



SUNDAYS IN THE CITY - BELFAST

USDAW CONSULTATION RESPONSE

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INTRODUCTION

Usdaw, the Union of Shop, Distributive and Allied Workers, is the UK's fifth largest union. Membership is over 410,000 and has increased by nearly a third in the last decade, with over 18,300 members in Northern Ireland.

Retail is the largest sector of employment in Northern Ireland with 136,000 staff – an average of 7,555 retail workers in each Northern Ireland constituency, comprising 15.4% of all employment. Usdaw has agreements with some of the biggest retailers in Northern Ireland and Belfast, with members in Tesco, Sainsbury's, Co-op, Primark, Poundland and Argos.

This is what gives Usdaw a unique insight into the current crisis facing retailers and retail workers. Based on this knowledge and insight Usdaw published our proposed industrial strategy for the sector that involves both local and national government, retailers and all key stakeholders working together on this matter (www.usdaw.org.uk/industrialstrategy).

In light of the challenges facing the sector, Usdaw welcomes the opportunity to respond to the Consultation on 'Sundays in the City' with a specific focus on the retail sector and the question of Sunday trading. In a broader sense, we look forward to engaging and working together with Belfast City Council to share our experience and knowledge of retail and to help the Council develop a strategy that prevents further store closures and job losses, with a long-term view of driving footfall and economic growth across the City.

EXECUTIVE SUMMARY

Usdaw is fully committed to working with the Council and other interested parties on supporting and improving the wider weekend retail offer and we are also supportive of Belfast City Council's aim to improve the current offer to tourists.

However, on the question of extending Sunday trading hours, Usdaw remains opposed on numerous grounds.

Following our recent survey of members in Northern Ireland, 91.69% opposed the proposal for extended opening hours. If Belfast City Council allows large stores to open for longer hours on Sundays, there would be a large and negative impact upon retail workers, their families and their communities.

Sunday trading would take a heavy toll on staff who work in large shops who would come under even more pressure to work on Sundays. This would increase pressure on families who would have less time to spend together (especially those with children at school) and on communities which would be less able to organise sports, leisure activities and worship on Sundays.

There would be a detrimental impact on smaller retailers in Belfast City Centre who can already open longer hours on Sundays. These traders rely on the boost in trade they get on Sunday morning, with St George's Market being a prime example.

This issue is not a new one in Northern Ireland. When a change in the law was considered in 2011, it was rejected following consultation. The Minister for Social Development stated in an answer to an oral question of 17 October 2011 that 'there is no firm evidence that deregulation would bring economic benefits' and that he agreed that the campaign to extend Sunday opening hours was 'wrong' and that it is important to 'protect the difference that Sunday brings in the weekly calendar: it should be a day for family, relaxation and recreation'. This outcome upheld the view that 'the current law was regarded by those who introduced it as a reasonable compromise between strongly held and competing views'.

Crucially, even the proponents of extended Sunday opening hours have not been able to show it will lead to economic benefits or job creation – longer opening hours do not mean people have more money to spend.

This is why there is no appetite from retailers to extend trading hours, on Sunday or any other day of the week. In fact across the UK there is a growing trend of retailers reducing their trading hours. It has become increasingly apparent that longer trading hours does not translate to a boost in profits but merely redistributes sales, while at the same time increasing costs and overheads. However, the 'domino effect' would mean larger stores would be forced to open to retain customer loyalty and gain a competitive advantage. Retailers are used to changing staffing hours to suit shopping times, so staff would simply lose working hours in the week and have to work on Sundays.

If Belfast City Council is committed to creating an enhanced city centre retail offer to drive footfall and economic growth, then fundamental change is needed. The challenges in retail are due to an accumulation of factors over many years, with some being more complex than others. Retailers have been vocal about their priorities and what is needed to help the sector in this current climate and this is sharply focused on fundamental issues such as business rates, high rents/long leases and many other factors that have burdened the sector in recent years.

Addressing these issues on a local level would help to improve Belfast's retail offer and drive economic growth across the City Centre and wider Belfast area, not just on a Sunday but seven days a week.

BACKGROUND

Shops (Sunday Trading & c) (Northern Ireland) Order 1997

On the matter of Sunday trading, the Shops (Sunday Trading & c) (Northern Ireland) Order 1997 allows:

- Small shops (those with a floor area not exceeding 280 square metres) to open at any time on a Sunday.
- Large shops (those with a floor area greater than 280 square metres) to open between 1.00 pm and 6.00 pm (except on Easter Sunday or when Christmas Day falls on a Sunday).
- Local authorities to designate particular areas as 'holiday resorts'. In these areas, large shops may open at any time on a Sunday for up to 18 Sundays (other than Easter Sunday) between 1 March and 30 September.

The current arrangement provides a reasonable level of balance, allowing large shops to trade for part of the day and meaning that smaller shops can open for longer, staffed by family members, or by very few staff, helping small shops remain viable and preserve the high street.

In the past two years there has been two consultations on the proposal of extending Sunday trading hours and a clear decision by the Council to reject the proposal and the detrimental impact it would have on retail workers, their families and their communities.

Results of Usdaw's 2020 Survey of Members: Headlines

In gathering evidence to respond to this consultation, Usdaw once again surveyed members in Northern Ireland to see if there had been any change in their opinions or circumstances.

The recent results are in line with the survey we conducted in 2018, with no indication from the findings that views/circumstances have changed over the past two years. The results from the surveys clearly demonstrate the strength of feeling of Usdaw members, and retail workers, on this subject.

The headline results from the 2020 survey are:

- 91.69% of respondents thought that shops **should not open longer on Sundays**.
- 82.54% of respondents currently **work at least some Sundays** whilst over a quarter work every Sunday.
- Over two-thirds of respondents (68%) said that they have **already come under pressure** to work on Sundays.
- 41% of respondents have some form of **caring responsibilities**, either for children or sick or elderly relatives.
- 61.49% said the main impact on them and their family from working Sunday was **less time with family/friends**.
- We directly asked members the same question as Belfast City Council's Sunday in the City Survey¹. Members were asked what would make *'Belfast a more attractive tourism, shopping, leisure or family destination'*, with respondents identifying *'More cultural activity and live events'*, *'More family friendly events'* and *'Better public transport'* as *'most likely'*. The *'least likely'* option was categorically *'Extended retail opening hours'* (58% of total survey respondents scored this as the *'least likely'* out of all options).

SUNDAYS IN THE CITY

Belfast City Council have stated that their rationale for 'treating Sunday as distinct from other days is that current usage levels and patterns on a Sunday are very different from other days of the week'. This is true to some extent but not necessarily a rationale or indication of a consumer demand for change. The link between a strong retail sector and a city's tourist appeal is nuanced and debatable. It is not as simple as saying extended opening hours for a larger store automatically translates to a strong offer to tourists or weekend visitors.

For example when looking at the high level of occupancy rates on a Saturday night in Belfast and the booming evening economy, it is understandable that the Sunday morning after period runs at a more slower and leisurely pace.

For those visitors or tourists who do want to take in the sites on a Sunday morning, there are numerous options. At weekends huge numbers flock to key attractions including the Titanic Museum, the Giant Causeway, the Peace Wall, not to mention filming locations used in Game of Thrones and other Game of Thrones related experiences.

For cruise ship visitors who arrive at 8:00 am, there are numerous options available. As stated by Visit Belfast: *'There's lots to do in Belfast on a Sunday. You may want to attend a morning service at one of the city's stunning cathedrals, browse the stalls at the award-winning St George's Market, explore stunning art collections at the Ulster Museum or take one of the many sightseeing tours to learn more about our great city'*².

¹ To what extent do you feel each of the following would make Belfast a more attractive tourism, shopping, leisure or family destination on a scale of 1 (most likely) to 5 (least likely)? Options for respondents: Better Information on what's on, More choices of restaurants/venues to eat/have coffee/have brunch, More cultural activity and live events, Extended retail opening hours, More family friendly events, Extended opening hours for cultural venues such as museums/galleries/art centres and Better public transport.

² <https://visitbelfast.com/article/top-things-to-do-on-sunday-in-belfast/>

The offer to tourists, whether staying for the weekend or arriving for the day, is undeniably strong. Belfast Harbour was recently named the best port of call in the UK and Ireland for cruise ships by a global panel of cruise experts as part of the 2019 Cruise Critic Editors' Pick Awards.

In regards to the City's retail offer, in many ways a diverse and balanced retail sector, with unique and independent local businesses, complementing cafes, bars, and other cultural attractions is the most desirable combination when developing and marketing a city to tourists. An example of that unique offer is St George's Market. The market has a long history in Belfast and therefore has huge appeal to tourists. Footfall figures indicate that this is the busiest opening day of the market, and that the 10 am to 2 pm period is the busiest time of the day³. If large stores are open, it is likely that at least some of this trade would be cannibalised, undermining the viability of the Market and the beneficial effects it has on Belfast's tourism offer. The move would also impact smaller shops across the City Centre.

This proposal is not the first time that extension of Sunday trading hours has been considered in the UK in relation to catering for and boosting tourist numbers. The extension during the 2012 Olympics and the relaxation of Sunday trading restrictions on Guernsey at the end of 2015 were both linked with tourism.

In the case of Guernsey, which had much more restrictive Sunday trading arrangements than those currently in operation in Belfast, arguments were made that extended Sunday trading would be beneficial for tourists and increase the appeal for cruise ships.

Whilst there has not been a definitive economic analysis of the impact of the extension, there are two clear indications that it has not had the desired effect:

- Retailers have reported that there has not been a noticeable improvement in trade.
- At the time of the extension, the Jersey Chamber of Commerce said it would be monitoring the situation on Guernsey with a view to pushing for a similar move on Jersey if the extension proved successful. There has been no push for extended Sunday trading on Jersey to date.

In designated 'holiday resorts' across Northern Ireland where retailers have the option to open for longer hours on a set number of Sundays, such as Derry or Strabane, there is no clear evidence that a) this has helped boost tourist numbers b) that stores opening have seen a boost in profits. According to research from Retail NI, public registers of District Councils that have designated themselves as a 'holiday resort' gave an indication that businesses on the registers are not motivated by increasing the tourism trade in the area, but are instead attempting to gain a competitive advantage.⁴

If Belfast City Council extended Sunday trading hours, this could lead to a souring of relationships with neighbouring Councils who would complain of losing trade to shops in the City Centre which can open longer. Essentially, once the doors to longer Sunday trading hours are opened for Belfast City Council, there would be a continual pressure on other councils to extend opening hours for large stores, regardless of the impact on retail staff, small stores and local communities.

ECONOMIC EVIDENCE AGAINST EXTENDING SUNDAY TRADING

In the debate on Sunday trading legislation, it is often claimed that additional opening hours on Sundays would boost local economies and assist with regeneration and in the context of the current retail crisis, drive sales and profits for retailers.

³ https://yoursay.belfastcity.gov.uk/development/sundays-in-the-city/supporting_documents/City%20Centre%20Revitalisation%20ProgrammeSundays%20in%20the%20City.pdf pg.6
⁴ <https://www.retailni.com/sites/default/files/policydocuments/Response%20to%20BCC%20Consultation%20on%20Sunday%20Trading%20Hours.pdf>

The economic evidence overwhelmingly demonstrates that not only would this not help retailers, but this move could be detrimental to retailers. There are numerous sources including UK Government consultations, economic analyses and the results of the trials of extended Sunday trading during the Olympics which have shown that there is no economic benefit and that longer Sunday opening by large stores damages the viability of small stores.

- **Extensive consultation by the Northern Ireland Assembly** in 2011 concluded that 'there is no firm evidence that deregulation would bring economic benefits' (Mr McCausland, Minister for Social Development, Oral Answer 17 October 2011 AQO 562/11-15).
- **The British Retail Consortium's figures showed that during the Olympic Sunday Trading period, retail sales fell by 0.4%** compared to the previous year (BRC monthly footfall indices, August 2012). BIS reported that analysis of ONS data for the period shows the impact was, 'largely inconclusive in terms of economic benefits, with modest benefit to the larger retailers but a more significant loss to smaller retailers'. (Letter from Jo Swinson MP, BIS Minister, to John Hannett, June 2014).
- **The UK Government's Red Tape Challenge** in 2011 received around 3,000 responses from companies, retail staff and third parties. At least 90% of respondents supported the retention of the Sunday Trading Act. Following the consultation, the UK Government's 'retail sector champion' Kevin Hawkins, a former Director General of the British Retail Consortium, said about supermarkets and restricted Sunday opening: "They have all lived with it very well. What we have got is a workable compromise. Most people seem to be satisfied with it most of the time".
- **The UK Government's Cost-Benefit Analysis** of deregulation of Sunday trading in 2006 concluded that extending the hours of Sunday trading would not result in any increase in retail sales or in employment. Furthermore, the report stated that liberalisation of Sunday trading would have a detrimental effect on small stores (and therefore on High Streets) and would also speed up reductions in Sunday premium pay for staff.

Retail is an ultra-competitive sector and retailers' actions will often be guided by a fear of losing customers to rivals. Therefore, in spite of the lack of economic benefits, many retailers would feel under pressure to open longer hours on a Sunday even though the reality is that this would simply become an added cost pressure for stores. This so-called 'domino effect' could have severe consequence for many retailers in Belfast who are already struggling to keep their heads above water.

EXTENSION OF SUNDAY TRADING – THE IMPACT ON SHOPWORKERS

In the current climate, retail staff are working under a cloud of uncertainty/insecurity, and morale in the sector is at an all-time low. The constant cycle of restructures, store closures and contract variations has left staff overworked, underpaid and feeling very insecure.

The recent intensifying of competition in retail, the squeeze on costs and overall staffing reductions have led to more widespread practices of changing staff hours 'to suit the needs of the business' and increased flexibility demanded of staff to match their working hours to the times when shops are most busy.

Many retail workers are parents and/or carers. Sundays are important family time when children are not at school and few care options are available. Most staff have to work on Saturday, retail's busiest day, so Sundays are very important to them.

In response to the UK Government's proposed changes to the law that would have allowed councils in England and Wales to deregulate Sunday trading in a similar manner to the current proposal from Belfast City Council, the Social Market Foundation tested the proposals against the principles of the 'families test'. The findings were that:

'the risks to family life posed by Government's proposed change to Sunday trading laws are significant. Retail is already a sector where workers are working long and atypical hours, putting pressure on their ability to achieve a balance between work and family life. Working for longer on Sunday will add to that pressure, hurting families by stopping them from spending time together; and the countervailing benefits are small.'

Usdaw's 2020 survey of retail workers in Northern Ireland conducted during January 2020 showed that over two-thirds of respondents (68%) already came under pressure to work on Sundays. Whilst shopworkers do have the right to opt out of Sunday working, many find they are unable to use this right due to pressure from management, and the fact that their working hours can be cut if they opt out of Sundays – which most cannot afford. Employers are under no obligation to replace a shopworker's Sunday hours with hours elsewhere in the week. The practical impact of this is that many shopworkers cannot afford to exercise their rights in this regard.

Sunday working interferes with family life, especially on the ability of parents to spend quality time with their children who may well be at school, and partners who work Monday-Friday/Saturday. Usdaw's survey showed that 61.49% of respondents believed that the main impact of extended Sunday trading hours was less time with family/friends. The shorter Sunday hours allow even those who do have to work to finish early and have some family/social time or to attend a religious service – often the only time for this is the weekend as so many staff have to work Saturdays (still the busiest day in retail).

Usdaw has been vocal in stating that as a consumer-facing industry; retailers need to put the people who work in retail at the centre of its recovery. On the question of extending Sunday trading, Usdaw members have spoken and 91.69% of Usdaw's members in Northern Ireland do not want to see Sunday trading hours extended.

IMPROVING THE CITY'S RETAIL OFFER

The retail sector is facing one of the most challenging periods in its history. For Belfast the impact has been significant. Data suggests that the City Centre is experiencing a harsher downturn than many other towns and cities across the UK.

A report from Retail NI has estimated that around 12,000 jobs have disappeared from the retail sector in Northern Ireland over the last 10 years. The latest Ulster Bank PMI (October 2019) shows that Retail shed jobs at its fastest rate in 7 years.

According to Springboard Footfall Monitor and Insights, footfall across Northern Ireland fell for the seventh month in a row down 6.6% with shop vacancy rates rising to 14.3%.

The current climate in retail combined with ongoing uncertainty around Brexit has created a brutal trading environment across Northern Ireland. For Belfast in particular, the fire at the historic Primark building in August 2018 had a devastating effect on the staff and businesses affected, both within the immediate area and across the wider vicinity of the City. A number of Usdaw members were impacted by the fire and while many staff have now returned to work, this was a traumatic and distressing time for those affected.

Usdaw is committed to engaging with the Council, as they look to move from the initial recovery response to city centre revitalisation. As the largest trade union representing retail workers in Belfast, Usdaw clearly has a vested interest in any measures that may prove beneficial to retailers across the City Centre.

Usdaw recognises that this is a huge challenge as chronic underfunding and budget cuts have plagued local authorities for over a decade but local councils need to take lead responsibility in developing and protecting the local high street and their retail sector. Areas that Belfast council could prioritise include:

- **Business rates** have been a burden on the sector for some time. In Northern Ireland some progress has been made on this issue. The Land and Property Services have published new valuations for 74,000 non-domestic properties, including shops, offices and factories. This was the first official revaluation since 2015, although new rate bills will not be issued until April 2020. While the full economic impact of this change is still being considered by businesses, local authorities must now reflect on their own responsibilities in regards to business rates. If Belfast City Council are serious about supporting business, then business rates need to be looked at it in more detail. For example, in Northern Ireland poundage rates are set by local authorities and as a result rate bills are on average 19% higher than other parts of the UK. The Council must also ensure that any income generated from business rates paid by retailers, is fed back proportionally into the City's retail sector.
- **Public transport** is a key component when it comes to the health of the retail sector but it is often overlooked and undervalued. In order to help drive footfall, Belfast needs a modern public transport system that is accessible, affordable and integrated across towns and communities. The problems with transport in the Belfast area has been well documented over the years with the City previously named the most car dependant city in the UK. Usdaw recognises that in recent years progress on this issue has been made, for example according to Translink passenger numbers have increased by 30% in parts of Belfast in the first year of the city's Glider service. However, more needs to be done particularly in regards to the issue of connectivity with rural towns. Members indicated strong views on this in their response to our survey with *better public transport* being rated the 'most likely' to make *'Belfast a more attractive tourism, shopping, leisure or family destination's'*.
- Many High Streets and town centres have been hit by excessive **car parking charges** and Belfast is no exception. A decision to increase parking charges or sell off parking spaces to third parties can raise money for local services in the short-term, but in the longer term it may be pushing shoppers away to other shopping areas. Reducing car parking charges, especially at the weekend, will encourage people into the city centre and they will spend money in the local economy. A study from the British Parking Association showed a clear link between reduced footfall and higher parking charges/availability, yet many local authorities are failing to tackle this issue.
- The scope of **experiential retailing** does not just rest with retailers – local authorities need to capitalise on this to improve town centre footfall. Given the history and attractions within the City Centre, the potential on this front is considerable. A great example of experiential retailing in Belfast City Centre is St George's Market with many consumers attracted to the Market's unique offer (ie multi-use).

⁵ To what extent do you feel each of the following would make Belfast a more attractive tourism, shopping, leisure or family destination on a scale of 1 (most likely) to 5 (least likely)? Options for respondents: Better Information on what's on, More choices of restaurants/venues to eat/have coffee/have brunch, More cultural activity and live events, Extended retail opening hours, More family friendly events, Extended opening hours for cultural venues such as museums/galleries/art centres and Better public transport.

Conclusion

Usdaw fully supports the Council's aim of improving the City's offer to tourists and increasing footfall. We welcome the growth that Belfast and Northern Ireland have seen in recent years, whether in the form of cruise ships or day/weekend visitors. However, in light of the complex and fundamental challenges facing retailers at present, retail needs to be viewed in its own context. The danger of merging the debate on retail/Sunday trading into a wider debate on tourism could be damaging to the sector and many retail businesses who are already struggling in the current climate.

Usdaw knows better than most that the retail sector has been experiencing a difficult time over the last decade, and it is in the interests of our members to work with retailers and other bodies to support the sector as a whole. Based on the evidence available, extended Sunday trading hours will not benefit the sector. On the contrary, the evidence shows that it is likely to have a detrimental effect on the sector with retailers spending more money to open their shops longer in an effort to compete for a finite amount of trade. Not only would the express aim of improving Belfast's tourist offer not be achieved, but there would be a negative impact on shopworkers and local communities.

The impact on retail staff needs to be at the centre of any decision on considering extending Sunday trading hours. Usdaw's recent survey shows that, despite claims that working on Sundays is voluntary, shopworkers feel under pressure to work. A large proportion of the retail workforce work on Sundays when they would prefer not to. They would prefer to spend Sundays with families and friends. In short, retail workers do not want shops to open for longer trading hours on Sundays.

Based on this evidence, we do not believe that Belfast City Centre or any part of the wider Belfast area would benefit from extended Sunday trading hours. However, in a broader sense we look forward to sharing our experience and knowledge of retail in any way we can.

Retail is more than just an income stream to fund services and attract visitors. Belfast City Council possesses significant powers to make changes that support retailers – whether on business rates, rents/leases (ie tackling vacancy rates), transport and parking etc. By addressing these issues, Belfast City Council will be able to drive real change to local businesses, the economy and communities as a whole, seven days a week.

Paddy Lillis
Usdaw General Secretary