

Economy Committee

10.00am, Friday, 13 February 2015

Business Improvement Districts and Town Centre Management Update: January 2014 – December 2014

Item number	7.6
Report number	
Executive/routine	
Wards	All

Executive summary

The purpose of this report is to update Committee on the activities which have taken place in relation to Town Centres and Business Improvement Districts by the Business Partnerships Team over 2014. The report provides a summary of ongoing and completed activity along with a list of upcoming projects.

Average Vacancy Rates for Edinburgh's eight town centres have continued to be lower than both Scottish and UK averages and are lower than Edinburgh's city centre average.

Links

Coalition pledges	P22
Council outcomes	C08, C019, C026
Single Outcome Agreement	SOA1

Business Improvement Districts and Town Centre Management Update: January 2014 – December 2014

Recommendations

- 1.1 The Committee is asked to
- Note the contents of the review as detailed in appendix 2; and
 - Approve the upcoming activity proposed for the service in 2015.

Background

- 2.1 A Town Centre Strategy was originally developed in 2009, after extensive research and input from businesses, shoppers and residents in all of Edinburgh's identified eight Town Centres.
- 2.2 This strategy was updated in 2013 and continues to inform the activity of the Town Centre Co-ordinator. One strand of activity is to support the development of local traders groups, some of which may subsequently develop into Business Improvement Districts
- 2.3 The Council recognises a Business Improvement District (BID) as a strong local partnership with a sustainable funding model that can be used to foster economic growth.

Main report

Business Improvement Districts

- 3.1 BIDs enable the Council and the private sector, other public sector bodies, and the third sector to work in partnership to achieve shared aims and objectives. The current Edinburgh BIDs generate approximately £1.2m per annum in levy income and have been successful in identifying and accessing additional sources of funding to support extra activities in their area.
- 3.2 There are three active BIDs in Edinburgh, current activity includes:-
- The [Essential Edinburgh](#) BID continues to work in partnership to deliver a programme of city centre events which will encourage Edinburgh residents to shop, dine and be entertained in the city centre. Over 2014, this has included the George Street Festival,

Spa in the City (offering 100 free beauty appointments), Film in the City (attended by over 11,000) and Style in the City initiatives; and Edinburgh Farmers Market. As a result, the area experienced significantly increased footfall in excess of its target of performing 2% ahead of the UK average;

- [Greater Grassmarket](#) has established a Saturday farmers' market to draw footfall into the BID area and developed a new brand identity and website to promote the area. In addition, the BID has delivered a Floral Enhancement Scheme and the Greater Grassmarket Mural Project and a 3 D Winter Lights Projection; and
- [Queensferry Ambition](#) was a key stakeholder in the successful delivery of the Forth Bridges Festival in September, a series of events that attracted substantial crowds to the area. This was also well received by local businesses, with nearly 60% in favour of a similar event in 2015. In addition, the BID delivered a series of Summer and Christmas Markets (which hosted up to 12 traders) in the High Street and developed a series of business networking events. and
- In addition, there is currently one BID in development in the [West End](#). The West End BID has consulted with local businesses and others and recruited a manager to oversee the ballot process, the result of which will be known in March 2015. If successful, the BID will contain over 150 local businesses and generate an annual levy of £115,000.

Town Centre Management

3.3 Vibrant town centres are drivers for sustainable local communities which help to create and retain jobs, attract new investment and enhance civic pride.

3.4 As an indicator of the health of local town centres, the Business Partnerships team collates and tracks information on the vacancy rates of each location. Edinburgh's town centres continue to demonstrate significantly lower rates of vacant units than both the Scottish and UK average. The most recent figures are demonstrated below:

Table 1 – Vacancy Rates

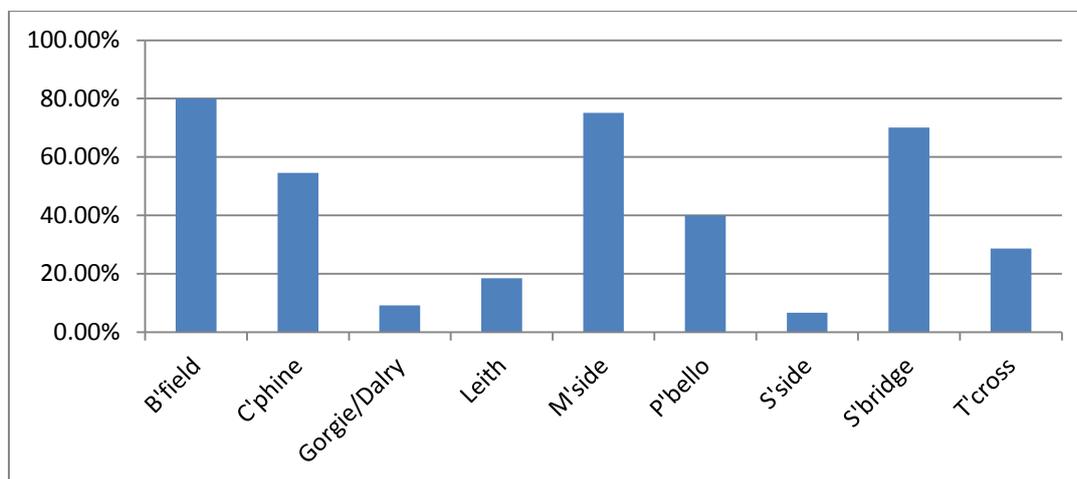
Edinburgh Town Centre Average (11/14)	5.70%
Edinburgh City Centre Average (Council Planning 09/14)	6.20%
UK Average (Springboard 07/14)	10.10%
Scottish Average (Springboard 07/14)	9.10%

The above compares positively to the average City-wide vacancy rate captured between 1986 – 2010 of 10%.

3.5

There has been a significant reduction in vacancy rates since current measurements were commenced in April 2012 (table 2). Whilst the average reduction has been 30%, some areas have seen even more dramatic falls. For example, in April 2012, the Bruntsfield vacancy rate was 5.21%; the rate in November 2014 was 1.04%, a reduction of 80%.

Table 2 - % Reduction in Town Centre Vacancy Rates Apl12 – Nov14



3.6

Over the last two years the number of Town Centre Co-ordinators has reduced from three to one. Despite this a series of low-cost, high impact activities has been delivered working with local traders and other relevant parties in as many town centres as possible. The focus has been to develop and implement events which align with and help to progress Coalition Pledge 22; to deliver a series of city-wide events to highlight the range and variety of Edinburgh's Town Centres and to generate media coverage whenever possible to support the above objectives. The activities are listed in Appendix 1.

- 3.7 The vacancy rates in each of Edinburgh's Town Centres in November 2015 is shown in table 3.

Table 3 – Town Centre Vacancy Rates at November 2014

Town Centre	No. of Businesses	No of Current Vacancies	% Current Vacancy Rate
Bruntsfield & Morningside	264	4	1.52%
Corstorphine	111	5	4.50%
Gorgie/Dalry	211	20	9.48%
Leith (&GJ St)	420	38	9.05%
Portobello	133	6	4.51%
Southside	255	14	5.49%
Stockbridge	192	3	1.56%
Tollcross	170	10	5.88%
Total	1756	100	5.69%

Upcoming Activity

- 3.8 Dependent on resources, Town Centre actions are planned for 2015 and are contained in Appendix 2.

Measures of success

- 4.1 The performance of the Town Centre Management function is currently measured against one key performance indicator, vacancy rates.
- 4.2 Vacancy rates are currently measured quarterly and compared to Scottish and UK averages as currently obtained from Springboard.
- 4.3 Town centre vacancy rates are also compared to Edinburgh City Centre vacancy rates which are gathered by Council officers on an annual basis.

Financial impact

- 5.1 The activities reported in this report have been met from the Economic Development Service budget 2014-2015 or will be met from the 2015-2016 budget.

Risk, policy, compliance and governance impact

- 6.1 The Business Partnerships workplan includes a risk register which is reviewed regularly throughout the year.

Equalities impact

- 7.1 The requirements for Equality Impact Assessments are measured on a project by project basis and assessments will be attached to relevant reports.

Sustainability impact

- 8.1 The requirements for Sustainability Impact Assessments are measured on a project by project basis and Assessments will be attached to relevant reports.

Consultation and engagement

- 9.1 The Business Partnerships Team works closely with a wide variety of private and public sector stakeholders including local traders associations where they exist. Each project has undergone consultation and engagement with relevant partners prior to and during development.

Background reading / external references

The following background reading is relevant to this report:

[A Strategy for Jobs: The City of Edinburgh Council's Economic Strategy 2012-17](#)

Greg Ward

Director of Economic Development

Contact: Steve McGavin, Head of Business Partnerships

E-mail: steve.mcgavin@edinburgh.gov.uk | Tel: 0131 529 6237

Links

Coalition pledges	P22 - Set up an independent forum to promote locally-owned retail businesses.
Council outcomes	<p>CO8 - Edinburgh's economy creates and sustains job opportunities.</p> <p>CO19 – Attractive places and Well Maintained – Edinburgh remains an attractive city through the development of high quality buildings and places and the delivery of high standards and maintenance of infrastructure and public realm.</p> <p>CO26 - The Council engages with stakeholders and works in partnership to improve services and deliver on agreed objectives.</p>
Single Outcome Agreement	SOA1 - Edinburgh's economy delivers increased investment, jobs and opportunities for all.
Appendices	<p>1 – Town Centre Activities 2014.</p> <p>2 – Planned Town Centre Activities 2015.</p> <p>3 – ATCM Presentation Slides December 2014 .</p>

Appendix 1 – Town Centre Activities 2014

- **Portobello** – worked with local traders to develop summer and winter events in 2014, in particular the highly successful Christmas Street Festival. 30 local businesses participated in addition to buskers, a choir and Santa’s Grotto. Turnout was highly encouraging with discussions already commencing on a 2015 event. Encouraged local businesses to join together to form a trader’s forum;
- **Stockbridge** – additional support has been provided for LED lights in the trees in Jubilee Gardens to enhance the weekly open air market which hosts two dozen artisan, premium independent retailers;
- **Leith** – supported LeithLate 14 with a local on-street exhibition of Leithers to attract additional footfall to the area. LeithLate covers 25 local venues and has expanded into a two-day event. Arranged for Christmas Lights to be placed in Elm Row Gardens;
- **Gorgie/Dalry** – worked with a local social enterprise and a new investor to the City to establish an opportunity for a low-key corporate social responsibility event;
- **Busking Bikes** – collaborated with Edinburgh International Science Festival (EISF) to bring Street Science to six Town Centres (Morningside, Tollcross, Gorgie/Dalry, Leith, Portobello and Stockbridge) during Easter 2014;
- **Small Business Saturday (SBS)** – delivered the Scottish launch for SBS 2014 and hosted a visit by the SBS Roadshow Bus. Worked with Federation of Small Businesses (FSB), BIDs, Traders Associations, Town Centres and Business Gateway to encourage participation in Small Business Saturday on 6th December;
- **Retail Mentoring** – worked with FSB and Harvey Nichols to design and deliver seminars on window display and promotion via social media to small independent retailers. This event was followed by a city wide window dressing competition which was won by Maisie’s Giftware, a business in South Queensferry;
- **Vintage Trail** – the design and development of a brochure featuring over 100 businesses to highlight the range and quality of Edinburgh’s vintage offering and to encourage residents and visitors alike to explore town centres and BID areas;
- **Shop Local at Christmas** – a combined corex banner and stencil campaign across six Town Centres (Bruntsfield, Tollcross, Morningside, Gorgie/Dalry, Stockbridge, Corstorphine) to highlight

the quality and variety of the local retail offering in the run-up to Christmas; and

- **Association of Town and City Management (ATCM)** – hosted the December 2014 meeting of this UK networking group and presented on the Edinburgh Town Centre experience. A copy of the presentation slides are appended at Appendix 3.

Appendix 2 – Planned Town Centre Activities 2015

- Continue regular monitoring of vacancy rates;
- Collaborate with EISF to bring street science to a number of town centres;
- Explore opportunities to develop a number of sustainability initiatives including the offer of resource audits to independent traders and identification of locations in Town Centres for electric car charging;
- Develop a second series of retail mentoring events to bring together small independent shops and large, city centre retailers to share expertise and opportunities;
- Distribute 10,000 vintage trail brochures across Edinburgh outlets and beyond;
- Develop plans for a mural in Stockbridge in collaboration with local businesses and artists;
- Support a further tranche of the successful shutter project along Great Junction Street;
- Investigate opportunities to expand the scope of the shutter project into other town centres;
- Continue to investigate opportunities to work with traders in Corstorphine, including the proposed development at 181-195 St John's Road;
- Identify opportunities to animate empty properties;
- Support the roll-out of the trade waste project into town centres;
- Develop a brochure encouraging visitors and residents to visit town centres and beyond. The working title for this is "Unknown Edinburgh"; and
- Work with SBS, FSB, BIDs and local traders groups to expand Small Business Saturday 2015 into a week-long timetable of events, including Christmas lights switch-on, winter markets and illuminations.

Appendix 3 – ATCM Presentation Slides December 2014

Welcome to Edinburgh

- Pop 482K & rising (60k+ more by end decade)
- Unemployment (JSA) @ 2.6%, lower than Scottish & UK averages
- 42% working age adults educated to degree level or above – 2nd behind London
- Av Gross Earnings per resident (c£28k) – 2nd behind London
- Gross Value Added per resident (c£50k) - 2nd behind London

Welcome to Edinburgh

- Disposable Income per resident (c£17.5k) – 2nd behind London
- Foreign Direct Investment – 2nd in no of projects, 4th in no of jobs (ex London)
- 3rd best city to live & work after Reading & Aberdeen
- 17th best place to shop in UK
- Econ Dev > Business Partnerships > TCM
- Underpinned by TC Strategy (2009) – involving residents, visitors & businesses from all TCs

Welcome to Edinburgh

- 8 Town Centres
- 1750 units (ranges from 95 – 420)
- 3 BIDs & 1 in pipeline
- Current average Town Centre vacancy rate – 5.7% (down by an average 30% since 04/12)
- Edinburgh City Centre vacancy rate (09/14) – 6.2%
- 78% independent, 5% charities
- 200,000 residents within 1km

