

Public Document Pack

**Democratic Services Section
Legal and Civic Services Department
Belfast City Council
City Hall
Belfast
BT1 5GS**

20th May, 2025

MEETING OF STRATEGIC POLICY AND RESOURCES COMMITTEE

Dear Alderman/Councillor,

As previously notified to you, I enclose a copies of the reports for the following items to be considered at the meeting to be held at 9.30 am on Friday, 23rd May, 2025.

Yours faithfully,

John Walsh

Chief Executive

AGENDA:

2. Restricted Items

- (a) Social Supermarket Fund 25/26 (Pages 1 - 10)

3. Belfast Agenda/Strategic Issues

- (i) Developer Contributions for Wastewater Infrastructure - Consultation (Pages 11 - 56)

5. Finance, Procurement and Performance

- (c) Contracts update (Pages 57 - 66)
- (d) Commercial and Procurement Services Social Value Working Group (Pages 67 - 96)

7. Operational Issues

- (d) Minutes of the Meeting Social Policy Working Group (Pages 97 - 106)

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Subject:	DfI consultation on Developer Contributions for Wastewater Infrastructure
Date:	23 May 2025
Reporting Officer(s):	Kate Bentley, Director of Planning and Building Control
Contact Officer(s):	Kate Bentley, Director of Planning and Building Control

Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>								
<p>Please indicate the description, as listed in Schedule 6, of the exempt information by virtue of which the council has deemed this report restricted.</p> <p>Insert number <input style="width: 40px;" type="text"/></p> <ol style="list-style-type: none"> 1. Information relating to any individual 2. Information likely to reveal the identity of an individual 3. Information relating to the financial or business affairs of any particular person (including the council holding that information) 4. Information in connection with any labour relations matter 5. Information in relation to which a claim to legal professional privilege could be maintained 6. Information showing that the council proposes to (a) to give a notice imposing restrictions on a person; or (b) to make an order or direction 7. Information on any action in relation to the prevention, investigation or prosecution of crime 									
<p>If Yes, when will the report become unrestricted?</p> <table style="width: 100%;"> <tr> <td style="width: 70%;">After Committee Decision</td> <td style="width: 30%; text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>After Council Decision</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Sometime in the future</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Never</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>		After Committee Decision	<input type="checkbox"/>	After Council Decision	<input type="checkbox"/>	Sometime in the future	<input type="checkbox"/>	Never	<input type="checkbox"/>
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Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report or Summary of Main Issues
1.1	To update the Committee on the consultation published by the Department for Infrastructure on 21 March 2025 on Developer Contributions for Wastewater Infrastructure and to agree a draft response to the consultation.

2.0	Recommendation
2.1	<p>The Committee is asked to</p> <ul style="list-style-type: none"> Note the contents of the consultation and agree the draft response set out in Appendix 2.
3.0	Main Report
	Background
3.1	Long term underinvestment in wastewater infrastructure continues to have a significant effect on development in NI and in Belfast. Upgrades to the system haven't been able to proceed at the pace required and much of the infrastructure is aging and needs upgrading. There are now areas across Belfast that have limited or no capacity to allow for new connections to the NI Water sewerage network.
3.2	The Living with Water Programme provided a route through which to implement improvements to the wastewater infrastructure across Belfast. Whilst projects were progressed, the funding required to deliver improvements has been cut and the programme itself has effectively been paused.
	Consultation
3.3	<p>A consultation on Developer Contributions for Wastewater Infrastructure was published on the 21 March. The document sets out that DfI are taking a three-pronged approach to resolving the current issue:</p> <ol style="list-style-type: none"> Working with Executive colleagues to try and increase wastewater investment Exploring options for developer contributions and Introducing the Water, Flooding and Sustainable Drainage Bill to the Assembly to enable the Department to issue future guidance on the design, maintenance and adoption of Sustainable Drainage Systems (SuDS)
3.4	DfI are also working at a strategic level with colleagues in DfC and DAERA to identify steps which can be taken to maximise the building of houses and with NI Water to identify projects that can release capacity. No further information is given on the other workstreams within the consultation document.
	The proposals
3.5	The consultation document recognises that there is no expectation that developer contributions will provide all, or even most, of the significant funding needed to address the full capacity challenges within the existing wastewater infrastructure network.

3.6

There is also recognition that any contribution towards upgrading or replacing wastewater infrastructure would increase the costs to the developer of building new houses, that this could be passed on to the purchaser and that this could be the case for both private and social housing developers.

3.7

Whilst the consultation considers “developer contributions”, it is clear that what is being proposed under the two options contained within the report is not what is currently considered as a planning agreement under s76 of the 2011 Planning Act (commonly referred to as developer contributions). Neither option would be operated by the local planning authority (although the consultation asserts that a payment made under the first option could be considered to be a material consideration in decision making).

3.8

A synopsis of the two options is set out below:

Option 1 – Voluntary Contributions	Option 2 – Compulsory Levy
Developers could opt to pay to offset the costs of upgrading or replacing infrastructure.	Requires a financial contribution from developers with the money then used on a prioritised needs basis across NI.
Legislation required – to make financial contribution directly to NI Water to pay some or all of the costs.	Creates a ring-fenced fund which would help to offset the funding gap between the amount that NI Water receive from the Executive and the amount needed to address constraints.
Developers could pool contributions to meet the required level of funding.	<i>“Consistent and predictable source of funding”</i>
<i>“Allows developers to decide whether and how much to contribute in consultation with NI Water”</i>	Automatically increases the cost of all development but seems to be limited to housing.
Secured through an upfront payment or bond.	Legislation required & administratively complex.
Planning authorities would not be party to the agreement nor the transfer of funds, but the existence of the agreement would be a material consideration in determining a planning application (may require negative condition).	Wouldn’t provide immediate solution – the fund cannot grow until houses are built, but houses cannot be built without the funding to improve infrastructure.

	<p>If developer pays for infrastructure that others then benefit from, a reimbursement scheme could be introduced.</p>	<p>The levy calculation and methodology as well as how the funds would be allocated and prioritised would need to be the subject of consultation.</p> <p>Possible exemptions (rural housing) are suggested.</p>
3.9	<p>The consultation also considers that it is possible to combine options 1 & 2 by allowing voluntary contributions in the short term whilst working on introducing the levy in the longer term.</p> <p>BCC consultation response</p>	
3.10	<p>A draft response to the consultation is set out in Appendix 2. The questions posed in the consultation are very focused, so additional commentary has been drafted to consider a number of issues around the proposals outlined.</p>	
3.11	<p>If the response is agreed and the decision ratified at Council on the 3 June, it will be submitted in time to meet the deadline for consultation responses on the 27 June 2025.</p>	
	Financial & Resource Implications	
3.12	<p>There are no finance or resource implications as a result of the consultation, however there may be financial implications should a compulsory levy be introduced on Council projects.</p>	
	Equality or Good Relations Implications / Rural Needs Assessment	
3.13	<p>The consultation has been subject to its own s75 screening, Human Rights Impact Assessment and Rural Needs Impacts Assessment.</p>	
4.0	Appendices – Documents Attached	
	<p>Appendix 1 – DfI Developer Contributions for Wastewater Infrastructure consultation document (21 March 2025)</p> <p>Appendix 2 – Belfast City Council draft response</p>	



Department for
Infrastructure

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Department fur

Infrastructure

www.infrastructure-ni.gov.uk

Developer Contributions for Wastewater Infrastructure

21 MARCH 2025



CONTENTS

Ministerial Foreword	5
1. Consultation Arrangements	7
2. Background and Context	11
3. Developer Contributions for Wastewater Infrastructure	16
4. Options for Introducing Developer Contributions	21
5. Consultation Questions	29
Glossary of Terms	32

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MINISTERIAL FOREWORD

1. Ministerial Foreword

This consultation on Developer Contributions for Wastewater Infrastructure seeks your views on whether and, if so, how my department should introduce developer contributions to help fund necessary improvements to our wastewater infrastructure.

Access to reliable wastewater infrastructure is essential for all of us. We depend on it daily for our homes, businesses, schools, and healthcare services to function effectively. The proper treatment and management of wastewater is crucial for protecting our environment, ensuring public health, and supporting economic prosperity.

The Executive has identified increasing housing stock, particularly social housing, as a key priority in its Programme for Government 2024-2027 (PfG). My department and NI Water play a vital role in ensuring that the necessary wastewater infrastructure is in place to support this vision and enable new housing development. I am clear that making this happen is one of my priorities going forward.

Due to years of historic underfunding, our current drainage and wastewater infrastructure is, however, sadly ageing and in urgent need of upgrades. As a result, there are areas right across the North which have limited or no capacity for new wastewater connections to the network, impacting housing development, economic growth, environmental sustainability, and public service delivery.

Improving our sewerage systems will be a significant undertaking, costing billions and spanning multiple decades. I am clear that the introduction of developer contributions would not alone present the funding needed to implement the improvements that are needed.

Finding a solution will take time, creativity and a commitment from all of us. I am currently taking a three-pronged approach to begin the journey towards having the infrastructure system we all need. This includes working with Executive colleagues to try and increase wastewater investment, launching this public consultation to explore options for developer contributions and introducing the Water, Flooding and Sustainable Drainage Bill to the Assembly to enable my department to issue future guidance on the design, maintenance, and adoption of Sustainable Drainage Systems.

Progress *is* being made. In December, my predecessor, John O'Dowd, was able to announce an additional £19.5m of ringfenced funding which allowed some 2,300 new properties to connect to the water and sewerage infrastructure. Launching this consultation is another major step forward.

It is important that everyone has the opportunity to express their views on whether and, if so, how developer contributions could be introduced to help bridge the funding gap for improving our wastewater infrastructure.

Your feedback will be invaluable in shaping future decisions.
Thank you for your participation and input.

LIZ KIMMINS MLA
Minister for Infrastructure

1 - CONSULTATION ARRANGEMENTS

1. Consultation Arrangements

Timetable

This consultation document will be available for comment and response for a period of 14 weeks from 21 March 2025 to 27 June 2025. The document can be viewed, downloaded and responded to from the consultation section of the Department's website <https://www.infrastructure-ni.gov.uk/consultations/developer-contributions-wastewater-infrastructure>.

How to respond

We welcome your views on whether and, if so, how developer contributions should be introduced.

Responses should be submitted using the online survey.

When you respond, tell us whether you are doing this for yourself or for an organisation.

If you are responding on behalf of an organisation, please tell us,

- Who the organisation represents.

Please note that responses to the consultation must be received by noon on 27 June 2025.

Alternative Formats

The consultation document can also be made available in alternative formats. Requests should be made to **developercontributions@infrastructure-ni.gov.uk**

Impact Assessments

The following impact assessments are available to view on our website <https://www.infrastructure-ni.gov.uk/consultations/developer-contributions-wastewater-infrastructure>

Equality Impact Assessment

A high-level section 75 screening has been carried as part of the preparations to launch this consultation.

No impacts were identified for any specific group at this stage. The Department recognises that equality screening is a live process that will be considered alongside the consultation process as it evolves.

Further s75 screening (and, if deemed appropriate) Equality Impact Assessments will be carried out as decisions are made and policies developed in response to this consultation.

Human Rights Impact Assessment

The Department has carried out a Human Rights Impact Assessment and considers the options laid out in this document are fully compliant with the Human Rights Act 1998.

Rural Needs Impact Assessment

The Department has carried out a Rural Needs Impact Assessment to assess any impacts of the proposed options on those in rural areas.

Regulatory Impact Assessment

The Department has carried out a Regulatory Impact Assessment to assess any impact on the proposed options on the wider business community including the voluntary and community sector.

Freedom of Information Act 2000 - Confidentiality of Responses

UK General Data Protection Regulation

The Department may publish a summary of responses following the closing date for receipt of comments. Your response, and all other responses to this publication, may be disclosed on request and/or made available on the DfI website (redacted). The Department can only refuse to disclose information in exceptional circumstances. Before you submit your response, please read the paragraphs below on the confidentiality of responses as this will give you guidance on the legal position about any information given by you in response to this publication.

The Freedom of Information Act 2000 and Environmental Regulations 2004 give the public a right of access to any information held by a public authority, namely, the Department in this case. This right of access to information includes information provided in response to a consultation.

The Department cannot automatically consider as confidential information supplied to it in response to a consultation. However, it does have the responsibility to decide whether any information provided by you in response to this publication should be made public or treated as confidential.

The information you provide in your response, excluding personal information, may be published, or disclosed in accordance with the Freedom of Information Act 2000 (FOIA) or the Environmental Information Regulations 2004 (EIR).

Any personal information you provide will be handled in accordance with the UK-GDPR and will not be published.

If you want the non-personal information that you provide to be treated as confidential, please tell us why, but be aware that, under the FOIA or EIR, we cannot guarantee confidentiality.

For information regarding your personal data, please refer to the DfI Privacy Notice at www.infrastructure-ni.gov.uk/dfi-privacy. For further details on confidentiality, the FOIA and the EIR please refer to www.ico.org.uk.

Next Steps

After consideration of all the responses received by the deadline, a Consultation Responses Report will be prepared and published.

2 - BACKGROUND AND CONTEXT

2. Background and Context

This consultation is seeking your views on whether and, if so, how the Department for Infrastructure (DfI) should introduce developer contributions to help fund the wastewater infrastructure improvements needed to unlock housing development constraints and enable more homes to be built. Subject to the outcome of this consultation and any future policy direction taken, further consultation on the specifics of how developer contributions should operate may be required.

This section explains the wider context within which this consultation sits, including the background to the current situation in respect of wastewater infrastructure.

What is wastewater infrastructure?

Wastewater is water that comes from households or businesses and includes water from sinks, showers, toilets, and washing machines. This wastewater contains a mix of organic and inorganic substances, such as food particles, oils, chemicals, and human waste. Wastewater infrastructure includes sewer pipes, storage tanks, pumps, and treatment works, all of which are required to operate safely to collect and dispose of wastewater.

The preferred means of sewage collection and disposal is by connecting a property to the public sewerage network (which includes both foul and combined sewers) provided by NI Water and transporting the wastewater to a wastewater treatment plant, where contaminants are removed. The treated water is then returned to the environment via a watercourse or the sea. An alternative, primarily used in rural areas, is to install a self-contained septic tank that operates on a smaller scale for individual properties or a small collection of properties.

Paying for the delivery of wastewater infrastructure to households

The cost of delivering sewerage services throughout Northern Ireland is met from the Executive's budget and is administered through DfI. The Department is the sole shareholder of NI Water, which is both a Government Owned Company and a Non-Departmental Public Body. NI Water is operationally responsible for the delivery of all wastewater services in Northern Ireland.

In a single day NI Water collects over 360 million litres of wastewater from over 750,000 homes and businesses across Northern Ireland. Approximately 10% of wastewater is discharged through the storm overflow system: the other 90% produced is collected and travels through NI Water's 16,500km network of sewers. It is then taken to one of over 1000 wastewater treatment works where it is treated before being safely returned to the environment.

It costs around £680 million each year for NI Water to deliver water and wastewater services in Northern Ireland. This is funded through government subsidy, revenue raised by non-domestic charging and through borrowing. Using part of this £680 million, NI Water invests capital in the water and sewerage infrastructure – such as plant facilities including wastewater treatment works, pumping stations, combined sewer overflows, sewerage pipes and other assets.

Price Control

NI Water is a regulated utility and as such is subject to regulatory price controls undertaken every six years by the Utility Regulator. The Price Control (PC) is a formal process that determines the total revenue NI Water needs to provide efficient water and wastewater services. In the PC process NI Water submits a business plan to the Utility Regulator in line with the Department's Social and Environmental Guidance and the Utility Regulator makes a determination on the capital programme that is needed during the next six-year period at the most economic level of investment required to provide best value for the customer.

In May 2021 the Utility Regulator published its final PC determination for NI Water for the period April 2021 - May 2027, known as "PC 21". The PC sets out the price limits NI Water can charge its non-domestic customers and the outputs to be delivered during the PC period. Much of NI Water's Business Plan and PC21 reflects the requirement for the on-going operation and maintenance of our water and wastewater infrastructure. At the time, PC 21 recommended some £2.1 billion of investment over the period to 2027. A mid-term review in September 2024 assessed that the cost of delivering PC21 has risen to £2.37 billion, mainly as a consequence of inflation.

The detail of the PC is published and is available on the Utility Regulator's website at [PC21 price control determination published | Utility Regulator \(uregni.gov.uk\)](https://www.uregni.gov.uk/price-control/price-control-determinations/2021-2027).

The current state of wastewater infrastructure

The funding of wastewater infrastructure in Northern Ireland has been a challenge for government for many years. Following decades of underinvestment, upgrades to the wastewater system have not been able to proceed at the pace required. Much of the wastewater infrastructure is ageing and needs upgraded, meaning that there are areas across Northern Ireland where there is limited or no capacity to allow for new connections to the NI Water sewerage network. This is having an effect not just on the development of new housing, but also on economic growth, the environment and the delivery of public services across Northern Ireland.

Currently there are over 100 areas where the wastewater system is operating near or above design capacity and therefore cannot accommodate any additional wastewater connections. In addition, given the increasing pressure on the wastewater and sewer

network, NI Water has indicated that a further 30 economically constrained areas may emerge during the PC21 period. The position on development constraints is constantly changing, and NI Water publishes up to date wastewater system capacity information by council area on its website at <https://www.niwater.com/capacity-information/>.

Due to these development constraints, the provision of wastewater connections has become one of the main barriers to building new dwellings, and so substantial investment in our drainage and wastewater infrastructure is needed to deliver significant progress on increasing the supply of housing.

To enhance capacity and allow for new wastewater connections to the NI Water network, a range of wastewater network improvement works may be required, depending on the area in which developers wish to build. These range in scale from comparatively minor, such as installing larger diameter sewerage pipes or undertaking storm water offsetting, through to major works such as upgrading combined sewer overflows, large wastewater pumping stations or wastewater treatment works.

Housing

The NI Executive has identified increasing housing stock, particularly social housing, as a key priority in its Programme for Government 2025-2027. The Executive-endorsd Housing Supply Strategy 2024-2039 is one of the main drivers for meeting this PfG commitment.

The vision of the strategy is that everybody has access to a good quality, affordable and sustainable home that is appropriate for their needs and is located within a thriving and inclusive community. The strategy also outlines several objectives to meet this vision alongside a key ambition of creating a housing system that can deliver 100,000 homes and more, with one third of these being social homes.

DfI and NI Water have a vital role to play in both ensuring that the necessary wastewater infrastructure is in place to help meet this vision and enabling new housing to be built. As explained above, there are, however, several areas across Northern Ireland where there is currently limited or no capacity to allow for new wastewater connections to be made.

While new developments will deliver significant benefits - including the provision of new homes and jobs - they can also place additional pressure and have adverse impacts on existing wastewater infrastructure, which needs to be managed.

Environmental issues and the Northern Ireland Environment Agency

The Northern Ireland Environment Agency (NIEA) is an Executive Agency within the Department of Agriculture, Environment and Rural Affairs (DAERA).

NIEA is responsible for protecting and enhancing Northern Ireland's environment. A key aspect of this duty is ensuring that freshwater and the marine environment are protected from damage caused by human action. NIEA enforces environmental laws and ensure compliance with regulations regarding sewage treatment and discharge.

Compliance with wastewater flow and treatment standards set out in legislation is a key determining factor in any decision by NI Water to declare that an area is at capacity for further wastewater connections. NIEA is working closely with NI Water on a regulatory reform programme, some elements of which are required to be in place by 2027.

What DfI is doing about the capacity issues - the three-pronged approach

Improving our sewerage systems will be a huge exercise, costing billions, taking decades and spanning multiple PC periods. The Minister for Infrastructure is taking a three-pronged approach to work towards resolving this issue. This approach includes working with Executive colleagues to try and increase wastewater investment, launching this public consultation to explore options for developer contributions and introducing the Water, Flooding and Sustainable Drainage Bill to the Assembly to enable the Department to issue future guidance on the design, maintenance, and adoption of Sustainable Drainage Systems (SuDS). DfI is also working at a strategic level with colleagues in the Department for Communities and DAERA to identify steps which can be taken to maximise the building of houses and with NI Water to identify projects that can release capacity.

3 - DEVELOPER CONTRIBUTIONS FOR WASTEWATER INFRASTRUCTURE

3. Developer Contributions for Wastewater Infrastructure

What are developer contributions?

When a developer in Northern Ireland wants to build housing and wishes to connect to the NI Water network, they contact NI Water to enquire if there is capacity in its network to cope with any new demands that the proposed development may create. NI Water can then apply their pre-planning and pre-development enquiry process to advise on any constraints or capacity issues in the area.

If there is a wastewater capacity issue in relation to a housing development, NI Water will then work with the developer to identify what works would be required to enable a wastewater connection to be made. As explored in the next section, it may be possible in certain circumstances for these works to be completed and paid for by the developer. NI Water is, however, currently precluded by law from accepting direct payments from developers for connections to the NI Water network for the provision of sewerage services in respect of a dwelling where the required improvement involves the upgrading of an existing NI Water asset. This consultation is seeking views on whether this position should change and, specifically, on options for DfI to introduce arrangements for developer contributions to help fund the wastewater infrastructure improvements that will release capacity in the wastewater system thereby enabling more wastewater connections.

To what extent are developer contributions currently permitted?

Where appropriate, developers may be permitted to facilitate specific housing developments by directly funding the wastewater improvement works required. These are sometimes referred to as 'developer-led and financed solutions' or as being 'developer-funded'. Where a developer-led solution could enable a connection to a development, NI Water will provide the developer with a cost.

Some examples of the developer-led solutions that are currently permitted are stormwater offsetting, flow transfer schemes and Package Wastewater Treatment Plants.

Stormwater offsetting

Storm water offsetting is the removal of storm water from a combined foul and storm drainage system to free capacity within the wastewater network or treatment works. The aim is to free capacity for a foul only discharge from a new development. The work will usually involve the disconnection of a surface water discharge entering a combined sewerage system and diverting it to a nearby watercourse, river or separate storm-only infrastructure.

Flow Transfer Schemes

Flow transfer schemes can be used to divert flows from drainage areas which have reached capacity to another wastewater network area where capacity exists, freeing space to connect a new development. Flow transfer schemes are often used in areas where storm water offsetting is not possible.

Package Wastewater Treatment Plants

If, following NI Water advice, developer-constructed sewage treatment is the only option, a suitable wastewater treatment plant which can meet the specification for NI Water adoption will be considered. This may involve a developer constructing a Package Wastewater Treatment Plant whereby they buy, install and maintain a standalone treatment works for their development. They are used more in rural areas.

Individual package wastewater plants can cause pollution if they are not properly maintained. Any increase in the number of such plants would be of concern to the NIEA in its role as the environmental regulator of NI Water.

Are developer contributions used elsewhere?

Within Great Britain, payments to water companies to improve wastewater treatment are primarily made through customer water bills, which fund the investments required by water companies to upgrade their wastewater treatment facilities. This process is regulated by organisations like the Water Services Regulation Authority, ensuring that these funds are used for necessary improvements and monitored to ensure compliance with environmental standards; this includes investments in infrastructure to tackle storm overflows and reduce sewage pollution.

In some jurisdictions, there is also a mechanism for developers to facilitate development by financially contributing to local councils through the Community Infrastructure Levy (CIL). The CIL is a standardised, non-negotiable charge that local authorities can impose on new developments with the aim of mitigating the impact of a development by providing funding or infrastructure. The CIL funding can support the delivery of new or improved infrastructure for water supply, wastewater, flood protection and drainage facilities as well as for transport, education, telecommunications, and waste management. In Ireland, where at present Uisce Éireann does not apply charges for water supply and wastewater services provided to domestic customers, local authorities use Development Contribution Schemes to require developers to contribute funding or infrastructure to offset the impact of new developments.

The NI Water funding model is unique to other jurisdictions in the UK, in that there are no direct domestic customer water charges in place which is used to fund many of the wastewater infrastructure improvement schemes elsewhere. Similarly, unlike other administrations where local councils manage key services such as roads, schools, housing

and water, Northern Ireland operates on a more centralised system. Instead of individual councils handling these responsibilities within their own council area, central government departments are in control of these matters. This contrasts with other areas where local authorities have broader autonomy in managing essential services.

There is therefore limited direct experience from elsewhere on which to draw. However, there are some principles which may prove useful for comparison purposes and it is clear that there is an expectation in other jurisdictions that developers will provide some form of financial contribution towards infrastructure costs.

How much does wastewater infrastructure cost?

The cost of wastewater infrastructure improvements can vary greatly depending on several factors including the nature of the works required, the specific site affected, construction complexities, and the nature of any existing infrastructure. As such, each improvement scheme needs to be assessed individually to provide an accurate cost for each project.

Works such as installing wider diameter sewerage pipes or building new stormwater storage tanks, are quicker and easier to complete. It would be more expensive to upgrade, for example, a small pumping station. These types of comparatively more minor works, costing up to £0.5m, will unlock a comparatively small number of additional housing connections to the network.

Major works such as upgrading or replacing a wastewater treatment works are significantly more expensive and take longer to complete but facilitate many more connections. These major works range in costs from £10m - £200m.

For example, the Belfast wastewater treatment works at Duncrue Industrial Estate was originally designed to treat a domestic and trade population equivalent of 290,000 and serves most of the City of Belfast. The necessary upgrade of this treatment works will cost approximately £170million with the initial cost of ensuring the compliance to the existing standards being £10m.

NI Water Developer Services have indicated that potential projects releasing development capacity over the next two years would cost £84m and would allow 5,300 houses to connect and future-proof capacity for a further 2000 connections. An additional £19.5m was allocated in October 2024 to facilitate the connections for 2,300 houses across five local council areas.

It is important to recognise that there is no expectation that developer contributions will provide all, or even most, of the significant funding needed to address the full capacity challenges within the existing wastewater infrastructure network. Without introducing

some method for providing additional funding however, even limited improvements will not be possible and the current situation in terms of housing development constraints will continue.

Impacts of introducing Developer Contributions

Any contribution towards upgrading or replacing wastewater infrastructure would increase the costs to the developer of building new houses. In some instances, a developer may make the commercial decision not to proceed with a development rather than make a contribution. Where the developer does make a contribution, it is likely that in many instances they will seek to pass on some or all of this cost to the purchaser which would increase house prices. There may also be an impact on the pricing of land for development as the added cost of building houses would need to be factored into the cost analysis undertaken by the developer. This would be the case for both private and social housing developers, with the cost of the former being met by private purchasers and the cost of the latter most likely by government.

However, if the current constrained budgetary climate persists and the Price Control is unable to be fully funded, then without the introduction of a pathway for developer contributions as a partial solution, the existing situation of limitations being place on new housing will remain unchanged.

4 - OPTIONS FOR INTRODUCING DEVELOPER CONTRIBUTIONS

4. Options for Introducing Developer Contributions

Introduction

It is important at this juncture to reiterate that neither option for introducing developer contributions will result in the level of funding that is required to address the historical underfunding of wastewater infrastructure investment in Northern Ireland. However, either option will result in additional funding which will help to release capacity to enable wastewater connections.

In essence there are two main pathways through which developer contributions could be introduced: an optional contribution to upgrade or replace the existing wastewater infrastructure at a specific location to enable further wastewater connections; or a general levy applied on Northern Ireland - wide needs basis.

The following section explains these options in more detail but at a high level the main difference is that the first option allows developers to voluntarily choose to offset the costs of improving the wastewater systems which connect to land that they own to allow them to build houses which connect to the wastewater system, while the second option would instead make it compulsory for any person seeking to build a house in Northern Ireland to pay a levy for general use in improving wastewater connections at any location in Northern Ireland.

Option 1: Voluntary Developer Contributions for Wastewater Infrastructure

Option 1 would establish a system where developers, currently unable to build due to a lack of wastewater capacity in their locality, could opt to pay to offset the costs of upgrading or replacing the infrastructure preventing new connections.

Legislation would be introduced to enable developers liaising directly with NI Water about the upgrades to NI Water's sewerage, drainage, or wastewater treatment assets that are needed before their proposed housing development can proceed, to make a financial contribution to NI Water to pay some or all of the cost of those works. Developers could choose to make individual contributions for specific sites or pool payments to meet the required level of funding to NI Water if identified infrastructural improvements can benefit multiple development sites. This pooling mechanism is already in place in other UK jurisdictions.

Developer contributions could help offset costs in a range of scenarios. Where, for example, work would free up capacity for a limited number of additional connections, through installing a new storage tank or increasing the capacity of an existing sewer or pumping station, developers may wish to meet the full costs. Where more expensive remedial work is required, developers may wish to offer a contribution towards the costs to expedite the process.

This voluntary contribution option allows developers to decide whether and how much to contribute, in consultation with NI Water. The works funded through these optional developer contributions are most likely to be on the lower end of the spectrum, such as paying for storm water offsetting, enlarging or replacing sewers, or other comparatively lower-cost improvements.

To aid in determining whether to contribute, the developer would liaise with NI Water regarding the proposal site where wastewater capacity may constrain development. NI Water would undertake a cost assessment - involving site inspections and data analysis - and advise the developer of the cost to complete the improvements to the required standard.

Option 1 could be implemented either through:

- (A) An upfront payment of an agreed amount paid directly to NI Water to cover the cost of the works (including an adequate contingency) which NI Water would use to undertake the works either itself or using its own specialist contractors; or
- (B) The developer submits a secured financial bond to NI Water to cover the cost of the agreed works which would only be used in the case of the developer defaulting.

The upfront payment a) is the simplest approach and the easiest to administer. The bond method b) would be somewhat similar to that already in place in relation to the

development of roads, whereby prior to construction, a developer is required to enter into an agreement with DfI Roads, which is secured by a bond that may be used by DfI Roads to complete the road works should the developer default.

One factor which may favour only making provision for direct payment and not for a bond arrangement would be concerns about what could happen if a developer defaulted or became bankrupt and the infrastructure they put in place is not of an adoptable standard. Another is the complex nature of construction for wastewater infrastructure and the expertise required to undertake work to the required standard, at scale, taking appropriate account of the implications for the environment, the existing network and properties, and future potential developments which would be a barrier to anyone other than NI Water carrying out the works.

Key Considerations

Financial

NI Water would be responsible for assessing the anticipated cost of infrastructure improvements for the relevant developer's proposal. NI Water would also require a mechanism to receive the funds, and a means of ensuring that the received monies are allocated to the specific intended works.

As mentioned earlier, there could be an opportunity for the relevant developers to liaise with NI Water and pool the improvement payments in order to meet the level of funding required to complete the works to facilitate connections at more than one development site.

Planning

The planning authorities would not be party to the agreement nor the transfer of funds, between the developer and NI Water. The existence of such an agreement would, however, be a material consideration in the determining of the relevant planning application and be included in any planning approval to provide assurance to all parties that the required wastewater connections to facilitate the development will be available. This would ensure the planning approval is viable and is not dependent on future wastewater connections that may not be available.

It is envisaged that through the planning development management consultation process, NI Water would reference the financial agreement (that is, the contribution payment or bond) in place and ensure compliance with that agreement by including a negative condition on any planning approval.

Legislation

As it is not currently possible for developer contributions to be made to NI Water for wastewater infrastructure improvements, legislation would need to be introduced in order to facilitate this pathway. Amendments to the Water and Sewerage Services (Northern Ireland) Order 2006 would be required to enable developers to make direct financial contributions to NI Water for this purpose. This would involve an Executive Bill and the associated legislative procedures.

Fairness

Allowing developers to make financial contributions to enable their sites to proceed by privately funding the necessary improvement works may result in them being fast-tracked ahead of other sites, which could affect the prioritisation of wastewater infrastructure projects. This approach may also lead to high-value housing being delivered ahead of other types of housing, as private developers are more likely to invest in improving wastewater infrastructure in areas where they can sell houses for higher prices. Consequently, this could impact the Executive's target for delivering social housing, necessitating additional government funding to mitigate these effects.

In a similar scenario, a developer might invest in upgrading the wastewater infrastructure to facilitate housing development on their site. If these improvements are 'future-proofed' so that they allow for additional connections, future developers could then benefit from the existing work without incurring any of the costs - in other words they would have been subsidised by the first developer.

To address this, a reimbursement scheme could be introduced. In essence this would allow the initial developer to recoup some of the costs from subsequent developers who later rely on the enhanced infrastructure. This practice is currently employed by NI Electricity (NIE) through the Electricity (Connection Charges) Regulations (Northern Ireland) 1992. In this scenario, if works such as the installation of a transformer, an underground cable or overhead line, are required to facilitate an electricity connection for a domestic dwelling and another connection comes off this network within five years from when it was initially energised, then that new customer must pay a contribution, via NIE and less NIE administrative fees, towards the original payee for sharing these assets.

Option 2: Compulsory Developer Wastewater Contribution Levy

Option 1 for the introduction of developer contributions outlined an approach whereby developers could choose to offset the costs of wastewater improvements in a specific location that is where it would directly benefit them. This second option would instead introduce a compulsory wastewater levy, requiring a financial contribution from developers which would be used on a prioritised needs basis across Northern Ireland.

The introduction of a compulsory levy whereby a fee would be paid by anyone wishing to build a new house in Northern Ireland would create a ring-fenced fund to be used exclusively for the purpose of improving wastewater infrastructure to unlock new housing connections. It would, help to offset the funding gap between the amount that NI Water receive from the Executive and the amount that is needed to address wastewater constraints. While bringing in the levy would never close the entire wastewater investment gap that has arisen due to historical underfunding, it would generate monies that could be set against the £84m that NI Water has indicated would enable projects to go ahead over the next two years allowing 5,300 houses to connect and future proofing capacity for a further 2,000 connections.

A compulsory levy has several advantages over voluntary contributions. Firstly, it would ensure that all developers contribute to the costs of wastewater infrastructure improvements, creating a more fair and equitable system. This prevents situations where only some developers bear the costs while others benefit without contributing. It would also provide an additional consistent and predictable source of (albeit limited) funding dedicated to wastewater infrastructure, assisting with advance planning for improvements and reducing delays caused by the uncertainty of ad-hoc funding. This would help with long-term planning and investment, ensuring that wastewater systems are resilient and capable of supporting sustainable development to meet current and future demands. This, in turn, unlocks housing development constraints, enabling more homes to be built and supporting economic growth for the entire community.

A compulsory levy also enables the pooling of resources, ensuring that essential wastewater infrastructure improvements are made based on need and impact, supporting compliance with environmental regulations and prioritising the protection of our environment.

There are however, also potential drawbacks in introducing a compulsory levy which need to be factored into any consideration of the options, and which may need to be mitigated in the design of any future levy.

As with option 1, the levy would increase costs to developers. However, unlike that option which allowed developers to make a choice, a levy would automatically increase the overall cost of development projects. These additional costs would either need to be absorbed (which could impact profit margins and financial viability) or be passed on to buyers, which would lead to higher housing prices. Increased house prices could affect

housing affordability and market demand, which could in turn impact on the ability to reduce housing waiting lists across Northern Ireland.

Higher development costs might also deter some developers from pursuing new projects, especially in areas with tight profit margins, which could lead to a reduction in the overall supply of new housing. Developers might also be more likely to focus on properties which have a high value, potentially leading to a concentration of new housing in more affluent areas.

There might also be a perception of the levy creating an unfair burden on some developers, as those who propose to build on sites with existing wastewater capacity might feel that they are being unfairly made to contribute to a fund for improvements they do not directly benefit from. Smaller developers might also find it more challenging to absorb the additional costs compared to larger developers.

Additionally, establishing and administering a compulsory levy would be administratively complex, including setting up the legal framework, calculating the levy amounts, collecting payments, and ensuring compliance, which may also offset some of the immediate benefits.

Implementing a levy would also not provide an immediate solution. Depending on when the fee is collected (e.g., at the planning permission stage or upon completion of construction), it could take some time before the fund accumulates enough to significantly impact housing. This creates a paradox: the fund cannot grow until houses are built, but houses cannot be built without the necessary funding to improve wastewater infrastructure. A potential resolution could involve the Executive investing an initial amount to stimulate the fund, possibly with a match-funding approach.

Key Considerations

Levy amount and calculation method

The amount of any levy imposed would need to be carefully calculated in order to mitigate the impact on developers and buyers whilst still achieving the aims of releasing capacity to enable connections to wastewater infrastructure. A methodology for calculating levy amounts would also need to be consulted upon, with options including a flat rate, a rate based on the number of wastewater connections, or a sliding scale that adjusts based on the size and type of development to be agreed.

Purpose of levy

There would need to be clear and transparent criteria governing how levy funds would be allocated, including defining the specific purposes for which the funds can be used and how decisions would be made in terms of prioritisation of wastewater infrastructure improvements.

Legislation that clearly defines the rules and regulations governing the levy would need to be drafted and consulted on, including specifying who is required to pay, when the payment would need to be made, how the funds will be used, and the penalties for non-compliance. A regulatory process in terms of audits and checks would also be needed, and a system for public reporting on the use of the levy developed.

Exemptions / Reduced Rates

Consideration would also need to be given to whether there should be exemptions or reductions to the levy to address any potential inequalities. This may include, for example, an exemption for new rural housing which require septic tanks, or reduced rates for certain types of developments, such as social housing, to ensure that the levy does not disproportionately impact vulnerable groups.

Combining Options 1 and 2

It would also be possible to combine options 1 and 2. In this scenario, the option for developers to voluntarily contribute to upgrading or replacing wastewater infrastructure that benefits them could be introduced in the short-term. Meanwhile, the longer-term process of designing and consulting on the specifics of a levy could be undertaken. Since option 1 is purely voluntary, it would not impact the later introduction of the levy. Developers would retain the ability to offset the wastewater funding required to upgrade a specific location in addition to paying the levy if they chose, though there would be no expectation that they would do so.

5 - CONSULTATION QUESTIONS

5. Consultation Questions

Question 1 -

Do you agree with the principle that a pathway for developer contributions should be introduced in Northern Ireland? (Tick only one answer)

- ☐ Strongly agree
- ☐ Agree
- ☐ Neither agree nor disagree
- ☐ Disagree
- ☐ Strongly disagree

Question 2 -

Referring to Section 4 of the consultation report which option do you think would be the best pathway? (Tick only one answer)

- ☐ Option 1: Voluntary Developer Contributions for Wastewater Infrastructure
- ☐ Option 2: Compulsory Developer Wastewater Contribution Levy
- ☐ Both Option 1 and Option 2
- ☐ Other -please specify in box below

Regardless of how you answered Question 2, we would welcome your responses to questions 3, 4, 5 and 6 below

Option 1: Voluntary Development Contributions for Wastewater Infrastructure

Question 3 - If voluntary developer contributions are introduced, how should these be made? (Tick only one answer)

- ☐ Upfront payment
- ☐ Bond
- ☐ Both an upfront payment and a bond
- ☐ Not Sure
- ☐ Other - please specify

Question 4 - If voluntary developer contributions are introduced, do you agree that there should be a reimbursement scheme? (Tick only one answer)

- ☐ Strongly agree
- ☐ Agree
- ☐ Neither agree nor disagree
- ☐ Disagree
- ☐ Strongly disagree

Please Explain:

Option 2: Compulsory Developer Wastewater Contribution Levy

Question 5 - What are your views on how a compulsory levy should be introduced?

You might want to tell us about what factors you think should be taken into consideration in designing the levy process, such as whether there should be an exemption or reduction scheme introduced, how the amount of the levy might be calculated, what that amount should be and how you think it should operate.

Impact Assessments

Question 6 -

Do you have any comments to make on any of the impact assessments that accompany this consultation?

The link to all the impact assessments is available on page 4 of this consultation.

- ☐ Yes- please use the comment box below
- ☐ No

Please explain:

Glossary of Terms

Term	Definition
Asset	An asset is a resource with economic value that an individual company or country owns or controls with the expectation that it will provide a future benefit.
Combined Sewer Overflow	Combined sewer overflows are pipes and pumps that carry both stormwater and sewage which allow excess flows of highly diluted wastewater - which in many cases pass through screens to remove plastic and rags - to be returned into watercourses/rivers and the sea to help prevent homes and businesses from being flooded.
Combined Sewers	These pipes carry both wastewater from homes and businesses, and rainwater (also known as storm water) which runs off from roads, drives and roofs (impermeable surface areas) to wastewater treatment works.
Drainage Infrastructure	A term used to collectively describe all the assets within a drainage system.
Drainage Network	A collective term to cover a system of open channels, watercourses or pipes that convey surface water.
Foul (wastewater)	Foul wastewater is wastewater that has been used for washing, cooking, or in a sanitary convenience. It can be contaminated with chemicals, effluent, or other pollutants.

Term	Definition
NI Water	Northern Ireland Water is the water and sewerage undertaker for Northern Ireland.
Northern Ireland Environment Agency (NIEA)	NIEA is responsible for protecting and enhancing Northern Ireland's environment.
Package Wastewater Treatment Plant	Package wastewater plants are pre-manufactured treatment facilities used to treat wastewater in small communities or on individual properties.
Price Control (PC)	The Price Control (PC) is a formal process that determines the total revenue NI Water needs to provide efficient water and wastewater services.
Pumping Station	A pumping station is a structure that moves water or wastewater to a different location. They can be used for groundwater, surface water, or sewage.
Sewage	The flow in foul and combined water that is produced by a community of people. For example, from toilets, sinks, washing machines, baths and showers. Typically used to describe the contents of foul and combined sewers, which can also be called wastewater. Sewage is one of the main components of wastewater.
Sewage Treatment	Sewage treatment is the process of removing contaminants from sewage to make it safe for reuse or release into the environment.

Term	Definition
Sewerage Network	This term is used to describe all of the NI Water sewers, overflows, storm tanks and pumping stations that convey flow to either a wastewater treatment works or to a receiving water (such as a river lake or sea).
Sewerage Pipe	A sewerage pipe is a pipe that carries waste and dirty water away from e.g. homes and factories.
Stormwater Offsetting	Storm water offsetting is the removal of storm water from a combined foul and storm drainage system to free capacity within the wastewater network or treatment works.
Stormwater Storage Tank	A stormwater storage tank is a designed structure that temporarily holds excess rainwater runoff from storms, collecting it from impervious surfaces like roofs and roads, and then releases it at a controlled rate to prevent flooding and manage water flow in drainage systems.
Sustainable Drainage Systems (SuDS)	Drainage systems designed to mimic nature and typically manage rainfall close to where it falls. They control the quantity and quality of run-off waters by providing storage, for example in tanks or ponds. This delays or prevents discharge to streams or rivers until there is capacity to accommodate it.
Surface Water	This is caused by rainwater that falls on the ground, roofs, roads pavements and paths. It can either evaporate back into the air, infiltrate the ground, pond on the surface or flow into a receiving water (such as a river lake or sea) via a wide range of flow paths

Term	Definition
Utility Regulator	The Utility Regulator is the economic regulator for the water, gas, and electricity industries in Northern Ireland.
Wastewater	This is sewage plus other materials such as trade effluent (wastewater from commercial processes) and leachate (polluted water from landfill sites) that could also be discharged into sewers or directly to a wastewater treatment works by a tanker.
Wastewater Connection	A wastewater connection is a link between a property and the public sewerage system that carries wastewater away.
Wastewater Improvement Works	Wastewater improvement works refers to construction or maintenance projects aimed at enhancing the quality of wastewater by improving the efficiency and effectiveness of sewage treatment processes, typically including upgrades to existing wastewater treatment plants or sewerage systems to remove more pollutants and contaminants before returning back into the environment.
Wastewater Infrastructure	Wastewater infrastructure is a network of pipes, pumps, tanks, and other facilities that collect and treat wastewater from homes, businesses, and industries.
Wastewater Treatment Works	Wastewater treatment works have four main stages of treatment - preliminary, primary, secondary, and tertiary. The number of stages depends on what quality the treated wastewater needs to reach before it can be safely returned into rivers or the sea.
Watercourse	A channel or passage through which water flows.

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Developer Contributions for Wastewater Infrastructure – Consultation Questions

The availability and capacity of wastewater infrastructure is currently affecting development proposals in Belfast and could impact significantly on the delivery of the agreed growth ambition outlined in the Belfast Agenda. In this context, the consultation on developer contributions for wastewater infrastructure is welcomed, as is the acknowledgement that this alone will not provide the funding to implement the improvements that are needed to wastewater infrastructure in Northern Ireland.

In addition to the proposed developer contributions, the intention to work with the Executive to increase wastewater investment, and further work on the Water, Flooding and Sustainable Drainage Bill are welcomed and we look forward to seeing more detail emerge around those solutions in due course. Developer contributions (if agreed) will only provide a small element of funding needed to maintain, upgrade and improve wastewater infrastructure in Northern Ireland. The majority of the funding can only be found through work with the Executive to increase wastewater investment drawing on lessons learned from other jurisdictions including governance and finance models.

There should also be further consideration of whether the existing budget of NI Water has been appropriately maximised and prioritised ahead of seeking any additional funding. Whilst capital funding cuts have resulted in major projects and wastewater treatment and network improvement works being cut, there remains significant spend on planned and reactive maintenance, management and general spend and water treatments and networks. Expenditure in all these areas should be considered and reviewed to assess whether critical major projects could move forward within existing budgets.

Before answering the questions posed in the consultation, an introduction and commentary on some of the general issues of the proposals are set out below.

Definitions and Guiding Principles

Developer contributions is a term that is most commonly used when considering contributions to be made to a local planning authority for work required facilitate development proposals (para 5.69 of the SPPS). Such payments are usually made under Section 76 of the 2011 Planning Act or Article 122 of the Roads (Northern Ireland) Order 1993. Whilst such definitions can be changed, it is somewhat confusing that the proposed “developer contributions” differ in operation and payment directly to a statutory body. This is exacerbated when considering viability issues and the priority to be given to such mitigation requirements (see later).

The guiding principles of Planning Agreements / developer contributions are set out in Development Management Practice Note 21 and include that the agreement sought is necessary in planning terms, directly related to development with a functional or geographical link and related in scale and kind to the development proposed. This could be a challenge if developer contributions sought under the current proposals involve a levy (which could contribute to infrastructure that is not directly related to development) or where contributions are needed to address existing conditions (therefore the contribution would not be related in scale or kind to the development itself), or where reimbursement proposals are being considered.

Viability Considerations

The consultation recognises that any contribution may have an impact on the viability of development. Currently a local planning authority has to consider mitigating the impacts of any development (i.e. roads and open space contributions) as well as any policy impacts (e.g social and affordable housing). When viability is raised as an issue, assessments must show which contributions are affordable and therefore which may be required to be reduced or waived by the authority. Introducing a separate process for contributions through another body could create a difficult balancing exercise for any planning authority considering a viability assessment of a proposal.

Community Infrastructure Levy processes employed in other jurisdictions of the UK and in Ireland consider all infrastructure requirements and calculates one payment (that is subject to viability testing itself). This results in agreed apportionment to infrastructure that is costed, prioritised and independently examined by a single authority. This is significantly different to the proposals included in the consultation, which could lead to wastewater infrastructure provision being prioritised over other essential mitigation and policy provisions.

Timing

The consultation recognises the issue of timing and suggests the use of negative conditions but this fails to identify a crucial issue that developers could make a contribution towards infrastructure (either voluntarily or through a levy) but it may take some time for others to contribute to the pool of monies and / or for the infrastructure needed for that particular development to come forward. Typically planning permission is given for five years, and if the development is incapable of being implemented until wastewater infrastructure is provided there is a significant risk that permission may lapse before it can be implemented.

Specific Issues for Belfast

There are specific issues for Belfast in the proposals given the scale of growth ambition in the city but also the scale of the investment needed to upgrade and improve wastewater infrastructure. In other areas it may be possible for developers to fund (or to pool funds) to pay for the necessary infrastructure upgrades, improvements such as the required upgrades to Belfast Wastewater Treatment Works that have been costed at £184 million are unlikely to be affordable in these circumstances. Even with payment of a levy, it is a significant investment to deliver the works needed in Belfast when there are more affordable (and therefore easily deliverable) options elsewhere in NI. Belfast City Council is therefore concerned that the significant investment needed in infrastructure in the city may not be prioritised over more easily deliverable and affordable option.

The consultation also outlines the intention to maximise the building of houses working to identify where NI Water projects that can release capacity. There is significant risk that more easily affordable and deliverable projects could be funded which may support development in otherwise unsustainable locations.

This concern is further exacerbated if the suggested exemption for rural housing is taken forward. Whilst there is an accepted need for rural housing, such a proposal may have the unintended consequence of supporting development in potentially unsustainable locations, contrary to the Strategic Planning Policy Statement. The SPPS (which has been subject to Strategic Environmental Assessment) is clear that:

“When place-making, planning authorities should make efficient use of existing capacities of land, buildings and infrastructure, including support for town centre and regeneration

priorities in order to achieve sustainable communities where people want to live, work and play now and into the future. Identifying previously developed land within settlements including sites which may have environmental constraints (e.g. land contamination), can assist with the return to productive use of vacant or underused land. This can help deliver more attractive environments, assist with economic regeneration and renewal, and reduce the need for green field development."

In addition, the Regional Development Strategy promotes the importance of Belfast City, at the heart of the Metropolitan area and a major driver for regional economic growth and a focus for administration, commerce, specialised services and cultural amenities. The Strategy sets out the need for sustainable patterns of residential development, promoting development within existing urban areas, recycling land and buildings to make use of suitable sites and reduce the use of greenfield land.

Belfast City Council would therefore suggest that in order to make the most efficient use of land and support the regeneration of vacant or underused land, an exemption should be considered for development that reuses existing derelict buildings in town and city centres. This acknowledges that connections to such buildings may already exist and any contribution could be reduced or waived depending on the intensification of use and the necessary infrastructure improvements required.

It is also important to recognise that viability is a well-documented issue in bringing forward development in Belfast. Whilst viability is considered on a site-by-site basis, a number of residential schemes that have come forward in the city centre have had affordable housing requirements waived on the basis of viability issues. Funding available in other jurisdictions (such as brownfield development funding) is not available in Belfast and NI which significantly affects development viability and delivery. Additional charges (whether voluntary or through a levy) could disproportionately affect development in Belfast which could be subject to more abnormal costs due to brownfield and remediation costs.

Clarity over calculation and application of costs

Costings currently included in viability assessments can be independently assessed before developers enter into an agreement with a local authority. In other jurisdictions Levy levels are subject to consultation and in some cases independent examination. Introducing voluntary contributions or a levy based on costs calculated by NI Water would need to be subject to some independent assessment to ensure the figures are robust and defensible. For transparency, there would also need to be clarity on what would be included in the costs whether that's costs for Wastewater Treatment Work upgrades, network connections, network upgrades or maintenance.

The consultation document appears to suggest that only housing developments should be subject to the levy. Belfast City Council considers that all development types (including residential and commercial) could have an impact on wastewater infrastructure and therefore any voluntary contributions or levy should apply to all types development, and it should be cognisant of the scale and nature of the development, so that a 2 bedroom house or flat should contribute less than a 6 bedroom house if all other conditions are equal.

There are some developments, however where a compulsory levy could have significant implications and unintended consequences and impacts on rate payers and existing government funding. The consultation document recognises that government would meet the cost of development for social housing and that exemptions could apply to social housing to ensure that the levy does not disproportionately impact vulnerable groups.

Belfast City Council would be supportive of further consideration of this issue and would also include public sector projects in a possible list of exemptions if the contributions were to be widened to include all development types rather than just residential.

The Council is one of the biggest developers in the city currently with a physical programme of approx. £400m. The assets we develop are all for the benefit of the city for use by residents and visitors for example new leisure facilities, new tourism and community infrastructure, new sporting and open space provision. Any levy on Council-led projects will have an impact on overall capital costs and could therefore make projects unviable. This could mean that projects which have significant community, economic health, social and environmental benefits could be negatively impacted, or the costs passed on to the ratepayers.

Issues for Local Development Plans

Whilst not related specifically to developer contributions, it should be noted that Belfast City Council is currently drafting its LDP Local Policies Plan (LPP). The current availability of wastewater infrastructure should not preclude the advancement of a plan led system. The Belfast LDP Plan Strategy recognises that development should not come forward without appropriate supporting infrastructure and whilst the LPP looks to provide certainty as to where development could come forward to 2035, the process of site identification, analysis and allocation cannot be held in abeyance until the appropriate infrastructure is in place.

Question 1 – Do you agree with the principle that a pathway for developer contributions should be introduced in Northern Ireland?

- Neither agree nor disagree

Whilst the intention to find funding for critical infrastructure is supported, on the basis of the information contained in the consultation, Belfast City Council can neither agree nor disagree that developer contributions for wastewater infrastructure should be introduced. There are significant questions remaining on the scale and impact of such charges on development in Northern Ireland and in Belfast in particular, as well as uncertainty on the prioritisation of spend of any monies collected and the timing of infrastructure provision.

Question 2 – Referring to Section 4 of the consultation report, which option do you think would be the best pathway?

- Both option 1 and option 2

As Belfast City Council can neither agree nor disagree that developer contributions for wastewater infrastructure should be introduced, it is suggested that further work is carried out on the implications of both options 1 and 2 to fully understand which one may be the best pathway. This does not mean that both should be introduced.

Option 1: Voluntary Development Contributions for Wastewater Infrastructure

Question 3 – If voluntary developer contributions are introduced, how should these be made?

Both an upfront payment and a bond.

If contributions are required, there should be an ability to either make an upfront payment or enter into a bond. Developments will differ in terms of deliverability and finance

arrangements and requiring one or the other might have implications for delivery of development.

Question 4 – if voluntary developer contributions are introduced, do you agree that there should be a reimbursement scheme?

The introduction of a reimbursement scheme recognises that voluntary contributions may deviate from the current guiding principles of developer contributions in that a developer could be required to pay more for infrastructure than is directly related in scale to their own development.

There would also be no certainty that other developments would contribute in future and therefore that any reimbursement would be possible, which could result in one development significantly over paying for infrastructure connections.

The ability to accurately model development coming forward in an area to allow payment and reimbursement should be based on the plan-led approach which would require all authorities to be significantly more advanced in their Local Policies Plan production. The plan-led approach underpins the Community Infrastructure Levy in England where infrastructure to bring forward development sites allocated in the plan is costed and prioritised.

Option 2: Compulsory Developer Wastewater Contribution Levy

Question 5 – What are your views on how a compulsory levy should be introduced?

A compulsory levy can only be introduced if all infrastructure to be provided is costed and prioritised and the funding apportioned to developer contributions is identified. This would need to be based on viability considerations and the levy may therefore differ in different parts of Northern Ireland. Significant engagement and consultation may be needed on which infrastructure should be prioritised.

The levy can only work if there is greater clarity on how the remaining finance for the infrastructure is to be found, as any uncertainty could lead to a gap in funding for infrastructure or only the prioritised schemes coming forward. This could cause significant delay for development or could ultimately mean that development is not delivered.

There also needs to be clarity on timing issues for provision of infrastructure and whether development could progress in an area before the implementation of the necessary infrastructure.

Any levy should apply to all development, not just housing and in recognition of the need to deliver significant infrastructure, Belfast City Council would not be supportive of an exemption for rural housing as this could be interpreted as being supportive of unsustainable development patterns. There should also be recognition of the scale of development in any levy so that larger houses and larger commercial floorplates would be required to contribute proportionately.

Impact Assessments

Question 6 – Do you have any comments to make on any of the impact assessments that accompany this consultation

- There are no comments on the s75 screening form, Human rights impact assessment, Rural needs assessment or Initial Regulatory assessment. The need for Strategic Environmental Assessment or Sustainability Appraisal of any prioritisation

of infrastructure should be considered to avoid unintentionally undermining the Regional Development Strategy and Strategic Planning Policy Statement by prioritising provision of infrastructure in areas where it is affordable / easier to deliver, but which could lead to unsustainable development patterns.



Subject:	Contracts Update
Date:	23 May 2025
Reporting Officer:	Sharon McNicholl, Deputy Chief Executive / Director of Corporate Services
Contact Officer:	Noleen Bohill, Head of Commercial and Procurement Services

Restricted Reports									
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>								
<p>Please indicate the description, as listed in Schedule 6, of the exempt information by virtue of which the council has deemed this report restricted.</p> <p>Insert number <input style="width: 40px;" type="text"/></p> <ol style="list-style-type: none"> 1. Information relating to any individual 2. Information likely to reveal the identity of an individual 3. Information relating to the financial or business affairs of any particular person (including the council holding that information) 4. Information in connection with any labour relations matter 5. Information in relation to which a claim to legal professional privilege could be maintained 6. Information showing that the council proposes to (a) to give a notice imposing restrictions on a person; or (b) to make an order or direction 7. Information on any action in relation to the prevention, investigation or prosecution of crime 									
<p>If Yes, when will the report become unrestricted?</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 70%;">After Committee Decision</td> <td style="width: 30%; text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>After Council Decision</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Sometime in the future</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Never</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>		After Committee Decision	<input type="checkbox"/>	After Council Decision	<input type="checkbox"/>	Sometime in the future	<input type="checkbox"/>	Never	<input type="checkbox"/>
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Sometime in the future	<input type="checkbox"/>								
Never	<input type="checkbox"/>								

Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report or Summary of main Issues
1.1	The purpose of this report is to: Page 57

	<ul style="list-style-type: none"> Seek approval from members for tenders, contract modifications to contract term and Single Tender Actions (STA) over £30,000 <p>And to ask members to</p> <ul style="list-style-type: none"> Note retrospective Single Tender Actions (STAs) and non-procurement expenditure
2.0	Recommendations
2.1	<p>The Committee is asked to:</p> <ul style="list-style-type: none"> Approve the public advertisement of tenders as per Standing Order 37a detailed in Appendix 1 (Table 1) Approve the award of STAs in line with Standing Order 55 exceptions as detailed in Appendix 1 (Table 2) Approve the modification of the contract as per Standing Order 37a detailed in Appendix 1 (Table 3) Note the award of retrospective STAs in line with Standing Order 55 exceptions as detailed in Appendix 1 (Table 4)
3.0	Competitive Tenders
	<p>Section 2.5 of the Scheme of Delegation states Chief Officers have delegated authority to authorise a contract for the procurement of goods, services or works over the statutory limit of £30,000 following a tender exercise where the council has approved the invitation to tender.</p> <p>Standing Order 60(a) states any contract that exceeds the statutory amount (currently £30,000) shall be made under the Corporate Seal. Under Standing Order 51(b) the Corporate Seal can only be affixed when there is a resolution of the Council.</p> <p>Standing Order 54 states that every contract shall comply with the relevant requirements of national and European legislation.</p> <p>The Committee is asked to approve the public advertisement of tenders as per Standing Order 37a detailed in Appendix 1 (Table 1).</p>
4.0	Single Tender Actions (STAs)
	<p>The Council's current Single Tender Action (STA) process, which has been in place since 2020, provides assurance that the Council continues to comply with its obligations under the Procurement Act 2023 'the Act' and internal governance arrangements including required controls and approvals. It mirrors the Act setting out the exceptional and specific circumstances when a STA can be used (see STA/ Direct Award Reasons Table in Appendix 1).</p> <p>To support Officers understanding and to build capability, CPS offer support training and guidance on the STA process.</p>

	<p>In line with Standing Order 55 the Committee is asked to approve the award of the STAs in Appendix 1 (Table 2).</p> <p>In line with Standing Order 55 the Committee is asked to note the award of the retrospective STAs Appendix 1 (Table 4).</p>
5.0	Modification to Contract
	The Committee is asked to approve the following modification of the contract as per Standing Order 37a as set out in Appendix 1 (Table 3) .
6.0	Financial & Resource Implications
	The financial resources for these contracts are within approved corporate or departmental budgets
7.0	Equality or Good Relations Implications / Rural Needs Assessment
	None
8.0	Appendices – Documents Attached
	<p>RESTRICTED - Appendix 1</p> <ul style="list-style-type: none"> • Table 1 - Competitive Tenders • Table 2 - Single Tender Actions • Table 3 - Modification to Contract • Table 4 - Retrospective Single Tender Actions

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Belfast
City Council

Subject:	Commercial and Procurement Services Social Value Working Group update
Date:	23 rd May 2025
Reporting Officer:	Sharon McNicholl Deputy Chief Executive / Director of Corporate Services
Contact Officer:	Noleen Bohill, Head of Commercial and Procurement Services

Restricted Reports									
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>								
<p>Please indicate the description, as listed in Schedule 6, of the exempt information by virtue of which the council has deemed this report restricted.</p> <p>Insert number <input style="width: 40px;" type="text"/></p> <ol style="list-style-type: none"> 1. Information relating to any individual 2. Information likely to reveal the identity of an individual 3. Information relating to the financial or business affairs of any particular person (including the council holding that information) 4. Information in connection with any labour relations matter 5. Information in relation to which a claim to legal professional privilege could be maintained 6. Information showing that the council proposes to (a) to give a notice imposing restrictions on a person; or (b) to make an order or direction 7. Information on any action in relation to the prevention, investigation or prosecution of crime 									
<p>If Yes, when will the report become unrestricted?</p> <table style="width: 100%;"> <tr> <td style="width: 70%;">After Committee Decision</td> <td style="width: 30%; text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>After Council Decision</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Sometime in the future</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td>Never</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>		After Committee Decision	<input type="checkbox"/>	After Council Decision	<input type="checkbox"/>	Sometime in the future	<input type="checkbox"/>	Never	<input type="checkbox"/>
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Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report or Summary of main Issues
1.1	To update the Strategic Policy & Resources 'SP&R' Committee on the papers presented at the Social Policy Working Group 'SPWG' at their meeting in May 25.

2.0	Recommendations/Main Report
2.1	<p>The Committee is asked to note the attached 3 papers presented to SPWG:</p> <ol style="list-style-type: none"> 1. <i>SPWG Report - Sustainable Procurement Policy</i> which provides an update on proposed amendments to the current Social Value Procurement Policy 'SVPP' and asks Members to approve and/or provide further feedback on the proposed approach i.e. publish a new Sustainable Procurement Policy. 2. <i>SPWG Report - Short duration projects (including Appendix 1)</i> which asked Members to approve an amendment to the SVPP to allow for additional flexibility so that Officers can include a simpler/ more flexible social value scoring approach in tenders that are <6 months (approx.) in duration. 3. <i>SPWG Report - SVPP Delivery Report May 25 (including Appendix 1)</i> which provides an update on the delivery of social value outcomes via open tender competitions awarded in accordance with the 'SVPP'
	Financial & Resource Implications
2.2	The financial resources for these contracts are within approved corporate or departmental budgets
	Equality or Good Relations Implications / Rural Needs Assessment
2.3	None
3.0	Appendices – Documents Attached
	<p>Appendix 1 - SPWG Report - Sustainable Procurement Policy</p> <p>Appendix 2 - SPWG Report - Short duration projects & Appendix 1 - SPWG Report - Applying Minimum Contract Period Feb 25</p> <p>Appendix 3 SPWG Report - SVPP Delivery Report May 25 & Appendix 1 - SPWG SV May 25</p>



Subject:	Sustainable Procurement Policy
Date:	13 th May 2025
Reporting Officer:	Noleen Bohill, Head of Commercial and Procurement Services 'CPS'
Contact Officer:	Lewis Murray, Strategic Category Manager, CPS

1.0	Purpose of Report or Summary of main Issues
	To provide Members with an update on proposed amendments to the current Social Value Procurement Policy 'SVPP' and ask Members to approve and/or provide further feedback on the proposed approach i.e. publish a new Sustainable Procurement Policy.
2.0	Background
	<p>The Council has two procurement policies in place:</p> <ol style="list-style-type: none">1. Social Value Procurement Policy - this external facing policy, introduced in June 2022, outlines the Council's commitment and strategic approach to embedding social value into its procurement processes, supported by a two-step toolkit and officer training. It sets the expectations for suppliers and stakeholders in supporting the Council's ambitions around inclusive growth and sustainability2. Procurement Policy - this internal policy (currently being updated in line with the Procurement Act 2023) sets out the standards of behaviour, actions, and procedures expected of Officers when procuring goods, services, and works for the Council. It also includes defined requirements around sustainable and ethical procurement practices, ensuring that these principles are embedded in day-to-day procurement activity. It incorporates:<ul style="list-style-type: none">• Sustainability aims aligned with the Belfast Agenda and Inclusive Growth Strategy• Ethical procurement expectations for both officers and suppliers, underpinned by the Council's Code of Conduct• Compliance with legislative requirements (e.g. Modern Slavery Act, Fair Employment)• Guidance on local supplier inclusion for low-value quotations• Chartered Institute of Procurement and Supply 'CIPS' Ethics Kite Mark accreditation and annual training for officers <p>Together, these policies ensure procurement activity reflects the Council's values of fairness, transparency, inclusion, and environmental responsibility.</p>

	<p>Since these policies have been implemented, the Council has committed to a number of other strategies and action plans which will require extending the scope/ influence of the Council's procurement policies. These include:-</p> <ol style="list-style-type: none"> 1. Climate Action Plan (and Corporate Plan) which sets out a number of procurement actions including: <ul style="list-style-type: none"> • <i>Develop a sustainable/ low carbon procurement policy and supplier guidance documents to support a transition to an inclusive, net zero and resilient future</i> • <i>Through sustainable procurement, aim to use local suppliers to the Council to reduce miles travelled within the confines of procurement legislation and Local Govt Act restrictions</i> • <i>Scope out a strategy to increase renewable and low-carbon energy use through corporate power purchase agreements</i> 2. Single Use Plastics 'SUP' Policy (draft/ in development) which includes a number of procurement related actions to reduce the use of SUP in the Council's supply chains. 3. Sustainable Food Policy (draft/ in development) which includes a number of procurement related actions about how we procure food in a sustainable way. 4. Notice of Motion at Feb 25 SP&R and update paper at March 25 SP&R regarding developing a new ethical procurement policy 5. Race Equality Action Plan – to be reviewed when available <p>At April's S,P&R, members approved a review of the Social Value Policy to include wider ethical procurement considerations. As per the paper approved by members, this review would ensure an aligned 'sustainable procurement policy' is put in place setting out clear expectations of standards for suppliers regarding ethical, social value and environmental/low carbon considerations, having regard to the international guidance set out in this report, and how this might be factored into tender evaluations.</p>
3.0	Sustainable Procurement
	<p>The term 'Sustainable Procurement' is widely accepted across organisations in the public and private sector to mean the integration of ethical, social, economic and environmental criteria into an organisation's procurement processes.</p> <p>Some examples include:</p> <p><u>Chartered Institute of Purchasing and Supply</u> defines it as '<i>Sustainable procurement supports the sustainability goals of the organisation and optimises the environmental, social, and economic impacts over the life cycle of the product or service.</i>'</p> <p>Sustainable Procurement Task Force defined it as "<i>a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment.</i>"</p> <p><u>The International Organisation of Standardisation (ISO)</u> (ISO 20400 sustainable procurement accreditation) defines sustainable procurement/ development as "<i>integrating the goals of a high quality of life, health and prosperity with social justice and maintaining the earth's capacity to support life in all its diversity. These social, economic and</i></p>

	<p><i>environmental goals are interdependent and mutually reinforcing. Sustainable development can be treated as a way of expressing the broader expectations of society as a whole.”</i></p> <p>A recent benchmarking exercise conducted by CPS when considering a new sustainable/ low carbon procurement policy, found that across the UK and Ireland ‘sustainable procurement’ is used as an overarching term that includes ethical, social, economic and, environmental/ low carbon considerations.</p> <p>Some examples include:</p> <ul style="list-style-type: none"> • The City of Edinburgh Council - Sustainable Procurement Policy Cambridge County Council – Sustainable Procurement Strategy <p>In order to address current open actions as described in section 2, it is an opportune time to develop one externally facing procurement policy, positioned as a Sustainable Procurement Policy.</p> <p>The most effective way to achieve this is to update/develop our SVPP and any associated toolkits and guidance.</p>
3.0	<p>Potential development/improvements of the current SVPP for the new Sustainable Procurement Policy</p>
	<p>At this stage the following areas have been considered as key development/improvements areas:</p> <p><u>Ethical Procurement</u></p> <ul style="list-style-type: none"> • Expand further on the visibility and scrutiny of our supplier’s supply chains and associated business operations to ensure supply chain practices adhere to ethical standards. These standards typically include labour rights, environmental sustainability, fair trade practices, and human rights. This might include supply chain audits/mapping, associated reporting and application of contract remedies for any found unethical practices e.g. termination. <p><u>Social Value</u></p> <ul style="list-style-type: none"> • Build on the good work done to date with the SVPP but refine certain areas based on lessons learned to date e.g. short duration projects and review initiatives, points and weightings to ensure these are fit for purpose Align the current social value initiatives, associated scoring and evaluation with developments in ethical and environmental/ low carbon procurement <p><u>Environmental/ Low Carbon</u></p> <ul style="list-style-type: none"> • Set out expectations from our suppliers on Scope 3 emission data reporting and how the Council will use this data • Suppliers to publish and report progress on carbon reduction plans • Develop a toolkit for Officers to use to improve consistency when including low carbon standards in specifications when procuring goods, services and works to help lower the Council’s carbon footprint. This would include procurement related actions under SUP policy and Sustainable Food policy. <p>Current supplier guidance document and toolkit for Officers would be updated to incorporate these requirements.</p>

	All updates/additions will also be reviewed in line relevant legislation to ensure compliance i.e. Local Govt Act and Procurement Act.
4.0	Recommended approach
	<p>It is recommended that the SVPP and associated guidance and toolkit is updated, as outlined above, to create a new Sustainable Procurement Policy.</p> <p>Benefits of doing so include:</p> <ul style="list-style-type: none"> • Alignment with definitions and wider understanding of what Sustainable Procurement incorporates and approaches by other GB and Irish councils • Simplified approach and consistent message to our suppliers with one externally facing procurement policy • Allows us to build on the positive outcomes the SVPP has delivered to date and refine/ develop these further • Provides a clear message to our suppliers of the Council's approach to procurement and the associated ethical, social, economic and environmental standards expected • Easier to manage and co-ordinate guidance and training for Officers • Easier to monitor and manage outputs under the one policy • Easier to manage future developments in line with sustainable procurement best practice and Council strategies and corporate plans. <p>In addition, the Council's internal facing Procurement Policy would be reviewed and aligned with the content of the Sustainable Procurement Policy.</p>
5.0	Proposed timescales and next steps
	<p>The most complex area of work is in the environmental/ low carbon standards workstream which will take longer to finalise due to the level of work involved in researching and developing the low carbon toolkit including wider stakeholder engagement required. This is to ensure any standards included are achievable, affordable and will make a material impact to the Council's carbon footprint.</p> <p>Interim policy updates could be adopted sooner and applied via work instructions to Officers whilst the Sustainable Procurement Policy is finalised should any be a priority during FY25/26 e.g. ethical procurement considerations.</p> <p>The aim is for the Sustainable Procurement Policy to be drafted and implemented before the end of FY25/26 subject to any public consultation and Council ratification, if required.</p> <p>Progress updates will be presented and discussed at each SPWG during 25/26.</p> <p>Members are welcome to send through any feedback/ input to the Sustainable Procurement Policy content to Lewis Murray in CPS at any time for consideration.</p>



Subject:	Social Value Procurement Policy – Short duration projects
Date:	13 th May 2025
Reporting Officer:	Noleen Bohill, Head of Commercial and Procurement Services ‘CPS’
Contact Officer:	Lewis Murray, Strategic Category Manager, CPS

1.0	Purpose of Report or Summary of main Issues
	To ask Members to approve an amendment to the Social Value Procurement Policy ‘SVPP’ to allow for additional flexibility so that Officers can include a simpler/ more flexible social value scoring approach in tenders that are <6 months (approx.) in duration.
2.0	Background
	<p>Currently the SVPP only uses the £30k contract value as a measure of when the SVPP is to be applied to tender competitions. While this has largely worked well to date it has presented some challenges; particularly more recently for shorter duration contracts i.e. <6 months duration.</p> <p>Further to the paper presented to SPWG in February 2025 (attached as Appendix 1 for reference), Members asked that SV is still applied to short duration tenders/projects >£30k but would be open to a more flexible/ simplified approach when applying SV scoring and evaluation.</p>
3.0	Proposed amendment to SVPP
	<p>For shorter duration projects (i.e. <6 months approx. in duration) it is proposed that Officers can include a more open ended question for evaluation purposes with a minimum 10% weighting applied. An example question is set out below.</p> <p><u>Example question</u></p> <p><i>Qxx. Social Value/Community Support</i></p> <p><i>Please detail how your business will give back to the local community as part of the project/tender you are bidding for.</i></p> <p><i>Responses may include.</i></p> <ul style="list-style-type: none"><i>Donating/ supporting local charities or VCSE sector</i>

	<ul style="list-style-type: none"> • <i>Any lasting relationships you might establish through your presence in the local community as part of the project</i> • <i>How your business might support local community organisations e.g. community groups, youth clubs, sports teams etc.</i> • <i>How your business might support micro/ small business in the local community.</i> <p>Other aspects for the SVPP will continue to apply to over £30k tenders i.e. Reserved Contracts, SV Organisational Behaviours, RLW and Zero Hours Contracts.</p> <p>This should help address some of the challenges faced by Officers and suppliers with marginal impact to value add that the SVPP is continuing to deliver.</p> <p>The SVPP and associated SV toolkit and guidance for Officers and suppliers will be updated to reflect this. <i>Note – this may be in line with timescales for the proposed ‘Sustainable Procurement Policy’ during FY 25/26. See separate paper.</i></p> <p>Members are asked to approve the proposed amendment to the SVPP above.</p>
4.0	Appendices
	Appendix 1 - SPWG Report - Applying Minimum Contract Period Feb 25



Subject:	Social Value Procurement Policy – Applying a Minimum Contract Period <6 months
Date:	11 th February 2025
Reporting Officer:	Noleen Bohill, Head of Commercial and Procurement Services ‘CPS’
Contact Officer:	Lewis Murray, Strategic Category Officer, CPS

1.0	Purpose of Report or Summary of main Issues
	<p>To ask Members to approve an amendment to the Social Value Procurement Policy ‘SVPP’ to allow for additional flexibility so that Officers can opt out of including social value scoring and weighting in tenders that are <6 months (approx.) in duration.</p>
2.0	Background
	<p>The SVPP was approved by Committee in April 22 with full application of the SVPP from 1st April 2023.</p> <p>A copy of the SVPP can be found here - Social Value Procurement Policy (belfastcity.gov.uk)</p> <p>In short, the SVPP mandates that for all tenders¹ over £30,000:</p> <ul style="list-style-type: none">• Suppliers must pay the Real Living Wage to all its employees assigned to work on a BCC contract.• Suppliers must not use zero hours contracts for any of its employees assigned to work on a BCC contract.• Social value scoring and weighting is applied as part of the evaluation. SV weighting is determined by the cost weighting (i.e. if cost is >50% then SV is 10%; if cost is ≤50% then SV is 15%.)• A minimum social value scoring threshold is applied during evaluation. <p>The SVPP only uses the £30k contract value as a measure of when the SVPP is to be applied to tender competitions. While this has largely worked well to date (see section 2) it has presented some challenges; particularly more recently for shorter duration contracts i.e. <6 months duration. Some examples of this are set out in section 3.</p>
2.0	SV delivery to date (as of Dec 24)
	<p>Below is some key data from our records setting out SV commitments suppliers have made to date as part of tender competitions under the SVPP.</p>

	Data Metric/ Initiative	No./Value/ Metric
	No. of tenders SVPP fully applied (SV offers evaluated from suppliers)	101
	Total contract values	£112m
	Avg. contract value	£1.1m
	Avg. contract term	36 months
	Number of employment weeks (FTE) created for Apprenticeships	17 FTE
	Number of employment weeks (FTE) created for Priority Groups	7 FTE
	Number of employment weeks (FTE) created for Students	22 FTE
	Employability or skills initiatives to support Priority Groups	215 Days
	Initiatives to enhance employability of young people	230 Days
	Use of a social enterprise or co-operative in the supply chain (in relation to contract)	78 SEs supported
	Initiatives to support VCSE organisation	238 Days
	Initiatives to improve good relations between people from different religious, political, racial & ethnic backgrounds	26 Days
	Initiatives to reduce or prevent crime (including hate crime) and/or ASB	26 Days
	Initiatives to reduce or prevent health related inequalities	90 Days
	Initiatives to increase participation in sports related activities	82 Days
	Initiatives to increase participation in arts related activities	26 Days
	Reduce carbon emissions associated with energy supply	55 strategies/ action plans
	Reduce carbon emissions associated with transportation	52 strategies/ action plans
	Improve waste management, including recycling, upcycling and supporting the circular economy	64 strategies/ action plans
	Improve resource efficiency	25 strategies/ action plans
	Enhance environmental natural resources and biodiversity	29 strategies/ action plans
	Work is ongoing to monitor the delivery of these SV commitments through the Council's contract management procedures.	
3.0	Short duration contracts < 6 months	
	The Council procures a small number of >£30k projects each year that are of short duration i.e. <6 months. These are typically Works type contracts (e.g. installation projects). Some recent examples include:	

	Tender/ Project	Value (£)	Duration
	Henry Jones Car Park CCTV & Floodlighting Installation Works	£52k	<12 weeks. (6 week lead time for products and 1 week on site)
	NRF_ACT Initiative – Interpretive fit out design & installation	£75k	< 4 months
	Stained Glass window (LGBT) at City Hall	£32k	<12 weeks (On site <3 days for fitting)
	<p>Officer's experiences to date when trying to apply the SVPP to projects < 6 months (approx.) have found that in most cases it is not practical and often leads either to no bids or poor-quality submissions from the market.</p> <p>This is due to there not being sufficient time for a supplier to deliver a meaningful SV initiative(s) in the short period of time.</p> <p>Based on tenders awarded (89 total) during 2024 six (6) were <6 months in duration with 3 to 4 of those tenders also low value. This recommended change to policy only likely to affect <5 tenders per year (<5%).</p>		
4.0	Proposed amendment to SVPP		
	<p>Members are asked to approve that the SVPP is updated to include flexibility so that Officers can opt out of including social value scoring and weighting in tenders that are < 6 months (approx.) in duration. Other aspects for the SVPP will continue to apply to over £30k tenders i.e. Reserved Contracts, SV Organisational Behaviours, RLW and Zero Hours Contracts.</p> <p>Depending on the requirement Officers can still apply SV scoring and weighting to tenders <6 months i.e. larger value short duration projects.</p> <p>This should help address some of the challenges faced by Officers and suppliers set out above with marginal impact to value add that the SVPP is continuing to deliver.</p> <p>The SVPP and associated SV toolkit and guidance for Officers and suppliers will be updated to reflect this.</p> <p>Instances where SVPP has not been applied will continue to be reported to Members via the Social Policy Working Group as part of the regular reporting.</p>		

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Subject:	Social Value Procurement Policy Delivery Report
Date:	13 th May 2025
Reporting Officer:	Noleen Bohill, Head of Commercial and Procurement Services 'CPS'
Contact Officer:	Lewis Murray, Strategic Category Officer, CPS

1.0	Purpose of Report or Summary of main Issues
	<p>To update the Social Policy Working Group 'SPWG' on the delivery of social value outcomes via open tender competitions awarded in accordance with the Council's Social Value Procurement Policy 'SVPP'</p> <p>The report also provides an update on tenders awarded by Property & Projects department where, due to project funding rules, social value has been considered and included in accordance with the CPD Buy Social Model.</p>
2.0	Background
	<p>The SVPP was approved by Committee in April 22 with full application of the SVPP from 1st April 2023.</p> <p>A copy of the SVPP can be found here - Social Value Procurement Policy (belfastcity.gov.uk)</p> <p>To help Officers and suppliers understanding the SVPP and how to apply this to applicable tender competitions, the Commercial and Procurement Services 'CPS' team has developed:</p> <ul style="list-style-type: none">• Online guidance on interlink which takes Officers through key considerations in line with the SVPP.• A new Supplier Guidance document was launched in September 23 which includes step by step guidance for suppliers in how to offer social value as part of their tender and how their social value offers are evaluated (new innovative approach). This was developed taking on board key learnings since the SVPP was launched.• Social value evaluation training based on the new approach developed from September 2023. This was rolled out during October 23 to January 24. This is now included in CPS evaluation training. <p>A link has been provided below to the interlink guidance (within the link you can access the guidance which should open as a Microsoft Sway document)</p>

	<p>Social value procurement guidance now available (sharepoint.com)</p> <p>As outlined in the guidance to Officers application of the SVPP is considered in 2 key parts:</p> <p>Part 1 – For all tender competitions valued over £30k, consideration by Officers about whether to:</p> <ol style="list-style-type: none"> 1. Reserve the tender competition to a social enterprise/ VCSE sector taking into consideration levels of market competition in this sector 2. Include organisational behaviours (i.e., ethical procurement, environmental and HR policies and procedures) taking into consideration relevance of these policies and procedures to the goods, services or works being purchased and relevance to the market. When selected for inclusion in the tender these social value organisational behaviours are mandatory pass/fail questions for suppliers to demonstrate rather than scored questions. <p>Note for all tender competitions valued over £30k the following is included as mandatory (in addition to the above in Part 1):</p> <ol style="list-style-type: none"> 1. Payment of the Real Living Wage by suppliers to their employees 2. The prohibited use of zero hours contracts by suppliers <p>Part 2 – the inclusion of a social value weighting (10% or 15%) and scoring for tenders valued over £30k for tenders post-April 23</p> <p>The social value offer made by suppliers using the list of social value initiatives and points is then evaluated and scored with a minimum scoring threshold required to be met.</p> <p><u>CPD Buy Social Model</u></p> <p>The CPD Buy Social Model is applied where external central government funding of 50% or greater is provided for a capital/ works project managed by Property & Projects.</p> <p>Further information on the CPD Buy Social Model can be found here:</p> <p>PPN 01/21 - Scoring Social Value Department of Finance (finance-ni.gov.uk)</p> <p>Social Value - (buysocialni.org)</p> <p>The CPD Buy Social Model is broadly similar to the Council's SVPP in terms of achieving the social value outcomes. See comparison table set out in Annexe 1 (see below at end of report) which provides an overview of the similarities/ differences in key areas.</p>
2.0	Reporting Period
	<p>It is intended that this report is produced every 2 months in line with scheduled SPWG meetings.</p> <p>This report covers the Reporting Period 1st December 2024 to 31st March 2025 (4 months) to align with scheduled SPWG meetings in 2025.</p>

3.0	Main report
	<p>Appendix 1 of this report set out details of tenders valued over £30k which have been awarded during the Reporting Period and associated SVPP data/information.</p> <p>Appendix 1 includes:</p> <p><u>Table 1 - Tenders awarded during Reporting Period</u></p> <p>This sets out details of tenders awarded during Reporting Period and whether SVPP was applied or not.</p> <p>For ease of reporting this shows tenders awarded by Commercial and Procurement Services 'CPS' team and the Property & Projects department.</p> <p><u>Table 2 – Summary of key data and findings associated with application of SVPP</u></p> <p>This shows a summary of key findings from the tenders set out in Table 1; in particular a summary of the Part 1 SVPP considerations i.e. reserved contracts and social value organisational behaviours.</p> <p><u>Table 3 - Summary of Supplier's Social Value Offers (Evaluated submissions)</u></p> <p>This shows a summary of the tenders that included a social value weighting (10/ 15%) and the social value offers put forward by suppliers for evaluation as explained under Part 2.</p> <p>A summary of each applicable tender has been set out in the table.</p> <p><u>Lessons Learned and Continuous Improvement</u></p> <p>A Social Value Review Team has been established to review how the SVPP is being implemented and any lessons learned that need to be applied following conclusion of tender competitions. Areas the team are currently reviewing include, but not limited to:</p> <ol style="list-style-type: none"> 1. Trends in the use of Reserved Contracts and any further guidance required for Officers on when these should be used 2. Trends in the selection of Social Value Organisational Behaviours by Officers when using the Social Value Toolkit and any further guidance required for Officers on when these should be applied 3. The quality of social value offers by suppliers (the evaluated submissions) and if further guidance is required in terms of how these are evaluated by Officers. In addition any further guidance required for suppliers to improve their understanding of BCC expectations in line with Belfast Agenda aims and associated strategies. <p>The Social Value Review Team will meet every 2 months in line with scheduled SPWG meetings and the production of this report.</p> <p>The content/ format of this report will be reviewed with further information included as more social value data becomes available i.e. social value delivery by suppliers using SIB reporting database.</p>

4.0	Summary
	<p>Members of the SPWG are asked to consider the content of this report and provide feedback (positive or negative) on the data/ information contained in this report and how the SVPP is being applied.</p> <p>This feedback can then be considered by the Social Value Review Team and associated guidance updated for Officers and suppliers when applying the SVPP.</p>
	Appendices
	<p>Appendix 1</p> <ul style="list-style-type: none"> • Table 1 - Tenders awarded during Reporting Period • Table 2 – Summary of key data and findings associated with application of SVPP • Table 3 - Summary of Supplier's Social Value Offers (Evaluated submissions)

Annexe 1 – Comparison between BCC's SVPP and CPD Buy Social Model

Key Criteria	BCC SVPP Approach	CPD Buy Social Model Approach
Consideration of Reserved Contracts	Mandatory consideration with rationale document for inclusion/exclusion noted in Social Value Toolkit	Mandatory consideration but no further guidance provided about when to reserve.
Social Value Organisational Behaviours	See comparison table below	See comparison table below
Social value weighting	<p>Applied to all applicable tenders valued over £30k from April 23.</p> <p>Social value weighting determined by cost criteria for tender i.e.</p> <p>If cost criteria is >50% then social value weighting is 10%</p> <p>If cost criteria is ≤50% then social value weighting is 15%</p>	<p>Applied to above threshold tenders (applicable Public Contracts Regulations) for services and works. Supplies not included.</p> <p>For local government this means application to tenders valued above:</p> <p>£170k (approx.) for services contracts</p> <p>£4.3m (approx.) for works contracts</p> <p>Social value weighting 10%, (under review)</p>
Minimum Social Value scoring threshold	<p>If 10% social value weighting then minimum 7% out 10% required</p> <p>If 15% social value weighting then minimum 11% out 15% required</p> <p>Suppliers who fail to meet this threshold are excluded from award of tender.</p>	Not included
Real Living Wage	Mandatory from April 23	Mandatory requirement
Prohibited use of zero hours contracts	Mandatory from April 23	Not included

Social Value Organisational Behaviours comparison

BCC SVPP Approach	CPD Buy Social Model Approach
<p>BCC currently include the following requirements as mandatory for all suppliers:</p> <ol style="list-style-type: none"> 1. Compliance with the Fair Employment and Treatment (Northern Ireland) Order 1998 2. Compliance with the Modern Slavery Act 2015 3. Prompt payment of suppliers/ supply chains <p>Using the Social Value Toolkit (as explained under Part 1) Officers then consider the inclusion of the following social value organisational behaviours in the tender:</p> <p><u>1. Ethical Procurement and Fair Treatment of the Supply Chain</u></p> <p>Suppliers are to demonstrate they have a procurement policy and/or corporate social responsibility policy which clearly sets out the supplier's commitment to ethical procurement practices and fair treatment of your supply chain including associated training/ communication to staff.</p> <p><u>2. Environmental Management Systems</u></p> <p>Suppliers are to demonstrate they have an environmental management system in place i.e. ISO14001 or equivalent.</p> <p><u>3. Single Use Plastics Policy</u></p> <p>Suppliers are to demonstrate they have a single use plastics 'SUP' policy which clearly sets out the supplier's commitment to managing and reducing the use of SUP in their business operations including associated training/ communication to staff.</p> <p><u>4. Donating/ Recycling equipment to the VCSE sector</u></p> <p>Suppliers are to demonstrate they have a policy in place which clearly sets out their commitment to supporting the VCSE sector through donating/ recycling equipment (e.g. ICT equipment)</p> <p><u>5. Equality and Diversity Policy</u></p>	<p>From the 1 September 2021 the following requirements are mandatory;</p> <ol style="list-style-type: none"> 1. compliance with relevant employment, equality and health and safety law and human rights standards; 2. adherence to relevant collective agreements; and 3. adoption of fair work practices for all workers engaged in the delivery of the contract.

<p>Suppliers are to demonstrate they have an equality and diversity policy and/or relevant HR policy which clearly sets out their commitment to equality and diversity in the workplace including associated training/ communication to staff.</p> <p><u>7. Development, Health and Wellbeing of Employees</u></p> <p>Suppliers are to demonstrate their commitment to the development, health and wellbeing of their employees by providing at least 3 of the following points i) to v):</p> <p>i) evidence that employees are offered fair and equitable terms of employment including sick pay, holidays, pension and set working hours;</p> <p>ii) evidence of having a learning and development policy in place which shows commitment to the personal and career development of your employees;</p> <p>iii) evidence of having in place employee appraisal procedures in place including regular employment engagement;</p> <p>iv) evidence of offering employees flexible working to support a healthy work life balance i.e. flexible working hours or working from home option;</p> <p>v) evidence of having in place policies/ initiatives to support the mental and physical health of your employees e.g. offer employee counselling services or occupation health support service.</p>	
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Table 1: Tenders awarded during Reporting Period

Table 1a: Tenders awarded by Commercial and Procurement Services Team 'CPS'

Ref	Contract Title	Contract Type	Value	Successful Supplier	SVPP applied (Y/N)	If No - Reason why?	Reserved Contract (Y/N)	Social Value Weighting % applied
T2551	Technical Support for Belfast PCSP	Services	£180,000	University Ulster	Yes	N/A	N	15%
T2583	Provision of venue management, operation and catering at 2 Royal Avenue	services	£196,096	May We	Yes	N/A	N	15%
T2599	Belfast Maritime Festival Presents "Festival of Fools" (STA)	Services	£40,000	Festival of Fools	No	STA/Direct Award	N	N/A
T2358d	DPS Food Products Category 7 Lucerne	Supplies	£69,000	Equestrian and Farm Feeds	Yes	N/A	N	10%
T2598	Provision of catering services at Belfast Zoo (STA)	Concession	£430,000	Carousel Ice Cream	No	STA/Direct Award	N	N/A
T2601	Supply and Delivery of 12T Glass Collection Vehicles (2)	Supplies	£254,510	MacPac Refuse Bodies Ltd	No	External Framework Used	N	N/A
T2358f *	DPS Food Products Category 1a Meat and Poultry	Supplies	£255,000	WD Meats	No	Dept/ Officer error	N	NA
T2573	Advertising panels at bus stops and outside newsagents - STA	services	£140,000	Clear Channel	No	STA/Direct Award	N	N/A
T2605	Provision of Asylum Support and Capacity Programme	Services	£100,000	Law Centre NI	Yes	N/A	N	15%
T2564	Provision of a Folder Inserter	Supplies	£155,000	Tilos Ltd	Yes	N/A	N	10%
T2561	Bulk LPG – Duncrue Estate	Supplies	£160,000	Calor Gas NI	Yes	N/A	N	10%
T2557	Provision of Specialist Sponsorship and Advertising Services	Services	£30,000	PHAR Partnerships Ltd	Yes	N/A	N	15%
T2606	Provision of a Case Management System (STA)	Services	£197,828	Civica UK Limited	No	STA/Direct Award	N	N/A
T2609	Provision of Maintenance and Support for Housing Benefit System for NIHE (STA)	Services	£759,320	NEC Software Solutions UK Limited	No	STA/Direct Award	N	N/A

Appendix 1

Ref	Contract Title	Contract Type	Value	Successful Supplier	SVPP applied (Y/N)	If No - Reason why?	Reserved Contract (Y/N)	Social Value Weighting % applied
T2463(a)1	Framework for Provision of Coach hire services with Driver	Services	£200,000	Belfast Mini Coach	Yes	N/A	N	10%
T2463(a)2	Framework for Provision of Coach hire services with Driver	Services	£200,000	Metro Private Hire	Yes	N/A	N	10%
T2616	Provision of Public Analyst Services	Services	£294,000	Eurofins Food Testing Ireland Ltd	No	External Framework Used	N	N/A
T2575	PEACEPLUS Arts Across the Genres	Services	£695,744	MayWe	Yes	N/A	N	15%
T2481	Maintenance, repair and inspection of grounds maintenance plant and equipment	Services	£750,000	Keys Brothers	Yes	N/A	N	15%
T2567(3)	PEACEPLUS From Multiculturalism to Interculturalism Lot 3	Services	£238,555	Féile an Phobail	Yes	N/A	N	15%
T2567 (4)	PEACEPLUS From Multiculturalism to Interculturalism Lot 4	Services	£234,200	Arts Ekta	Yes	N/A	N	15%
T2562	PEACEPLUS - Community Empowerment Programme Tender	Services	£903,578	NICVA	Yes	N/A	N	15%
T2563	PEACEPLUS - Language Up Belfast Tender	Services	£447,513	DFFP Ltd t/a People 1st	Yes	N/A	N	15%
T2569	PEACEPLUS Sport for Peace	Services	£711,646	Active Communities Network	Yes	N/A	N	15%
T2558 (1)	PEACEPLUS Youth Empowerment Inspiring Future Belfast Lot 1	Services	£239,259.25	GIGA Training Ltd	Yes	N/A	N	15%
T2558 (2)	PEACEPLUS Youth Empowerment Inspiring Future Belfast Lot 2	Services	£225,981	Active Communities Network	Yes	N/A	N	15%
T2558 (3)	PEACEPLUS Youth Empowerment Inspiring Future Belfast Lot 3	Services	£248,703	Streetbeat Youth Project	Yes	N/A	N	15%
T2577	PEACEPLUS Interfaith and Belief Programme	Services	£304,564	The Corrymeela Community	Yes	N/A	N	15%
T2511 *	Framework Agreement for the Supply & Delivery of Goods for Resale to Belfast Zoo. i.e. Animal	Supplies	£660,000	Various	Yes	N/A	N	N/A

Appendix 1

Ref	Contract Title	Contract Type	Value	Successful Supplier	SVPP applied (Y/N)	If No - Reason why?	Reserved Contract (Y/N)	Social Value Weighting % applied
	themed plush/soft toys, games and souvenirs							
T2547	Operation the Stables Café at Sir Thomas and Lady Dixon Parks, including using the cafe facilities to provide additional optional catering Services	Services	£1,200,000	USEL	Yes	N/A	Y	15%
T2559(1)	Supply of Electricity - Lot 1 – Fixed and Unmetered Portfolio	Supplies	£1,000,000	3t Power	Yes	N/A	N	10%
T2559(2)	Supply of Electricity - Lot 2 – Flexible Portfolio	Supplies	£19,500,000	3t Power	Yes	N/A	N	15%
T2565 *	Framework Agreement for Local Newspapers to Print Various Advertisements	Services	£800,000	Various	Yes	N/A	N	N/A
T2592	Provision of mobile phone service and mobile devices	Services	£570,000	Vodafone Limited	No	External Framework Used	N	N/A
T2613	Provision of PTX Software (STA)	Services	£140,000	Bottomline Technologies	No	STA/Direct Award	N	N/A
T2385 *	In-cab technology solution for fleet telematics and vehicle routing	Supplies	£3,450,000	Whitespace Work Software	No	External Framework Used	N	N/A
T2570	Provision of Resilient Internet Service	Services	£95,000	Eir Evo	No	External Framework Used	N	N/A

* Note

T2358f – Oversight by Dept/ Officer when procuring and estimating contract value under the Council's Dynamic Purchasing System 'DPS' for food. Additional measures now in place under DPS to help ensure this does not re-occur in the future. Possibility of agreeing SV offer/delivery plan with supplier post award. CPS to initiate discussions with supplier.

T2511 – This is the award of a framework. SV weighting and scoring to be applied to any >£30k call off contracts awarded under the framework.

T2565 - This is the award of a framework. SV weighting and scoring to be applied to any >£30k call off contracts awarded under the framework.

Appendix 1

T2385 – included a 5% weighting for sustainability in line with framework guidelines/restrictions. Supplier has provided social value and environmental initiatives as part of their bid but not strictly in line with SVPP.

Table 1b: Tenders awarded by Property & Projects

Ref	Contract Title	Contract Type	Value	Successful Supplier	SVPP applied (Y/N)	If No - Reason why?	Reserved Contract (Y/N)	Social Value Weighting % applied
ITT 38140	Design, Supply, Maintenance & Operation of Belfast Bikes Public Hire Scheme	Supplies	£2,209,250	Beryl	Yes	N/A	N	10%
ITT 38228	NRF New Build Community & Heritage Centre at Davitts GAC (PQQ to ITT)	Works	£1,147,547.60	Piperhill Construction	Yes	N/A	N	10%
ITT 38271	Commissioning of an Artist for the design, manufacture and installation of a new stained-glass window in City Hall, Belfast (PQQ to ITT)	Works	£31,200	Alpha Stained Glass	No	Contract <6 months duration	N	N/A
ITT 38318	Floral Hall Asbestos Removal	Works	£645,145	Keltbray Ltd	Yes	N/A	N	10%
ITT 38333	MTC for Glazing Services at all Council Properties	Works	£41,857.50	John Hunter Glazing Ltd	Yes	N/A	N	10%
ITT 38371	MTC for Roller Shutter Services at various Council properties	Works	£52,930	D W Industrial Doors	Yes	N/A	N	10%
ITT 38397	BIF Castlereagh Community Hall (PQQ to ITT)	Works	£326,600	Bradley Construction (MF) Ltd	Yes	N/A	N	10%

Table 2: Summary of key findings/ data

Key area/ criteria	Summary/ Key Findings
Total number of tenders awarded during Reporting Period	44 tenders awarded
Total number of tenders awarded where SVPP was applied	31 out of 44 tenders (70%)
Summary of reasons why SVPP was not applied	<p>6 out of 13 – STAs/ Direct Awards</p> <p>5 out of 13 – an external framework was used to award contract therefore restricted to framework evaluation criteria which did not permit including social value</p> <p>1 out of 13 – Short duration project. SV delivery not feasible. <i>See updated paper re delivering SV for short duration projects.</i></p> <p>1 out of 13 – Dept/Officer error</p>
Number of Reserved Contracts	<p>1</p> <p>Café at the Stables, Lady Dixon Park was reserved to a social enterprise. USEL were successful.</p> <p>Social Value Review Team to consider if any further guidance is required about when/ what tenders should be reserved to social enterprises.</p>
Social value organisational behaviours selected for inclusion in tenders.	<p>Ethical Procurement Policies - included in 11 out of 31 tenders</p> <p>Environmental Management Systems - included in 6 out of 31 tenders</p> <p>HR Policies - included in 22 out of 31 tenders</p> <p>Although inclusion of these policies is considered by Officers on a tender by tender basis depending on the scope of the requirement, the Social Value Review Team will review guidance to ensure it is clear when to include these organisational behaviours in tenders; particular areas where there are low levels of inclusion.</p>

Table 3: Summary of Supplier's Social Value Offers (Evaluated submissions)

	Social Value Initiatives																
Page 92 Tender Awarded - Supplier	Number of employment weeks* (FTE) created for Apprenticeships	Number of employment weeks* (FTE) created for Priority Groups	Number of employment weeks* (FTE) created for Students	Employability or skills initiatives to support Priority Groups	Initiatives to enhance employability of young people	Use of a social enterprise or co-operative in the supply chain (in relation to contract)	Initiatives to support VCSE organisation	Initiatives to improve good relations between people from different religious, political, racial & ethnic backgrounds	Initiatives to reduce or prevent crime (including hate crime) and/or ASB	Initiatives to reduce or prevent health related inequalities	Initiatives to increase participation in sports related activities	Initiatives to increase participation in arts related activities	Reduce carbon emissions associated with energy supply	Reduce carbon emissions associated with transportation	Improve waste management, including recycling, upcycling and supporting the circular	Improve resource efficiency	Enhance environmental natural resources and biodiversity
T2551 Technical Support for Belfast PCSP - University Ulster							✓	✓									
T2583 Provision of venue management, operation and catering at 2 Royal Avenue – May We					✓												
T2358d DPS Food Products Category 7 Lucerne - Equestrian and Farm Feeds											✓		✓				
T2605 Provision of Asylum Support and Capacity Programme - Law Centre NI					✓												
T2564 Provision of a Folder Inserter - Tilos Ltd														✓	✓		

Appendix 1

	Social Value Initiatives																
Tender Awarded - Supplier	Number of employment weeks* (FTE) created for Apprenticeships	Number of employment weeks* (FTE) created for Priority Groups	Number of employment weeks* (FTE) created for Students	Employability or skills initiatives to support Priority Groups	Initiatives to enhance employability of young people	Use of a social enterprise or co-operative in the supply chain (in relation to contract)	Initiatives to support VCSE organisation	Initiatives to improve good relations between people from different religious, political, racial & ethnic backgrounds	Initiatives to reduce or prevent crime (including hate crime) and/or ASB	Initiatives to reduce or prevent health related inequalities	Initiatives to increase participation in sports related activities	Initiatives to increase participation in arts related activities	Reduce carbon emissions associated with energy supply	Reduce carbon emissions associated with transportation	Improve waste management, including recycling, upcycling and supporting the circular	Improve resource efficiency	Enhance environmental natural resources and biodiversity
T2561 Bulk LPG – Duncrue Estate - Calor Gas NI														✓	✓		
T2557 Provision of Specialist Sponsorship and Advertising Services - PHAR Partnerships Ltd					✓												
T2463(a)1 Framework for Provision of Coach hire services with Driver - Belfast Mini Coach			✓												✓		
T2463(a)2 Framework for Provision of Coach hire services with Driver - Metro Private Hire													✓	✓			
T2575 PEACEPLUS Arts Across the Genres - MayWe					✓												
T2481 Maintenance, repair and inspection of grounds maintenance plant and equipment – Keys Brothers	✓					✓				✓	✓						
T2567(3) PEACEPLUS From Multiculturalism to Interculturalism Lot 3 - Féile an Phobail						✓		✓									

Appendix 1

	Social Value Initiatives																
Tender Awarded - Supplier	Number of employment weeks* (FTE) created for Apprenticeships	Number of employment weeks* (FTE) created for Priority Groups	Number of employment weeks* (FTE) created for Students	Employability or skills initiatives to support Priority Groups	Initiatives to enhance employability of young people	Use of a social enterprise or co-operative in the supply chain (in relation to contract)	Initiatives to support VCSE organisation	Initiatives to improve good relations between people from different religious, political, racial & ethnic backgrounds	Initiatives to reduce or prevent crime (including hate crime) and/or ASB	Initiatives to reduce or prevent health related inequalities	Initiatives to increase participation in sports related activities	Initiatives to increase participation in arts related activities	Reduce carbon emissions associated with energy supply	Reduce carbon emissions associated with transportation	Improve waste management, including recycling, upcycling and supporting the circular	Improve resource efficiency	Enhance environmental natural resources and biodiversity
T2567(4) PEACEPLUS From Multiculturalism to Interculturalism Lot 4 - Arts & Arts						✓											
T2562 PEACEPLUS - Community Empowerment Programme Tender - NICVA											✓	✓					
T2563 PEACEPLUS - Language Up Belfast Tender - DFPF Ltd t/a People 1st				✓	✓	✓	✓										
T2569 PEACEPLUS Sport for Peace - Active Communities Network					✓												
T2558 (1) PEACEPLUS Youth Empowerment Inspiring Future Belfast Lot 1 - GIGA Training Ltd											✓						
T2558 (2) PEACEPLUS Youth Empowerment Inspiring Future Belfast Lot 2 - Streetbeat Youth Project						✓											
T2577 PEACEPLUS Interfaith and Belief Programme - The Corrymeela Community						✓		✓									

Appendix 1

	Social Value Initiatives																
Tender Awarded - Supplier	Number of employment weeks* (FTE) created for Apprenticeships	Number of employment weeks* (FTE) created for Priority Groups	Number of employment weeks* (FTE) created for Students	Employability or skills initiatives to support Priority Groups	Initiatives to enhance employability of young people	Use of a social enterprise or co-operative in the supply chain (in relation to contract)	Initiatives to support VCSE organisation	Initiatives to improve good relations between people from different religious, political, racial & ethnic backgrounds	Initiatives to reduce or prevent crime (including hate crime) and/or ASB	Initiatives to reduce or prevent health related inequalities	Initiatives to increase participation in sports related activities	Initiatives to increase participation in arts related activities	Reduce carbon emissions associated with energy supply	Reduce carbon emissions associated with transportation	Improve waste management, including recycling, upcycling and supporting the circular	Improve resource efficiency	Enhance environmental natural resources and biodiversity
T2547 Operation the Stables Café at Sir Thomas and Lady Dixon Parks, including using the cafe facilities to provide additional optional catering services - USEL				✓											✓		
T2559(1) Supply of Electricity - Lot 1 – Fixed and Unmetered Portfolio – 3t Power								✓		✓	✓						
T2559(2) Supply of Electricity - Lot 2 – Flexible Portfolio – 3t Power					✓			✓		✓	✓					✓	✓
ITT 38140 Design, Supply, Maintenance & Operation of Belfast Bikes Public Hire Scheme - Beryl				✓			✓		✓	✓	✓			✓			
ITT 38228 NRF New Build Community & Heritage Centre at Davitts GAC (PQQ to ITT) - Piperhill Construction					✓	✓	✓										
ITT 38318 - Floral Hall Asbestos Removal - Keltbray Ltd			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
ITT 38333 MTC for Glazing Services at all Council Properties - John Hunter Glazing Ltd														✓	✓		

	Social Value Initiatives																
Tender Awarded - Supplier	Number of employment weeks* (FTE) created for Apprenticeships	Number of employment weeks* (FTE) created for Priority Groups	Number of employment weeks* (FTE) created for Students	Employability or skills initiatives to support Priority Groups	Initiatives to enhance employability of young people	Use of a social enterprise or co-operative in the supply chain (in relation to contract)	Initiatives to support VCSE organisation	Initiatives to improve good relations between people from different religious, political, racial & ethnic backgrounds	Initiatives to reduce or prevent crime (including hate crime) and/or ASB	Initiatives to reduce or prevent health related inequalities	Initiatives to increase participation in sports related activities	Initiatives to increase participation in arts related activities	Reduce carbon emissions associated with energy supply	Reduce carbon emissions associated with transportation	Improve waste management, including recycling, upcycling and supporting the circular	Improve resource efficiency	Enhance environmental natural resources and biodiversity
ITT 38371 MTC for Roller Shutter Services at various Council properties - D W Industrial Doors			✓					✓							✓		
ITT 38397 BIF Castlereagh Community Hall (PQQ to ITT) - Bradley Construction (MF) Ltd						✓								✓			

Social Policy Working Group

Tuesday, 13th May, 2025

MEETING OF THE SOCIAL POLICY WORKING GROUP

HELD IN THE CONOR ROOM AND
REMOTELY VIA MICROSOFT TEAMS

- Members present: Councillor Doherty (Chairperson);
Alderman Copeland; and
Councillors F. McAteer, I. McLaughlin and R. McLaughlin.
- In attendance: Ms. S. McNicholl, Deputy Chief Executive/Director
of Corporate Services;
Ms. N. Largey, City Solicitor/Director of Legal and Civic
Services;
Mr. J. Tully, Director of City and Organisational Strategy;
Ms. C. Sheridan, Director of Human Resources;
Ms. N. Bohill, Head of Commercial and Procurement
Services;
Mr. K. Heaney, Head of Inclusive Growth and Anti-Poverty;
Ms. C. Hutchinson, Strategic Planning and Policy Officer;
Ms. C. Christy, HR Manager (Development);
Mr. L. Murray, Strategic Category Manager;
Ms. C. Patterson, Policy and Programme Manager,
Inclusive Growth;
Ms. M. Robinson, Belfast Business Coordinator;
Ms. K. Murtagh, Enterprise and Business Growth Officer;
Mr. K. Quinn, Employability and Skills Officer; and
Mr. C. Mealey, Committee Services Officer.

Apologies

An apology was reported on behalf of Councillor Smyth.

Minutes

The minutes of the meeting of 11th February, 2025 were approved by the Working Group.

Declarations of Interest

No declarations of interest were recorded.

Actions Update

The Working Group noted the Decision and Action Tracker.

Social Value Procurement Policy (SVPP)

SVPP - Review

The Working Group considered the undernoted report:

“1.0 Purpose of Report or Summary of main Issues

To provide Members with an update on proposed amendments to the current Social Value Procurement Policy ‘SVPP’ and ask Members to approve and/or provide further feedback on the proposed approach i.e. publish a new Sustainable Procurement Policy.

2.0 Background

The Council has two procurement policies in place:

1. [Social Value Procurement Policy](#) - this external facing policy, introduced in June 2022, outlines the Council’s commitment and strategic approach to embedding social value into its procurement processes, supported by a two-step toolkit and officer training. It sets the expectations for suppliers and stakeholders in supporting the Council’s ambitions around inclusive growth and sustainability
2. [Procurement Policy](#) - this internal policy (currently being updated in line with the Procurement Act 2023) sets out the standards of behaviour, actions, and procedures expected of Officers when procuring goods, services, and works for the Council. It also includes defined requirements around sustainable and ethical procurement practices, ensuring that these principles are embedded in day-to-day procurement activity. It incorporates:
 - Sustainability aims aligned with the Belfast Agenda and Inclusive Growth Strategy
 - Ethical procurement expectations for both officers and suppliers, underpinned by the Council’s Code of Conduct
 - Compliance with legislative requirements (e.g. Modern Slavery Act, Fair Employment)
 - Guidance on local supplier inclusion for low-value quotations
 - Chartered Institute of Procurement and Supply ‘CIPS’ Ethics Kite Mark accreditation and annual training for officers

Together, these policies ensure procurement activity reflects the Council's values of fairness, transparency, inclusion, and environmental responsibility.

Since these policies have been implemented, the Council has committed to a number of other strategies and action plans which will require extending the scope/ influence of the Council's procurement policies. These include:-

1. Climate Action Plan (and Corporate Plan) which sets out a number of procurement actions including:
 - Develop a sustainable/ low carbon procurement policy and supplier guidance documents to support a transition to an inclusive, net zero
 - and resilient future
 - Through sustainable procurement, aim to use local suppliers to the Council to reduce miles travelled within the confines of procurement legislation and Local Govt Act restrictions
 - Scope out a strategy to increase renewable and low-carbon energy use through corporate power purchase agreements
2. Single Use Plastics 'SUP' Policy (draft/ in development) which includes a number of procurement related actions to reduce the use of SUP in the Council's supply chains.
3. Sustainable Food Policy (draft/ in development) which includes a number of procurement related actions about how we procure food in a sustainable way.
4. Notice of Motion at Feb 25 SP&R and update paper at March 25 SP&R regarding developing a new ethical procurement policy
5. Race Equality Action Plan – to be reviewed when available

At April's S,P&R, members approved a review of the Social Value Policy to include wider ethical procurement considerations. As per the paper approved by members, this review would ensure an aligned 'sustainable procurement policy' is put in place setting out clear expectations of standards for suppliers regarding ethical, social value and environmental/low carbon considerations, having regard to the international guidance set out in this report, and how this might be factored into tender evaluations.

3.0 Sustainable Procurement

The term 'Sustainable Procurement' is widely accepted across organisations in the public and private sector to mean the

integration of ethical, social, economic and environmental criteria into an organisation's procurement processes.

Some examples include:

[Chartered Institute of Purchasing and Supply](#) defines it as *'Sustainable procurement supports the sustainability goals of the organisation and optimises the environmental, social, and economic impacts over the life cycle of the product or service.'*

Sustainable Procurement Task Force defined it as *'a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment.'*

[The International Organisation of Standardisation \(ISO\)](#) (ISO 20400 sustainable procurement accreditation) defines sustainable procurement/ development as *'integrating the goals of a high quality of life, health and prosperity with social justice and maintaining the earth's capacity to support life in all its diversity. These social, economic and environmental goals are interdependent and mutually reinforcing. Sustainable development can be treated as a way of expressing the broader expectations of society as a whole.'*

A recent benchmarking exercise conducted by CPS when considering a new sustainable/ low carbon procurement policy, found that across the UK and Ireland 'sustainable procurement' is used as an overarching term that includes ethical, social, economic and, environmental/ low carbon considerations.

Some examples include:

- [The City of Edinburgh Council](#) - Sustainable Procurement Policy
- [Cambridge County Council](#) – Sustainable Procurement Strategy

In order to address current open actions as described in section 2, it is an opportune time to develop one externally facing procurement policy, positioned as a Sustainable Procurement Policy.

The most effective way to achieve this is to update/develop our SVPP and any associated toolkits and guidance.

3.0 Potential development/improvements of the current SVPP for the new Sustainable Procurement Policy

At this stage the following areas have been considered as key development/improvements areas:

Ethical Procurement

- Expand further on the visibility and scrutiny of our supplier's supply chains and associated business operations to ensure supply chain practices adhere to ethical standards. These standards typically include labour rights, environmental sustainability, fair trade practices, and human rights. This might include supply chain audits/mapping, associated reporting and application of contract remedies for any found unethical practices e.g. termination.

Social Value

- Build on the good work done to date with the SVPP but refine certain areas based on lessons learned to date e.g. short duration projects and review initiatives, points and weightings to ensure these are fit for purpose

Align the current social value initiatives, associated scoring and evaluation with developments in ethical and environmental/ low carbon procurement

Environmental/ Low Carbon

- Set out expectations from our suppliers on Scope 3 emission data reporting and how the Council will use this data
- Suppliers to publish and report progress on carbon reduction plans
- Develop a toolkit for Officers to use to improve consistency when including low carbon standards in specifications when procuring goods, services and works to help lower the Council's carbon footprint. This would include procurement related actions under SUP policy and Sustainable Food policy.

Current supplier guidance document and toolkit for Officers would be updated to incorporate these requirements.

All updates/additions will also be reviewed in line relevant legislation to ensure compliance i.e. Local Govt Act and Procurement Act.

4.0 Recommended approach

It is recommended that the SVPP and associated guidance and toolkit is updated, as outlined above, to create a new Sustainable Procurement Policy.

Benefits of doing so include:

- Alignment with definitions and wider understanding of what Sustainable Procurement incorporates and approaches by other GB and Irish councils
- Simplified approach and consistent message to our suppliers with one externally facing procurement policy
- Allows us to build on the positive outcomes the SVPP has delivered to date and refine/ develop these further
- Provides a clear message to our suppliers of the Council's approach to procurement and the associated ethical, social, economic and environmental standards expected
- Easier to manage and co-ordinate guidance and training for Officers
- Easier to monitor and manage outputs under the one policy
- Easier to manage future developments in line with sustainable procurement best practice and Council strategies and corporate plans.

In addition, the Council's internal facing Procurement Policy would be reviewed and aligned with the content of the Sustainable Procurement Policy.

5.0 Proposed timescales and next steps

The most complex area of work is in the environmental/ low carbon standards workstream which will take longer to finalise due to the level of work involved in researching and developing the low carbon toolkit including wider stakeholder engagement required. This is to ensure any standards included are achievable, affordable and will make a material impact to the Council's carbon footprint.

Interim policy updates could be adopted sooner and applied via work instructions to Officers whilst the Sustainable Procurement Policy is finalised should any be a priority during FY25/26 e.g. ethical procurement considerations.

The aim is for the Sustainable Procurement Policy to be drafted and implemented before the end of FY25/26 subject to any public consultation and Council ratification, if required.

Progress updates will be presented and discussed at each SPWG during 25/26.

Members are welcome to send through any feedback/ input to the Sustainable Procurement Policy content to Lewis Murray in CPS at any time for consideration.”

During discussion, the Head of Commercial and Procurement Services, in response to a Member’s question in relation to the Council’s internal Procurement Policy and the measures that were in place to ensure supplier compliance with legislative requirements, advised that further information in respect of best practice would be brought back to the Working Group.

In response to a Member’s query regarding ethical procurement and the timescales associated with the implementation of ethical procurement provisions within the current SVPP, the City Solicitor/Director of Legal and Civic Services advised that a report would be submitted to the next meeting of the Working Group to provide further detail on the issues raised.

After discussion, the Working Group agreed that a report on ethical procurement be submitted to a special meeting of the Working Group in June.

SVPP - Short Duration Projects

The Working Group considered a report that outlined a proposed amendment to the SVPP to provide officers with flexibility in applying social value to tender competitions for short duration contracts of six months or less.

The Working Group approved the recommended amendment to the SVPP.

SVPP - Delivery Report

The Head of Commercial and Procurement Services provided the Working Group with an update on the delivery of social value outcomes via open tender competitions awarded in accordance with SVPP for the reporting period 1st December, 2024 – 31st March, 2025.

Noted.

Belfast Business Promise

The Belfast Business Promise Programme Coordinator presented the Working Group with a progress update on the Belfast Business Promise (BPP) that included:

- **Accreditation:**
 - 173 pledges accredited to date;
 - 16 organisations had achieved ‘Member’ accreditation to date; and
 - 8 organisations had achieved ‘Ambassador’ accreditation to date.

- **Technical Panels** - Site visits scheduled June – August, 2025 and Technical Panels scheduled for August, 2025.
- **Belfast City Council Progress** - Achieved 'Ambassador' accreditation in May, 2025 and JAM card e-learning ongoing.
- **Staffing** - Officer posts extended December 2025.
- **Peer Support Networks:**
 - 'Work in partnership with our communities' – Ulster Bank, 4th June 2025;
 - Real Living Wage Accreditation - Belfast City Council, July 2025; and
 - 'Better on Board' – Translink, Autumn 2025.
- **Communications:**
 - Further development of website to enhance visibility and share resources across BBP Network;
 - BBP coverage in Belfast City Matters June magazine;
 - Digital Badges went live in April, 2025 with 8 organisations availing of offer to date including Labour Relations Agency, Mount Charles Group and West Belfast Partnership Board; and
 - BPP Newsletter went live in February, 2025.
- **JAM Card Bursary** - Up to 80 organisations to be supported (Micro, SME and VCSE) and BBP organisations undergoing JAM card e-learning.
- **Promise Learning Days** - 11th September and 27th November, 2025.

The Working Group thanked the Programme Coordinator and the BBP team for the work that had been undertaken and highlighted the success of the programme to date.

Noted.

Forward Work Plan

The Working Group considered a report in relation to the development of a renewed forward work programme.

The Head of Inclusive Growth and Anti-Poverty reminded Members that the terms of reference for the Working Group were agreed by the Strategic Policy and Resources Committee in 2021 and highlighted that it had been the key driver in helping the Council progress towards inclusive growth with notable achievements including:

- The first Council in Northern Ireland to secure Real Living Wage accreditation;
- The development and implementation of the Social Value Procurement Policy and Toolkit;
- The co-design and testing of the Belfast Business Promise;
- The identification of inclusive growth priority groups;
- The continued development of demand driven employment academies and the Labour Market Partnership;
- The on-going development of an Inclusive Growth Index and Inclusive Growth Toolkit to further embed inclusive growth across the Council; and
- The embedding of inclusive growth as a priority in the refreshed Belfast Agenda (2023 – 2028) and associated action plans.

He further highlighted that, as these were now in the delivery stage, the role of the Working Group had shifted towards a focus on monitoring progress and that, given a review of governance arrangements was currently being progressed, it was now an opportune time for the Working Group to reconsider its role and focus by developing a forward work programme to ensure the continued delivery of social value and inclusive growth ambitions.

It was recommended that, given a number of emerging priorities had been identified through discussions within the Working Group and Committees, officers further engage with the Members and their Party Groups to inform the development of a forward work programme which would seek to:

- Reflect on progress to date and identify how this could inform future focus;
- Identify strategic opportunities to continue to deliver Members' inclusive growth ambitions and add value; and
- Maximise the role of Social Policy Working Group in helping to shape relevant emerging policies and ensuring the agreed programme of work is delivered.

The Working Group agreed that a workshop be held to enable Members to provide feedback on the engagement with their Parties and inform the development of the Working Group's forward work programme.

Chairperson

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