



Living Lerwick Ltd

Annual Report 2014/15

Together Let's Make Lerwick Town Centre Better

Introduction - Living Lerwick Ltd

In 2012 the businesses in Lerwick Town Centre came together and voted to create a Business Improvement District. A BID is an organisation voted for by the businesses in a set boundary and funded by those businesses. The businesses saw that this would allow them to have a bit of control and input into the future development and direction of the town centre. It was also their best chance of making a big enough difference to the town centre to improve trading conditions for all businesses.

So far, nearly 50 areas across Scotland are developing a BID or have an operational BID already in place. The majority of these were started by small business owners or local groups who decided much more could be done to change and improve their area and trading environment. They are designed to bring together businesses and other stakeholders so that they can develop projects and activities which help boost the local economy. The businesses as a whole have a voice on issues affecting the area in which they trade, be it parking, cleansing, safety or the future long term direction of the area.

All properties in the BID area and listed on the Local Assessors Valuation roll are automatically

members of Living Lerwick.

This annual report is a summary of year 3 of the BID.

Management and Board of Directors

Living Lerwick Ltd is managed under contract by CU Marketing Ltd and is overseen by a board of directors. The current board of directors are:

Chair

Cynthia Adamson (M & Co)

Vice Chair

Steve Mathieson (Visit Scotland)

Directors

Emma Gibson (The Peerie Shop)

Gemma Jamieson (Specsavers)

Ben Mullay (The Camera Centre)

Stewart Jamieson (Harry's)

Gary Bain (LHD)

Craig Caldwell (TSB)

Outgoing directors were Ken Rae (J G Rae Ltd), Hazel Wiggins (Lodberrie Deli) and Darren Silver (D W Silver Antiques & Interiors)

Advisors on the Board

Alistair Cooper (SIC Councillor)

Linda Coutts (SIC Development)

Lindsay Tulloch (Northern

Constabulary)

Allan Wishart (SIC Councillor)

Chairman's comments

The third year of Living Lerwick has proven to be challenging as ever.

Despite the increased challenges faced due to the wider economy and public sector cuts, the board and management team have progressed quite a few projects. For some of these, the results will only be seen in year four.

The Winter Festival Parade was incredibly well attended again. A fantastic effort was made by the Peerie Foxes, Santa, the brass band, the Jarl Squad, Little Tykes, Tingwall Under 5's and the Brownies.

The first ever Lerwick town centre Shopping Week was held with music, sandcastles, pavement art and the main attraction was special promotions from the businesses.

Living Lerwick worked with People 1st to provide Customer Care courses. This enabled Living Lerwick to provide free courses to members which gave the businesses WorldHost recognition. Due to the number of members who took part, Living Lerwick also achieved WorldHost destination status for the town centre.

At this point, we need to consider how we want to manage our future in the town centre. We are over three years in to a five year BID, so if we want to continue using the BID

model to fund our Christmas lights, Christmas trees, flowers, bunting, shopping weeks, winter festivals, WorldHost destination status, etc. we need to start thinking about whether to renew our BID. Renewal means going through consultation, writing a new BID proposal and business plan and going to ballot to let members decide.

The area currently only receives statutory services from SIC as they can't justify spending money on the complementary services we used to receive such as Christmas lighting and the large Christmas tree. This means we are not in a position whereby donations from a few businesses will cover even the basic pre-BID activities people expect in their town centre.

We are interested in members' opinions on this and I would like to encourage you to speak to directors or the management team (who are in the office Mon - Wed 9-5).

These are exciting but challenging times for businesses within the area. It is important for us to grasp the opportunities available to make Lerwick town centre an even better place to work and equally importantly a place where the Shetland residents and visitors feel welcome and appreciated.

1. Small Town, Big Heart - Streets Alive & Shetland Street

Winter Festival



Following the first two Winter Festivals, Living Lerwick listened to the feedback received and provided additional elements to improve on the previous years.

Again, the Winter Festival kicked off with an incredibly well attended switch-on event in November 2014. The lights were magically switched on by the children from Peerie Foxes nursery with their magic wands. The Peerie Foxes and Santa led the parade, followed by Little Tykes, Tingwall Under 5's, brownies, the Jarl Squad, the Brass Band and others in fancy dress.



Living Lerwick repeated the Christmas lights, 50 small Christmas trees, advent boxes, Santa's Grotto and co-ordinated late night shopping from the first two Winter Festivals.

A temporary stage was constructed in Harrison Square and many of Shetland's top musicians and up and coming acts performed on Sunday afternoons.



A Spot the Trow competition was held, where 20 "Frozen Grand Pabbie" trows were hidden in shop windows throughout the town centre. Vintage films from the Shetland Moving Image Archive were projected in Burns Walk on Thursday nights. The end of the Winter Festival was marked with fireworks.

One last winter event was the World's Best Tattie Soup. Eateries in the town centre competed for the public vote on who makes the best Tattie Soup. The Havly Café won the prize.

1. Small Town, Big Heart - Streets Alive & Shetland Street

Shopping Week

Living Lerwick organised the first ever Shopping Week in Lerwick town centre this year. The idea behind having a shopping week was to give people extra reasons to come and have a look and to give the businesses an opportunity to showcase what they do.



The businesses really made an effort to draw extra people through their doors with: meet the maker events at Ninian, N-graved, J G Rae and Shetland Soap Company; shaving the legs of police officers at Boots; style advisors at M & Co; loyalty card launch and Shetland picnic by Marion Armitage at the Shetland Times Bookshop; product demonstrations and random daily prize winners at Harry's; competitions from the Peerie Shop and Ninian and promotions from Smiths of Lerwick, Westside Pine, George Robertson Ltd, the Peerie Shop, Phusiam Restaurant and many more.



Living Lerwick provided entertainment to encourage people into town. This included live music from local musicians on the stage at Harrison Square, a pavement art competition and a sandcastle competition.



Ultimately, the aim is have a Lerwick shopping week as successful as the one in Stromness but as it has been running for nearly 70 years, Lerwick has a fair bit of catching up to do.



2. Park and Bide

Park and Bide

The business forums which took place in the previous year, resulted in Living Lerwick being able to take member issues to those who have the power to deal with them.

During discussions with SIC Roads, it became obvious that more information was required on how members think about traffic flow in the town centre. Living Lerwick designed and distributed a traffic survey to members. Responses were collated and analysed to enable Living Lerwick to present the results to SIC Roads.

In nearly every issue the survey covered, members were nearly evenly split in their opinions. The results were passed to SIC Roads. Due to the split in opinion, it became very clear that Living Lerwick cannot represent members effectively in this area as there is no majority viewpoint.

One area where Living Lerwick could be effective was to provide obstacles to

prevent inconsiderate and illegal parking in the form of the heavy planters. The medium sized heavy planters shown in the image below were purchased in year two with assistance from Lerwick Community Council. These were planted up and strategically placed around the town centre.

Living Lerwick are in regular communication with SIC Roads and pass any relevant information gained on to the membership.



3. Improve What We Have

Improve What We Have

During the year, several large funding applications went in for various projects to improve the town centre. Unfortunately, none of these were fruitful. It takes a long time to prepare applications for these large funds and they are now massively oversubscribed due to public funding cuts.



Due to this, Living Lerwick has decided to change its approach and concentrate on applying for more small grants to fund the projects.

Work has continued on defining the Heritage Art Trail with an app and this will be the main area of focus in year four.

Flowers and bunting were provided throughout the town centre. This cost £5,265 and a Lerwick Community Council funding application brought in £1,000 towards the cost.

During year three, Living Lerwick provided five large planters, four of which have built in seating. This project was intended to add amenity to the area and solve member issues with inconsiderate parking. Two of the planters are in Harrison Square, two are at The Shetland Times Bookshop and one is outside Harry's as the directors strongly felt that something was required in memory of the late Harry Jamieson, who was instrumental in setting up Living Lerwick as well as being a very respected figure in the town.

£3000 funding was applied for and received from the Community Development Fund to part pay for the planters. The SIC Bridges project designed and made them, which gave young people skills to build on in their future careers.



4. Give a little - Gain a lot and 5. Let's Keep it Safe

WorldHost Destination Status

Living Lerwick negotiated and administered a programme of free WorldHost customer care training for members. The majority of the work was done in year three, with the courses being run at the beginning of year four.

WorldHost is the recognised training standard which has been used at the Commonwealth Games Glasgow 2014 and other high profile events.



Reduce Costs

Living Lerwick work with More for Business, which provides a cost reduction scheme to BID members. This scheme provides businesses with cost savings on utilities.

More bang for our bucks

In year three, £29,000 worth of external funding has been drawn in for investment in the projects outlined in the business plan. Funding was obtained from SIC, the Community Development Fund, People 1st and Lerwick Community Council. Some of this is for projects in year 4.



Say What We Think/ Let's Keep It Safe

The management team and directors regularly have meetings with relevant SIC departments to keep up-to-date with development plans, put forward the views of the members where this is possible and encourage consultation with members when it is not.

A high number of businesses were keen to improve their customer service and make a commitment to WorldHost standards by training their staff. Since enough businesses gained WorldHost Recognised Business Status, Living Lerwick applied for Lerwick town centre to become the most northerly WorldHost Recognised Destination in the UK.

Improved Information Flow to Members

The management team pass information to members on course availability and any issues which are believed to be relevant.

The Future

The Team

There have been changes on the board during year three due to businesses moving out of the area or being sold. Three new directors have subsequently joined the board, bringing in fresh perspectives on the BID.

CU Marketing Ltd have the BID management contract and staff currently working on Living Lerwick are Christena Irvine (BID Manager) and Tracy Lobban (Finance Officer).

Small Town, Big Heart

The focus for year four under this objective will be increased promotion of the businesses through a new improved website, continued sharing of members posts through social media and improving on existing events.

Park and Bide

In year four, we will continue to work with other organisations on the improvement of parking in and access to the area.

Improve What We Have

In year four, we aim to put the plans for a Heritage Art Trail into action. This project aims to encourage people to find out about the rich heritage of the town centre by

making it very easy for them to explore and learn through a mobile phone app.

This project aims to encourage cruise liner passengers, locals and visitors alike to move through and explore the area.

It is hoped this project will serve as a lasting legacy from Living Lerwick and the businesses who contribute.

Give a Little - Gain a Lot

Living Lerwick will continue to search for ways to reduce costs for businesses, bring in external funding, make the views of business owners count where it matters and circulate information on training and support.

We will also continue to support the WorldHost destination status for Lerwick town centre by providing WorldHost training for members.

Let's Keep Lerwick Safe

Living Lerwick will continue to liaise with Northern Constabulary on safety concerns. The situation will be monitored and action stepped up as appropriate under this objective.

Income and Expenditure

Income

The business improvement levy plus other funding streams are used to deliver the projects laid out in the business plan.

The Shetland Islands Council invoices and collects the Business Improvement Levy and passes this on to Living Lerwick. This year has seen the start of the enforcement process for any arrears from years 1-3. The SIC, using the collections powers available to them, are progressing this through the court.

Other income shown for the year contributes towards operational and BID management costs, the Winter Festival, Summer flower scheme and the WorldHost course administration.

Expenditure

The biggest expenditure each year is Small Town Big Heart which includes the Winter Festival, Shopping Week, and the promotion of members businesses through social media. Cuts by the SIC saw the provision of Christmas trees and lights being stopped and Living Lerwick made a large unexpected investment in provision of this from year 1 of the BID.

Issues surrounding the SIC's ability to fulfil its obligations under the operating agreement with Living Lerwick has caused extra work for

the BID management team in the year and reduced the time available to work on projects. This, along with time spent on providing information to the SIC to progress the collections of arrears has increased the BID management cost for the year.

Reserves

Overall this year the income and expenditure account has shown a deficit. This is due to the majority of the projects being financed by the levy income this year, coupled with the time spent in dealing with issues surrounding the operating agreement with the SIC and the collection of arrears.

For year 4, the directors have carefully considered the focus of the BID and its priorities. The management team have drawn up budgets around the expected income for the year and the priorities identified to ensure no deficit occurs.

The reserves which have been built up over the first 3 years amount to £51,732 and are to be used as Living Lerwick's contribution to projects in years 4 and 5. For many grant applications the applicant is expected to contribute a percentage of the total project cost and this will help lever in additional funding required.

Income and Expenditure Report

Period 1st September 2014 to 31st August 2015

Full accounts are available to members from the Living Lerwick website.

Income

Business improvement levy	£75,401
SIC grants	£16,500
Lerwick Community Council grants	£2,000
WorldHost income	£1,300
Miscellaneous income	£952

Turnover

£96,153

Expenditure

Small Town Big Heart	£47,365
Park and Bide	£2,590
Improve What We Have	£15,636
Give a Little - Gain a Lot	£8,760
Let's Keep Lerwick Safe	£575
BID Management	£21,495
Operational Costs	£11,890
Total costs	£108,311

Deficit for the year -£12,158

Balance carried forward -£12,158

Living Lerwick Ltd is a 'Not for Profits' company and any surplus is carried forward to the following years, where it will be invested in delivering the projects in the business plan.



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LOTTERY FUNDED