to start a business, 1,619 businesses will be supported through business growth initiatives and 110 targeted through the City Investment Service. This work will also be shaped by the emerging City Deal proposals, including the investment in digital connectivity, infrastructure and innovation. Likewise, there will continue to be a significant focus on activities as part of the City Revitalisation programme with a view to ensuring the future stability of the city centre in the aftermath of the Primark fire in August 2018. A detailed overview of the proposed projects

and financial implications is attached and a number of key areas of work are detailed below. This work is informed by economic research identifying business challenges and barriers to growth; key growth sectors (digital; technology; tourism and hospitality); opportunities for investment and impact of technology on the world of work. The programme is focused on three main areas, namely:

- Starting a Business
- Growing a Business
- Investing in Belfast.

#### Starting a Business

- 3.4
- **Enterprise Framework in Action:** With the Enterprise Framework now in place, we are tasked with working in partnership with stakeholders across the city to put in place an Action Plan to 2021 and also looking at the longer-term ambitions to increase the number of new business starts and to make existing businesses more productive and competitive. A number of priority projects will be delivered in the coming year, including the development of a shared brand, communication strategy and potential Management Information System (MIS) to create a more joined-up provision for participating businesses, new interventions to support businesses that have the potential to scale and financial incentives for those moving from unemployment to start a new business (in partnership with Department for Communities)
  - **Improving the business start-up offer:** The Northern Ireland Business Start-up Programme (NIBSUP) has a limited budget and therefore the ability of the delivery partner to offer any dedicated follow-on support is restricted. The Council has been able to attract additional ERDF support to supplement the existing offer, including some limited financial incentives for qualifying businesses. Officers are also looking at how the Council can use its assets and resources to support new businesses, for example setting aside a limited number of stalls at St George's Market for test trading of new products and services.

#### Growing a Business

- 3.5
- **Support to Grow and Scale:** One of the key challenges identified through the enterprise framework is the need to encourage more businesses to grow and scale to turnover of more than £3million. We are currently developing support for those businesses in partnership with Catalyst Inc and Invest NI to build on the work that has been undertaken through Mass Challenge Belfast and the Way to Scale Initiative – both of which were previously supported by this Committee. Other resources such as the Innovation Factory

will provide critical “feeders” to these initiatives. Investment in activities of this type are critical to improving city competitiveness and productivity

- **Digital Transformation support:** many small businesses are unable to understand how new digital technologies can help them transform their business and generate new business opportunities. We have secured ERDF resources to support a series of targeted interventions which will help businesses generate more online business, enhance their business processes and improve their customer engagement and experience by introducing new digital technologies
- **Procurement support:** we have been working closely with Corporate Procurement Services and with other public sector commissioners to look at how we can help local businesses to enter the supply chain for works and services. Achieving the balance of competitiveness, efficiency and access for small businesses is an ongoing challenge for all public sector organisations. We are also exploring how we can help major development schemes to fulfil their social clause criteria around supply chain engagement (as well as employability and skills support). There are also significant opportunities through private developments: one of the most significant infrastructure schemes in the coming decade will be the Heathrow expansion: we are currently bidding to host a logistics hub on North Foreshore and one of the drivers for this has been the potential to encourage the local supply chain to access opportunities arising from this £15billion investment scheme.

#### Investing in Belfast

3.6

The two-year pilot City for Investment service proactively works with investors, both indigenous and FDI, providing professional and personal connections to help businesses be successful in Belfast. In addition to the continuation of the City for Investment Service, further development will be undertaken to position Belfast in key markets (including London and Dublin) as an investment location of choice for businesses in key growth sectors. Working in partnership with the City Regeneration and the International unit this will provide support for indigenous businesses in key sectors to develop their international partnerships to expand the business as well as profiling Belfast as a dynamic investment location. There will also be close collaboration with the work of the International Relations team, linking the Sister Cities activity and maximising the trade and FDI linkages from our collaboration with partners in those cities. Additional detail on this activity is set out in the International Relations report.

### City Centre Development

3.7 The city centre support activity will focus on contribution to the City Revitalisation programme, following the Bank Buildings fire. Priority activities will include trader engagement and support, physical improvements and city animation.

### Approach to supporting Conferences and Events

3.8 The Economic Development Unit has seen an increase in requests for contributions of financial support towards events and conferences to support activity that is – to a greater or lesser extent - associated with the unit's priorities, as set out above. While these events can often act as a useful promotional vehicle for Council interventions and can help secure referrals to programme activity, many of these requests tend to be last-minute requests for relatively small amounts of money and provide little measurable return.

3.9 In order to assess the impact of the requests, officers have developed a process to measure and score these requests based on their alignment to the Growing the Economy pillar of the Belfast Agenda, the contribution to the work of the economic development unit as set out in this report and the potential to profile the Council activities and generate interest and demand for the services. The total budget to support contributions to events and conferences in this financial year is £70,000 and it is proposed that each application for support will be capped at a maximum of £10,000. Objectives and outputs will be agreed through a funding agreement with the event organisers.

### **Financial and Resource Implications**

3.10 The recommended budget allocations based on contractual commitments and pending funding applications are summarised below:

<b>Starting a Business</b>	£688,785
<b>Growing a Business</b>	£395,290
<b>Investing in Belfast</b>	£60,000
<b>City Centre Development</b>	£98,000
<b>Contribution to events and conferences</b>	£70,000
<b>Evaluation of Impact</b>	£30,000

3.11	<p><b><u>Equality or Good Relations Implications/Rural Needs Assessment</u></b></p> <p>Each of the proposed projects referenced in this report is informed by statistical research, stakeholder engagement and complementary policies and strategies. The unit is currently undertaking a process of equality screening on the overall work programme, this will ensure consideration is given to equality and good relation impacts throughout the delivery of each project.</p>
<b>4.0</b>	<b>Document Attached</b>
4.1	Appendix - Growing the Economy delivery actions, outcomes and expenditure – 2019/20