



Subject:	<b>Growing the Economy: Programme of Work 2020/21</b>
Date:	4th March, 2020
Reporting Officer:	John Greer, Director of Economic Development
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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 2020/21 financial year as part of the Committee's ambitions to support the delivery of the targets under the Growing the Economy pillar of the Belfast Agenda and the Inclusive Growth Strategy and to recap on some of the key achievements from the current financial year.

<b>2.0</b>	<b>Recommendations</b>
	<p>The Committee is requested to:</p> <ol style="list-style-type: none"> <li>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; and</li> <li>ii. approve the 2020/21 Work Plan to support the delivery of these ambitions, as set out below in sections 3.4-3.14, including the associated budget commitments.</li> </ol>
<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 6th March 2019, 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, the priorities set out in the corporate plan and the ongoing commitment to supporting inclusive economic growth.</p>
3.2	<p>Since April 2019, the Council has developed and delivered a range of activities to address the challenges around low levels of business start-up, innovation, competitiveness and productivity. Whilst work is ongoing to deliver the 2019/20 work plan to the end of March 2020, key achievements to date include:</p> <ul style="list-style-type: none"> <li>• 577 individuals have been engaged through Enterprise Awareness activities this year to date and have received support and guidance to start a business or social enterprise. We also launched the Enterprise Pathway initiative in partnership with DfC which aims to encourage the creation of new start-up businesses in Belfast, specifically targeting workless residents whose circumstances require enhanced levels of personal and enterprise support than is provided through our current mainstream provision;</li> <li>• By the end of January 2020, we had supported 360 individuals through the Go for It programme, supporting the creation of 221 jobs. 73 of these businesses accessed further support 1:1 specialist mentoring support and incentives to enable them to overcome barriers to starting up – the value of this to date is around £28,000. Since December 2019, we have created a start-up zone in St George’s Market which provides opportunities for new businesses participating in our business start-up programmes to undertake a period of test trading in order to refine their product and business model;</li> <li>• Through our support for social enterprises and cooperatives, we have engaged 172 individuals and organisations, supported the development of 21 new social enterprises and 4 new co-operatives and helped create 64 jobs to date. In this year we also launched</li> </ul>

our Crowd Funder campaign where 10 organisations will work with Crowd Funder UK to create their campaigns with the view of securing at least £10k to support their organisation. Due to the unique requirements of the co-operative sector, we have also uplifted our support through the current Social Enterprise and Co-operative programme in order to provide additional mentoring time and covering registration fees required by the co-operative businesses. This year, Belfast City Council was successful in winning the award for Local Council of the Year – Social Enterprise Strategy/Development at the Social Enterprise NI Awards;

- We provided support for 85 university/FE college student entrepreneurs and helped 20 develop their new businesses so far this year. Through our partnership with Invest NI, we have supported 6 of these students to access financial assistance to provide a salary and wrap around support for one year to enable them to start their business (financial support provided by Invest NI);
- We continued to deliver our support for high growth start-ups. This year to date we have engaged 61 businesses supporting the creation of 48 additional jobs. Since this programme started in 2018, we have supported a total of 120 high growth start-ups, increased the average turnover growth by more than £21,000 per company and have helped them to secure nearly £1m of investment from a range of sources;
- We continue to support the Innovation Factory (IF): occupancy levels are forecast to be around 65% by end of March 2020 representing approximately 320 jobs across 58 offices and 10 dedicated desks, in addition to the 21 business members and 19 virtual office users. Through its social regeneration and business support programmes in 2019/20, IF has facilitated 50 work placements, engaged with 416 businesses and has achieved a procurement spend of 84% of its budget within the Belfast area;
- We have provided business mentoring support for 130 small businesses, creating an additional 65 new jobs. Our export support programme has supported 28 companies to enter new international markets and increase sales of an average of £102,000 per company;
- We supported over 500 small creative businesses to network, showcase and do business internationally through the Output Belfast conference and showcase event and attendance at SXSW in Austin Texas;
- This year we also launched dedicated assistance for SMEs to enhance their digital and tendering skills, and so far 62 businesses have availed of this support;
- Through our partnership with Catalyst and Invest NI, 50 businesses participated in the Way to Scale boot camp in Belfast. 10 of the companies who demonstrated the most growth potential then participated in a week-long Boston-based programme which gave

them the tools to scale their business and identified market and investment opportunities in the USA. These visits were supported through our Boston-based Sister Cities contacts who were able to add value by providing additional one to one meetings and business networking opportunities. Half of the businesses who participated expect to exceed £2m in revenue over the next 2 years and 20% of participants are on track to exceed £500K of export sales within 18 months. The evaluation of the previous year's programme has highlighted that the companies have generated revenue of £10.1million and employed 116 staff, this is expected to increase to £25.4million and 148 staff before the end of May 2020;

- Belfast City Council's City Investment Service was launched in April 2018. The service aims to provide a dedicated access point and signposting service for investors to the city, in order to enhance their experience and encourage repeat investment. Since its launch, officers have engaged with around 90 businesses and have provided varying levels of support to 75 of those companies. We are currently in the process of evaluating the service and will be presenting recommendations for delivery at a future committee meeting. We also lever significant support through our Sister Cities contacts, particularly in Nashville and Boston, and have helped a number of individual businesses to identify new business growth opportunities or have introduced them to key business contacts and networks;
- We continue to work with our private sector partners to promote investment opportunities in key markets. This investment is essential to help us bring forward the ambitious plans for the development of the city, including the priorities for the city centre as discussed at the February meeting of the City Growth and Regeneration Committee;
- We continue to work in partnership with the eight councils located along the eastern economic corridor from Belfast to Dublin in order to profile relevant economic opportunities. We have commenced work on developing an economic modelling exercise which will provide a benchmark economic forecast for the corridor in the medium to long term and will identify key infrastructural and investment priorities;
- Through our financial assistance for events and conferences, we supported 17 events and conferences which engaged audiences with 4330 attendees. These events provided opportunities to profile the council's services for businesses and acted as key referral points for our support programmes;
- Through our Sister City connections, we have hosted a number of key business delegations. These included the Boston Irish Business Association (BIBA) which was accompanied by the Mayor of Boston Marty Walsh as part of the 5<sup>th</sup> Friendship Four Ice Hockey tournament in November 2019. Preparatory work is under way for a business

mission to Nashville in August 2020, subject to approval of a business case by Invest NI. The Deputy Lord Mayor and the Director of Economic Development will visit Nashville in early March 2020 in order to develop a detailed programme for the August visit, to explore existing partner connections between both cities and to engage in the inaugural Music City Irish Festival. A mid-term review of our international relations work will be brought back to committee in May;

- In order to provide an external perspective on economic development interventions, we established the City Innovation and Inclusive Growth Commission. This commission provides leadership and global experience to assist the council in developing economic growth programmes to deliver on the inclusive growth opportunities contained within the Belfast Agenda and Belfast City Region Deal. The next meeting of this group takes place on 4 March 2020 and an update report will be brought back to Committee at a future date.

3.3 Building on these achievements, the proposed work programme for the next financial year (2020/21) continues to align to the Growing the Economy pillar of the Belfast Agenda, the Corporate Plan, Inclusive Growth Framework and the priorities for the CGR committee 2020/21, as agreed at the February 2020 meeting of the committee. Across this work programme, it is expected that:

- 1270 individuals will access support to start a business
- 720 businesses will be supported through business growth initiatives
- 100 businesses will be engaged as part of our interventions to profile the city for investment. This work will also be shaped by the emerging City Deal proposals, including the investment in digital connectivity, infrastructure and innovation and will align to the Future City Centre Programme, as set out at the February 2020 meeting of the City Growth and Regeneration Committee.

3.4 An overview of the proposed projects and financial implications is 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 the impact of technology on the world of work. To support the delivery of the service, officers have been working to put in place new procurement mechanisms to enable the service to be more responsive to changing economic environment. We have also been working to develop more efficient ways of working which will be supported by the implementation of a management information system, enabling us to manage and track the

journey of the businesses accessing our support. We have also put in place a rolling evaluation process in order to measure not only the quantity of the businesses engaging with us but also to assess the quality of the interventions, based on their experience of engagement. This will ensure that we have a continual improvement process in place to inform our ongoing delivery. In addition to direct and commissioned delivery, we will support local events that are aligned to our priority areas of work, as set out in the report (total budget up to £100,000). Members are also advised that, for many of our business start-up and growth activities, we have secured match-funding from Invest NI and are therefore tied into obligations set out in funding agreements regarding the type of support that can be provided, the nature of the businesses that we can support and the outputs and deliverables that are expected from the investment. In order to ensure draw-down of the match funding, it is essential that we comply with all conditions of these funding agreements.

3.5 The programme is focused on five main areas, namely:

1. Starting a Business
2. Social Enterprise and Cooperative development
3. Growing a Business
4. Investing in Belfast
5. Future City Centre programme

3.6 1. Starting a Business

As a council, we have a statutory role in engaging new entrepreneurs and supporting them to develop the skills and capabilities to start their own business. However we acknowledge that the current provision has some significant shortcomings and limitations and are committed to refreshing the range of support in order to help us achieve the substantial shift that will be required in order to meet the targets set out in the Enterprise Framework. With the Enterprise Framework now in place, officers have been working in partnership with stakeholders across the city to put in place an action plan which takes account of the longer-term ambitions to increase the number of new business starts and to make existing businesses more productive and competitive. The Enterprise Framework recognises that, to achieve these ambitions, the council and partners must nurture a strong entrepreneurial culture across the city. We will continue to work with partners such as DfC and Women in Business to target individuals and groups such as females and the economically inactive who have the lowest levels of engagement in business start-up activity.

3.7	<p>To inform the future delivery of start-up support across the region, we are working in partnership with the 10 other councils across the region, Invest NI and the Department for the Economy (DfE) to inform and shape what our future offer needs to look like. While this is being developed, we will continue to provide an enhanced programme of business start-up support to entrepreneurs across the city. This includes access to business plan development, specialist mentoring support and financial incentives to support new businesses to overcome the barriers to starting up. We will also continue to work with partners across the council to ensure that new businesses have access to assets and resources to enable their businesses to thrive such as St George’s Market, the Innovation Factory and vacant properties within the city centre.</p>
3.8	<p>2. <u>Supporting Social Enterprises and Co-operatives</u></p> <p>Over the last number of years, the council has significantly increased its direct support for the social enterprise and co-operative sector (through mentoring support and access to financial incentives) as well as indirectly supporting the sector by exploring opportunities to increase access to council and other public procurement systems by the sector. While the sector is still relatively small (employing around 8,000 people in Belfast out of total employment numbers in the region of 230,000 jobs), it has grown significantly in recent years, moving into new areas beyond those traditionally associated with social enterprises. We will continue to support the growth of the social enterprise and co-operative sector across the city. This will include the delivery of capacity building and one to one mentoring to support the development of sustainable businesses. Through our support, we will continue to monitor the levels of engagement of co-operatives, bringing on specialist support through organisations such as Trademark Belfast and Cooperative Alternatives. We are working closely with the Centre for Local Economic Strategies (CLES) to ensure that we constantly keep our support for this sector under review. Aligned to this, we will work closely with Corporate Procurement Team to identify procurement opportunities for the sector and ensure they have the capacity to bid for these. Within this financial year, we have significantly enhanced the budget aligned to the delivery of support for the sector and will further develop funding models to address barriers for the sector following the evaluation of the Belfast Crowd Funder initiative.</p>
3.9	<p>3. <u>Growing a Business</u></p> <p>Enabling a vibrant and productive business base is a key priority identified through the Enterprise Framework. This is also part of the statutory remit of the council. To achieve this, we have been working with partners to ensure there is a clear and consistent continuum of</p>

	<p>support for businesses across the city. Internally we have been working to combine our business growth support under one framework to make it easier for businesses to access the support required to accelerate their growth ambitions. This year, we will launch a new intervention bringing together all of our business growth support under one umbrella. This will simplify the process for businesses and will mean that they can get ready access to the relevant support services in a timely manner. The Innovation Factory will also play an important role in this continuum of support to enable the growth of new innovative businesses in the city and we will continue to work with our delivery partner Oxford Innovation to maximise occupancy levels and to ensure an ongoing focus on the social regeneration benefits of our investment.</p>
3.10	<p>Over the coming years, our local business base will have to deal with changes to the operating environment as a result of the UK's exit from the European Union. We are working closely with partners in Invest NI and Intertradelreland to raise awareness of these issues and we will put in place dedicated support through Oxford Innovation at the Innovation Factory to help those businesses that cannot access support from the other organisations.</p>
3.11	<p>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. In the last two years, we have worked in partnership with Catalyst and Invest NI to deliver the "Way to Scale" programme. As outlined above there has been significant benefits to delivering this support for our high potential businesses and, in this new financial year, we would therefore recommend that that this is supported with funding of £60,000 to maximise the take-up by Belfast-based businesses. This project will be a joint initiative between the council, Catalyst Inc. and Invest NI.</p>
3.12	<p><u>4. Investing in Belfast</u></p> <p>The pilot City for Investment service proactively works with investors, both indigenous and FDI, providing connections to help businesses be successful in Belfast. The review of the service is underway and officers are working with Invest NI and with other business partners to develop a menu of support relevant to business needs. The findings will be brought back to committee for approval at a later date as part of our wider approach to international linkages and investment support.</p>
3.13	<p>We will utilise the connections through our partnership with the City of London Corporation to promote Belfast as a business location – particularly for financial services investment –</p>



	<p>and to support collaborations between businesses in both cities. 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. We will continue to work with the other councils along the Belfast-Dublin Economic Corridor to shape the future direction of the partnership and identify economic opportunities.</p> <p><u>Future City Centre Programme</u></p>
3.14	<p>This activity will align and focus on the delivery of the Future City Centre programme, as discussed at the February meeting of this committee. The aim of this programme is to create a dynamic and experiential destination within the city centre. Priority activities will include business engagement, physical improvements, interventions to address city centre vacancy and city animation – including the Christmas programme. Updates on this work will be brought back to Committee for information and endorsement as appropriate.</p> <p><u>Financial and Resource Implications</u></p>
3.15	<p>The activities outlined in this report will be resourced from the 2020/21 budget for the Economic Development and International Relations sections of Place and Economy Departmental budget that was within the cash limit agreed for the City Growth &amp; Regeneration Committee at its meeting on 15 January 2020. The overall financial allocation is £1,395,000.</p> <p><u>Equality or Good Relations Implications/Rural Needs Assessment</u></p>
3.16	<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>Documents attached</b>
	N/A