

Strategic Policy and Resources Committee

Friday, 22nd March, 2013

Meeting of Strategic Policy and Resources Committee

Members present: Councillor Hargey (Chairman); and
Councillors Reynolds, Campbell, Newton, Attwood,
Convery, Corr, Haire, Hussey, Jones, Lavery, Maskey,
McCarthy, McVeigh, Mac Giolla Mhín, Ó Muilleoir and
Newton

In attendance: Mr. P. McNaney, Chief Executive;
Mr. R. Cregan, Director of Finance and Resources;
Mr. J. McGrillen, Director of Development;
Mr. G. Millar, Director of Property and Projects; and
Mr. J. Hanna, Senior Democratic Services Officer.

Apology

An apology for inability to attend was reported from Councillor Hendron.

Declarations of Interest

No declarations of interest were reported.

Investment Programme

Draft Communications Plan Update

(Mr. E. Deeny, Head of Corporate Communications, attended in connection with this item.)

The Head of Corporate Communications submitted for the Committee's consideration a report outlining a draft Communications Plan in relation to the Investment Programme. He reminded the Members that the Investment Programme had been launched in February, 2012 in the Belfast Waterfront Hall and at a number of smaller events throughout the community. A short-term communications plan had been approved by the Committee, at its meeting on 18th May, 2012. This had included recommendations for media coverage, website updates, internal communications and coverage in City Matters magazine for a range of projects and initiatives. It had also outlined designs for 'branding' Investment Programme projects, particularly on temporary signs at construction sites.

He explained that, one year into the Programme, it was important that communications around the Investment Programme were stepped up. To that end it was vital that the Council:

- developed overarching key messages about the Council's work overall, as well as second tier messages dealing specifically with the progress of the Investment Programme;
- developed a communications strategy and action plan of planned public relations activity and events;
- developed individual communications plans for each major project; and
- considered how the work of area working groups could be publicised.

He pointed out that the starting point had to be a review of the published aims of the Investment Programme, which should be used as a benchmark to compare progress to date, with a view of having up-to-date information and lines to take in areas that were likely to be of most interest to the media including:

- finances secured;
- job, training and education opportunities;
- projects completed/investment to date; and
- major projects and the next twelve months, particularly in the areas of jobs created, finances secured, level of investment, projects completed or underway and those that would be progressed in the coming year.

The Head of Corporate Communications reviewed the overarching key messages which needed to be continually highlighted in press material and in response to press queries, in major speeches, at the monthly Council meetings when the media were present, and in publications. He reviewed also the key facts and figures regarding the commitments which had been made in relation to the physical investment, the investment in local economic growth, investment in people, communities and neighbourhoods and value-for-money. In order to maintain interest and highlight the achievements of the Council, a draft Communications Plan had now been developed and he outlined the main points contained therein.

After discussion, the Committee approved the draft Communications Plan for the Investment Programme and the template for quarterly updates to the Strategic Policy and Resources Committee.

Social Investment Fund

The Director of Property and Projects submitted for the Committee's consideration the undernoted report:

“1 Purpose of report

1.1 To provide Members with an update on the Social Investment Fund, the draft area plans which were submitted to OFMDFM on 31st January and an initial overview of their implications for the Council.

2 Relevant Background Information

2.1 Members are aware the OFMDFM established an £80m Social Investment Fund (split between capital and revenue) aimed at *‘reducing poverty, unemployment and physical deterioration through strategic areas based interventions of significant scale’*. The Fund has 4 strategic objectives:

- **Build Pathways to Employment**
- **Tackling the systemic issues linked to deprivation**
- **Increase community physical resources**
- **Address dereliction**

2.2 The Social Investment Fund is being delivered in partnership with communities across the 9 social investment zones. The 4 zones in the Greater Belfast area – North, South, East and West were based on Northern Ireland Assembly constituencies. A Steering Group made up of representative from the business, political, statutory and voluntary and community sectors was established for each area. The Council was represented at a Director level on each of the 4 zones. Members agreed previously that officers should work with their counterparts in Castlereagh and Newtownabbey Borough Councils to develop proposals to feed into the plans for the four zones. The key role of the Steering Groups was to develop and manage an area-based plans for their zone. An independent consultant, Copius consulting, was appointed to manage and co-ordinate each of the Belfast zones.

2.3 Members may be aware that the original timescale for SIF was extremely tight with all area plans due to be completed by December 2012 and all spend committed by 2015. This proved to be impractical given the magnitude of work to develop area plans given the need for extensive consultation and the impact of the 2015 timescale on the deliverability of capital projects. The timescales were subsequently revised with all area plans to be submitted by 31st January and all spend committed by 2016.

3.0 Key Issues

3.1 Each Steering Group meet intensively over the period from October when the Groups were established till the end of January in order to produce the *draft* area plans. Each Steering Group has now presented its agreed draft area plan to OFMDFM. The capital and revenue projects/cluster themes within these draft plans are now undergoing an economic appraisal by Copius Consulting before being passed to DFP.

3.2 Council officers are currently analysing the 4 draft area plans and identifying and scoping the implications of the various projects for the Council with regard the following issues:

- the capital projects where there is expectation that the Council will be the delivery agent to support procurement, design, etc.
- those projects which are match-funded in principle by Local Investment Fund
- those projects which have been awarded a % funding in principle by Local Investment Fund, but have not received the anticipated match-funding from SIF
- match-funding expectations for the Belfast Investment Fund and potential priority projects
- projects which fit within Council strategies (e.g. Pitches Strategy) and where there may be advantage to both the Council and groups for the Council to be the primary delivery agent
- Revenue projects such as employability which do not currently have a neat strategic 'fit' with Council objectives
- Revenue projects such as advice services where complementarity with Council objectives/current provision needs to be built in

A summary of the draft area plans and the projects contained within them has been circulated. Council officers are also currently mapping the proposed SIF projects.

3.3 Out of this initial analysis there are a number of key issues which Members are asked to note –

- The Council has been identified as the 'preferred' or 'potential' delivery agent for up to 96 capital projects under the draft SIF plans (outlined in the Table below). These range in magnitude from major capital builds, new pitch provision, pitch upgrades to smaller extensions/refurbishments of community facilities.

There will be associated resource implications across the Council and resources costs in delivering these and the impact of delivering these also needs to be taken in the context of the Council's other project delivery commitments under the Capital Programme, the Local Investment Fund and projects which may emerge through the Belfast Investment Fund. However the exact resource implications cannot be quantified until the outcome of the economic appraisal process on all plans is completed and there is a finalised definitive list of projects to be delivered. Members are asked to note that there is a management fee (potentially up to 20%) available for the delivery of projects. However the amount and how this will be processed needs further clarification. If the Council does become a delivery agent for any/all of the identified projects then a more in-depth resource analysis will need to be undertaken once the implementation of plans is more confirmed.

<p>West</p>	<p>Named as Preferred delivery agent for 36 projects 1 major capital projects (St Comgall's) 2 clusters of capital projects – Increasing Community Services (18 projects in total) and Health and Well-Being (17 projects in total)</p>
<p>North</p>	<p>Named as Potential delivery agent (named alongside DSD and a new Ethical Development Trust which will be established) for up to 24 projects 6 clusters of projects – Childcare (2 projects), Community Support –New Build (3 projects), Community Support – Extensions/Renovations (7 projects), Health and Well-being (3 projects), Addressing Dereliction (4 projects), Social Enterprise (5 projects) Also named as potential delivery agent for up to 30 projects under technical assistance</p>

South	Named as Preferred delivery agent for 14 projects 2 clusters of capital projects – Increasing Community Services (10 projects in total) and Sports & Leisure (4 projects in total)
East	Named as Preferred delivery agent for 22 projects 2 clusters of capital projects – Increasing Community Services (17 projects in total) and Addressing Dereliction (5 projects in total) Also named as potential delivery agent for up to 25 projects under technical assistance

- At least 10 of the proposed capital projects are on Council assets. Members are asked to
- note that this figure may change however as it is not immediately clear from the brief project descriptions contained within the draft plans where the exact locations of some proposed projects are and there may be further projects which might be on Council assets. It is also not clear at this stage if these proposals are premised on the basis that the Council will dispose of these assets (by lease or otherwise) or if the acquisition and/or lease costs have been factored into overall project costs. In addition, there are a number of proposed projects that involve other public sector owned land or property e.g. DRD. Initial discussions on some of these would indicate that these bodies may not be in a position to dispose of the asset to a third party but that they might dispose (by way of a lease or otherwise) to the Council who could in turn sub-lease to a third party. This again will have resource implications for the Council.
- There are queries over proposed project costs for many of the projects– particularly projects where Council is named as a preferred/potential delivery agent. At this stage many are ball park estimates only and have not been subjected to an independent analysis. The figures will be tested as part of the economic appraisal process.

- Council may end up delivering projects (e.g. addressing dereliction/alley-gating activities) funded by SIF, in one area and not another, which may have political and/or community consequences, particularly in the context of the Investment Programme's 'balanced investment' principle
- 3.4** Members are asked to note that as some of the projects proposed are on Council assets the Council is being approached through the economic appraisal process to provide either further information or provide support. Members are asked to approve officers to continue to facilitate the economic appraisal process as required.
- 3.5** Council officers also recently met with senior representatives from OFMDFM regarding the draft area plans. A number of general issues emerged during this discussion –
- The total fund is over-subscribed
 - Displacement has been identified as a significant issue in the capital stream. This is being further interrogated in the appraisal process
 - Differentiation/duplication with mainstream departmental revenue programmes such as advice services, health programmes, warm homes and employability are key concerns
 - In terms of employability, there appears to be a need for specific programme for over 25s (e.g. 40-50s). We have asked that the Council is involved in that discussion, particularly in relation to employability, given the work around developing a City Employability Strategy
 - A funders' reference group is being established and the Council will be invited to join
- 3.6** Members are asked to note that there is no single point of co-ordination for the 4 plans in Belfast. There is perhaps a future role for the Council in developing synergies and connectivity between the plans, as per our original consultation response. It is therefore recommended that discussions regarding a central co-ordination role are progressed with OFMDFM.

Next steps

- 3.7** The next steps in relation to the draft Area Plans is outlined below for Members –

March	Ministers to agree notional allocation of funding
March – June	Economic appraisal process to be undertaken in order of priority allocated by the Zone Steering Groups Validation of appraisal information by SIB and DFP – during this process projects will be challenged and, if appropriate, may be streamlined and/or recommended for delivery on a city-wide basis. Risk appraisal to be undertaken
May onwards	Projects/clusters to be presented in batches to internal approvals panel for sign-off (no return to Ministers)
Aug onwards	Issue of contracts in batches

4.0 Resource Implications

4.1 *Resources and Assets* - As outlined in 3.3 above

5 Equality and Good Relations Considerations

5.1 OFMDFM is responsible for the equality screening and impact assessment of SIF.

6 Recommendations

6.1 Members are asked to

- Note that the Council has been named as preferred or potential delivery agent for a substantial number of projects under the draft area plans and agree this in principle at this stage. This will be subject to

- the outcome of the economic appraisal process,
- further clarification around the management fee that will be available and the process around this
- further analysis of the resources implications that this will require and the impact of this on the Council's other project delivery commitments

A further update on this will be brought to Committee in due course as the economic appraisal process progresses and the resources implications become clearer

- Agree that officers continue to facilitate the economic appraisal process as required at this stage
- Agree that officers continue discussions with OFMDFM re the draft area plans and the potential for the Council to play a central co-ordination role to ensure that synergies and connectivity between the plans are identified.”

After discussion, during which several Members made the point that there was a need for the delivery mechanisms to have a connection between Citywide projects and local programmes, the Committee adopted the recommendations.

North Foreshore Progress Update

The Committee considered the undernoted report:

“1 **Relevant Background Information**

1.1 Members will be aware that the Council has previously agreed that the North Foreshore, the closed waste landfill site, should be developed for waste management, bio-economy and recreational uses. The regeneration bio-economy proposals comprise the development of an environmental resource park to create an innovative “Green Technology Business Cluster” for Belfast. This would have the benefit of diversifying the economy to encourage investment and job creation.

1.2 **Progress Update**

1.3 The development of a green technology business park at the North Foreshore is included within the Investment Programme 2012 – 2015. Members will be aware that the Council has submitted a £8 million European Regional Development Fund Application to develop the infrastructure to develop the environmental resource park. Invest NI and DETI are currently progressing the economic appraisal to

assess the application to be completed by the end of May 2013. Letter of Offer expected late August early September. SP&R approval was granted to procure consultancy service in November 2012, and Tender Documents are being prepared to procure the service.

- 1.4 The Council has already commenced the regeneration of the North Foreshore with the completion of the waste transfer station; NIE Substation, and the landfill gas electricity generation power plant.
- 1.5 In February 2008, the Council approved the appointment of Renewable Power Systems Ltd as a joint venture partner for the generation of electricity from landfill gas at the North Foreshore. This led to the installation of five x 1 Megawatt generators which became operational in September 2009. Electricity is sold to NIE and exported to the local grid via a NIE sub-station sited at the North Foreshore. The net accrued income to the Council from project commencement in September 2009 to 28th February 2013 is £4,033,646.
- 1.6 An agreement to lease with arc21 / NWP for an in-vessel composting facility has been agreed. They are finalising the pre planning application discussions with Planning Service to be able to submit a planning application in 2013.
- 1.7 In 2011 the Council approved the release of a development brief to dispose a 1.5 acre site suitable for Anaerobic Digester Facility. A financial due diligence has been undertaken to assess the development submissions.
- 1.8 The proposals for an environmental resource park and the creation of a cleantech cluster is generating a lot of interest from private companies and investors wishing to invest in new cleantech technologies, particularly in the production of renewable energy.
- 1.9 The Council approved the release of a Marketing Prospectus to dispose a 3 acre site for a cleantech biogas renewable energy generation facility in January 2013. The Marketing Prospectus is to be advertised on 22 March 2013 and the closing date is the end of May.
- 1.10 QUESTOR, of Queen's University is proposing to develop a sustainable innovation R&D Centre with a focus on resource efficiency and renewable energy. They are finalising their Business Case which is to be submitted to INI/DETI. The North Foreshore site is has been identified as a potential location for the R&D Innovation Centre. There may be

potential private developer interest in building a R&D Facility in the Environmental Resource Park.

- 1.11 Recently the Council has been approached by renewable energy companies interested in leasing sites to develop solar renewable energy projects. This has been due to the recent announcement in January by DETI that the financial incentives, known as Renewable Obligation Certificates, for Solar PV above 250 kw is to be revised for ground mounted solar PV from the 1 April 2013. They have established the Renewable Obligation Certificates incentives for the period between 2013 - 2017. DETI definition for Solar PV is:
- 1.12 'electricity generated from the direct conversion of sunlight into electricity by Solar PV equipment installed on the ground'
- 1.13 There is an opportunity to test this interest by way of a Marketing Prospectus offering to lease a potential site at the North Foreshore.

2 Key Issues

Solar Renewable Energy

- 2.1 The Council has been approached by renewable energy companies interested in leasing sites to develop solar renewable energy projects. There is an opportunity to capture this current market interest. It would appear that there is a window of opportunity to attract the private sector investment due to the attractiveness of the Renewable Obligation Certificates incentive to be introduced in April 2013. All of the interested companies have indicated that they are keen to deliver the projects quickly, as they want to be locked in to the proposed Renewable Obligation Certificates banding well before 2017.
- 2.2 The interest in the North Foreshore is largely due to the existing NIE substation on the site that has spare export capacity on to the local grid. This is critical because it is proving difficult to identify sites that have the capacity to export renewable electricity, because of limited grid network capacity.
- 2.3 Disposal of land (by way of lease) at the North Foreshore for a solar energy project would:

- i. Be a good fit for the sustainable cleantech environmental theme for North Foreshore and demonstrate the City's low carbon green credentials.
 - ii. Showcase an alternative form of renewable energy generation.
 - iii. Attract Private Sector investment and job creation opportunities.
 - iv. Form part of the proposed North Foreshore renewable energy hub to create a unique selling point for the development of the cleantech environmental technology cluster
 - v. Provide Council with an income stream.
 - vi. Demonstrate council leadership to strengthen the City's resilience in an era of growing energy insecurity, increasing energy cost and fuel poverty.
- 2.4 At the northern portion of the North Foreshore there is approximately a c10 acres site with a south facing slope and a gentle gradient with minimal gas pipes and wells infrastructure constraints that has been identified as suitable. This northern portion has limited development potential due to the nature of the ground conditions but solar panels, for example, can be ground mounted on concrete slabs. This site is also relatively close to the NIE substation.
- 2.5 It is proposed to release a Marketing Prospectus for the disposal (by way of lease) of a site up 10 acres for a solar renewable energy project.
- 2.6 The Marketing Prospectus will require interested parties to submit detailed bids clearly outlining the proposed use; funding sources and financial details; a development programme; proposed lease terms and the financial return to the Council, by way of rent or otherwise. The submission bids will be subject to an evaluation and due diligence process which would include a financial evaluation to test the robustness of the bids and ascertain the ability to fund and deliver a sustainable development in this current economic climate
- 2.7 Following exposure to the market by way of Marketing Prospectus and the subsequent evaluation of bids a report will be brought back to Committee.
- 2.8 Decommissioning one LFG Electricity Generator
- 2.9 Each 1 mw generator requires a supply of 600 m³ of landfill gas per hour to operate at maximum efficiency. In September

2009, the gas field was producing in excess of 3000 m³ of landfill gas per hour, sufficient to supply 5 x 1mw generators.

- 2.10 In 2011 gas levels had declined to 2400m³ per hour and council approved the decommissioning of one generator.
- 2.11 As expected, a gradual natural decline in the volume of gas has continued and output is now in the region of 1700 m³ per hour. It is anticipated that the volume of landfill gas will continue to decline over the foreseeable future but at a slower rate. It is not possible to give accurate predictions of gas volumes as this depends on the composition of waste, the rate of decomposition, temperature, rainfall, seasonal weather conditions and atmospheric pressure.
- 2.12 On the advice of Renewable Powers Systems Ltd, our joint venture partner, a second generator must now be removed to operate the facility at maximum efficiency.
- 2.13 The joint venture procurement process evaluated the set-up and operational costs associated with this facility. This included the cost of removing a second generator during the fourth year of operation. This cost is £62,377. The removal of one generator will reduce the council's plant fee cost by £15,584.21p to £73,987.87p per annum.

3 Resource Implications

3.1 Financial

The Marketing Prospectus will require the bid submissions to specify the financial return to the Council for the lease of the land and this will be brought back to Committee for approval.

3.2 Assets

The development of this site represents a regeneration opportunity for Belfast and has the potential to create economic and social benefits

3.3 Resources

Staff resource, primarily from Property & Projects and Legal Services.

4 Equality and Good Relations Considerations

4.1 None

5 Recommendations

5.1 It is recommended that Members give approval to the release of a Marketing Prospectus for the disposal (by way of lease) of a site up to 10 acres at the North Foreshore for a solar renewable energy use. A further report will be brought back to Committee following receipt and evaluation of any submissions.

5.2 To note the removal of a second generator.”

After discussion, the Committee adopted the recommendations and agreed further that a letter be forwarded to Invest NI requesting it to consider favourably the application for the development of a green technology business park at the North Foreshore, that the overall plan for the North Foreshore be considered on the agenda of the next meeting of the North Area Working Group, following which a meeting of the North Foreshore Steering Group be convened to consider the matter.

North Foreshore Commercial Cultural Leisure Development Opportunity

The Committee considered the following report:

“1 Relevant Background Information

1.1 On the 24 August, Members agreed to proceed with a revised Developers Brief for commercial leisure and cultural purposes for a 58 acre site at the North Foreshore on the basis of a clearly defined end date for the receipt of developers’ submissions containing all the due diligence information required to assess the commercial robustness and financial viability of the proposed scheme.

1.2 The Development Brief was advertised in the local papers on the 7 December 2012, the council website and in the European Official Journal. Developers were invited to submit development proposals to acquire up 58 acres for a Commercial Leisure / Cultural Scheme. The Developers Brief clearly highlighted the due diligence information that developers were required to submit to the Council by the closing date, or the development submission would be deemed to be non-compliant by the Council. The clearly defined end date for the Development Submissions was the 24 January 2013.

1.3 The Council received one development submission from James Schiavo of China Sun Asia Pacific Ltd by the closing date, 24 January 2013.

1.4 An Evaluation Panel was established to assess the Development Submission. The Evaluation Panel comprised the Council's Estates Manager, Divisional Solicitor, Financial Accounting Manager and North Foreshore Project Manager. The Panel used the evaluation criteria outlined in the Development Brief together with a scoring matrix as agreed by the Panel prior to the receipt of the Development Submissions.

1.5 The Evaluation Criteria

- Financial offer for the Development Site.
- Track record of the Developer and project Development Team to deliver and operate similar Cultural Leisure Development Scheme.
- Financial viability of the project and the economic capability of the operator to fund, deliver, and operate the development scheme.
- Quality of the Development Proposal
- Delivery of the project within a reasonable timescale.

1.6 China Sun Asia Pacific Ltd's Development Proposal

China Sun Asia Pacific Ltd Development Submission outlined details of their proposed scheme for the site which comprises:-

Sports City

- International Training Facility (indoor & outdoor pitches)
- 7,200 / 8,000 seat Football Stadium & NI Sports Museum
- Junior Stadium
- 3,000 seat Indoor Sports Arena
- 100 bed Hotel
- Sports & Media Educational Campus

Media City

- Sound Stage
- Post Production & Distribution Facilities
- Offices.

2 **Key Issues**

2.1 The Development Brief clearly outlined the information required from Developers / Consortium Members / Organisations involved in the Development Submission to

ensure a compliant bid and to enable the Council to undertake a due diligence exercise.

2.2 The information requested included:

- i. Detailed Company / Consortium information from all the Parties who will be entering into the legal Development Agreement.**
- ii. Detailed financial information and bank details to be provided from all parties who will be signing the Development Agreement with the Council. It stated that sufficient financial information must be provided to demonstrate that the company has the financial and economic standing to undertake and deliver the project.**
- iii. Detailed breakdown of development cost and the amounts and sources of funding for the capital and revenue cost of the scheme. The Developer had to provide evidence of ability to secure sufficient finance to deliver the project. A comprehensive business plan demonstrating the long term financial viability and to avoid the need for public funding support.**
- iv. Details about the Development Proposal, scheme content, the occupiers and end users.**
- v. Development Programme.**
- vi. A financial bid offer to the Council for the acquisition of the 58 acre site (envisaged to be by way of long lease).**
- vii. Details of the proposed tenure and development/legal framework required between the Council and the Developer/Consortium**
- viii. To provide evidence of market research undertaken to support proposal; and provide an outline of the economic & social benefits to the local area, to the city and to Northern Ireland.**
- ix. A risk analysis to assess the robustness of the development proposal.**
- x. Information on the environmental Impact in the context of the site and its environment, and to provide**

information about the proposed environmental mitigation measures/improvements.

- xi. To provide a methodology for consultation with public, statutory, community and other relevant organisations to deliver the project.**
- xii. Details about the Delivery Team, their role in the project and previous experience of delivering similar leisure / cultural development schemes in the last ten years. Client references were required to demonstrate previous experience of delivering similar leisure / cultural schemes in the last ten years.**

2.3 Development Evaluation

2.4 The China Sun Asia Pacific Ltd Development Submission was assessed by the Evaluation Panel as lacking in substantial detail to be able to demonstrate to the Council that the proposed Commercial Cultural Leisure scheme is commercially sustainable and financially viable.

2.5 It is not clear from the Development submission who China Sun Asia Pacific Ltd actually is because no company background or financial information was submitted to demonstrate that they have the financial and technical capacity or track record to fund and deliver large scale commercial culture leisure schemes.

2.6 It is proposed that a new company will be formed to enter into the Development Agreement. However it was vague on whether all the parties identified in the Development Submission are fully committed to the project, either as part of the development consortium, or as end users leasing the facilities. There was no evidence of commitment or detailed company information provided concerning the parties identified.

2.7 China Sun Asia Pacific Ltd has not complied with the requirement of the Development Brief, because no financial information has been provided by China Sun Asia Pacific Ltd or by any other Party to enable a robust company due diligence to be initiated and to confirm the financial and economic standing of the Company. The Council needs to be satisfied that the potential parties to the Development Agreement are financially and economically robust to undertake and deliver the project.

- 2.8 An outline development appraisal showing a breakdown of capital cost and revenue income for the development scheme was provided. China Sun Asia Pacific Ltd is not proposing to fund the road infrastructure works, which was a requirement of the Brief. There was no evidence of available funding or commitment in principle from the potential funders of the amounts to be provided for each component of the scheme. A Business Plan was not submitted to be able to demonstrate the market analysis, the demand for the project or the long term financial viability of the project.
- 2.9 The Development Proposals comprises of a sports city and media city but there was no evidence of the potential end users commitment in principle to leasing or managing the proposed facilities. Parts of the development proposals extended beyond the 58 acre site on offer from the Council into areas that cannot be developed because of existing site constraints. It would appear that China Sun Asia Pacific Ltd is proposing a phased development approach which could be completed with five years. They are expecting the Council to fund and build the road infrastructure which is contrary to the Development Brief.
- 2.10 The Development Submission did not provide any detailed information concerning the potential social and economic benefits of the scheme. No figures were provided for the potential number of jobs created, number of visitors, and number of people trained or investment leverage.
- 2.11 China Sun Asia Pacific Ltd did not provide a robust risk analysis or possible mitigation measures. The information provided did not fully address all the potential risks of developing a difficult brown field site. In particular they provided very little detail about the environmental issues. China Sun Asia Pacific Ltd appears to have very little understanding of the potential environmental liabilities of a former waste landfill site, and the work required to mitigate this liability. It was unclear how they proposed to create a quality environment with attractive open spaces or how their design principles will deliver a good quality development scheme for the site. Council officers are also concerned that the consortia have made no requests for site visits or technical information about the site.
- 2.12 China Sun Asia Pacific Ltd indicated that they have carried out public consultations; however they did not provide a proposed methodology for how they intend to engage with the community, potential stakeholders and future users of the facilities during the delivery of the project.

- 2.13 P Durnien is the Project Manager for the scheme, supported by local consultancy firms. No evidence was provided to demonstrate that they have the experience and technical capacity to design and deliver large scale cultural leisure schemes, and no client references were provided with the submission.**
- 2.14 They made no financial bid, either in the form of a capital premium or proposed rent to the Council for this 58 acre site. China Sun Asia Pacific Ltd has requested a 200 year lease.**
- 2.15 The China Sun Asia Pacific Ltd Development Submission was assessed by the Evaluation Panel as lacking in substantial detail to enable a robust due diligence exercise and to demonstrate that their proposed Commercial Cultural Leisure scheme is commercially sustainable and financially viable.**
- 2.16 Conclusion**
- The Council and DCAL have been in discussions with Mr P Durnien and China Sun Asia Pacific Ltd for the last two years concerning a potential cultural leisure scheme for the North Foreshore. The Council has publicly issued calls for Expressions of Interest and two Developers Briefs requesting detailed Development Submissions. Mr Durnien and China Sun Asia Pacific have been provided several opportunities to provide detailed information which has not been forthcoming despite their assurances that they have worked up detailed proposals and have all the funding in place to finance the scheme.**
- 2.17 The Council agreed to proceed with a Developers Brief for commercial leisure and cultural purposes for a 58 acre site at the North Foreshore on the basis of a clearly defined end date of the 24 January 2013 for the receipt of developers' submissions, which would contain all the due diligence information required to assess the commercial robustness and financial viability of the proposed scheme.**
- 2.18 China Sun Asia Pacific Ltd has not complied with the Council's request. The detailed information has not been provided, and in the absence of such information the Evaluation Panel was unable to undertake a detailed assessment of the commercial cultural leisure proposal for the North Foreshore.**

2.19 In subsequent recent correspondence with Mr Durnien concerning the Development Submission, it was indicated by the Director of Property & Projects that there was insufficient information to enable a due diligence assessment and a report was to be submitted to the SP&R Committee to that effect. Mr Durnien subsequently provided further information concerning the potential funder and a process for the provision of further information on the basis of exclusivity. However, at present there are no grounds on which the Council could enter into an exclusivity agreement with this consortia and the evidence suggests that the Council should be sceptical about the deliverability of these proposals.

2.20 The Committee is requested to consider the following options for the next step for this development process.

2.21 Option One

To request clarification information concerning the China Sun Asia Pacific Ltd Development Submission, and to be given two months to provide all the information already requested in the Development Brief. A final deadline at the end of two months would be imposed i.e. 2 June 2013. The current development process would end if China Sun Asia Pacific do not supply all of the information requested by the Council by 2 June 2013 to enable a due diligence report to be completed to confirm the financial robustness of their Development Submission. This period would not however be on any exclusivity or preferred developer basis.

2.22 The site has been sterilised for the last two years due to discussions with Mr Durnien and China Sun Asia Pacific Ltd concerning their proposed interest in developing a Cultural Leisure Scheme. Despite best endeavours by the Council with ongoing dialogue, the issue of Expressions of Interest and two Development Briefs seeking detailed development proposals, there is still very little information to demonstrate the commercial robustness and financial viability of the project. There is a lost opportunity cost to the Council as there has been little progress in securing a viable project, and potential missed alternative development opportunities for this site.

2.23 Option Two

China Sun Asia Pacific Ltd is informed that the Council will not be proceeding with the commercial cultural leisure proposal for the North Foreshore because insufficient

information was provided by the clearly defined end date of the 24 January 2013 to be able to comply with the requirements of the Development Brief and to be able to demonstrate the commercial viability and sustainability of the proposed development.

- 2.24 This option would enable the Council to potentially expand the development of the proposed Cleantech Environmental Technology Cluster proposed for the North Foreshore Bio Economy Environmental Resource Park, as contained in the Council's Investment Programme. Currently the Council has an ERDF Funding application for £8 million for infrastructure works to create the environmental resource park. There is considerable market interest from the cleantech sector to invest at the North Foreshore and the potential to create jobs and leverage private investment.

3 Resource Implications

3.1 Human Resources

Staff Resource, primarily in Property & Projects, Financial Services, & Legal Services, to progress.

3.2 Asset & Other Implications

The development of this site represents a major regeneration opportunity for Belfast and has the potential to create significant economic and social benefits

3.3 Financial Implication

No financial bid was received

4 Equality and Good Relations Considerations

4.1 None at this time

5 Recommendations

- 5.1 It is recommended that the Committee considers which option should be adopted.

- 5.2 Option 1 – Grant a two month extension with a final deadline of 2 June 2013 for China Sun Asia Pacific Ltd to comply with the Council's request for all of the information outlined in the Development Brief. This two month period would not be on an exclusivity or preferred developer basis.

- 5.3 Option 2 - China Sun Asia Pacific Ltd is informed that the Council will not be proceeding with the commercial cultural leisure proposal for the North Foreshore due to the lack of due diligence information required to comply with the Development Brief.

Given that there were no other commercial cultural leisure submissions received on 24 January, it is also proposed that Council considers further expansion of the development of the proposed Cleantech Environmental Technology Cluster proposed for the North Foreshore Bio Economy Business Park.”

The Committee agreed to adopt Option 1.

Democratic Services and Governance

Use of the City Hall and the Provision of Hospitality

The Committee was advised that the undernoted requests for the use of the City Hall and the provision of hospitality had been received:

Organisation/ Body	Event/Date Number of Delegates/Guests	Request	Comments	Recommendation
Queen's University Belfast	International Association for the Study of Irish Literatures Conference Reception 24th July, 2013 Approximately 200 attending	The use of the City Hall and the provision of hospitality in the form of a drinks reception	Delegates will be staying in accommodation in Belfast and the conference will take place within the city. This event would contribute to the Council's Key Theme of 'City Leadership – Strong, Fair, Together'.	The use of the City Hall and the provision of hospitality in the form of wine and soft drinks Approximate cost £500
Peace People and Nobel Women's Initiative	Nobel Laureates Conference Reception 27th May, 2013 Approximately 400 attending	The use of the City Hall and the provision of hospitality in the form of tea, coffee and biscuits	Delegates will be staying in accommodation in Belfast and the conference will take place within the city. This event would contribute to the Council's Key Theme of 'City Leadership – Strong, Fair, Together'.	The use of the City Hall and the provision of hospitality in the form of tea, coffee and biscuits Approximate cost £1,000

<p>Royal Society for the Protection of Birds</p>	<p>Launch of 'Belfast Swift City' 11th June, 2013 Approximately 80 attending</p>	<p>The use of the City Hall and the provision of hospitality in the form of tea, coffee and biscuits</p>	<p>This launch aims to inspire and encourage the people of Belfast to understand the importance of the urban wildlife that lives amongst us. Children from local schools will be involved in the event through a poetry and art competition. The event will seek to highlight the proactive steps the City is taking to protect its wildlife. This event would contribute to the Council's Key Themes of 'City Leadership – Strong, Fair, Together', 'Better care for Belfast's environment' and 'Better support for people and communities'.</p>	<p>The use of the City Hall and the provision of hospitality in the form of tea, coffee and biscuits Approximate cost £200</p>
<p>Wave Trauma Centre</p>	<p>Trauma Training Learning Pathway Awards 26th September, 2013 Approximately 150 attending</p>	<p>The use of the City Hall and provision of hospitality in the form of tea/coffee and biscuits</p>	<p>This event seeks to promote the success of those who, due to their experiences during the troubles have returned to education and training through the support of WAVE Trauma Centre. Accredited certificates will be awarded on the night to individuals who have successfully completed Open College Network courses through WAVE. This event would contribute to the Council's Key Theme of 'Better opportunities for success across the city', 'Better support for people and communities' and 'Better services – listening and delivering'.</p>	<p>The use of the City Hall and provision of hospitality in the form of tea/coffee and biscuits Approximate Cost £375</p>
<p>No More Traffik</p>	<p>Performance of 'Diablo' 13th May, 2013 Approximately 250 attending</p>	<p>The use of the City Hall and provision of hospitality in the form of tea/coffee and biscuits</p>	<p>This event will launch a week of events which will raise awareness of the problem of human trafficking within the City. The event will provide the opportunity for various organisations to work together to achieve an identity for Belfast as a '</p>	<p>The use of the City Hall and provision of hospitality in the form of tea/coffee and biscuits Approximate Cost £600</p>

			<p>City that Stands Against Slavery’.</p> <p>This event would contribute to the Council's Key Theme of 'Better opportunities for success across the city', 'Better support for people and communities' and 'Better services – listening and delivering’.</p>	
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The Committee adopted the recommendations.

Minutes of Meeting of Party Leaders' Forum

The Committee noted the minutes of the meeting of the Belfast Party Leaders' Forum held on 13th March.

Finance/Value-for-Money

Capital Programme - Update and Proposed Reconfiguration

The Committee considered the undernoted report:

“1.0 Purpose of report

1.1 The Council’s Capital Programme is a rolling programme of investment which either improves existing Council facilities or provides new facilities. This report provides –

- an update on the planned 2012/13 capital expenditure (as reported in Quarter 3) which was presented to Committee on 22nd June 2012
- update on the current status of capital projects
- the proposed rolling Capital Programme from 2013/2014 onwards including proposed recommendations for movement between the Capital Programme stages and proposed new emerging projects
- specific recommendations relating to cost increases
- implications for future capital investment decisions

2.0 Relevant Background Information

Capital Programme - Update on 2012/13 Planned Capital Expenditure

- 2.1 There has been significant movement on the Capital Programme since its approval by SP&R Committee in June 2012. Many projects have progressed both on the ground and also in the necessary preparatory work required to deliver them. Major capital projects including the £4million upgrades to Dunville and Woodvale Parks and the £3million upgrade to the Mary Peters Track are nearing completion. The Duncrue Fuel Station has been completed, the Mountain Bike Trail at Barnett Demesne has been completed and contracts have been awarded for the works on the John Luke Bridge and the Hammer pitch.
- 2.2 Preparatory work is also well advanced for a wide range of projects including new pitches and changing facilities under Phase 1 of the Pitches Strategy, the Girdwood Community Hub, the Connswater Community Greenway and the relocation of the Belfast Welcome Centre which are both due to go on ground in April. In addition finalisation work is ongoing on a number of projects including the City Hall and the Ulster Hall which continue to take up officer time.
- 2.3 However as reported to Committee in February 2013, the forecast expenditure on capital schemes in 2012/13 is £9.6m against the planned expenditure of £19.4m. The major reasons for the expenditure variance (£9.8m) are outlined below.

2.4

Schemes	Underspend 2012/13	Reason
Waterfront Exhibition Centre	£1,855,000	Dependent on external funding (ERDF) Commencement delayed
Proposed Bayshore development at Loughside	£1,750,000	No longer viable due to planning delays of nearly 3years which culminated in the withdrawal of ASDA and the subsequent refusal of planning permission
Super-connected Cities	£1,000,000	DCMS required a revised business plan due to State Aid issues. Starting in 2013/14
Vehicles	£700,000	Spend split over 3 years
Skegoniel Site	590,000	Project not progressed
Mercury Abatement	550,561	Anticipated cost reduced and programme extended to 2013/2014

Roselawn Site Development (Y)	460,000	Work delayed due to planning considerations
Welcome Centre	450,000	Project delays – now starting in 2013/14
Woodvale Park	423,520	Spend moved into 2013/14
Tropical Ravine	395,000	Additional funding application stage introduced
ICT Projects	362,000	Reduced spend forecast
Andersonstown/Whiterock Handball Courts	295,000	Project superseded due to work on the wider leisure transformation programme
Alleygates (Phase 3)	280,000	Commencement moved into 2013/14
Public Convenience Strategy	235,000	Project not progressed
City Hall major works	156,920	Reduced spend forecast
Community Gardens	150,000	Delayed
Duncrue Fuel Station	148,976	Delayed
Total	£9,801,977	

- 2.5 Members are asked to note that this underspend will not affect the overall capital expenditure budget which is programmed to be spent over a number of years and for which the Council has approved the necessary finance. This differs from revenue expenditure which is only available within a designated financial year and cannot be carried forward in the same way.

Rolling Capital Programme 2013/14 onwards

- 2.6 Members will acknowledge that there is increasing demand on the Council to deliver projects within increasingly scarce financial resources. The SP&R Committee is the Council's investment decision maker. In order for the Council to ensure that it is able to monitor all capital spend, all capital related decisions must be taken to SP&R Committee.
- 2.7 Members are aware that they have already agreed a Stage process for capital programme projects at their meeting on 22nd June and further agreed in November 2012 that all capital projects (capital programme, Belfast Investment Fund etc.) must go through this Stage process where decisions on which projects progress are taken by SP&R Committee.

- 2.8** Members are asked to note that there are a number of projects currently on the Capital Programme which pre-dated this approval process which means that these projects do not have the required business cases. It is therefore proposed that all projects on the Capital Programme are regularised within the new approval process. This will enable Members to have better financial control of projects and will allow Members to properly consider the opportunity costs of approving one capital project over another capital project. Importantly it will also enable Members to focus on delivering the projects which can have maximum benefits and investment return for the city and local areas.
- 2.9** The Capital Programme (copies of which have been circulated for Members information) has therefore been reconfigured to reflect the 3 approval stages as agreed –
- Committed projects (Stage 3) - projects which have completed a Full Business Case (FBC) and where approval has already been obtained by SP&R to proceed to tender. These projects will be at the tender award, contract or construction stage. See Appendix A
 - Uncommitted projects (Stage 2) –projects where an SOC has been agreed by Committee and work on the project is being progressed through the development of an Outline Business Case (OBC), but they have not yet been developed to a stage where permission could be sought from SP&R to proceed to tender. See Appendix B
 - Emerging proposals (Stage 1) –proposals which require completion of a Strategic Outline Case (SOC) before they could be considered further by SP&R Committee. See Appendix C
- 2.10** As part of this reconfiguration it is proposed that some projects are dropped down a Stage or are removed from the Capital Programme. A summary of these movements is provided below.

Projects recommended to drop down a Stage

- 2.11** Members are asked to note that all these projects were previously at Stage 2- Uncommitted projects and it is recommended that they drop to Stage 1 – Emerging Projects. In keeping with the Stage approval process agreed by Members this will require that an SOC to then be completed for each project.

Project Recommended New Stage

Project	Recommended New Stage
Floral Hall	Stage 1 – Emerging project
Skegoneil site	Stage 1 – Emerging project
MUGA Springfield Road	Stage 1 – Emerging project
New cemetery	Stage 1 – Emerging project
Public convenience strategy	Stage 1 – Emerging project
Roselawn extensions (Section Z1-2015, Section Z2 -2020, Section Z3 – 2025, Section Z4 -2030)	Stage 1 – Emerging project
Gasworks Northern Fringe Infrastructure	Stage 1 – Emerging project
Maysfield demolition/clearance	Stage 1 – Emerging project
North Foreshore site infrastructure	Stage 1 – Emerging project
Springvale recycling centre	Stage 1 – Emerging project

Projects recommended to be removed from the Capital Programme

- 2.12 It is recommended that the following projects are removed from the Capital Programme as they are either no longer deliverable or have been superseded by other projects.

Project	Comment
Loughside (Bayshore development)	No longer viable due to planning delays of nearly 3years which culminated in the withdrawal of ASDA and the subsequent refusal of planning permission. To be considered as part of the leisure transformation programme
Andersontown/Whiterock Handball Courts	To be considered as part of the wider leisure transformation programme
Sliabh Dubh Playground	Land contaminated and no external funding available
Shore Road Pitches (Malachians/Old Grove)	Project originally due to be funded under SportNI Community Capital but was application was turned down. Funding secured from other sources including LIF

Projects recommended to be added to the Capital Programme

- 2.13** It is recommended that the following projects are added to the Capital Programme Stage 1 – Emerging Projects. These proposals have emerged through Area working Groups, other consultations or service requirements.
- **Connswater 3G pitch – emerged through Area Working Group discussions**
 - **Cathedral Gardens – alignment with Streets Ahead and part of the wider University of Ulster regeneration**
 - **ICT strategy - emerging ICT requirements**
 - **Accommodation strategy – to look at options for the Council’s future accommodation needs in light of current lease arrangements and impact of RPA etc**
 - **Commercial waste bin weighing system – to help meet EU recycling targets**
 - **Loughside Playing Fields – to look at the sports & leisure component of the previous Loughside proposal**
- 2.14** **Members will be aware that the Connswater Greenway Project was initially part funded by the Council through the then City Investment Fund. This has now been transferred to the Capital Programme with the agreement of all the funding partners. The effect of this project transferring significantly increases the gross capital expenditure planned within the Capital Programme but does not impact on overall council expenditure.**

Updates on capital projects and increased project costs

Pitches Strategy

- 2.15** **SP&R agreed in March 2011 that £10m was recommended to be allocated within the Capital Programme for the implementation of the pitches strategy for 2011-2014 for the delivery of the 10 pitches agreed under Phase 1. Within this estimate, £750,000 was ringfenced for capital enhancements to school pitches. It should be noted that this £10m was a notional estimate that was not subject to an economic appraisal or Gate review. Since this time there has been ongoing consultation in relation to the location, scope and specification of the pitch and pavilion provision. This has an impact on the overall costs and last June Members agreed that an additional ‘uncommitted’ £5million be allocated against this programme of works.**

- 2.16 Members are asked to note that discussions are ongoing with the GAA. As part of these discussions the GAA has committed in principle to contribute £1million however it should be noted that no written confirmation or letter of offer has been received as yet.
- 2.17 Members are asked to note that final decisions still have not been taken in relation to the following;
- location of the Falls pavilion
 - integrating rugby, soccer and Gaelic games at Cherryvale
 - location of pavilion at Ballysillan

There are also a number of technical issues at Ormeau Park which need to be resolved along with the linkages of this location and Cherryvale

- 2.18 The Playing Pitches Strategy is a key project under the Investment Programme. The average pitch takes about 6 months to construct and a pitch and pavilion will take about 12months from start on site. There is additional time to be taken into consideration in relation to procurement. However the ongoing delay in taking these decisions is having an impact on the overall delivery of the Pitches Strategy and any further delays will subject the Council to considerable reputational risk. This presents a number of options for Members –

- Agree a definitive gross capital expenditure allocation of £15million for the pitches strategy and agree that Officers continue to progress discussions with the GAA to secure £1million of funding. Members are asked to note that if this funding is not secured this will have an impact on the scope of work which can be delivered at
- Agree a definitive cut-off date of end of April whereby all decisions on all pitches and pavilions will be taken and after which subsequent significant changes cannot be made to proposals.

At this stage if decisions are not taken by this cut-off date then it is recommended that the sites where agreement has been reached and which are ready to proceed are progressed. This may have an impact on the deliverability of those sites where agreement has not been reached as resources may no longer be available to deliver these

Waterfront Exhibition and Conference Centre

- 2.19** Members will be aware that one of the major projects under the Investment Programme is a proposed extension to the Waterfront to provide dedicated exhibition and conference facilities. An options appraisal had identified the Waterfront as the preferred location.
- 2.20** The initial budget for this project was set at £20m. Discussions with NITB had identified £12m of external funding (£10m from the ERDF and £2m from the NITB's Tourism Development Scheme) towards this with the balance of £8m being funded through the Council under the Capital Programme.
- 2.21** A subsequent capacity study has established that while this would permit a centre to be constructed (c9,000m² floor area), it would not deliver the optimum space provision (c11,300m² floor area) requirement, specification quality and technical standards which would fully meet the demands of the conference & exhibition market and enable Belfast to effectively challenge other competing facilities for business.
- 2.22** The budget to deliver a facility that will meet these demands is £30m. DETI have advised that there is an opportunity for additional external funding to be secured (subject to an article 55 state aid assessment) of an additional £5m from the ERDF and £4m from the NITB's Tourism Development Scheme. This will require an additional £3million of Council capital funding in order to address the balance. The Council's overall commitment to this project will then be £11million.

Innovation Centre

- 2.23** The gross capital estimate for this project has been increased from £8m to £9.1m to reflect the increase in the lettable footprint of the project from 30,000sq ft to 35,000 sq ft. The additional capital cost will be 75% funded.
- 2.24** Members will acknowledge that when projects are initially brought to Committee many of the figures cited are 'ballpark/notional' estimates only and that estimates are only ever as accurate as the information on which they are based. This reinforces the need to ensure that all capital projects go through the Stage approval process previously agreed by Members as this will bring a robustness to the process and will ensure that costs are challenged and assessed at each stage.

Capital Financing –Capital Programme 2013/14

- 2.25 The Council incurs capital expenditure and capital financing costs in the delivery of its capital programme.
- Capital Expenditure is the expenditure incurred in the actual delivery of contracts e.g. the actual payments to the contractor for a construction contract.
 - Capital Financing is the method the council uses to fund the capital expenditure. The capital financing costs include loan repayments (principle and interest) and revenue contributions (cash payments to repay or avoid taking out loans).
- 2.26 At its meeting on 25 January 2013, the Strategic Policy and Resources Committee approved a capital financing budget of £10.14m for inclusion in the 2013/14 revenue estimates. The £10.14m budget was set at a level which would meet the financing costs arising from the capital programme in 2013/14 - 2015/16, as part of Investment Programme, without the requirement for an increase in the District Rate.
- 2.27 The delivery of the Capital Programme element of the Investment Programme will be matched by a phased increase in capital financing charges up to the £10.14m budget over the life of the programme as all schemes within the programme are financed. The phased impact of the capital programme on the capital financing budget provides the opportunity for the council to allocate an element of the 2013/14 capital financing budget to finance feasibility works and non recurring schemes.

Feasibility Fund 2013/2014

- 2.28 The incremental nature of the Investment Programme means that there is the opportunity for the Council to ring fence part of the capital financing budget to provide a Feasibility Fund. The Feasibility Fund enables initial feasibility work to be undertaken on proposed projects to bring them to a point where Members can decide if they should be progressed as Capital Schemes, or Belfast Investment Fund (BIF) schemes. It is recommended that the contribution to the feasibility fund for 2013/14 be capped at £500k.

Non-recurrent projects

- 2.29 In June 2012 Committee approved a programme of non recurring maintenance projects to be funded from the capital

financing budget. The balance of these projects will be completed in 2013/14 requiring an allocation of £944,280.

2.30 Table 2 below summarises the outstanding loans and planned capital expenditure which will require financing up to 2015/16. The expenditure covers all schemes detailed in Appendices A and B with the exception of the Olympia and Andersonstown Regeneration projects.

2.31 Table 2 - Capital Expenditure to 2015/16

Outstanding Loans @ 31.03.13	£21,216,650
Capital Expenditure 2012/13	£9,530,000
Capital Expenditure 2013/14	£13,724,360
Capital Expenditure 2014/15	£20,613,280
Capital Expenditure 2015/16	£10,194,770
Total Capital Expenditure	£75,279,060

2.32 Table 3 below provides a summary of the allocation of the capital financing budget for the above expenditure together with other non recurring schemes. From the table it can be seen that the total amount of the capital financing budget used to repay loans increases from £3m in 2013/14 to almost £6m in 2015/16. This means that by 2015/16 the Council will have just over £3.1m available to finance future borrowing to the amount of £33m. With the current capital financing budget of £10.4m, Members will have £33m available to finance the future leisure estate and the Emerging Projects detailed in Appendix C. This figure is clearly insufficient to cover future capital expenditure requirements. It is proposed that a detailed future capital financing report will be presented to the Committee in April. The report will consider various options available to Members including:

- Increasing the capital financing budget through:
 - efficiency savings in revenue budgets
 - increasing the district rate
 - diverting financing from the Belfast Investment Fund.
- Restricting the number of projects being progressed the Emerging Projects list.
- Sourcing alternative sources of financing

The report will also discuss the potential impact of the boundary changes which will lead to an enhanced ratebase

but which will also result in increased borrowings associated with transferring assets.

2.33 Table 3 - Capital Financing to 2015/16

	2013/14	2014/15	2015/16
Loan Repayments			
Existing Loan Repayments	£2,004,360	£3,023,360	£4,588,360
New Loans: Committed Schemes	£950,000	£1,100,000	£700,000
New Loans: Uncommitted Schemes	£69,000	£465,000	£635,000
Total Loan Repayments	£3,023,360	£4,588,360	£5,923,360
Revenue Funding			
Committed Schemes	£3,094,611	£2,030,000	£500,000
Uncommitted Schemes	£92,711	£92,400	£20,000
Non Recurring Maintenance	£944,280	£0	£0
Feasibility	£500,000	£500,000	£500,000
Total Revenue Funding	£4,631,603	£2,622,400	£1,020,000
Less Capital Financing Budget	£10,140,000	£10,140,000	£10,140,000
Available Financing Budget	£2,485,038	£2,929,240	£3,196,640

Next steps

2.34 As outlined in 2.6 above, Members will acknowledge the increasing demand which is being placed on the Council to deliver projects within increasingly scarce financial resources. Going forward, this will present a greater challenge to Members in terms of competing priorities both at a local area and a city level. As Members are aware there is an opportunity cost of approving one project which means that something else will fall down the list and will not proceed.

2.35 Members agreed last month at Committee that the role and remit of the Area Working Groups should be reviewed and that the AWGs should begin to address overall plans for their area. To this end further work is intended with Jon Huish to

agree comprehensive area plans that link to an overall community plan and includes high level outcomes together with practical on the ground projects. This will ensure that Members can use their civic leadership role and continue to best facilitate the shared political ambition by delivering those projects which will have maximum benefit at a local level in line with the investment principles that were agreed by Members that underpin the Council's Investment Programme and in turn the Capital Programme of –

- Balanced investment across the city
- Good relations and equality
- Partnership and integration
- Value for money
- Sustainability

The work on progressing the development of local area plans will be undertaken in parallel with, and link to, the ongoing work which is being taken forward on Member development, the review of the Council's governance structures and work on the development of a community plan.

- 2.36 It is recognised that the Council has a number of different funding streams with their own separate processes each of which fund different types of project and that this can be a complex area to understand. It is therefore proposed to hold a workshop as part of the Member Development Programme, to which all Members will be invited, in order to update Members on the Council's core funding streams including the Capital Programme, the Local Investment Fund, the Belfast Investment Fund and the Feasibility Fund.

3.0 Recommendations

3.1 Members are asked to note the contents of this report and

- agree the movements in the capital programme as outlined in 2.11 and 2.12
- agree the proposed new projects to be added as Stage 3 – Emerging projects as outlined in 2.13
- Pitches strategy - agree a definitive gross capital expenditure allocation of £15million for the pitches strategy and agree a definitive cut-off date of end of April whereby all decisions on all pitches and pavilions will be taken and after which subsequent significant changes cannot be made to proposals. It is recommended that if decisions are not taken by this cut-off date then the sites where agreement has

already been reached and which are ready to proceed are progressed

- Waterfront and Innovation Centre - approve the additional net capital expenditures of £3m for the Waterfront Conference and Exhibition Centre and £275,000 for the Innovation Centre
- agree that £500,000 from the capital financing budget be ringfenced for Feasibility Fund
- agree the allocation of £944,280 to be spent on the remaining non –recurrent maintenance projects which were agreed by Committee in June 2012
- note that a detailed future capital financing report will be brought to Committee in April
- agree that officers work with Members to agree how the Stage approval process can be aligned with the work of the Area Working Groups and the development of local area plans
- note that a workshop will be organised as part of the Member Development Programme, to which all Members will be invited, to update Members on the Council's funding streams including the Capital Programme, the Local Investment Fund, the Belfast Investment Fund and the Feasibility Fund."

During discussion, the Chief Executive and Chief Officers answered a number of questions in relation to the reasons for the proposed realignment for a number of projects within the Capital Programme. The conference centre at the Belfast Waterfront Hall was also discussed and the Chief Executive undertook to arrange for a fuller briefing to be provided on the Waterfront Hall proposals.

After further discussion, the Committee adopted the recommendations, subject to the Sliabh Dubh Playground project remaining on the Capital Programme as a Stage 1, Emerging Project.

Local Government Lobby - EU Structural Funds for Northern Ireland Post 2013

The Committee considered the undernoted report:

"1 Relevant Background Information

- 1.1 Members will be aware, that a report was presented to this Committee in November 2011 regarding the shape of the next EU Programme Period (2014-2020). Following the publication of draft European regulations regarding the purpose and potential delivery mechanisms for the distribution of these funds, Belfast City Council has paved the local government

lobby, not only for Belfast but also the 5 surrounding metropolitan Councils.

- 1.2 The above work resulted in a metropolitan position paper being agreed by each of the Councils of the Metropolitan Area (COMET) namely Belfast, Carrickfergus, Castlereagh, North Down, Newtownabbey and Lisburn. In summary, this document calls for the devolution of EU financial intervention, in a combined structure, to enable the strategic delivery of funding at the local level. It also encourages the Departments to give serious consideration of new models for delivery that are outlined within the draft EU legislation.
- 1.3 This metropolitan document was used as the basis for a Department of Finance and Personnel (DFP) workshop held in February 2013, to which all local authorities were invited to attend and included representation from all Executive Departments and the Special EU Programmes Body. Emerging from this recent event, DFP have requested local authorities to submit a collective position by 28 March 2013.
- 1.4 Following discussions by the Transfer of Functions Economic Development Sub-Group, it was agreed that Belfast City Council develop this original metropolitan paper further to present the Local Government position, ensuring clear connection to the opportunities presented by the Reform of Local Government, transfer of key functions and community planning. The end result is two new lobby papers- a generic one for all 26 Councils to endorse and a separate one highlighting the uniqueness and strengths of the metropolitan position.
- 1.5 The lobby paper for all 26 Councils was presented to SOLACE on 1 March 2013, and has since been issued to all local authorities by Liam Hannaway for comment.

2 Key Issues

- 2.1 Local government has an established role in forming partnerships to take forward various EU programmes, but there is now an opportunity for local government to maximise this role with a devolved responsibility to deliver European funds. This would directly support the delivery of integrated economic development, rural and urban regeneration and employability as part of the Community Plan that will be developed by the 11 councils from 2014/15.
- 2.2 The attached draft position papers propose that with the Reform of Local Government there is real potential for EU

funds to contribute to the delivery of an effective 'place based' integrated development plan. In effect using the new 11 Council model and community planning process to enable the delivery of devolved and combined European funds as part of a cocktail of resources to deliver associated programmes and projects at a local level.

- 2.3 The community plan would therefore form the overarching framework to align central and local government plans. It also notes that while it would be advantageous for one central government department to have responsibility, work is also underway to engage consultants to examine good practice and put forward firm recommendations regarding the development of an integrated accountability and assurance framework which should underpin the future central and local government relationship within NI to ensure greater alignment of government priorities and council delivery plans within a wider community planning process
- 2.4 Local Government Reform provides a real opportunity to rethink how central and local government can work in a more integrated manner, aligning both policy and resources to address shared investment priorities for our cities, towns and neighbourhoods. There are several benefits to this more integrated approach to delivering key functions and integrating resources locally to shape an area whilst adding value and maximising outcomes in terms of European funding:
- Greater ability to align budgets and resources with other mainstream council activities/budgets to support a place-based approach for physical, social and economic regeneration
 - Further enhance the ability of local government to create the conditions to support economic growth and competitiveness locally
 - Increased ability to ensure that all areas are able to contribute to and benefit from economic growth and regeneration
 - Potential for increased investment / access to funding opportunities
 - Streamlining, integrating and aligning processes for the benefit of customers
 - Greater ability to adapt to local circumstances and priorities
 - Improved connectedness between the local, regional and European priorities
 - Enhanced involvement of individuals and communities in the design, delivery and evaluation of services through a community planning approach

2.5 The paper requests the support of the NI Executive (principally through DFP, DETI, DEL and DARD) for:

- Local Government to have delegated authority for the delivery of European Structural Funds, using a Community Plan led approach in the period 2014-2020;
- Council areas to be designated ITI or CLLD status or a combination of these to enable local authorities to deliver European funding to support the delivery of community plans and area based investment

3 Resource Implications

3.1 Staff implications within European Unit to maintain the local government lobby relating to the 2014-2020 EU Programme period

4 Equality and Good Relations Considerations

4.1 There are no Equality and Good Relations considerations attached to this report.

5 Recommendations

5.1 Members note the content of the report and agree to the submission of the attached papers to DFP.”

The Committee adopted the recommendations and noted that the lobby papers referred to therein would be available on the Council’s website.

Minutes of Budget and Transformation Panel

The Committee approved and adopted the minutes of the meeting of the Budget and Transformation Panel of 14th March.

Minutes of Meeting of Audit Panel

The Committee approved and adopted the minutes of the meeting of the Audit Panel of 12th March.

Human Resources

Pay Request from the Belfast City Council Trade Union Group

(Mrs. J. Minne, Head of Human Resources, attended in connection with this item.)

The Head of Human Resources submitted for the Committee's consideration the undernoted report:

“Relevant Background Information

Members will be aware of ongoing consideration of the request made by the Belfast City Council's Trade Union group that the Council makes a payment of £250 to employees earning less than £21,000 per year. This request was linked to a June 2010 budget statement which announced “a two-year pay freeze for public sector workforces, except for workers earning less than £21,000 a year who will receive an increase of at least £250 per year in these years.”

The pay awards referred to in the June 2010 budget statement were not, however, made by local government, and the Government's proposals in this regard were set aside by the Employers' Side of the National Joint Council (NJC).

Senior Counsel advice, commissioned by the Council on this matter, stated that while the payment would understandably boost morale and assist employee relations in a time when no pay award has been made to staff for the past three years, it would be retrospective, would not be limited to existing salaries, and would amount in his view to a gratuity, and therefore be unlawful.

Committee was advised, in February, that given this legal advice the Council could not make a payment on the basis of the request from the TUs.

The matter was deferred by the Committee in order for the Head of Human Resources to examine whether or not legitimate alternative options exist to make a payment to the lower paid staff in the organisation as members are keen to seek to ensure that good employee relations are maintained and employees receive recognition for the services they provide.

Key Issues

Discussions have been ongoing with the TUs and The Head of HR and on the basis of these discussions it is proposed that the Council makes a one off payment of £250 to employees below Senior Officer grade who give their commitment to make themselves available to the Council for emergency response situations.

Experience shows that emergencies often happen when least expected and in ways which cannot be anticipated. On many occasions the Council contributes to the response to an emergency, and the effectiveness of that response is often a reflection of the willingness of our staff.

It is understood that responding to emergency situations may require staff to work outside their normal working hours and also to carry out duties which may not normally be part of their own day to day work.

To achieve effective emergency planning, the Council needs the commitment of staff to respond to these potential situations.

Specifically, it is proposed that in consideration of the £250 payment, staff would commit to the following:

- Assist the Council in responding to emergency situations. This may include work during or outside of normal working hours (for which normal, agreed Council remuneration terms would apply) and also carrying out duties that are required as part of the emergency response, which may not be part of their normal day to day duties.
- Assist the Council in the recovery phase of an emergency. This may include work during or outside of normal working hours (for which normal, agreed Council normal remuneration terms would apply) and also carrying out duties that are required as part of the emergency recovery, which may not be part of their normal day to day duties.

The Council will require the relevant employees to provide their contact details and confirm their commitment before a £250 payment is made.

The Town Solicitor and Assistant Chief Executive has confirmed that such a payment would be legal in these circumstances.

Resource Implications

The cost of making such a one off payment to officers below Senior Officer grade would be approximately £469,150.

Equality Implications

There are no equality implications with this proposal.

Recommendations

Members are asked to agree that the Council makes a one off payment of £250 to employees below Senior Officer grade who give their commitment to make themselves available to the Council for emergency response situations.”

The Committee adopted the recommendations.

Asset Management

Licence and Leases

Licence of the Ligoniel Community Centre

The Committee was advised that the Development Committee, at its meeting on 10th January, 2012, had approved the renewal of a Licence Agreement to Glenbrook Surestart for a further three years, up to 31st January, 2015, for the Ligoniel Community Centre. The Council had licensed the Centre to Glenbrook since February, 2009 to enable it to block book the minor hall and store from 9.00 a.m. till 1.00 p.m. Monday to Friday. Glenbrook Surestart was an initiative which ran a specific programme for two year old children and was funded by the Department of Education and led by the Belfast Health and Social Care Trust. The further term of three years had been agreed with the Trust, with the cost of use based on current charges in the region of £40 per week, with additional costs of £100 per annum for the use of the store.

The Committee agreed to a further 3 year Licence Agreement with the Belfast Health and Social Care Trust for the use of the Ligoniel Community Centre on the terms as outlined.

Surrender of Lease at Finlay Park

The Committee was advised that the former Client Services (Parks and Amenities) Sub-Committee, at its meeting on 8th August, 2000, had agreed that an area of ground at Finlay Park be leased to Greencastle Community Group on the basis that the Council continued with the general upkeep and responsibility of the area. The Group had taken a 15-year lease from the Council, with effect from 23rd July, 2001, the purpose of which was to enable the Group to obtain funds from the National Lottery Charities Board and the Belfast Regeneration Office, European Unit in order to improve the playground area. The lease provided that the Council would maintain responsibility for the maintenance and repair of the equipment in the play area. The equipment had reached the end of its economic life and had been removed by the Council some years ago.

It was reported that the Greencastle Community Association now wished to surrender the lease from the Council for the land at Finlay Park as it no longer had the capacity to manage the facility and it would appear that it might no longer exist as a legal entity. The Council had received confirmation from the National Lottery Charities Board and the Belfast Regeneration Office indicating that they had released the Group from the original terms and conditions of the grant which it had received. Further to that, at its meeting on 10th February, 2011, the Parks and Leisure Committee had approved the development of community gardens at four locations across the City, including Finlay Park and had subsequently started construction.

The Committee granted approval to the surrender of the lease dated 23rd July, 2001, between Greencastle Community Association and the Council.

Lease of Land to Springfield Star- Blackmountain and Glor na Mona

The Committee was reminded that, at its meeting on 23rd November, 2012, it had endorsed the Greater Shankill Area Working Group's recommendation to add a further £50,000 to the £100,000 of its Local Investment Fund to allow Springfield Star-Blackmountain to develop a mini soccer pitch at a site adjacent to Springmartin Play Area, with all funding subject to confirmation of costs, clarification of legal issues and sustainability.

In addition, the Committee, at its meeting on 24th August, 2012, had endorsed the recommendation of the West Area Working Group to provide £112,000 of Local Investment Funding to Glor na Mona in respect of a site at Whiterock Close, subject to match funding being obtained within 18 months and subject to confirmation of costs, clarification of legal issues and sustainability.

The Committee was advised that the lands which were required by Springfield Star and Glor na Mona were currently held by the Parks and Leisure Committee and, at its meeting on 14th February, 2013, that Committee had adopted recommendations in two reports on the Local Investment Fund Schemes relating to the provision of a site for a mini soccer pitch adjacent to the Springmartin play area and the provision of a site for a modular building for Glor na Mona at Whiterock Close.

The Committee authorised:

- (i) the grant of a three year lease to Springfield Star-Blackmountain for an area of land adjacent to the Springmartin play area at a rent of £200 per annum, with an option to renew for a further three years and subject to meeting sustainability targets and subject to detailed terms and conditions being agreed by the Estate Management Unit and Legal Services; and
- (ii) the grant of a seven year lease to Glor na Mona at a rent of £815 per annum for the site at Whiterock Close, with an option to extend the lease for a further seven years, subject to it meeting sustainability targets and subject to detailed terms and conditions to be agreed by the Estate Management Unit and Legal Services.

Connswater Community Greenway Update

The Committee was reminded that, as part of the City Investment Strategy, it had agreed to co-ordinate the acquisition of lands to allow the Connswater Community Greenway to proceed. It was reported that the Northern Ireland Housing Executive had, by way of a grant of wayleave and easement dated 29th August, 1989, acquired a portion of land from the Council, in order to construct a footbridge to permit access to the Flora Street Walkway, Avoniel Leisure Centre and Avoniel Primary School from the Executive's new build scheme off Bloomfield Parade. The Council had now acquired land at Bloomfield Parade from the Executive and the footbridge would be replaced by the Council as part of the Connswater Community Greenway Scheme. Therefore, the Executive wished to surrender the wayleave and easement to allow the Council to replace the bridge.

The Committee granted approval to the surrender of the grant of easement and wayleave for the land as outlined.

Responses to Wilmont House Development Brief

The Committee considered the undernoted report:

"1 Relevant Background Information

- 1.1 The Council hold Wilmont House and Sir Thomas and Lady Dixon Park on title that requires the Council to use the premises for the greatest good of the citizens of Belfast.**
- 1.2 At its meeting on 22 June 2012 the Committee approved the advertisement of Wilmont House for disposal on a 25 year lease by way of a Development Brief. This ratified the decision of the Parks and Leisure Committee of 14 June 2012.**
- 1.3 Members are reminded that issue of the Development Brief followed a previous call for Expressions of Interest in developing the facility to which some six responses had been received.**
- 1.4 Initial enquiries from a number of interested parties, following issue of the Development Brief, were encouraging, but unfortunately only one proposal was received by the closing date.**
- 1.5 The proposal received envisages a seven year (minimum) refurbishment which would be carried out by trainees and apprentice labour in conjunction with a number of organisations who may be able to provide funding and supply trainees for the project. The project would be managed and operated by the responding Developer who would take a lease for the duration of the refurbishment and return the building**

back to the Council on conclusion of the works (the cost, if any, to be paid by the Council for return of the refurbished building is not stated). The Council would be invited to determine at the outset what sort of end use it envisaged and the refurbishment plans would be developed accordingly.

- 1.6 While the above concept may have merit in assisting with skills development in the construction sector, the submitted proposal lacks some key information, particularly in relation to the level of commitment of those organisations who may be able to provide trainees and apprentices. In addition there was insufficient evidence of a commitment by funders towards materials costs and an absence of any supported example costings.
- 1.7 In issuing the Development Brief the Council sought evidence of the financial sustainability of the proposal over a minimum of ten years. Because of the nature of the proposal it is unable to provide longer term sustainability and in any case, as mentioned above, the proposal lacked sufficient evidence of the availability of funding to support its 'restoration' objectives over the anticipated life of the project. In summary the submitted proposal does not provide officers with sufficient confidence that it can be carried through, although as mentioned above, the concept, or elements of it, may have some merit.
- 1.8 Further information on the proposal received is contained in Appendix 1 to this report.

2 Key Issues

- 2.1 Following the conclusion of the Development Brief process Committee is asked to consider a number of options.

Option 1. Proceed with the submitted proposal. Please see comments above and at Appendix 1 in relation to the submission and its evaluation.

Option 2. Retain the property and leave it to deteriorate i.e. maintain the status quo.

Option 3. Retain the property and carry out repairs at Council expense to stabilise and preserve the structural integrity of the building fabric and thereafter consider its longer term future.

Option 4. Enter discussions with the parties who previously expressed an interest in redevelopment of the property through the Expressions of Interest process (this includes the

respondent to the Development Brief) and parties who have subsequently expressed interest, with a view to developing a fuller understanding of their present level of interest and if some form of co-operative joint scheme and working arrangements involving one or more of the parties, or another party or parties, might be feasible.

3 Resource Implications

3.1 Finance

- i. The submitted proposal (Option 1) appears to show there may be no capital costs to the Council (although this is not entirely clear). The Council's exposure to subsequent revenue costs would remain uncertain.
- ii. Re (Option 2) maintaining the status quo. On account of the substantial repairs required to the property no planned maintenance resource is currently allocated to Wilmont House by Facilities Management. In 2011/12 Parks and Leisure Department incurred out of hours security costs in the region of £46,000 in relation of the building.
- iii. Option 3 the cost of remedial works of this nature have not yet been estimated but could be substantial. In the absence of a proposed end use there would be no certainty around the cost effectiveness of such works. If remedial works were to be carried out the Council would necessarily start to incur on-going maintenance costs following their completion in order to ensure any investment in remedial repairs was not eroded.
- iv. The financial implications resulting from potential collaborative working (Option 4) are not presently known.

3.2 Human Resources

Resources from Parks and Leisure Department and Estates Management Unit and Legal Services would be involved in implementing Options 1 and 4. Resources in Parks and Leisure and Facilities Management would be involved in Options 3 and to some extent in Option 2.

3.3 Asset and Other Implications

The purpose of the Expressions of Interest and Development Brief processes was to alter the present situation in an effort to bring a sustainable use to this Listed Building which occupies a central position in this prestigious Park. The Brief sought to provide a use with some vibrancy rather than the more negative impact of long term vacancy and its associated consequences. Alternative uses remain desirable and further investigation of a potential joint scheme could be worth pursuing.

4 Equality and Good Relations Considerations

4.1 There are no equality or good relations issues associated with this report.

5 Recommendations

5.1 Committee is recommended not to proceed with the proposal submitted in response to the Development Brief and to inform the Developer accordingly, Committee is further recommended to proceed with Option 4 above and authorise officers to engage with those parties who have previously expressed an interest in the development and restoration of Wilmont House, through the Expressions of Interest process (and subsequently) with a view to establishing if it would be feasible to marry-up any of their proposals (potentially to include third party proposals) in a joint scheme. A further report would be brought to Committee in the autumn (or sooner if a definitive position is quickly established) outlining the results of discussions and an appropriate way forward which would take account of relevant procurement practices. An update report will also be submitted to the Parks and Leisure Committee regarding the decision of this Committee.”

The Committee adopted the recommendations.

Disposal of land at Colin Glen to Clanmil Housing Association

The Committee considered the undernoted report:

“1 Relevant Background Information

1.1 At its meeting of 14th December 2012 the Strategic Policy & Resources Committee were made aware of difficult and protracted negotiations that are required to bring certain

disposals to housing associations to a conclusion and were also advised that a report would be brought back in respect of a further Council site (Colin Glen site) where there continued to be very protracted negotiations between the Council and a housing association.

- 1.2 Originally developed as a traveller's facility at Colin Glen by the Council the site was closed in September 2001 and following a decision of the Client Services (Community and Leisure Services) Sub-Committee at its meeting on 30th June 2003 the site was appropriated to the Development Committee. The Amenity Units were subsequently demolished following a further Committee decision in October 2003.
- 1.3 At its meeting of 20th April 2005 the Development Committee agreed to the proposed disposal of former traveller lands, including land at Colin Glen to the Northern Ireland Housing Executive (NIHE) for development of social housing subject to agreement on valuation. Committee were also asked to note that the NIHE current methodology for site acquisition involved appointing housing associations. Subsequently NIHE nominated Clanmil Housing Association for the Colin Glen lands.
- 1.4 The Strategic Policy & Resources Committee, at its meeting of 21st September 2007, agreed in principle to disposal of the land at Colin Glen to Clanmil Housing Association subject to agreement on terms (including a price approved by LPS) and a further report being brought to Committee for approval.
- 1.5 Following protracted negotiations between Clanmil and the Council, LPS have now assessed the value of the site at £1,100,000, based on Clanmil's proposed development of 67 social housing units. Clanmil have accepted this valuation assessment as the basis for transferring this site from the Council.

2 Key Issues

- 2.1 Clanmil secured an outline planning consent in respect of the Colin Glen site for a housing development to include 67 residential units in February 2012 upon which Land & Property Services (LPS) based their assessment of value at £1,100,000. Potential for this scale of housing development was subsequently confirmed in a planning assessment for the site commissioned by the Council. Clanmil also had their own valuation assessment undertaken which concluded that in the current market the site value lay in a speculative bid of only £50,000. This report also indicated that the site could deliver a

reduced housing density of only 44 units. Given the divergence in these respective assessments there was little prospect of achieving a negotiated agreement with Clanmil.

- 2.2** Clanmil indicated that in order to comply with DSD funding requirements and from their own governance point of view that they required assurances around how the LPS valuation of £1,100,000 had been arrived at and confirmation that it took account of site development 'abnormals' they had identified in delivery of a housing development on this site.
- 2.3** Having expressed reservations regarding the basis of the LPS assessment and how the valuation had been arrived at there followed numerous exchanges of correspondence between Council and Clanmil in which Clanmil were provided with copies of both the LPS assessment and Council's planning assessment in an attempt to provide Clanmil with the guarantees they sought.
- 2.4** Negotiations with Clanmil were only finally concluded following direct discussions with DSD who had been asked by Clanmil to confirm that the valuation provided by LPS had been undertaken in accordance with the RICS valuation standards: in their response to Clanmil, confirming the basis of the LPS valuation, the DSD had also urged them to reach a decision as a priority.
- 2.5** Clanmil submitted a reserved matters application for full planning permission based on the provisions outline approval for 67 units in December 2012 which replicates the initial scheme design in terms of layout and a decision from Planning Service is currently awaited.
- 2.6** Following Clanmil's Board approval to proceed with this purchase at the figure of £1,100,000 Clanmil have indicated their requirement to be in contract as soon as possible. In order to facilitate as early completion as possible Council have permitted Clanmil to undertake a number of on-site investigations and have progressed necessary title searches.
- 2.7** Having submitted for full planning approval, on the same basis of an existing outline consent, the delivery of these social housing units at Council's Colin Glen site should be achieved within the shortest possible timeframe

3 Resource Implications

3.1 Financial

The sale of these lands will result in a capital return to the Council of £1,100, 000 which could be directed to the Councils Investment Programme or other priorities.

3.2 Human Resources

Staff Resource in Estates & Legal Services to progress.

3.3 Asset and Other Implications

The disposal of this vacant site and development as a social housing scheme should lead to improved social, economic and regeneration benefits for the area, as well as providing a capital return for the Council.

4 Equality and Good Relations Implications

4.1 There are no equality implications to this proposal

5 Recommendations

5.1 It is recommended that the Committee approves the disposal of these lands to Clanmil Housing Association for £1,100,000 subject to detailed terms and a contract to purchase being agreed with the Estates Management Unit and Legal Services. Should Clanmil seek to condition this agreement, over and above the usual contract terms, it is recommended that the Committee withdraws the offer to sell this land to Clanmil Housing Association.”

The Committee adopted the recommendation.

**Belfast Education and Library Board Works
at Flora Street Walkway**

The Committee was informed that the Parks and Leisure Committee, at its meeting on 14th March, had agreed that an appropriate Licence Agreement be entered into with the Belfast Education and Library Board to enable work to be carried out by its contractor on the Council-owned land at the Flora Street Walkway. The Licence Agreement would be for a period of approximately ten weeks, subject to an agreed licence fee of £75 per week payable to the Council.

The Committee agreed to approve the grant of a Licence Agreement to allow access over the aforementioned land.

Good Relations and Equality

(Mrs. H. Francey, Good Relations Manager, attended in connection with these items.)

Minutes of Meeting of Joint Group of Party Leaders Forum and Historic Centenaries Working Group

The Committee approved and adopted the minutes of the meeting of the Joint Group of Party Group Leaders Forum and Historic Centenaries Working Group of 1st March and agreed to proceed with the proposed designs for the modification of the UDR window and a granite bench for the Garden of Remembrance at the City Hall in relation to a memorial for Operation Banner.

Minutes of Meeting of Good Relations Partnership

The Committee approved and adopted the minutes of the meeting of the Good Relations Partnership of 11th March.

Cross-Cutting Issues

Request for Deputation from Northern Ireland Public Service Alliance re Abolition of the Northern Ireland Housing Executive

The Committee was advised that correspondence had been received from the Deputy General Secretary of the Northern Ireland Public Service Alliance (NIPSA) seeking to address the Committee in relation to the abolition of the Northern Ireland Housing Executive.

The Committee was reminded that the Council, at its meeting on 4th February, had passed the following Notice of Motion:

“This Council recognises the need for reform of the Housing Executive; notes with concern the approach of the Minister for Social Development to this reform and urges Belfast City Council to write to the Minister to ensure that any proposed reforms are enshrined in the principles and values of equality and housing allocated on the basis of need.”

A response had been received from the Minister in which he had indicated his appreciation that the Council recognised the need for the reform of the current Housing Model. The Minister had also stated that, in relation to the allocation of housing, his Department's recent consultation exercise on the Housing Strategy 2012/17 had invited comments on a review of the allocation policy and the responses showed strong support for continued housing allocation on the basis of need. The Minister also intended to consult further on the issue before the policy was revised to ensure that there was an agreed and consistent definition of what housing need meant in Northern Ireland. He pointed out that, fundamental to the review of allocations, were the principles of

fairness and equity, the need to ensure that the most vulnerable in society were supported and that the necessary services and interventions were in place to allow the most vulnerable to access decent housing. Under the proposed new structures, the Regional Housing Body would be responsible for the allocation of housing on the basis of need.

The Committee agreed to receive at a future meeting a deputation from the Northern Ireland Public Service Alliance in relation to the abolition of the Northern Ireland Housing Executive.

Chairman