
Annual Report 2017–2018

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“NE1 has become a trusted and much valued delivery partner for our ambitious plans for the city. Our relationship is built on a deep understanding of each other’s objectives and that is evident in the wide range of projects that we have delivered together over the previous BID terms. It is an exciting time for Newcastle and NE1’s recent positive BID renewal vote illustrates our shared ambition for the city.”

Nick Forbes, Leader, Newcastle City Council





Welcome

We begin this year's annual report by thanking the hundreds of businesses who voted in our recent Renewal Ballot, the outcome of which we are delighted to say was a resounding 'yes'! The ballot was record breaking on many different levels, with businesses voting 88% in favour (up from 78% in 2013) of NE1 continuing for a third term, making NE1 the most supported BID by positive vote in the United Kingdom. This is a ringing endorsement of what has been delivered to date, our plans for the future and is testament to the hard work and determination of all of NE1's staff.

Not forgetting our day job, the past year has seen significant progress on NE1's projects and delivery.

Following Newcastle City Council's approval of the first phase of investment for the Northumberland Street Area project, work proceeded at pace in 2018 which included: the trialling of extremely well received pop-up interventions on Ridley Place with the installation of two eye-catching and well used parklets; the Northumberland Street 'Village Green' installation complete with new street furniture; and ten weekend temporary closures of Blackett Street. The Blackett Street closures enabled greater inclusion of existing events such as the NE1 Newcastle Motor Show, Newcastle Pride and the Mela, along with NE1's 'family fun' weekends which included over 1,000 square metres of artificial grass and fairground rides. Adding to the animation in the area, the 'Grey Street Gathering' pop-up park was installed later in the season which was part-funded by contributions from the Geordie Jackpot city lottery.

All of these projects were focussed on creating outstanding places to attract people and encourage them to stay longer. In the short term, these trials over the summer period helped in attracting an additional 35,000 visitors to the area but, as was the aim, they have played a fundamental role in understanding how these spaces can be used in the future and underlined the commercial opportunity in designing our public realm around people and how they use the area.

Trialling work continued over the festive period with further exploration of festive events such as the Search for Santa trail, Christmas choirs and The 24 Doors of Christmas, combined with additional fairground attractions on Northumberland Street. While the festive events were a further development of the previous year's activity, they have helped greatly in informing the future direction of Newcastle's Christmas offer and Christmas Markets, for which a new contract will be confirmed by Newcastle City Council shortly and will, we believe, provide a step change in Newcastle's Christmas offer.

Running in tandem to this, Newcastle City Council has also been busy looking at the longer term, permanent changes to the transport network in the area that are required in advance of the investment. The results of this are expected later in the year and will include consultation with all key stakeholders. Likewise, the need to secure significant funding for the next phase of work is of paramount importance and a bid to the Government's £650m Future High Street Fund will also be submitted shortly.

As momentum and delivery builds, so too does the need to keep all parties informed and included with the process. To this end, NE1 is in the process of recruiting a Retail Core Manager to do just that as well as working with our businesses, the City Council and the police on important issues such as retail crime, anti-social behaviour and cleansing.

Over the past year, significant progress has been made on the Bigg Market, with the public realm phase of the £3.2m project completed in January and Phase 2, the restoration of several of the area's historic buildings is ongoing, the first being Pumphreys followed shortly by the Bigg Market toilets. With private sector investment over the next few years expected to be well in excess of £60m, we are now looking at the next stage of development.

Our annual marketing and events programme has continued to grow and develop, helping to raise the profile of the city, promote its diverse offer and attract additional visitors. Alive after Five celebrated its eighth birthday in 2018 and, over the next year, we will continue to review and work with our businesses to drive further growth and footfall, especially regarding the significant pressures facing Newcastle's retail sector.

Supporting Alive after Five, the marketing campaign has continued to grow, significantly expanding its reach over the last year being seen over 14 million times by people within our core catchment area of an hour's drive time to the city. Key to this has been the greater integration of and promotion via social media for which NE1's social media channels have continued to see double digit growth, recording an uplift in followers of 13% year-on-year. The impact of NE1's social media channels is significant; they have become an invaluable tool in promoting the quality and diversity of our businesses, especially in such a fast-paced and ever-changing media environment.

NE1's fortnightly listings magazine, which was refreshed in 2017, has been extremely well received by both our businesses and readers alike. A key focus for the magazine over the past year has been deeper integration with NE1's social media and Get into Newcastle website, better utilising the magazine content and promoting it across all of our channels. This has delivered considerable results with over 72,000 people visiting the website per month, up 16% on the previous year.

A key component of NE1's delivery is our annual events programme. Focussed on driving footfall and trade, the programme continues to evolve and provides compelling reasons for people to visit the city more frequently and stay longer whilst they are here.

Starting with the Rugby Football League's Magic Weekend, welcomed back for the fourth year in a row, which filled St James' Park with over 64,000 visitors over the weekend, delivering an estimated £7.7m direct economic impact for the city's hotels, bars, restaurants and retailers. We are delighted that this long-standing partnership between NE1, Newcastle United and Newcastle City Council provided a solid foundation for securing the 2021 Rugby League World Cup for the city, which will host the opening England game and the opening ceremony.

Staying on a rugby theme, we are also delighted to be working with Newcastle United, Newcastle Falcons, Newcastle City Council and the NewcastleGateshead Initiative on the Heineken and Challenge Cup in May. With tickets and hotel rooms booking fast, we have no doubt that it will be a huge weekend for the city and the visiting fans.

NE1's long-standing support for Newcastle Pride, Britain's largest free Pride event, has seen the event go from strength to strength with a record-breaking total of 78,000 attendees and 20,000 people joining the largest Pride March recorded to date. This delivered a fantastic carnival atmosphere in the city over the weekend and, as with all our events, delivering a return on investment for our businesses is the primary objective. On this point the event did not fail to deliver, providing an estimated economic impact of £10.4m.

Newcastle Restaurant Week has continued its exceptional growth with a record-breaking 112 restaurants participating in January, attracting over 50,000 customers who spent well in excess of £600,000 in the city's participating restaurants. Perhaps most importantly, our businesses reported an average increase in trade of 35% compared against last year. This event has fast become an invaluable tool for our restaurants to promote themselves to new customers, which is reflected in the website results with 235,000+ visits to the Restaurant Week section of the website and users consuming over 1.7m pages of content (27% up against last year) promoting our participating restaurants.

Now a mainstay of NE1's annual programme, Screen on the Green returned to Old Eldon Square from July to September with an eclectic programme of films and live sporting events. It has become a much-loved event, providing a major attraction over the summer months, as evidenced by an average attendance of 93% of capacity and 84% of visitors rating the event as good or excellent.

It wouldn't be summer without NE1's Quayside Seaside popping-up on our famous waterfront and this year was no exception. With this summer's fantastic weather, the Quayside Seaside was extremely well used and we look forward to it returning in the summer.

NE1's talent and skills programme NE1 Can continues to deliver results for both our businesses and the region's young people who use it. With a focus on high-quality interactions with businesses, NE1 Can is currently working with 102 employers, 40 schools and 16 youth providers, with over 570 young people attending our events over the past year. In addition, NE1 Can partners with Newcastle United Foundation on NE1 Works, which is aimed at assisting NEETs in to employment. This partnership has secured employment for 54 people with 81 important work placements introducing young people to the world of work.

It is a thankless task, but NE1's Street Rangers and Rapid Response Clean Team have continued to ensure the city looks its best at the start of every day. Responding to 15 requests per day for our rapid response cleaning services,

the team remove over 110 bags of rubbish and 70 needles per week. Working closely with our businesses, the team also report over 100 issues per week to the police and the council, providing a valuable link between our businesses and those services that are best placed to resolve issues. Responding to feedback from our retailers regarding the rise in retail crime, the Street Rangers have also become more involved with the Retail Crime Partnership and responding directly to incidents as they arise. This work has resulted in an average of four thefts per day being prevented due to their efforts. This will continue to be a priority over the forthcoming year.

It has also been a busy year for Newcastle City Marina. Always looking to make best use of the river and the Marina's iconic location, we welcomed River Escapes who ran over 170 cruises from the Marina with 1,500 visitors boarding from our pontoon. We also trialled kayaking tours from the Marina which were very well received and this is something that we will look to grow in the summer months.

With all of the projects that we deliver, the support, advice and input we get from our businesses makes a huge difference, quite often the difference between success and failure. Thank you for taking the time to read about NE1 and if you would like to become more involved in our work, please don't hesitate to get in touch.



A handwritten signature in black ink, appearing to read 'Adam Serfontein'.

Adam Serfontein
Chairman, NE1,
Managing Director,
Hanro Group



A stylized handwritten signature in black ink, appearing to read 'Adrian Waddell'.

Adrian Waddell
Chief Executive, NE1



Retail Core

The past year has seen significant progress on the Northumberland Street Area project with work undertaken on trialling temporary initiatives that will underpin the longer-term substantial investment. Over the course of the summer this work focussed on introducing two parklets on Ridley Place, the Northumberland Street Village Greens pop-up garden and 10 weekend closures of Blackett Street, all of which were very well received by both businesses and the general public. Likewise, NE1 continued to expand Newcastle's Christmas offer, utilising additional space on Northumberland Street and working closely with the City Council on the evolution of the city's Christmas Markets which will transform the city's festive experience this Christmas.

35,000

**additional visitors to
Northumberland Street during
the Village Greens installation**

10

**weekend temporary closures
of Blackett Street**



“The Village Green on Northumberland Street was a fantastic addition last summer. The space addressed the need to focus on the street environment and customer experience. It was great to see so many people using the space.”

Robin Greenwell, Branch Manager, Leeds Building Society

“The key to success is about creating a far more attractive environment for the thousands of people that use the city centre on a daily basis. If we get this experience right and create an inspiring space for customers to spend time, our businesses will benefit as a result.”

Carl Milton, Store Director, Fenwick



Bigg Market

Work on NE1's Bigg Market transformation took a big step forward this year with the completion of the public realm element of the work. Attention now shifts to Phase 2 of the project which relates to working with the building owners to invest in the adjacent historic properties. We are delighted the contracts have been signed on the first two sites, the Bigg Market toilets and Pumphreys, with works due to complete shortly on the latter. Discussions are ongoing with a number of property owners and further announcements are anticipated. As a further sign of an uplift in the areas fortunes, Revolución de Cuba completed their multi-million pound investment with the venue in June last year and Reach PLC have just announced their £24m plans to create two new hotels in the former Journal and Chronicle offices site, Thomson House.

£1.6m

HLF allocated funding

£3.2m

total project value

£65m+

of additional private
sector investment



“The Public Realm looks fantastic, it is a far more welcoming and vibrant space. As a result, I am increasing the size of my pavement café and have already invested significantly in improving my premises.”

Daniel Stamas, Owner, Kafe Neon

“The NE1 Bigg Market project has given us confidence to invest in the area once again. The restoration of our building at 44–48 Cloth Market has enabled us to seek occupants for the upper floors which have been vacant for a number of years now. We have significant plans for the Cloth Market area and the NE1 investment in the Public Realm has paved the way for this.”

Atul Malhotra, Operations Director, Malhotra Group PLC



Newcastle City Marina

It has been another year of growth for the Marina, with a focus on diversifying the use and accessibility. New for this year we have had River Escapes operating from the pontoon, running 170 cruises that attracted 1,500 visitors and we also trialled kayaking tours. Both of these initiatives were very successful and we will look to build on both the profile and customer base over the next year.

1,500

visitors on the River Escapes tours

6,000+

boat night visits since launch

£250k

visitor economic impact
in the past season



“The location is superb and a great place to stay and enjoy a night in Newcastle. This morning, waking up, I felt like I was abroad in a European city rather than 8 miles from home. The service from Gary at NE1 is just second to none; so enthusiastic and goes above and beyond.”

Kerry Hutchinson, Owner, New Dawn



NE1 Can

It was another busy year for NE1's talent and skills programme NE1 Can, with strong demand from both our businesses and young people for the services it provides. NE1 Can now works with 112 employers, 45 schools and 16 youth providers and attracted over 710 young people to events over the course of the year, taking the total to over 1,500 young people. Importantly, through NE1's partnership with Newcastle United Foundation on NE1 Works, 54 jobs and 81 work placement positions were secured for young people engaging with the service.

112

employers engaged
with the programme

710

young people attended
events over the past year

61

schools and youth
providers engaged with

135

jobs and work placements secured
for young people via NE1 Works



“Sharing our stories and showing young people how we got where we are is a brilliant way for us to demonstrate our industry. NE1 brings relevant, interested young people to NBS and gives them the opportunity to see how our business works. We know we need to maintain a skilled workforce, so ensuring the next generation have a great experience with us is key. That’s just good business sense.”

Tim Bellhouse, Head of Customer Support, NBS

“NE1 Can is a brilliant programme – the team enabled us to present to some really engaged young people about careers in finance. We went on to run additional sessions at our office and have even discussed the programme with our Head Office as an idea to roll out across our business.”

Nick Swales, Regional Director, Rathbone Investment Management



Alive After Five and Marketing

Now in its eighth year, Alive after Five is an established and extremely important part of Newcastle's retail offer. As always, Alive after Five is supported by a heavyweight marketing campaign running across all key media channels. This year, the marketing campaign was seen over 14 million times with a 13% growth in social media followers and 16% uplift in visits to the NE1 website. A key focus for the year has been the deeper integration of NE1's social media channels and NE1's fortnightly listings magazine to promote our businesses engaging content.

As we look to the first year of our next term, we will continue to work with our retailers on the further evolution of Alive after Five.

110,000+

followers on social media platforms

25,000

magazines distributed
fortnightly across the city
and key residential postcodes

4 million

page views of the Get into
Newcastle website in the past year



“The impact Alive after Five has had on the city has been amazing. There are far more people in the city centre and it feels more vibrant and welcoming as a result. My businesses have certainly benefited and long may it continue!”

Barry Ladhar, Managing Director, Crafted Projects

“Alive after Five has, since its inception, helped to develop a strong extended retail and leisure offer and provided the link between the daytime and night time economies. The free car parking has encouraged longer stay and greater spend and provided real competition to our direct competitors in the region.”

Phil Steele, General Manager, intu Eldon Square



Events

NE1's annual events have continued to expand this year. Returning to the programme was much-loved Newcastle Restaurant Week, Newcastle Motor Show, Screen on the Green and Quayside Seaside, along with our continued support of Newcastle Pride, Mela and Chinese New Year. The fantastic summer weather and further development of our events recorded significant growth in both visitors and return on investment for our businesses. We welcomed back Magic Weekend for the fourth year in a row and we are delighted to continue our work in hosting major events at St James' Park with the Heineken and Challenge Cup finals in May. The previously mentioned pop-up initiatives in the retail core and expansion of the city's Christmas offer kept us busy and have provided solid foundations for future growth. Providing a tangible impact for our businesses has always been a central pillar to the programme and the impact of events delivered and supported by NE1 over the past year has been significant, attracting a combined audience of over 340,000.

118,000+

attended Newcastle Motor Show

110+

restaurants participating
in Newcastle Restaurant Week

£8m

economic impact of Magic Weekend

10 million+

overall marketing
campaign impressions



“The major events supported and delivered by NE1, especially those at St James’ Park such as Magic Weekend, bring huge numbers of visitors to the city. Not only do they raise the profile of the city and its offer, but perhaps most importantly, they attract people from outside the region and deliver an economic impact that is felt in the city’s hotels, bars, restaurants and shops.”

Ken Ellington, Manager, Copthorne Hotel



NE1 Street Rangers and Rapid Response Clean Team

Testament to NE1's Street Rangers and Clean Team's commitment to the task at hand and underlining the fact that they really do work in all weathers; the 'Beast from the East' last winter kept the team busy with snow shovels in hand, clearing snow from pavements and the doorways of our businesses. Beyond this rather extreme example, the team continue to pull out all of the stops ensuring that the city looks its best throughout the year. Responding to requests from our businesses, a new focus for the team has been on the important issue of retail crime and we are delighted that this work is now responsible for preventing an average of four thefts per day. Over the course of the next year we will continue to work closely with the police, Newcastle City Council and our retailers to collectively better address loss prevention.

4

shop thefts prevented per day

15

business rapid response
clean ups responded to per day

5,720

black bags of litter picked
by our Clean Team per annum

5,200

jobs reported to police
and City Council per annum



“What’s most impressive about the Street Rangers is their enthusiasm for the job and their pride in the city. Gary is my Street Ranger and he couldn’t be more helpful. Adam, the Street Ranger manager, is very accessible and very supportive and the Clean Team are invaluable!”

Sean Gerrie, Owner, Upside Down Presents and Souvenirs upon Tyne

“The NE1 Clean Team always respond quickly to our requests. Special thanks to Scott who went out of his way to help with the clear up of rubbish from behind our building. The NE1 Street Rangers and Clean Team are a great asset to Newcastle and offer a great service!”

Lynda Pygall, The Assembly Rooms

Financials

| Statement of Comprehensive Income for the year ended 31 March 2018 | | |
|---|-------------|-------------|
| | 2018 £ | 2017 £ |
| Income | 2,200,541 | 2,156,286 |
| Programme expenditure | (1,529,375) | (1,715,274) |
| Gross balance | 671,166 | 441,012 |
| Administrative expenses | (612,720) | (540,365) |
| Net balance | 58,446 | (99,353) |
| Other interest receivable and similar income | 1,265 | 2,791 |
| Balance on ordinary activities before taxation | 59,711 | (96,562) |
| Corporation tax | (240) | (558) |
| Balance for the year | 59,471 | (97,120) |
| All the activities of the company are from continuing operations | | |

The above is an extract from the audited financial statements, a full copy of which is available on request.

Financials

| Statement of Financial Position at 31 March 2018 | | | |
|---|------------------|----------------|------------------|
| | £ | 2018 £ | 2017 £ |
| Fixed assets | | | |
| Tangible assets | | 167,809 | 173,104 |
| Current assets | | | |
| Debtors | 289,427 | | 290,046 |
| Cash at bank and in hand | <u>758,658</u> | | <u>960,541</u> |
| | 1,048,085 | | 1,250,587 |
| Creditors: amounts falling due within one year | <u>(348,460)</u> | | <u>(615,728)</u> |
| Net current assets | | <u>699,625</u> | <u>634,859</u> |
| Total assets less current liabilities | | 867,434 | 807,963 |
| Net assets | | <u>867,434</u> | <u>807,963</u> |
| Reserves | | | |
| Profit and loss account | | 867,434 | 807,963 |
| Members' funds | | <u>867,434</u> | <u>807,963</u> |

The above is an extract from the audited financial statements, a full copy of which is available on request.

Governance

Newcastle NE1 Limited is a company limited by guarantee and operates within regulations set by government on Business Improvement Districts. The Board of Directors provides direction and strategic input and is responsible to the company's members for the conduct and performance of the company. The primary goal of the Board is to ensure that the company's strategy creates long-term value for business. The Board meets on a quarterly basis. There are 16 Directors and the Board is chaired by Adam Serfontein, the Managing Director of Hanro Group.

There are three elements to the NE1 investment criteria, as follows:

1. BID Business Plan

Each individual project should fall into one of NE1's core programme areas, which are:

- Business Leadership: arguably the most important of the three areas, which relates to the opportunity afforded by NE1 for businesses to come together around a shared agenda with the resources necessary to back it up. Examples include the work around Central Station and Alive after Five.
- Operations: this involves delivery of large scale projects such as the Newcastle City Marina and practical, day-to-day projects such as the Street Rangers, Clean Team and Pocket Parks.
- Marketing and Events: these are largely self-explanatory, but have included the Get into Newcastle and Alive after Five campaigns together with its supporting events such as Newcastle Restaurant Week, Newcastle Motor Show, Magic Weekend and Welcome Students of the World.

2. That there is commercial benefit to business:

While recognising that each of the projects NE1 delivers will benefit different business sectors and geographical areas within the city centre more or less directly, the overriding requirement is that each delivers commercial benefit as widely as possible, with the combined package benefiting all.

3. That the portfolio meets the needs of all geographical and sectoral constituencies:

An extension of point 2 above, the third of the three investment criteria recognises that NE1 has a very broad constituency ranging from professional services (32%) to retail (also 32%) to leisure (20%) and public sector (10%) and includes not only commercial enterprises but the RVI, the City Council, both universities and Newcastle College. The range of projects delivered by NE1 is therefore necessarily diverse.

Directors (as at 31 March 2018):

Ged Bell
Cabinet Member:
Investment and
Development,
Newcastle City Council

Gavin Black
Managing Director,
Gavin Black & Partners
Vice-Chairman,
Newcastle NE1 Ltd

Tom Caulker
Owner,
World Headquarters

Georgie Collingwood-Cameron
Managing Director,
Admiral Associates

Professor Richard Davies
Pro-Vice Chancellor,
Engagement &
Internationalisation,
Newcastle University

Arwen Duddington
Chief Operating Officer,
ZeroLight

Jo Feeley
Founder and Chief
Executive, Trend Bible

Steven Kyffin
Pro Vice-Chancellor
(Business and
Enterprise),
Northumbria University

Tania Love
Director, FaulknerBrowns

Rhys McKinnell
Director of Restaurants,
Fenwick

Stephen Patterson
Director of
Communications,
Newcastle NE1 Ltd

Michelle Percy
Assistant Director,
Commercial
Development, Newcastle
City Council

Jules Quinn
Managing Director,
Popaball and
The TeaShed

Darren Richardson
Co-founder and
Company Director,
Gardiner Richardson

Adam Serfontein
Managing Director,
Hanro Group
Chairman,
Newcastle NE1 Ltd

Adrian Waddell
Chief Executive,
Newcastle NE1 Ltd

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