

ACCESSIBLE RETAIL

BUSINESS PLAN

2008

April 2008

1. The Aims and Role of Accessible Retail (AR)

1.1 Mission Statement:-

‘To promote the retail warehouse property sector, representing the interests of owners, investors and occupiers together with their agents’

1.2 To achieve this, AR undertakes four principal activities for members:-

- a) lobbying to influence Government and statutory bodies to provide a regulatory framework within which the sector has to operate, in particular, town planning, tax and financial issues which will help the sector to meet consumer demands, improve efficiency and become sustainable;
- b) providing professional development and support to the business, corporate social responsibility and environmental aims of members including information sharing and best practice on a range of issues;
- c) organising dialogue and communication opportunities;
- d) raising funds for charitable purposes;

2. Membership and AR Management Board

2.1 In 2007-08, Accessible Retail had some 950 members, of which approximately 27% are owners and investors, 13% occupiers and 56% agents. The remaining 4% comprises other technical members.

2.2 The Accessible Retail Board has been appointed by the existing Executive Board members in line with the Articles of Association to represent the views of all its members. A structure chart with details of individual Board members is set out in Appendix A.

2.3 The Board meet on a monthly basis to discuss and implement the principal activities on behalf of the members.

3. Principal Activities – Key Considerations

Lobbying

3.1 Of AR’s four main activities, the one which most impacts on meeting consumer demands and improving efficiency and sustainability is lobbying undertaken in response to proposals by Government including raising issues of concern to members. Work is directed towards issues which affect value and income with campaigns being both proactive and reactive. Where expedient, cost effective and our interests are aligned, AR will support the campaigns of other trade bodies and organisations, otherwise it will act directly on behalf of members.

- 3.2 To lobby effectively, AR must gain the trust of Government. Firstly, this requires it to gain a reputation for expertise and knowledge and secondly, to be recognised as speaking for the sector. The commissioning of independent research is vital to the first of these requirements and having a strong representative membership essential to the second.

Professional Development and Support

- 3.3 Important also, is the provision of an annual conference and yearly programme of professional development seminars which AR organises to help members keep abreast of new issues and developments in the sector and to exchange views and ideas about the industry.

Dialogue and Communication Opportunities

- 3.4 AR organises events for members at which the opportunity for dialogue and communication is an important part. In addition to professional development seminars, the Annual Conference attracts some 350 delegates and has become a strategic event in the AR calendar. The AGM is combined with a study tour and dinner and is usually held in the regions. An annual charity lunch is held at Christmas attended by some 1000 members and guests at which substantial amounts are raised for valued charities.
- 3.5 In addition to these main events, there is a full programme of sporting and activity events which are again attended by members and guests throughout the year which are generally sponsored, these include clay pigeon shooting, golf days, football matches and tenpin bowling amongst other fun activities. Many events are repeated on an annual basis but, also, AR endeavours to offer a varied choice of new events each year.
- 3.6 Events are as self-financing as possible, but where this cannot be achieved and there are clear benefits to the AR membership at large, AR funds are used to support them.
- 3.7 In addition, the AR website and newsletters ensure that members are kept up to date with the principal activities of AR, particularly current lobbying campaigns, supporting research and networking opportunities.

Charity Fund Raising

- 3.8 Charity fund raising is the fourth main AR activity. The main source of funds is an annual programme of charity events culminating in the Christmas lunch. How AR approaches making charitable donations is contained in an adopted policy. In this, 75% of funds raised are reserved for a core charity (currently the Variety Club) and 25% for member requests. Charitable monies raised at events, especially the Christmas lunch, are ring-fenced and AR only acts as a conduit for monies received.

4. Progress Made Towards Achieving Aims and Objectives

Lobbying

- 4.1 Over recent years, Accessible Retail has progressed significantly towards achieving its aims and emerged as the leading representative body in the sector. Three campaigns have been undertaken and three are in progress. A major contribution was made to the development of planning policy through the sector's representations on PPS6 resulting in some steps being taken towards relaxing the strict anti out-of-centre retail policy framework. In particular, planning authorities were required to consider new business models and weight could be given to the impacts of development including regeneration.
- 4.2 The second made a major contribution to the Barker Review of the Land Use Planning System (2006) commenting that planning policy failed to take full account of the need to secure economic growth, employment and productivity gains and to make this one of its core aims. Government has responded positively announcing it will make changes to the planning system to secure better integration of economic, social and environmental objectives and in 2008 issued a consultation draft of a new planning policy statement (PPS4) on economic development clarifying national policy.
- 4.3 Third, in conjunction with Business in the Community Under Served Markets Unit, AR commissioned independent research (2006) on the contribution the retail sector makes to the economy, employment and regeneration. This research identified a much more positive picture of the benefits which retail employment can bring to achieving current policy aims, in particular, securing regeneration, reducing social exclusion, improving skills and preparing people for a working lifetime, than is conveyed in the current negative perception of the value of retail jobs
- 4.4 Three new research projects/campaigns are currently underway. The first looks at the factors which affect town centre viability and vitality. PPS6 sees all out-of-centre retail development simplistically as a threat to town centres and fails adequately to consider other factors which could threaten town centres or recognise that out-of-centre development can be complementary.
- 4.5 The second will survey annually the contribution the sector makes to growth in GDP, improvements in efficiency and competitiveness, growth in sustainable employment and investment with a view to building up support for the sector within Government, particularly the Treasury and the new Department of Business for our industry. The third new project will identify the sector's response to the promised planning policy guidance on promoting economic development. More details on these projects are set out in Appendix B.

Professional Development and Support

- 4.5 The provision of professional development seminars and networking events for members has continued to grow in size and number and the annual conference is now recognised as one of the premier events for the sector and the retail industry.

Networking Opportunities

- 4.6 Some 350 delegates attend the annual conference and, taken together, approximately 1000 members the professional development seminar and other events. In addition, the AGM is combined with a visit to a new warehouse development and a dinner and there is an annual charity lunch at Christmas attended by around 1000 members and their guests.

Charity Fund Raising

- 4.7 The main source of funds is the annual Christmas dinner. Over the last year AR has raised in excess of £50,000 enabling donations to be made to a number of charitable purposes. Raising money for charity is a major function of AR social events with the Variety Club currently the main beneficiary. Charity monies do not form part of our business plan and do not appear within our annual accounts, monies raised being ring-fenced for charitable distribution.

5. Key Operational Targets for the Next Three Years

Lobbying

- 5.1 To secure its lobbying objectives, Accessible Retail will develop and adopt a public affairs policy. Three key operational targets have been set to:-
- a) show Government that a healthy out-of-centre retailing sector is an important part of the retail industry and the economy and vital to its plans to achieve economic growth, increased competitiveness and a restored pension and savings industry;
 - b) demonstrate to Government that these benefits will not be delivered if the sector has to operate within a restrictive regulatory framework, particularly the planning regime;
 - c) improve the image and profile of the sector as a respected and necessary part of everyday life.
- 5.2 In particular, regarding lobbying:-
- a) although the authority of Accessible Retail to speak for the sector is increasingly being recognised by Government, the relationship must be developed;
 - b) the authority of the organisation to speak for the sector would be enhanced by bringing more of the major retailers into membership;

- c) the current resource base is adequate, but must be maintained to sustain a leading industry lobbying role in the long term and a multi-year Business Plan is required to plan this on a proper basis;
- d) AR must develop an active relationship with the media and become the first point of call for comment and opinion.

5.3 More details on this aspect of AR's work are set out in Appendix C.

Professional Development and Support

5.4 The present programme of professional development events will be maintained and developed further.

Dialogue and Communication

5.5 To secure its objective to extend members involvement and improve the services provided for them, AR will develop the web site as an interactive communication tool with members.

5.6 In addition, AR will continue to seek to grow its core membership of owners, investors, occupiers and their agents. Other consultants may be invited to become members by the agreement of the Board.

Charitable Fund Raising

5.7 The present programme of fundraising events will be maintained. In 2008, 75% of all monies raised will go to the Variety Club with 25% going to charities chosen by the Board that have relevance to its membership.

6. The Business Plan for 2008

6.1 The purpose of this Business Plan is to address these aims and needs and provide a framework for the successful implementation of AR's principal functions.

6.2 The plan sets a policy framework for the next three years and a budget for the next twelve months. Over the next year, it is intended it will be developed into a full three year rolling plan and budget with annual reviews.

Budget 2008

6.3 To undertake the actions identified above to secure key targets will require the maintenance of current resources over the period of the Plan. In particular the budget will need to continue to fund the research programme and enable the Chief Executive to spend more time actively lobbying on behalf of the organisation.

6.4 The broad make-up of the Budget for 2008 is:-

Income:

£110,000 (£50,000 subscriptions, £60,000 events surplus)

Expenditure:

£39,000 Running Costs (administration, insurances, accountants, staff)

£14,000 Communication (handbook, website, newsletters)

£57,000 Lobbying (research, staff)

Revenue Reserve:

£20,000 (emergencies and unforeseen lobbying issues)

6.5 In general, subscription income covers AR's running and communication costs and the surplus from events the costs of lobbying.

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APPENDIX A

BOARD DIRECTORS

BOARD MEMBERS STRUCTURE CHART ON WEB SITE

APPENDIX B: PROGRESS MADE TOWARDS LOBBYING AIMS

1. First, a major contribution was made to the development of planning policy through the sector's representations on PPS6 and the new controls on mezzanine development. The research undertaken in support of these submissions has begun to establish the need for a fresh dialogue with Government on how modern retailing is provided and its relationship with town centres and out-of-centre sites. As a result, when published in 2005, PPS6 took some steps towards relaxing the strict anti out-of-centre retail policy framework in that LPAs were required to consider new business models and weight could be given to the impacts of development including regeneration.
2. Second, AR made a major contribution to the Barker Review of the Land Use Planning System (2006) commenting that planning policy failed to take full account of the need to secure economic growth, employment and productivity gains and to make this one of its core aims. Evidence was produced showing that planning policy does not recognise the significant contribution made to economic growth, employment and improved competitiveness by our sector and that the view that out-of-centre retail development is a prime cause of

town centre decline and is less sustainable environmentally is not supported by adequate research. The Government has responded positively announcing it will make changes to the planning system to secure better integration of economic, social and environmental objectives and in 2008 has issued a consultation draft of a new planning policy statement (PPS4) on economic development clarifying national policy.

3. Third, in conjunction with Business in the Community Under-served Markets Unit, AR commissioned independent research (2006) on the contribution the retail sector makes to the economy, employment and regeneration. This research identified a much more positive picture of the benefits which retail employment can bring to achieving current policy aims, in particular, securing regeneration, reducing social exclusion, improving skills and preparing people for a working lifetime, than is conveyed in the current negative perception of the value of retail jobs. It showed that retailing is generally seen by those employed in it as a positive experience which enhances their employability, provides flexibility and employment security and helps bring about regeneration and the improvement of deprived communities. Since the research was published, it has been quoted in other subsequent research into retail and regeneration and Government officials have indicated that further work by the Under-served Markets Unit will seek to inform upcoming policy reviews including PPS6 and PPS4.
4. Three new research projects/campaigns are currently underway. The first concerns the factors which affect town centre viability and vitality. Generally AR believes that these matters are not dealt with properly in terms of national planning policy because PPS6 sees all out-of-centre retail development simplistically as a threat to town centres and fails adequately to consider other factors which could threaten town centres and that out-of-centre development can be complementary. Also, that there is not one model for town centres based on a full range of retail outlets, but a range with functions such as culture, tourism or evening entertainment complementing other primary activities. To remedy this, AR has commissioned GVA Grimley to identify the factors and circumstances which lead to town centre growth or decline. The research has been split into two parts: the first, which is completed, examined the field of published research, plus some original data analysis and short case studies to identify possible factors leading to these two outcomes. The second part will examine the operation of these factors in more detail in a representative sample of town centres with a view to identifying a set of principles which can inform policy in PPS6.
5. The second new project will establish an annual survey of the contribution the sector makes to growth in GDP, improvements in efficiency and competitiveness, growth in sustainable employment and investment with a view to building up support for the sector within Government, particularly the Treasury and the new Department of Business. The key aims of these powerful ministries are to achieve growth in GDP, improvements in efficiency and competitiveness, growth in sustainable employment and investment and AR has decided it should map out on an annual basis the contribution the out-of-centre retail industry makes to these four targets.

6. The data proposed to be collected includes: retail sector output; out-of-centre retail spend as a % of all retail spend; inflation/deflation in retail prices and consumer prices; out-of-centre volume growth as a % of value growth; % increase in out-of-centre floor space efficiency; % of all retail employees employed in retail warehouses; % increase in retail staff productivity; retail contribution to employment by age, gender, ethnicity and qualification; amount (£billion) invested in retail warehouses; and performance of funds with high exposure to retail warehouses compared with those with a low exposure. It is hoped to begin the survey in 2008.
7. The third new project will identify the sector's response to the promised planning policy guidance on promoting economic development. .

APPENDIX C: ACTIONS TO BE TAKEN TO ACHIEVE LOBBYING AIMS

1. To achieve its lobbying targets AR will seek to work with Government to secure a better mutual understanding of the dynamics of modern retailing. Where appropriate, it will work alongside and develop relationships with allied sector and industry bodies and:-
 - a) seek to hold regular meetings with officials;
 - b) build up contacts with ministers and their special advisers;
 - c) attend party political conferences;
 - d) build up contacts with backbench constituency MPs and members of the House of Lords;
 - e) maintain contact with opposition parties;
 - f) expand its influence to as wide a range of stakeholders as possible;
 - g) seek to be involved in the formulation of policy before it is finalised for the purposes of consultation;
 - h) where appropriate, share and give support to the Government's agenda;
 - i) monitor publications such as Hansard;
 - j) make the results of its research available in succinct summary form.
2. To improve the image of the organisation and the sector, Accessible Retail will use and develop its contacts with the media to highlight the benefits the sector brings to the economy and society in general. It will:-
 - a) speak at conferences;
 - b) contribute to articles etc;
 - c) ensure that its views and concerns are reported in the general and business press as well as the specialist retail and property press;
 - d) publicise the sector's success and good news stories;
 - e) investigate a new corporate image and logo.

