

# Strategic Policy and Resources Committee

Friday, 22nd August, 2014

## MEETING OF STRATEGIC POLICY AND RESOURCES COMMITTEE

Members present: Councillor Reynolds (Chairman);  
Aldermen Campbell, R. Patterson and Robinson;  
Councillors Campbell, Corr, Hargey, Hendron,  
Jones, Kennedy, McCarthy, Mac Giolla Mhín,  
Mullan and Newton.

In attendance: Mrs S. Wylie, Chief Executive;  
Mr. R. Cregan, Director of Finance and Resources;  
Mr. A. Hassard, Director of Parks and Leisure;  
Mr. J. McGrillen, Director of Development;  
Mr. G. Millar, Director of Property and Projects; and  
Mr. J. Hanna, Senior Democratic Services Officer.

### Apologies

Apologies for inability to attend were reported from Councillors Attwood, Carson, Clarke, Haire and McVeigh.

### Minutes

The minutes of the meeting of 19th June were taken as read and signed as correct. It was reported that those minutes had been adopted by the Council at its meeting on 1st July.

### Declarations of Interest

Alderman Robinson declared an interest in relation to Item 2a Social Investment Fund Update insofar as he was employed as a Special Advisor to the First Minister.

### Notice of Motion – Voluntary and Community Sectors

The Committee was reminded that the Council, at its meeting on 1st July, had, in accordance with Standing Order 11(e), referred the undernoted Notice of Motion, which had been moved by Councillor McCarthy and seconded by Councillor Corr, to the Strategic Policy and Resources Committee for consideration:

*“This Council recognises the good work of the voluntary and community sectors across Belfast and agrees, in recognition of the valuable contribution made to the well-being of the City, to seek to formulate a policy which would enable such groups to avail of the use of Council facilities by establishing a preferential pricing rate for both sectors.”*

The Committee agreed that a report be submitted to the next meeting of the Committee.

**Notice of Motion – International Men’s Day**

The Committee was advised that the Council, at its meeting on 1st July, had referred to the Committee, in accordance with Standing Order 11(e), the undernoted Notice of Motion, which had been moved by Alderman R. Patterson and seconded by Alderman Robinson:

*“This Council recognises that the first ever event in Northern Ireland and Belfast to celebrate International Men’s Day will take place on 19th November and that the theme will be ‘Working Together for Men and Boys’;*

*It welcomes the fact that the day will highlight some serious issues such as domestic abuse/violence, poor educational attainment for some young boys and men, equality, a focus on men’s health and well-being, a celebration of men’s contribution in the work place, family life and society, discrimination against men, the bullying of men in the work place, the promotion of men as role models and improving gender relations and gender equality; and*

*It notes that other organisations and individuals from the private sector, the public sector, charities, local celebrities, men, women and children are all taking part to promote this worthy and important event.*

*Accordingly, the Council agrees to consider setting aside funding in order to hold an event at the City Hall in November to celebrate International Men’s Day in a similar way in which it has supported International Women’s Day in previous years.”*

The Committee agreed that a report on the support which could be provided and associated costs be submitted to the next meeting of the Strategic Policy and Resources Committee.

**Investment Programme**

**Social Investment Fund Update**

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

**“1.0 Purpose of Report**

- 1.1 To provide Members with an update on the Social Investment Fund and the implications and resource requirements for the Council in terms of delivery of capital projects and an emerging proposal**

regarding delivering a revenue based project in the Belfast North Zone.

**2.0 Relevant Background Information**

**2.1** Members will be aware that Belfast had been allocated £37m out of the £80m overall for SIF. The first announcements in relation to approved SIF projects were made at the start of February and letters of offer for these projects are now in place. This included 9 projects in the Belfast area (4 capital and 5 revenue projects).

Update on current position

**2.2** Members will know that it was proposed that the Council would be the delivery agent for a number of the capital projects in Belfast in recognition of its role as a civic leader and successful delivery agent of physical projects. Members received an update on these projects at Committee in February and at this stage agreed an 'in-principle' commitment for the Council to deliver these projects given the increasing role of the Council in the city in terms of regeneration and the emerging community planning and area planning roles. The Council is also already working closely with OFMDFM on a number of other key strategic city initiatives including TBUC and the Interface Strategy.

**2.3** Since this time Council officers have continued to work closely with OFMDFM officials in relation to the capital projects where the Council has been proposed as the lead delivery agent. The current status of these projects is outlined below. Members are asked to note that this is still an evolving process and the projects below will be subject to further refinement as they go through the economic appraisal process

2.4 BELFAST ZONES – CAPITAL PROJECTS – COUNCIL PROPOSED DELIVERY AGENT

	Project Name	Cost	Status	Lead organisation
North	Cluster – Increasing community services (new) (5 projects)	£2,598,460	Approved by DFP – letter of offer not yet in place	Various
	Cluster – Increasing community services (refurbishments) (6 projects)	£470,118	Not approved - Currently with the Consultants following the first review.	Various
South	Market Tunnels at Lanyon	£1,857,897	Not approved - Council currently undertaking a site contamination survey.	Markets Development Agency
	Capital cluster – Increasing community services (9 projects)	£1,749,886	Not approved - Appraisal being written by SIB Consultant.	Various
East	Capital cluster – Increasing community services (14 projects)	£1,381,296*	Not approved – * Will increase. 6 projects under this cluster are being re-appraised	Various
West	St. Comgall's	£3,544,090	Not approved -EA issued for review to Finance and Economists	Falls Community Council
<b>TOTAL</b>		<b>£11,601,747</b>	A breakdown of the capital cluster projects for North, South and East is attached at Appendix B. It should be noted that these range in value from around £10,000 to nearly £1,000,000 so are vastly different in scope and scale.	
<b>Number of projects (including cluster projects)</b>		<b>36</b>		

Issues to consider

2.5 At this time the Council is currently proposed to be the delivery agent for 36 capital projects worth over approx. £11.6 million. It should be noted that many of these projects are also subject to and/or receiving funding from other sources including LIF/BIF from the Council, DSD funding so the real value of the projects is

significantly higher than this. It is important to note that after this year, DSD commitment will transfer to the Council.

- 2.6 It has been previously highlighted to Members that there will be associated resource implications and resources costs in delivering these projects and the impact of delivering these also needs to be taken in the context of the Council's other project delivery commitments. The Property & Projects Department currently do not have the resource capacity to deliver the SIF projects on top of its existing workload and therefore it will be necessary to recruit additional resources to deliver these. Members are asked to note that there are also a range of support and indirect resources that will be required to help support project delivery including finance, legal, estates and procurement. This will also have to be factored in against existing workload commitments including the LGR.
- 2.7 In order to facilitate the delivery of these projects OFMDFM have asked the Council to produce a resource management plan outlining the resources necessary to deliver the Programme. The Council has stressed to OFMDFM officials that it is imperative that delivery of this programme and the projects under it needs to be cost neutral for the Council as the Council is a delivery agent only. As highlighted the Council has worked closely with OFMDFM officials in this regard and discussions to date have indicated that little or no due diligence work has been carried out on most the projects therefore the Council is starting at the beginning on these which will be resource intensive.
- 2.8 The Council has produced a Resource Management Plan, which has been based on our experience and learning of delivering LIF which as local community projects are similar to SIF. This has been forwarded to OFMDFM and is awaiting feedback. This has included resources to deliver the programme plus also associated costs for oversight and management of the programme. The costs equate to approx. 10% of the overall SIF costs for projects – however as highlighted this does not reflect the overall costs of the projects as many of these are in early stages of development and will have other funding sources.
- 2.9 Members are also asked to note that Council officers have highlighted that there are also a number of inherent risks associated with the Council taking on a project delivery role for these projects, particularly in the case where a third party has put together costs/plans for a project, including –
- lack of robustness in project costs which the Council have been unable to verify/ QA,
  - lack of contingency built into budgets

- unrealistic project plans resulting in construction overruns etc.
- unforeseen issues including contamination, land issues etc
- the lack of capacity of the groups involved

The Council has therefore stressed that it is key that a robust governance structure and approval/ sign-off processes are in place for these projects and Council officers are working closely with OFMDFM to develop and agree these. It should be noted that the SIF programme will remain an OFMDFM programme - the Council will advise at each stage of the outcome regarding projects (due diligence, tender process and delivery) however all decision points regarding projects will be up to OFMDFM and the individual Steering Groups. OFMDFM will also be responsible for all monitoring post completion and management of benefits and outcomes.

### 3.0 Next steps

3.1 Subject to agreement from OFMDFM on the Resource Management Plan, and sign-off internally by the Director of Finance & Resources and Legal Services if any changes are proposed, agree that the Director of Property & Projects progresses the recruitment of the necessary resources in conjunction with HR to deliver the SIF projects.

### 4.0 Revenue project – North Belfast

4.1 Members are asked to note that a '*Fuel Poverty & Unemployment*' revenue project has been approved under the North Belfast Steering Zone. This £2million project was announced in February and a letter of offer (LOO) is now in place for the project. However Ballysillan Community Forum who were due to be the lead partner for this project have now withdrawn from the process and it was highlighted at the most recent North Belfast Steering Group that a new lead partner needs to be identified in order to ensure that this project can commence and be successfully delivered.

4.2 The project is aimed at tackling fuel poverty and helping to increase the number of NEETS into employment. The project aim is to put in place an environmental work programme to promote and lead a project based on reducing the ecological footprint produced by the community and the community sector in the North Belfast area. It also offers the opportunity to create local home improvements; improve local housing stock; build local pride; improve local image and provide placements to local people. Members are asked to note that this scheme has a number of links with the Council's other ongoing work – particularly the synergies with the Affordable

Warmth Scheme and the ongoing Fuel Poverty work including the fuel stamps scheme.

- 4.3 Members are therefore asked to consider if the Council should act as the lead partner for this project. This would be subject to further discussions with OFMDFM and agreement by the North Belfast Steering Group. It is envisaged that this project will be lead by officers from Health and Environmental Services given the synergies with other ongoing work and a report is due to be taken to the next Health & Environmental Services Committee at start of September. Members are asked to note that a management fee which should cover resource costs is built into the revenue projects. Officers are currently looking at this in greater detail for its implications for the Council.

5.0 **Recommendations**

5.1 Members are asked note the contents of this report and *Capital projects*

- agree that the Council acts as the delivery agent for the proposed capital projects as outlined in 2.6 above and notes that the implications of SIF are still somewhat emerging and that there may be some further amendments to this list
- note that the Property & Projects Department currently does not have the resource capacity to deliver the proposed capital projects as it is already overstretched by existing workload and that extra resources will be required to deliver this programme and that there will also be a range of associated support and indirect resources that will be required to help support project delivery including finance, legal, estates and procurement
- note that the Council has highlighted to OFMDFM officials that this programme can only be delivered on a cost neutral basis to the Council
- note that a detailed resource plan, based on the Council's experience and learning from delivering LIF, has been forwarded to OFMDFM and feedback is awaited on this
- note the inherent risks associated with the Council becoming the delivery agent for the proposed capital projects and that Council officers are working closely with OFMDFM to ensure that a robust governance structure and approval and sign off processes are in place for all projects
- subject to agreement from OFMDFM on the Resource Management Plan, agree that the Director of Property & Projects progresses the recruitment of the necessary resources in conjunction with HR.

*Revenue Project*

- agree that the Council acts as the lead partner for the '*Fuel Poverty and Employment*' project in North Belfast following the withdrawal of the previous lead partner to ensure that this project is delivered, subject to further discussions with OFMDFM and the North Belfast Steering Group and further clarification over the management fee which is included for this project. It is anticipated that this project will be led by officers from the Health & Environmental Services Department given its synergies with other work which is ongoing

6.0 Decision Tracking

The Director of Property will oversee the implementation of the recommendations within this report.

7.0 Equality

Equality screening for SIF is an OFMDFM responsibility"

The Committee adopted the recommendations.

Capital Programme Update

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 -
- key highlights since the last Committee report in June
  - proposed recommendations for movement between the Capital Programme stages
  - proposal for the reconfiguration of the 'Stage 1 – Emerging Projects' tier
  - specific project updates
  - an update on the communications and engagement activities for capital projects planned for the coming months

2.0 Relevant Background Information

*Capital Programme – Key highlights – June-August 2014*

- 2.1 Significant progress has been made in the delivery of the capital programme since it was agreed by SP&R Committee. Update photos



of projects have been circulated. The Property & Projects department is happy to arrange site visits for Members/ Party Groups to any capital project.

- 2.2 Key highlights since the last update report in June include -
- construction work has begun on the new £1.7m 3G pitch at Cliftonville as part of the overall £4million Bunscoil Bheann Mhadagáin development – this is the first pitch to go on ground as part of the £15m Pitches Strategy and is due to complete by January 2016
  - work is well underway on the new £430,000 Adventurers Learning Centre at Belfast Zoo – this project has secured match funding from ERDF. Work began in July and is due to complete by November. Members are asked to note that this project had to begin in July due to profiling commitments and that the ERDF monies would have been decommitted from this project if work had not begun at this time
  - work is continuing on the £11.7m Girdwood Hub together with DSD infrastructure works and a new housing development
  - the tender for the main works for the Belfast Waterfront Exhibition and Conference facility has been awarded and enabling works for the project were completed in August
  - tenders for two major projects – Phase 2 of the Connswater Community Greenway and the Innovation Centre have been returned and are currently being assessed. An update on these will be brought to Committee next month
  - Phase 1 works on Drumglass Park were completed and the Park reopened in July – Phase 2 of the works (Wall, lighting and art) will commence in September
  - Work on Phase 1 of the Half Moon Lake project is underway (new signage, paths and painting). Main phases of work will commence later in the year
  - Dunville and Woodvale Parks, which underwent £4million refurbishment programmes during last year, were awarded ‘Green Flag’ status in July
  - Work commenced in June on the new pavilion at Suffolk Playing Fields – this is due to complete in the late summer
  - Over 650 applications have received to date under the Super-Connected voucher scheme.

### 3.0 KEY ISSUES

- 3.1 Members have agreed that all capital projects must go through a three Stage process where decisions on which projects progress are taken by SP&R. This provides assurance as to the level of financial

control 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.

*Proposed movements*

*Council accommodation*

- 3.2 Members are asked to note that the SP&R Committee agreed at its meeting in June 'to approve the commencement of a tendering exercise to procure new build office accommodation in the city centre.' Committee is therefore asked to note that this project has been moved to 'Stage 3- Tier 1 – Schemes at Tender preparation stage' on the Capital Programme. In line with the agreement at Committee in June regular updates on this project will be taken to Committee as required going forward.

*Proposed reconfiguration of 'Stage 1 – Emerging Projects'*

- 3.3 Members will be aware that there a number of projects at 'Stage 1 – Emerging project' status on the Capital Programme. These projects require completion of a Strategic Outline Case (SOC) before they could be considered further by SP&R Committee. Some of the current 'Stage 1 – Emerging projects' are site specific and/or may no longer progress given that the Programme has moved on from when projects were agreed/placed on the list and other projects have superseded these - e.g. Members will be aware that the development of the Innovation Centre at Springvale will have an impact on the proposed recycling centre which had previously also been proposed for this location.
- 3.4 Over the past year Members have agreed a growing number of capital projects on a 'programme' basis for example the pitches strategy, the MUGA programme, the leisure transformation programme, Fleet Replacement Programme and the Falls Park Masterplan. This has allowed individual projects to then be progressed as required through the Stage Approval process which has been agreed – e.g. Olympia and Andersonstown regeneration projects under the LTP and new MUGAs at Annadale; Clarendon and Springfield Avenue. Members are also asked to note that it has been agreed that from next year the Playground Improvement Programme will also become part of the Capital Programme.
- 3.5 Looking at projects under a programme basis has a number of benefits for Members -
- it allows the benefits and outcomes from projects to be considered at city-wide level

- gives Members the ability to consider the opportunity costs of approving one project or programme over another
- importantly it will give members more flexibility in adding projects to the Emerging Project list – this will be key in the context of having to consider a wider capital programme given the Council's new roles and responsibilities and enhanced boundaries under LGR.

However while these maybe approved as programmes, Members are asked to note that individual emerging projects under the programmes will still be required to go through the Stage Approval process as agreed to move from Stage 1 to Stage 2 etc.

- 3.6 It is therefore proposed that the current 'Stage 1 – Emerging Projects' are reconfigured to reflect programmes of projects rather than individual projects where possible. In doing this Members are asked to note that NO projects are being removed from the list but will continue to be considered as part of programmes. Members are asked to note that it is not possible for all the projects to be considered as programmes and there will continue to be stand-alone projects as required. A summary of the proposed reconfiguration of the Stage 1 projects attached at Appendix B. Members are asked whether they agree with this proposed reconfiguration.

#### *Updates on capital projects*

- 3.7 As outlined above the tender for one of the biggest projects under the Investment Programme has recently been awarded – this is for the main works (worth approx £23.4m) for the Belfast Waterfront Conference and Exhibition facilities. Work is due to commence in late Autumn. As an ERDF project there is a tight timescale for delivery of this project. Members will be kept up to date with progress on this project.
- 3.8 Tenders have also been returned for two other major projects under the Investment Programme- Phase 2 of the Connswater Community Greenway and the Innovation Centre. These tenders are currently being evaluated and updates on the outcome of these will be brought to Committee next month. Together with the Waterfront, these projects are worth nearly £60million.

#### *EU funded projects – Update*

- 3.9 Members will be aware that there are a range of projects under the Investment Programme which are subject to EU funding via ERDF or Peace III. The status of these projects is outlined in the table below.

Project	LOO	Overall cost	Funding amount	Status
Girdwood Hub	Yes	£11,700,000	£9,	On ground – due to complete June 15
Waterfront Exhibition and Conference Centre	Yes	£29,500,000	£18,500,000	Enabling works completed Tender awarded – main works due to commence late Autumn
Belfast Zoo – Adventures Learning Centre	Yes	£430,000	£215,000	On ground – due to complete November
Innovation Centre	No	£9,100,000	£6,825,000 sought	All are still schemes at risk on the Capital Programme which means that they can be advanced to tender stage but NO construction contracts can be let
North Foreshore – Infrastructure	No	£8,000,000	£6,000,000 sought	
Creative Hub	No	£4,100,000	£3,700,000 sought	

- 3.10 The tight timescales for the delivery of these projects has been previously highlighted to Members on a number of occasions as all EU monies need to be committed and spent by the end of December 2015. This is an immovable deadline. In relation to the ERDF funded project (Waterfront, Innovation Centre, Creative Hub and North Foreshore) DETI recently wrote to the Council to highlight that *“Each individual letter of offer will clearly state that Belfast City Council must self-finance the full cost of any expenditure after the 31<sup>st</sup> December deadline”*. As outlined in the table above 3 of these projects still have not received a letter of offer which is a major risk now in terms of the delivery. The lack of letter of offer for EU funded has already been escalated as a major corporate risk.
- 3.11 However in addition, recent correspondence has also been received from the sponsoring organisations (NITB and SEUPB) in relation to holding the Council to the original spend profiles submitted as part of the application process for a number of projects (the Zoo Playground, the Waterfront and Girdwood). These spend profiles submitted at a point in time and subsequent delays etc. in getting the projects signed off means that these are not achievable. This also presents a major risk for the Council in terms of grant recovery.
- 3.12 Members are asked to note that the continuing delays in receiving letters of offer for the Innovation centre, North Foreshore and the Creative Hub along with the demands that the Council adhere to the original spend profiles which are no longer achievable could have serious implications for the Council in terms of a loss of grant and poses a serious reputational risk for the Council. It is therefore

proposed that a detailed report on these projects and the potential implications for the Council is brought to Committee next month.

#### **Fleet Replacement Programme**

- 3.13 Members are asked to note that the Director of Finance & Resources exercised his delegated authority during the month of July to approve the purchase of 2 split bodied bin lorries for commercial waste recycling. These vehicles are being 100% capital funded by the Department of the Environment through the '*Rethink Waste*' fund. The vehicles had to be purchased and delivered before the end of April 2015, to enable the Council to claim funding and given the procurement and delivery lead in times it was necessary for procurement to commence during July in order to meet the deadline set up the DoE.

#### **Pitches Strategy – Amendment to proposal for Ormeau Park**

- 3.14 One of the key projects under the Pitches Strategy is the development of a 3G pitch and new pavilion at Ormeau Park. A planning application has been lodged in this respect however at recent meeting with the Planning Service, concern was expressed about the proposed location for the pitch and the pavilion. The issues over the pitch have been resolved however there are still outstanding issues in relation to the pavilion as the Planning Service had indicated that it would prefer for the new pavilion to be located immediately beside the Ozone.
- 3.15 Members will be aware that the Leisure Transformation Programme has been developed and adopted, post the Pitches Strategy and that the Ozone will be considered under this programme. As work on Leisure Transformation continues, it is proposed that the development of a stand-alone new pavilion be delayed and that Officers explore the extent of the works and associated costs of refurbishing part of the Ozone to accommodate the addition of a new pavilion. It is intended that work on the construction of the 3G pitch be continued with a view to completion in 2015.

#### **4.0 Capital Programmes – Communications and Events updates**

- 4.1 Members are asked to note the activity undertaken between June and August in relation to the Capital Programme and the wider Investment Programme including –
- 39 articles placed in local and national media specifically for Investment Programme projects, with 59% generated through proactive activity and 100% rated positive/factual including:
    - £750,000 capital enhancement fund for school sports facilities (Pitches Strategy)

- Social clause opportunities at Girdwood Park – e.g. Meet the Buyer
- Green Flag Award for Dunville and Woodvale Parks
- Renewing the Routes successes
- Employability Champion Award
- Community Relations Week and promotion of projects funded via PEACE III monies
- Achieve Bursary Fund information sessions
- Connection Voucher Scheme information sessions (Super-connected Belfast)
- Overview of delivery to date provided in City Matters magazine (July 2014), reaching 130,000 residents, with additional articles focusing on work on various projects
- Increase in web traffic, with updates pushed out to almost 124,000 visitors per month
- Regular social media posts, with Facebook reach now extending to over 70,000 people
- Branded signage continues to be installed at high visibility points within capital projects
- Communications plans developed for new capital projects, e.g. Tropical Ravine
- Second 'Big Picture' staff briefing held in June 2014, accompanied by regular updates and news items in Intercom, Team Brief, Interlink and TV screens in frontline locations

4.2 Members are asked to note that a number of key events in relation to schemes under the Capital Programme are being held over the next quarter (where already planned).

- Event to highlight overall investment into pitches – 11 September 2014
- Appointment of contractor for Phase 2 of Connswater Community Greenway and completion of Phase 1 works – September 2014
- New play space at Olympia Leisure Centre (consultation event) – 17 September 2014
- Girdwood Park Community Fun Day – 20 September 2014
- Start of work at Belfast Waterfront Exhibition and Conference Centre – w/c 22 September 2014 (events being planned for residents, audiences and industry)
- Girdwood Park Tea Dance – 9 October 2014
- Start of work at Tropical Ravine – Autumn 2014

## 5.0 Recommendations

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

#### **Movements**

- Council Accommodation - note that 'Council Accommodation' has been moved to 'Stage 3- Tier 1 – Schemes at Tender Preparation Stage' following the SP&R Committee decision in June

#### **Proposed reconfiguration of 'Stage 1 – Emerging Projects'**

- agree the proposal to reconfigure the 'Stage 1 –Emerging Projects' so that this reflects 'programmes' where possible instead of individual and/or site specific projects – this is in keeping with other proposals which have been progressed at a programme level – for example the MUGA programme, Fleet Replacement Programme; Leisure Transformation Programme. Members are asked to note that no individual projects have been dropped from the list. Members are also asked to note that in individual projects emerging out of these programmes will still be required to go through the Stage Approval process as previously agreed for all capital projects

#### **Project Updates**

- note that the tender for one of the biggest projects under the Investment Programme - the main works for the Waterfront Conference and Exhibition facility has recently been awarded with works due to commence in the late Autumn. Tenders for two other major projects – Phase 2 of the CCG and the Innovation Centre have been received and are currently being assessed. Together these projects are worth nearly £60million.

#### ***ERDF projects***

- note the update provided in relation to EU funded projects and the risk associated with these. It is proposed that a detailed paper on these projects and the potential implications for the Council is brought to Committee next month

#### ***Fleet Replacement Programme***

- note that the Director of Finance & Resources exercised his delegated authority during July to approve the purchase of 2 split bodied bin lorries for commercial waste recycling. These vehicles are being 100% capital funded by the DoE through the 'Rethink Waste' fund

#### ***Pitches Strategy – Ormeau Park***

- note the update in relation to the proposed new pitch and pavilion at Ormeau and agree that construction of a stand-alone changing pavilion at Ormeau Park be deferred at this time so that further consideration can be

given to this in the context of the Ozone. Members are asked to note that the construction of the 3G pitch will continue as planned

**Communication and Engagement – Capital Programme projects**  
- note the communications and engagement activity which is planned over the coming months

#### 6.0 Decision Tracking

The Director of Property and Projects and the Director of Finance and Resources will oversee the implementation of the recommendations within this report.

#### 7.0 Equality

Individual projects are equality screened

**SP&R August – Capital Programme Update**

**Appendix 1 – Proposed reconfiguration of ‘Stage 1 – Emerging Projects’**

Project	Recommended reconfiguration (if applicable)
Springvale recycling centre	Recycling Centre Programme
Public convenience strategy	Public convenience Programme
Orangefield Cycle Track	Parks Improvement Programme
Sliabh Dubh Playground	Playground Programme – Members are asked to note that Sliabh Dubh Playground is currently not a Council asset and technically at this stage could not be progressed under the current Capital Programme.
ICT Strategy	IT Programme
North Foreshore site infrastructure	Not applicable – already a programme
Leisure Transformation Programme	Not applicable – already a programme
Gasworks Northern Fringe Infrastructure	Not applicable – already a programme
Falls Park Masterplan	Not applicable – already a programme
Floral Hall	Retain as a stand-alone project – discussions currently on going with NIEA
New cemetery	Retain as a stand-alone project



Suffolk site (wider site)	Retain as a stand-alone project
Cathedral Gardens	Retain as a stand-alone project
Loughside Playing Fields	Retain as a stand-alone project
Grove Wellbeing Centre - Provision of additional pool seating	To be considered as part of the Leisure Transformation Programme
Skegoneil site	To be removed from Capital Programme as due to transfer to the Corporate Landbank (once completed)
Maysfield demolition/clearance	To be removed from Capital Programme following decision to sell

**Members are asked to note that no individual projects have been dropped from the list. Members are also asked to note that in individual projects emerging out of these programmes will still be required to go through the Stage Approval process as previously agreed for all capital projects”**

The Committee adopted the recommendations and agreed that a report in relation to the Fleet replacement be submitted to its next meeting.

### **European Regional Development Fund Capital Projects – Next Steps**

The Director of Development submitted for the Committees consideration the undernoted report:

**“1 Relevant Background Information**

**1.1 In June 2012 Members agreed to deliver a Belfast Investment Programme with the largest single project within the programme being the development of a World Class Conference and Exhibition Centre at the Belfast Waterfront Hall.**

**The Programme also commits the Council to the Development of a £9.1m Innovation Centre at the Forth River Industrial Estate.**

**Waterfront Hall**

**1.2 The purpose of this project is to redress Belfast’s declining market share in the lucrative international business tourism market which has come about due to a lack of sufficient exhibition space, inadequate provision of break out rooms and insufficient banqueting facilities at the Waterfront Hall.**

The Strategic Policy and Resources Committee subsequently agreed to commit £11m towards a £29.5m extension to the Waterfront Hall in order to provide:-

- 3000 sq m of additional flexible exhibition space
  - 14 additional breakout rooms
  - Banqueting facilities for 1000 delegates
- 1.3 The remaining capital finance of £18.5m is being provided by the Northern Ireland Tourist Board and the European Regional Development Fund (ERDF).
- 1.4 This funding is conditional on the Council achieving the following business objectives once the new facility has been completed;
- Attract 50,000 conference delegates by 2020 (Baseline 25,000)
  - Attract 35,000 “out of state” visitors by 2020 (Baseline 10,000)
  - Host an average of 6 Large National Association Conferences per annum by 2020 (Baseline 1 Annually)
  - Host an average of 6 International conferences per annum( Baseline 1 every two years)
- 1.5 The NITB and ERDF funding is also conditional on Belfast City Council putting in place an Operating Model which is to the satisfaction of NITB and will deliver the project objectives set out above. The Council is also required to demonstrate that it has put in place an experienced management team capable of delivering the project and that the necessary marketing and sales personnel are in place.
- 1.6 In addition to the objectives set out in the NITB Letter of Offer, the revised Business Plan seeks to reduce the operating deficit at the Waterfront Hall by £1m by the end of 2018 and to reach a breakeven point in 2020.
- 1.7 As reported in the Capital Programme Update, the enabling works for the project are nearing completion and the construction contract is due to be let on 22 September 2014 to allow completion in December 2015 in line with ERDF funding deadlines. The new exhibition and conference centre is due to open on 8 May 2016.

### **Forth River Innovation Centre**

- 1.8 The Council has also submitted an ERDF Application to Invest NI for the development of a 50,000 sq ft Innovation Centre at the Forth River Industrial Estate on the Springfield Road. The purpose of the project is to address the chronic levels of worklessness in the neighbouring wards and kick start the development of the Springvale Industrial Estate which has been vacant since its development over a decade ago.
- 1.9 The Business Case has been approved by the Invest NI Board and is currently awaiting sign off by the DFP Minister. This is required due to the scale of the investment and the contribution required from both Invest NI and the ERDF to deliver the project.
- 1.10 The Project Management Unit in Property & Projects is currently assessing the tender returns for the design and build of the Centre. It is hoped that planning approvals will be in place and a Letter of Offer will issue in time to allow the Council to commence construction of the Centre in November 2014, with completion due by December 2015.

## **2 Key Issues**

### **Waterfront Hall**

#### **2.1 Interim Managing Director**

Following an unsuccessful recruitment process earlier this year, the Committee at its meeting on 25 April, agreed the appointment of an Interim Director of the Waterfront Hall for a four month period pending the outcome of the tendering of the construction contract. This specialist experience of managing international conference facilities elsewhere and delivering similar projects in other locations has been crucial in getting the project to this point.

- 2.2 Given the scale of the project, the challenges of operating the Waterfront as a functioning entertainment venue as construction takes place, and the need to conduct an aggressive marketing and sales campaign in order to meet income targets, it is critical that a highly experienced Managing Director is in place for the duration of the project. Members are therefore asked to agree to the Director of Development securing the services of a suitably experienced Interim MD (through agreed procurement processes) until May 2016 when the new conference facility is fully operational.

### Sales and Marketing Resources

- 2.3 The conference and exhibition business sector is highly competitive with a typical lead time for securing business of 3 years. In order to achieve the sales targets for 2016 and beyond this business needs to be secured and contracted from 2014. This will require a sales and marketing team at the Waterfront which has experience of operating very commercially in a highly competitive marketplace and is capable of doubling the amount of business it currently secures.
- 2.4 In order to achieve these targets it is proposed that a new post of Head of Sales and Marketing (Waterfront Hall) is created to drive the sales and marketing plan for the new Conference and Exhibition Centre. It is also proposed that the existing team is enhanced through the creation of three additional sales and marketing posts. These posts would be created on an “invest to save” basis as the associated costs will be exceeded by the income which is projected in the 2016/2017 financial year.
- 2.5 There are also a number of additional “non-recurrent” revenue costs associated with activity required to implement a project of this scale. These revenue costs are over and above the capital costs and are therefore not being met from within the £29.5m capital funds budgets.
- 2.6 These non-recurrent items include brand design, sales and marketing materials, exhibition stands at international sales events, a 3D interactive digital model, additional legal and procurement advice, media and stakeholder events, pre-launch events and an industry wide opening event.
- 2.7 It is estimated that the additional non-recurrent costs, including those of the additional sales and marketing posts, will be circa £700k.

### ICT Upgrade

- 2.8 The IT and Telecoms Systems which currently exist within the Waterfront Hall are inadequate to meet the needs of a new state of the art conference venue. Current Wi-Fi provision is limited and will not meet the requirements of customers going forward. CRM systems, telecommunications systems and IT equipment will require upgrading to meet the requirements of future clients and business delegates visiting the Waterfront.
- 2.9 The cost of upgrading the current ICT infrastructure is estimated at £450k.

### Operating Model

- 2.10 As noted in Paragraph 1.5, the Council is required to conduct an Options Appraisal on potential Operating Models for the new Convention and Exhibition Centre and to implement an operating model which the funders are satisfied will meet the economic objectives set out in the business case submitted in support of the funding application.
- 2.11 In order to fulfil this requirement, the SP&R Committee agreed at its meeting on 25 April 2014 to the procurement of consultants to conduct an options appraisal. RSM McClure Watters have now been appointed to conduct this appraisal and the Committee is asked to agree to a series of party group briefings in October to consider the potential options and the criteria to be used.

### Forth River Innovation Centre

- 2.12 It is intended that an experienced operator will be contracted to operate the Innovation Centre on the Council's behalf once the building has been constructed. This will have to be done by means of a "negotiated procedure" within European Procurement Guidelines, and specialist legal and procurement advice will be required to support the Council through this process. The cost of this external advice is estimated to be around £80k.
- 2.13 The Council would intend to begin to market the Innovation Centre soon after the design process is complete in order to ensure early occupancy and that job creation begins as soon as the facility is ready. This will require the development of a sales and marketing plan and as such, a budget will be required for associated sales and marketing materials to launch this new facility. It is anticipated that the pre-opening activities will cost around £50K.

### 3 Resource Implications

#### Waterfront Hall

- 3.1 The £700k of non-recurrent costs associated with the Waterfront Hall will be financed through in-year reallocations.
- 3.2 All staff resources will be sourced in accordance with the Council's agreed Procurement and Human Resource Policies and Procedures.
- 3.3 Capital costs associated with the upgrade of existing ICT infrastructure in the Waterfront Hall is estimated to be £450k and will be financed through non-recurrent capital finance.

**Forth River Innovation Centre**

- 3.4 The £130k of non-recurrent costs associated with Innovation Centre will be financed through in-year reallocations.

4 **Equality and Good Relations Considerations**

- 4.1 There are no equality or good relations implications identified.

5 **Recommendations**

- 5.1 Members are asked to:-

**Agree to the appointment of an Interim Managing Director until May 2016**

**Agree to the appointment of a Head Sales and Marketing (Waterfront Hall) and three additional Sales and Marketing Staff on an “Invest to Save” basis and in accordance with agreed HR policies and procedures.**

**Agree to a series of party group briefings to take place in October on the Options Appraisal for the Operating Model.**

**Agree to the £700k of non-recurrent costs associated with the Waterfront Hall being financed through in-year reallocations.**

**Agree to the capital cost associated with the upgrade of existing ICT Infrastructure in the Waterfront Hall is estimated to be £450k and being financed through non recurrent capital finance.**

**Agree to the £130k of non-recurrent costs associated with Innovation Centre being financed through in-year reallocations.**

6 **Decision Tracking**

**Further detailed reports will be prepared by the Director of Development presentation to Committee for decision as and when required.”**

After discussion, the Committee adopted the recommendations.

**Leisure Transformation Programme (LTP) – Capital Update**

The Committee considered the undernoted report:

**“1.0 Relevant background information**

- 1.1 In January 2013 to inform future decisions SP&R adopted the following principles regarding leisure provision in the city: Quality; Focus on health and well-being outcomes; Value for money; Balanced investment and accessibility; Partnership; and Affordability.
- 1.2 Subsequently, at its meeting in June 2013, SP&R set a £105m capital expenditure affordability limit for the LTP and agreed an indicative phasing of capital transformation:
- Phase 1: Investment Programme (Windsor/Olympia; Andersonstown; Girdwood)
  - Phase 2: LGR (e.g. Avoniel; Castlereagh; Lagmore/ Poleglass/ Colin)
  - Phase 3: One Public Estate (e.g. Ballysillan; Ozone; Shankill; Loughside; Whiterock)
- 1.3 This paper provides an update on the current status of the capital projects under Phase 1, an update on Phases 2 and 3 and also an update on the community benefits proposition.

**2. Key issues**

- Phase 1 Update – Olympia, Andersonstown and Girdwood*
- 2.1 Olympia - Phase 1 of the LTP includes a regeneration project to reconfigure and develop the site at Olympia. This is aimed at maximising opportunities arising from the re-development of Windsor Park which has been part funded by DCAL. There is a very tight timescale for the delivery of Olympia given the construction programme for the new stadium. The first phase is integral to this development because the project design involves sharing a new roof structure.
- 2.2 Members will recall that in October 2013, approval was given to progress the Olympia project from Stage 2 to Stage 3 – Committed on the Capital Programme and subject to the resolution of outstanding issues, to award contracts. In April 2014, all outstanding issues in relation to Olympia were agreed at full Council, subject to further information on a mutually beneficial community benefits partnership between the Council, IFA and DCAL being brought back. An update on community benefits is included at 3.0.
- 2.3 Planning approval for the new facility was received in April 2014 following public consultation on the entire scheme in 2013. This phase is now at tender stage. A planning application for the wider site was submitted in May with a decision anticipated by October.

Detailed design for the wider site is underway and an additional consultation session on the new play space proposals is now scheduled for 17 September in Olympia Community Centre.

- 2.4 Andersonstown - The project at Andersonstown will provide new leisure facilities at the site of the existing Leisure Centre. It will also include regeneration of the wider site for potential uses including recreation and commerce. A number of options have now been developed for consideration in the draft OBC following public consultation and ongoing engagement with various project stakeholders.
- 2.5 These options were presented to the West AWG in June who requested that further design work was done on a number of the options including design work. These options are currently being thoroughly tested in terms of their deliverability and sustainability. There has also been ongoing engagement with external stakeholders including the Ulster Bank (who hold a lease for a facility on the present site), DCAL, DoE Planning, Belfast Trust and the GAA. It is anticipated that this work will be brought back to the Area Working Group in the Autumn.
- 2.6 Girdwood Hub – Work on Hub is well underway and is on programme to open in June 2015. The Property & Projects Department can arrange a site visit for any Members/ Party Groups to the site. Members will be aware that it was previously agreed in April that the leisure facilities at Girdwood would be included in the transfer to the new leisure trust. Members are asked to note that as part of the LTP report which is also on the agenda for discussion at today's Committee there is a proposal that the management of the overall Hub is transferred to the Trust. It is proposed that Council officers work closely with the operating partner to ensure a focus on the delivery of peace and reconciliation outcomes at the Hub in accordance with the terms and conditions of SEUPB grant aid.
- Phase 2*
- 2.7 As outlined at its meeting in April 2014 SP&R was informed that ongoing consultation via the AWGs and party group briefings would continue to help develop the content of Phase II. A feasibility study is now underway to identify a range of options for future leisure provision in Outer West and Inner East. Discussions continue with other partners including Belfast Metropolitan College and the Health Infrastructure Group.
- 2.8 Castlereagh – Members are asked to note that correspondence has been received from the Chief Executive in relation to the CHP plant at the Robinson Centre. This has been identified as needing a full overhaul in addition to normal servicing works. The combined costs of these works has been estimated as £22k which would equate to



the projected savings which could be generated from the plant if it were operating successfully for the year.

Members will be aware that the Robinson Centre is due to transfer to the Council under LGR and Castlereagh have approached the Council to ascertain if BCC may wish to contribute towards the costs of this work to ensure that the CPH unit is operational when the asset transfers. Condition surveys have been undertaken on all the leisure estate, including the transferring LGR properties, and that the current condition of the CHP unit in the Robinson Centre has been flagged as a key issue under the survey.

- 2.9 Members are asked to agree if they wish that the Council makes a contribution towards these costs and if so to consider how much of a contribution should be made. The Director of Finance & Resources has advised that this is within the affordability limits of the Council on the basis that it is preferable that the CHP unit is functional when the asset transfers and Legal Services have confirmed that such a payment can be made in advance of the transfer.
- 3.0 Community Benefit – Proposal to develop an ‘Enhanced Sports Development Programme’
- 3.1 Members will be aware that the development of a mutually beneficial community benefits partnership between the Council, IFA and DCAL was previously proposed as an integral part of the Olympia regeneration. An update on the progress of this partnership was presented to Committee in April and at this stage Members expressed concerns that this focused on one sporting code and requested that officers explore a wider partnership to include the other sporting codes to ensure any such partnership delivered maximum social and community benefits for the city.
- 3.2 Members are asked to note that discussions with the 3 sports governing bodies, Gaelic Athletic Association (GAA), Irish Football Association (IFA) and Irish Rugby Football Union (Ulster Branch) (IRFU) and DCAL have been on-going since this time. Members are asked to note that the proposition has now evolved and it is now proposed that an enhanced sports development programme is delivered in partnership with the 3 sporting governing bodies — to address social exclusion and tackle health inequalities in the city by encouraging and enabling more people to be more active, more often, now and for generations to come. A draft of this proposal has been circulated.
- 3.3 Under this proposal a team of sports development and community participation officers will be jointly funded to work in and across the sporting codes to ensure that the public investment in the stadium

and surrounding area improves the quality of life now and for future generations. All stakeholders – DCAL, the Council and sports governing bodies – recognise the benefits of collaborating on these major sports infrastructure projects and are committed to delivering increased participation in physical activity, as well as contributing to a wide range of social outcomes including tackling social isolation, promoting good relations, reducing anti social behaviour and improving employability across the city.

- 3.4 The objectives of the partnership would be to:
- (a) Create welcoming, safe and accessible public facilities and spaces which are integrated into the daily life of local neighbourhoods, and attractive to all residents of Belfast, especially those closest to the three stadia<sup>[1]</sup>, and visitors to the city;
  - (b) Reduce health inequalities in the city by encouraging and enabling more people to be more active, more often, now and for generations to come;
  - (c) Contribute to government policy objectives, as laid out in the NI Executive's Programme for Government as well as the DCAL's mission statement to promote equality, and to tackle poverty and social exclusion; and
  - (d) Ensure that the public investment in the stadium and surrounding area improves the quality of life now and for future generations, especially those who are socially marginalised and excluded across the city.

An annual programme of activities (sports, heritage, environmental and arts based activities e.g. midnight soccer, 'try-it' events, schools programmes) would be supported under this partnership to encourage participation in sports as well as include multi-sport initiatives including Game of 3 Halves.

This would link to work in relation to Neighbourhood Renewal as well as the emerging Belfast Community Plan.

- 3.5 Members are asked to note that it is proposed that management of the enhanced sports development programme is overseen by a joint working group convened by the Council and made up of the three sporting bodies and DCAL. A set of robust performance indicators, which will be reported back to Committee on a regular basis, will also be developed. This will be aligned to the Council's sports development programmes and also the outcomes framework of the Belfast Community Plan as well as the Programme for Government.
- 3.6 All the bodies have expressed a commitment to financially supporting this programme although the level of contribution is still to be determined. Committee is therefore requested to consider a contribution towards this programme which will be matched funded

by the sporting codes and to consider how much of a contribution would be appropriate. It is recommended that Committee considers an amount up to £100k per annum.

- 3.7 In addition, the partnership proposal positions the Council and its partners to lever in additional funding and deliver on strategic programmes, including:
- Delivering Social Change
  - Together: Building a United Community
  - Peace IV Programme.

The objectives outlined above and the proposed activities fit well within all of these programmes, and the financial investment by the Council could be multiplied within the city.

#### 4.0 Resource Implications

**Financial Implications:** £105million has been set aside for the LTP. Up to £100k per annum for revenue funding for the Community Benefits Partnership. It is recommended that the costs are financed as part of the VR cost reduction exercise.

**Asset Implications:** Phase 1 – New centres at Olympia and Andersonstown and a new Hub at Girdwood

Phase 2 - Unknown at present – to be determined as part of the feasibility studies underway

**Human Resource Implications:** Staff resource from Parks & Leisure and Property & Projects.

#### 5.0 Equality Implications

Phase 2 - To be screened when Phase II capital programme is considered by Committee

#### 6.0 Recommendations

Members are requested to note that the contents of this report:

##### Phase 1 and 2 Updates

- (i) Note that special AWGs for the West and East will be scheduled for September in relation to the feasibility studies for Inner East and Outer West
- (ii) CPH – note the correspondence which has been received from Castlereagh Borough Council and agree that the Council should contribute 50% towards the £22k costs for the overall haul and servicing of the CHP unit at the Robinson Centre.

Community Benefit

- (i) note that discussions with the three sporting codes (IFA, GAA and IRFU) and DCAL have been ongoing to develop a partnership arrangement which will deliver maximum social and community benefits for the city
- (ii) agree to support the 'Enhanced Sports Development Programme' proposal and provide up to £100,000 per annum of revenue funding. It is recommended that the costs are financed as part of the VR cost reduction exercise.
- (iii) note that the Programme will be overseen by a joint working group which will be convened by the Council and on which all the sporting codes and DCAL will be represented. A robust performance framework will also be developed and progress on this will be reported back to Committee at
- (iv) note that the 3 sporting codes have all expressed a commitment to financially support this programme."

The Committee adopted the recommendations.

#### **Leisure Transformation Programme – Implementation update**

The Committee considered the undernoted report:

##### **"1.0 Relevant background information**

- 1.1 At its meeting in February, the Committee agreed that its preferred business model was the Non Profit Distributing Organisation (constituted as a leisure trust called Active Belfast Limited).

In April, Committee agreed the strategic principles for the Leisure Transformation Programme and, on this basis, authorised officers to take preparatory steps to transfer the service, as set out in the legal advice, including authority to enter into a contractual relationship with the Active Belfast Limited to ensure the effective delivery of the leisure services by developing a draft business plan and the necessary agreements with Active Belfast Limited.

##### **2. Key issues**

###### **2.1 General progress update**

There is an intensive programme of work now underway to draft the contractual documents as well as undertake detailed due diligence of the assets, condition of buildings and existing contracts that are to transfer to Active Belfast Limited. The contractual arrangements between the Council, Active Belfast Trust and its Strategic Operating Partner will be multi-tiered and will include a Funding and Management Agreement, Services Agreement, leases, Admission Agreement and parent company guarantees. These contracts will

capture (amongst others) the funding arrangements, maintenance obligations and an agreed risk profile on pensions – all of which are being agreed and progressed in appropriate work streams.

All of this is in line with the strategic principles and work plan agreed by Committee in April 2014.

There continues to be ongoing positive engagement and consultation with staff and trade unions on the transfer arrangements for employees, in accordance with the appropriate legislative requirements, notably the Transfer of Undertakings (Protection of Employment) Regulations 2006.

Recent Party Group briefings have also highlighted the importance of preparation work for capital investment planning and delivery for Phases II and III. The agreement with Active Belfast Limited and the Strategic Operating Partner will guarantee the £2m efficiency which will fund the next phase of developments.

As part of the 'check and challenge' review, Deloitte has been re-engaged to give an expert view that the operation of leisure services through a leisure trust and its Strategic Operating Partner, is in the interests of the public and value for money.

The 'check and challenge' review and any final pieces of legal/financial due diligence, including pension arrangements, will be presented to Committee in September.

## 2.2 Scope of contract

Committee agreed in April 2014, that the services for inclusion in the transfer would include the operations of 10 leisure centres and facilities within their immediate curtilage e.g. adjacent 3G pitches.

Following discussions, it is now proposed that the following are also included in the scope:

- 3 centres transferring as part of Local Government Reform, namely, Robinson Leisure Centre, Belvoir Activity Centre and Brook Activity Centre + changing block;
- Customer booking functions of playing pitches including 3-G pitches

The inclusion of the customer booking functions of outdoor pitches will improve the customer experience, providing a single point of contact for all Council pitches. The income derived from pitch bookings will return to the Council and the Strategic Operating Partner will charge a standard fee for administering bookings.

The liaison with the Belfast leagues will remain with the Council. This arrangement will have no impact on the Council's role in grounds maintenance for pitches, with the exception of the three 3-G pitches which will transfer as part of the leasing arrangements.

**2.3 Girdwood Park**

In April 2014, Committee also agreed that the leisure facilities at Girdwood Park would be included in the contract, with the Council retaining management of the Hub itself as well as the overall site. This includes the leisure facilities within the Hub building and the 3-G pitch – both currently under construction – and the future development of the indoor sports facility in the lower part of the site.

Following discussions regarding the day-to-day operational difficulties of a 'red line' within the Hub building for the purposes of the leisure contract, it is proposed that the leisure contract scope is extended to include overall management of the Hub multi-functional building.

This would include the SEUPB conditions regarding the peace and reconciliation nature of this project to be integrated into the performance management framework for the leisure contract. Work is underway to ensure that discrete facilities management and performance management arrangements are put in place to assure the Council's commitments as laid out in the letter of offer. Engagement with the Girdwood Community Forum is ongoing in relation to this matter.

This is also in line with Committee's intention that the Council's 'leisure' assets serve a much broader neighbourhood development and social regeneration agenda.

**2.4 Contracting arrangements**

Consequent to Committee's April meeting, it has been agreed with the Council's legal advisors, Trowers and Hamlins that the period of agreement between BCC and Active Belfast Limited should be 25 years and is to be effective from mid-October 2014, with services commencing 1 January 2015. The length of contract between Active Belfast Limited and the Strategic Operating Partner will be 15 years with a break option at 10 years.

The legal recommendation is also that the Council should enter into a tri-partite contract between the Council, Active Leisure Limited and any Strategic Operating Partner to address complexities arising on property and employment matters. Further, the Council may require certain step-in rights that can be enshrined in this contract without further direct agreements being required.

**2.5 Resources for Active Belfast Limited**

Until such times as the Board is fully populated, Active Belfast Limited has agreed that it should be minimally resourced. However, it is required to have independent legal and accounting advisors, in line with good governance and charitable law requirements.

Pinsent Masons will therefore be appointed to act on behalf of Active Belfast Limited in relation to settling the terms of the Funding and Management Agreement with the Council, and anything further that may arise with agreement from the Council/the Trust.

Notwithstanding this requirement, it is acknowledged that the establishment of Active Belfast Limited should not be at any additional burden to the rate-payer. In this context, it is proposed to make available a loan, at a commercially comparable to Active Belfast Limited. It is possible to re-pay this loan through the gain-share received by Active Belfast Limited through the savings accrued as part of the leisure contract. They would also be able to procure secretarial services from the Council, on a full-cost recovery basis.

**2.6 Governance of Active Belfast Limited**

In terms of the population of the Board of Active Belfast Limited, discussions are in progress to ensure that it is representative of a range of stakeholders. Minor amendments to the articles of association will be required to facilitate this and this is now in process.

The Council is also seeking advice from the Department of Environment regarding the appointment of elected Members to the board and Committee will be aware that this is an ongoing discussion for the shadow Council. A recommendation on this will be brought to Committee in September, to ensure various levels of democratic accountability in the scrutiny of the implementation of the contract, whilst at the same time ensuring that Active Belfast Limited is compliant with charitable law.

It is anticipated that the Board will be fully populated within 12 months and through a mix of nominations, invitations to strategic partners and public appointments. At the appropriate point, the interim Directors will step down from the Board.

**2.7 Appointment of Strategic Operating Partner**

In April, Committee noted that a newly established trust and its commissioning council will require competent and professional support through an established operating partner if risk transfer and sustainable transformation is to be realised. Committee noted a set of criteria for any Strategic Operating Partner which included:

- ability to deliver social value in accord with Belfast priorities;
- accreditation in customer excellence;
- operation as a social enterprise;
- ability and willingness to become a 'good employer'; and
- guarantees delivery of £2m efficiencies in funding agreement.

Having considered the agreed criteria Active Belfast Limited intends to formally appoint Greenwich Leisure Limited to act as the Strategic Operating Partner in the implementation of the Belfast City Council contract.

**2.8 Financial arrangements**

It is now suggested that SP&R Committee commends to the shadow SP&R Committee, as part of its expenditure controls, the contractual agreement for Active Belfast Limited that will guarantee the £2m efficiencies by April 2016, as required for capital investment.

**3.0 Decisions required**

Committee is asked to:

1. Agree that the scope is extended to include: the 3 centres transferring as part of LGR; and the customer booking functions of playing pitches including 3-G pitches; and the overall management of the Hub building at Girdwood Park
2. Note the contractual arrangements being put in place, as recommended by legal advisors
3. Authorise the Director of Finance and Resources to determine an appropriate loan for Active Belfast Limited so that it is able to meet its legislative requirements and negotiate the terms in the interests of the Council
4. Note that Greenwich Leisure Limited has been appointed as SOP for Active Belfast Limited, in accordance with the criteria agreed by SP&R Committee in April and to commend to shadow SP&R the contractual agreement for Active Belfast Limited that will guarantee the £2m efficiencies by April 2016, as required for capital investment
5. Agree as per legal advice to have a tri-partite agreement between the Council, Active Belfast Limited and Greenwich Leisure Limited.



**4.0 Resource Implications**

**This is a major physical and service transformation process and the implications for resources (staff, assets and financial) will be fully scoped and assessed as part of the business planning process, with continuous engagement with staff and trade union reps.**

**5.0 Equality Implications**

**In line with Council policy the programme has been screened and an EQIA has been issued for consultation. A report from this will be brought back to Committee in September.”**

The Committee adopted the recommendations.

**Leisure Transformation Programme – Voluntary Redundancy Programme**

The Committee considered a report which was seeking agreement to implement a Voluntary Redundancy programme as part of the Leisure Transformation Programme and generation of £2million savings and a potential contribution to the District Rate.

The voluntary redundancy process had been initiated at the request of Belfast City Council Trade Union Group at the very start of the considerations relating to Leisure Transformation. The Trade Unions had asked for a voluntary redundancy process to allow those staff who did not wish to work in a new regime which would involve significant and far-reaching change for individuals given they had worked historically in a particular way for a considerable time. All of the staff who had applied to be released from the Council under the scheme had done so on an individual and voluntary basis. The release of staff under the process should not be confused with the proposed Transfer of Undertaking (Protection of Employment) Regulations transfer as the two matters were not interrelated. Even without the proposed service transfer to the Trust model, there was recognition of the need for modernisation of the staffing arrangements at the leisure centres which would have involved an overall reduction in staff numbers.

It was pointed out that the requirement to reduce staff levels and introduce modern and more flexible staffing had been identified in the Deloitte Report which had been presented to the Committee in December, 2013 and more recently in the report which had been commissioned by the Trade Unions. Following Council approval in October, 2013, the Parks and Leisure Department had initiated an exercise inviting all staff working within Leisure Operations, excluding Business Support Clerks, to express an interest in voluntary redundancy as part of the ongoing transformation programme. Any staff released through a voluntary redundancy process would not be replaced by new staff carrying out the same job functions. There would need to be a range of new jobs created which fitted within the structure of the target operating model, which would be developed over the coming months. Those new jobs would be substantially different and would require flexible working and would be more aligned to the needs of the service. It was reported that, following completion of the expression of interests, a total of sixty-one applications had been received requesting voluntary redundancy. Each individual request had been evaluated against the agreed voluntary redundancy criteria.

In the past, the Council had worked on the basis that the cost of voluntary redundancy should be recovered by savings over a period of 3.2 years. Sixty-one requests had been received and sixty had met the agreed criteria, including meeting the payback period, whilst one request was still under consideration. The cost of the release of the employees who had requested voluntary redundancy would be approximately £1.6million. In crude numbers that would suggest that a saving on staffing costs equivalent to £500k per annum would achieve the target return on investment.

The Committee was advised that it was generally acknowledged that there was a need to change the inefficiency of the current staff structure and working practices. A very significant saving on staffing costs should therefore be achievable via the combination of reduced headcount and greater flexibility in working practice. The Deloitte Report had suggested that savings of £1.57million through reduced staff costs and the report by the Association for Public Service Excellence commissioned by the Trade Unions had indicated that a reduction of staff costs could achieve around £1.04million. Both figures were predicated on various factors, but exceeded the £500k required per annum for the return on investment. The level of staffing in any model for the operating of leisure facilities should not be considered 'static'. A pro-active approach to the use of staffing resource was required and that involved using various performance indicators. The current staffing costs as a percentage of income was likely to exceed 80%. The industry benchmark was closer to 50%, but that was dependant as much on the income growth as it was the staffing costs itself. The longer term aim should be to encourage income growth in order to create more jobs and training opportunities for local people. Should the Committee approve the voluntary redundancies, it would need to start putting staff on notice from September/October 2014, allowing for continuity of service up to the time of transfer.

The Committee agreed to the implementation of the Voluntary Redundancy Programme and the release of 60/61 employees who had met the necessary redundancy criteria.

### **Public Bike Hire Scheme**

The Director of Development submitted for the Committees consideration the undernoted report:

**"1     Relevant Background Information**

**1.1     The development of a Public Bike Share scheme is identified as a partnership project in Belfast City Council's Investment Programme 2012-2015.**

**The Invitation to Tender for the Belfast Public Bike Share Scheme was advertised on the 4th November 2013 and the procurement was divided into two Lots:**

- Lot 1 - Design, Supply, Maintain and Operate the Public Bike Share scheme; and**
- Lot 2 - Sponsorship of the Public Bike Share scheme.**

- 1.2 The tender return for the two lots was the 16<sup>th</sup> December 2013 and 3 returns were received for Lot 1 and 1 return for Lot 2
- 1.3 The SP&R Committee on the 21<sup>st</sup> March 2014 agreed to adopt the following recommendations:
  - agree to proceed to awarding the contract for Lot 1 of the Public Bike Share scheme, subject to the additional resources required for the capital construction being secured from DRD to allow the project to be implemented by March 2015 (NB additional resources were secured);
  - note the continuation of negotiations for the sponsorship with interested parties with a view to securing the optimal outcome and further approve the award of a sponsorship to the party(ies) who offer(s) the most economically advantageous sponsorship proposals; and
  - support the provision of revenue funding from corporate budgets to meet the initial running cost deficits associated with the operation and maintenance of the Bike Share Scheme on the basis there would be no resultant burden on the rate.
- 1.4 The Council secured £1.1 million funding from DRD Active Travel fund, which is estimated to cover the capital cost of Phase 1 of the scheme of up to 300 bikes and 30 docking stations. The contract for LOT 1 (Design, Build, Operate and maintain) was awarded to NSL in April 2015.
- 1.5 **Sponsorship**  
Communication activity has been carried out over the last number of months with interested parties for the sponsorship / branding of the Public Bike Share scheme. No further substantive offer has yet been received although two companies have requested additional time to consider the proposal.
- 1.6 It should be noted that the finalisation of the design for the bikes and docking stations for the scheme is scheduled for September 2014, after this point there could be increased costs arising from delays to the contract. A decision is therefore required on the way forward in relation to the sponsorship/ branding of the scheme
- 1.7 The purpose of this report is to suggest a recommended approach to be considered by elected members for the award of sponsorship for the Public Bike Share scheme.
- 1.8 **Income through Subscription and Usage charges**  
Income will be generated through subscription and usage charges and the scale of income generated will depend on the level of fee charged and the number of users who subscribe or use the service.

The contract has stated that the Council will set the level of charges however it should be noted that Active Travel funding bid requires that the Public Bike Share subscription charges would be affordable to encourage accessibility and usage.

It is recommended that elected members consider and agree a proposal for the level of charges for subscription and usage of the Belfast Public Bike Share scheme.

**2 Key Issues**

**2.1 Sponsorship**

Sponsorship is being sought to contribute to the operational and maintenance cost of the scheme based on a three year contract. One return was received during the tender process and they placed the value at £100,000 for annual sponsorship. In addition they also stated that there will be activation work carried out by the company which would increase the value of their contribution.

**2.2** The return also contained stipulations which requested first refusal to sponsor the scheme on the same or better terms from when the initial contract ends (3 years) on a rolling basis and exclusivity of being associated with the scheme.

**2.3** Advice from Legal Services has stated that a sponsor can be appointed outside of the formal tender procurement procedure as the Council is not buying a service or product. The tender process was, however, carried out for Lot 2 Sponsorship to ensure value for money and transparency.

**2.4** It is proposed that Committee accept the offer of £100,000 for the sponsorship/ branding of the Belfast Public Bike Share scheme with the contract being for the 3-year period without the right of first refusal as outlined in the original tender documentation. This will allow the Council the option to accept a more financially attractive deal after 3 years should that opportunity arise.

**2.5** In the case that this offer is not accepted by the potential sponsor, it is suggested that the bikes are designed in a neutral colour and the Council continue actively to engage with those parties who have expressed an interest in sponsoring the scheme but where budgets have not been secured at this point in time.

**Income**

**2.6** The scale of income generated will depend on the level of fee charged and the number of users who subscribe or use the service. The Outline Business Case for the Public Bike Share scheme recommends a low cost subscription rate with an annual

subscription charge of £20. The projected operational income based on a £20 has been circulated for the information of the Members.

It is proposed to set the annual subscription charge at £20 per annum and to set the casual usage charge (3 days) at £5. The first half hour will be free and a small incremental fee will be charged for usage over half hour for the subscribers. This is similar to other schemes and encourages short trips and a high turnover of bikes.

### **3 Resource Implications**

- 3.1 The projected operational costs have been circulated. A small deficit is projected for Years 1 and 2 and this will be met from corporate non recurrent funding and will therefore have no burden on the rate. Thereafter the scheme will deliver a modest surplus.

### **4 Equality and Good Relations Considerations**

- 4.1 None.

### **5 Recommendations**

- 5.1 It is proposed that Committee:
- Accept the offer of £100,000 for the sponsorship/branding of the Belfast Public Bike Share scheme. The contract to be offered for 3 years only as outlined in the original tender documentation. In the case that the offer is not accepted by the potential sponsor, it is suggested that the Council continue to actively engage with the interested parties.
  - Agree to an annual subscription charge of £20 and a casual usage of £5 for a 3-day period.”

The Committee adopted the recommendations.

## **Democratic Services and Governance**

### **Working Groups**

The Committee considered the undernoted report:

#### **“1 Relevant Background Information**

- 1.1 The Committee will recall that, at its meeting on 4th April, it had considered a report on the future governance arrangements for the Council.
- 1.2 The Committee had agreed to continue with the existing committee structures for the current Council until March, 2015 and to a

traditional Committee system, with four Standing Committees, as the governance structure for the Shadow Council from June, 2014 – March, 2015.

- 1.3 It was agreed also to review the number and role of the existing working groups to take account of the dual governance systems which will operate during the shadow period and particularly to prioritise the time commitment required of those Members holding office on both Councils.
- 1.4 At its meeting on 25th April, the Committee had agreed to reappoint the membership of the Audit Panel and the Good Relations Partnership in order that they might hold essential meetings in June, with the reappointment of all other working groups to be considered as part of an overall report to the Committee in August.
- 1.5 In approving the new Governance Arrangements in 2007, the Council agreed it would be likely that the Standing Committees would wish to appoint short-term Working Groups to focus on issues of particular concern. In addition, the Council had agreed previously the following principles associated with appointment of Working Groups:
  - Working Groups should be established only if they are considered to be essential for the achievement of effective and efficient decision-making;
  - such Working Groups should be appointed for a fixed-term and for a specific purpose;
  - the Groups would not have decision-making powers but rather would produce a report with recommendations for consideration by the appointing Committee;
  - after the Working Group has concluded the business for which it was established, it would cease to exist; and
  - Working Groups should be formed on the basis of All-Party representation with nominees sought from the Party Group Leaders.

## 2 Key Issues

- 2.1 The Council currently has the following 15 Working/Steering Groups/Panels together with five Area Based Working Groups:

Accommodation Steering Group	Members' Development Steering Group
Audit Panel	North Foreshore Steering Group
Budget and Transformation Panel	Party Leaders' Forum
Cross-Party Reference Group on Community Planning	Reference Group on Older People
Emergency and Severe Weather Working Group	Waste Plan Implementation Working Group
Good Relations Partnership	East Belfast Area Based Working Group
Governance Working Group	Greater Shankill Area Based Working Group
Historic Centenaries Working Group	North Belfast Area Based Working Group
Housing Forum	South Belfast Area Based Working Group
Joint Group of Party Group Leaders' Forum and Historic Centenaries Working Group	West Belfast Area Based Working Group

2.2 The Committee will now need to consider which of the above-mentioned Working Group it wishes to reconstitute. Details of the Terms of Reference, the current membership and the number of meetings held from June, 2013 until June, 2014, together with a recommendation on the future of the Group, are provided for Members' information at Appendix 1. A summary is outlined below.

2.3 The following working groups have already been reappointed to ensure continuity of business and it is recommended that they continue until 31st March 2015;

- The Audit panel
- The Good Relations Partnership
- The Budget and Transformation Panel
- Party Leaders Forum (to meet immediately prior to the Diversity Working Group)

2.4 In addition, it is recommended that the following groups may need to meet over the coming year and are therefore reconstituted until 31st March 2015;

- North Foreshore Steering Group
- Joint Group of Party Leaders' Forum and Historic Centenaries Working Group (renamed Diversity Working Group) (to meet immediately before the Party Leaders' Forum)
- Reference Group on Older People
- Accommodation Working Group
- Emergency and Severe Weather Working Group (ad-hoc to meet as and when required)

- 2.5 The Housing Forum should be reviewed to take account of transferring functions.
- 2.6 The following working groups should not be reconstituted as their work has either been completed or is now under the remit of the new Shadow Council.
- Cross-Party reference Group on Community Planning
  - Governance Working Group
  - Historic Centenaries working group (now incorporated into the Diversity Working Group)
  - Members' Development Steering Group (with capacity building issues being dealt with through the Budget and Transformation Panel)
  - Waste Plan Implementation Group

#### **Area Working Groups**

- 2.7 The Shadow Council is now embarking on a community planning process which will include a review of the Council's approach to area working. Over the coming year it is proposed that the area working groups are retained in their current format and that the new members are invited to the appropriate group.

### **3 Resource Implications**

- 3.1 The number and frequency of working group meetings will have an impact on Member and officer time.

### **4 Equality and Good Relations Implications**

- 4.1 There are not any equality or good relations considerations in relation to this report.

### **5 Recommendations**

- 5.1 The Committee is asked to consider each of the recommendations in relation to the Working Groups and decide which, if any, it wishes to reconstitute until 31st March, 2015"

After discussion, the Committee agreed to reconstitute the Area Working Groups and those groups as set out in Paragraph 2.4 and to review the Housing Forum.

### **Requests for the 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:



**Appendix 1**

<b>Organisation/ Body</b>	<b>Event/Date - Number of Delegates/Guests</b>	<b>Request</b>	<b>Comments</b>	<b>Recommendation</b>
Forum for Cities in Transition	Fifth Annual Gathering of Forum for Cities in Transition: Official Dinner 28th October, 2014  Approximately 150 attending	The use of the City Hall and the provision of hospitality in the form of a pre-dinner drinks reception	Delegates will be staying in accommodation in Belfast and the gathering 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
Chartered Accountants Ireland	Chartered Accountants Ireland Annual Meeting and Dinner 2015/2016 26th November, 2015  Approximately 500 attending	The use of the City Hall and the provision of hospitality in the form of a pre-dinner drinks reception	Delegates will be staying in accommodation in Belfast and the meeting 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

<p>Queen's University Belfast – School of Economics</p>	<p>UKACC Conference Banquet 1st September, 2016 Approximately 200 attending</p>	<p>The use of the City Hall and the provision of hospitality in the form of a pre-dinner drinks reception</p>	<p>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'.</p>	<p>The use of the City Hall and the provision of hospitality in the form of wine and soft drinks  Approximate cost £500</p>
<p>Belfast Health and Social Care Trust</p>	<p>Belfast Trust Chairman's Awards 2013 12th November, 2014 Approximately 200 attending</p>	<p>The use of the City Hall</p>	<p>These awards aim to recognise and celebrate innovation and service development by recognising ground-breaking health and social care projects taking place in the Trust. Winning projects are selected for their ability to bring real benefits to patients and clients of the Trust.  The event meets the Council's Key Themes of 'Better support for people and communities' and 'City Leadership – Strong, Fair, Together'.</p>	<p>The use of the City Hall</p>
<p>Onus Training</p>	<p>5th Annual Award Ceremony 12th November, 2014 Approximately 100 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 would seek to recognise the support that individuals and organisations can provide for anyone experiencing domestic abuse. At the event Belfast City Council will be renewing their Gold Workplace Charter and it is hoped this will highlight how other organisations can become involved with this worthy cause.  This event would</p>	<p>The use of the City Hall and provision of hospitality in the form of tea/coffee and biscuits  Approximate Cost £250</p>

			contribute to the Council's Key Themes of 'City Leadership – Strong, Fair, Together' and 'Better support for people and communities'.	
Pharmacy Forum Northern Ireland	Rewarding Excellence Event 2014 20th November, 2014 Approximately 100 attending	The use of the City Hall and provision of hospitality in the form of a pre-dinner drinks reception	This event seeks to recognise excellence within the profession. It will also celebrate those who are starting their career in pharmacy by awarding Gold Medals to the overall top students. This event will aim to promote the important role Pharmacy has in Patient Centred Care.  This event would contribute to the Council's Key Themes of 'City Leadership – strong, fair, together' and 'Better opportunities for success across the city'.	The use of the City Hall and provision of hospitality in the form of a pre-dinner drinks reception  Approximate Cost £500
Victim Support, Northern Ireland	Volunteer Recognition Event 24th November, 2014 Approximately 70 attending	The use of the City Hall and the provision of hospitality in the form of a drinks reception	This event seeks to recognise the work of the volunteers who have played an important role in providing support to those who have been affected by crime.  This event would contribute to the Council's Key Themes of 'City leadership, strong, fair and together' and 'Better support for people and communities'.	The use of the City Hall and the provision of hospitality in the form of wine and soft drinks  Approximate cost £175
Duke of Edinburgh's Award	Silver Award Presentation 28th November, 2014	The use of the City Hall and the provision of hospitality in	These awards aim to recognise the development of citizenship amongst young people and to	The use of the City Hall and the provision of hospitality in the form of tea,

	Approximately 500 attending	the form of tea, coffee and biscuits	<p>acknowledge the newly found skills and talents which will enable them to develop and mature as individuals.</p> <p>This event meets the Council's key themes of 'Better support for people and communities' and 'Better opportunities for success across the city' and in addition would contribute to the Council's thematic area of Children and Young People.</p>	<p>coffee and biscuits</p> <p>Approximate cost £1,250</p>
Health and Social Care Board	<p>Regional Social Work Awards Ceremony</p> <p>5th March, 2015</p> <p>Approximately 250 attending</p>	The use of the City Hall	<p>This event will seek to recognise those Social Workers who operate across a range of specialities and who have demonstrated outstanding service to the people of Belfast.</p> <p>This event would contribute to the Council's Key Themes of 'Better support for people and communities' and 'Better services – listening and delivering'.</p>	The use of the City Hall
Wellington College Belfast	<p>25th Anniversary of Wellington College Gala Dinner</p> <p>21st November, 2014</p> <p>Approximately 250 attending</p>	The use of the City Hall and provision of hospitality in the form of a pre-dinner drinks reception	<p>This event seeks to celebrate the 25th Anniversary of Wellington College and to acknowledge its contribution to the general life and well-being of the city.</p> <p>This event would contribute to the Council's Key Theme of 'City leadership, strong, fair and together' and 'Better support for people and communities'.</p>	<p>The use of the City Hall and provision of hospitality in the form of a pre-dinner drinks reception</p> <p>Approximate cost £500</p>
Chartered Institution of	50th Anniversary	The use of the City Hall	This event will seek to the 50th	The use of the City Hall and provision

<p>Highways and Transportation (Northern Ireland Branch)</p>	<p>Dinner 26th March, 2015 Approximately 300 attending</p>	<p>and provision of hospitality in the form of a pre-dinner drinks reception</p>	<p>anniversary of the Institution and will acknowledge its contribution to the planning, design and construction of the transport infrastructure within the City.  This event would contribute to the Council's Key Theme of 'City leadership, strong, fair and together' and 'Better support for people and communities'.</p>	<p>of hospitality in the form of a pre-dinner drinks reception  Approximate cost £500</p>
<p>NICVA – Northern Ireland Council for Voluntary Action</p>	<p>Launch of Research into the Economic Impact of introducing a Living Wage in Northern Ireland 9th September, 2014 Approximately 50 attending</p>	<p>The use of the City Hall</p>	<p>This event will highlight the issue of the 'Living Wage' and will promote the social and economic benefits to be gained from paying a living wage.  This event would contribute to the Council's Key Theme of 'City leadership, strong, fair and together' and 'Better support for people and communities'.</p>	<p>The use of the City Hall</p>

<p>Falls Community Council</p>	<p>“Pieces of the Past Project” – Book Launch  29th September, 2014  Approximately 200 attending</p>	<p>The use of the City Hall</p>	<p>This event will highlight the project which brought together the experiences of communities within the City in the field of shared and contested histories. It is hoped that this collection will promote better understanding across the divisions.  This event would contribute to the Council’s Key Theme of ‘City leadership, strong, fair and together’ and ‘Better support for people and communities’.</p>	<p>The use of the City Hall</p>
<p>Royal National Institute of Blind People Northern Ireland</p>	<p>Launch of RNIB NI’s Children and Families Service  21st October, 2014  Approximately 200 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 event will seek to highlight the varied services available to people with sight loss and their families together with providing an opportunity to come together with families and share vital information and support.  This event would contribute to the Council’s Key Themes of ‘City Leadership – strong, fair, together’, ‘Better support for people and communities’ and ‘Better opportunities for success across the city’.</p>	<p>The use of the City Hall and the provision of hospitality in the form of tea, coffee and biscuits  Approximate cost £500</p>
<p>Law Centre (Northern Ireland)</p>	<p>Annual Social Justice Lecture  9th December, 2014  Approximately 100 attending</p>	<p>The use of the City Hall and the provision of hospitality in the form of a drinks reception</p>	<p>This event will aim to highlight the ever growing problem of poverty and will examine ways of tackling this within our communities. The event will act as a follow-up to the successful Belfast City Council seminar</p>	<p>The use of the City Hall and the provision of hospitality in the form of wine and soft drinks  Approximate cost £500</p>

			<p>in January 2013.</p> <p>This event would contribute to the Council's Key Theme of 'City leadership, strong, fair and together' and 'Better support for people and communities'.</p>	
<p>Women in Business Northern Ireland</p>	<p>Christmas Networking Dinner</p> <p>18th December, 2014</p> <p>Approximately 100 attending</p>	<p>The use of the City Hall and provision of hospitality in the form of a pre-dinner drinks reception</p>	<p>This event will provide an opportunity for attendees to share best practice and discuss future initiatives and will adhere to Belfast City Council's gender action plan and Women's Steering Group agenda.</p> <p>This event would contribute to the Council's Key Theme of 'City leadership, strong, fair and together' and 'Better support for people and communities'.</p>	<p>The use of the City Hall and provision of hospitality in the form of a pre-dinner drinks reception</p> <p>Approximate cost £500</p>
<p>Northern Ireland Science Festival</p>	<p>Turing Lecture</p> <p>26th February, 2015</p> <p>Approximately 500 attending</p>	<p>The use of the City Hall and the provision of hospitality in the form tea, coffee and biscuits</p>	<p>This event will provide an opportunity to promote Belfast as a city of knowledge. It is hoped that the event and festival can act as an anchor in the branding of Belfast as a city in which technology supports and drives its daily operation and growth.</p> <p>This event would contribute to the Council's Key Theme of 'City leadership, strong, fair and together' and 'Better services – listening and delivering'.</p>	<p>The use of the City Hall and the provision of hospitality in the form of tea, coffee and biscuits</p> <p>Approximate cost £1,250</p>
<p>Young Social Innovators</p>	<p>"Speak Out" Event</p>	<p>The use of the City Hall and the</p>	<p>This event aims to highlight the positive contribution that</p>	<p>The use of the City Hall and the provision of</p>

	31st March, 2015 Approximately 300 attending	provision of hospitality in the form of tea, coffee and biscuits	young people can make to their communities and will showcase the various projects they have taken part in and how these can help to improve the future of the city.  This event would contribute to the Council's Key Themes of 'City leadership, strong, fair and together' and 'Better support for people and communities'.	hospitality in the form of tea, coffee and biscuits  Approximate cost of £750
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The Committee adopted the recommendations.

#### **Committee Schedule August – October 2014**

The Committee approved the dates of the Committee and Council meetings from August till November, 2014 and agreed that a further report on the schedule of meetings for the remainder of the shadow council term be submitted to the Committee in October.

#### **National Association of Councillors**

The Committee was advised that the National Association of Councillors (Northern Ireland Region) was holding its Annual General Meeting (AGM) on Friday, 3rd October, 2014 at the Clandeboye Lodge Hotel, Bangor. The Annual General Meeting, at which new office bearers would be elected by the membership, was being addressed by Mark H. Durkan, the Minister for the Environment. It was intended that the Minister, in his address, would provide an update on the progress of the Local Government Reorganisation and answer any questions from Councillors. The total cost per delegate of attendance was £56.

The Committee authorised the attendance at the National Association of Councillors (Northern Ireland Region) AGM of the Chairman, the Deputy Chairman, the Council's representatives on the National Association of Councillors (Northern Ireland Region), and a representative of each of the Parties on the Council not represented by the aforementioned members.



## Finance/Value-for-Money

### Publication of Employee Travel Costs

The Committee noted the contents of a report which provided costs for employee travel for the financial year 2013/14 and agreed that, in line with previous years, the figures would be published on the Council's website.

### Financial Reporting – Quarter 1 2014-15

The Committee considered the undernoted report:

#### “1.0 Relevant Background Information

##### **1.1 The Strategic Policy and Resources Committee agreed on 18 June 2010 that:**

- The Council would produce financial reporting packs for the Strategic Policy and Resources Committee and each Standing Committee on a quarterly basis.
- The Budget and Transformation Panel would also receive monthly financial updates if there were any significant issues to report.

##### **1.2 The reporting pack contains a summary dashboard of the financial indicators and an executive summary explaining the financial performance. It also provides a more detailed explanation of each of the relevant indicators for the quarter including payment of creditors, recovery of debt and procurement compliance.**

#### 2.0 Key Issues

##### **2.1 Current and Forecast financial Position 2014/15**

The financial position for Quarter 1 is a net departmental under-spend of £462k (1.5%). The forecast year end departmental position is an under-spend of £824k (0.7%) which is well within the acceptable variance limit of 3%. The major reason for the variance in the year end forecast relates to the provision of £500k of expenditure for planned changes to the local government pension scheme for which the effective date was deferred until 1 April 2015.

##### **2.2 Capital Financing**

The capital financing budget is £13.37m. This budget is forecast to break even and will be used to finance the capital programme and feasibility work to support the Investment Programme. A detailed Quarter 1 half year capital programme report is included on the agenda.

**2.3 Rate Income**

The quarter 1 forecast by LPS is a positive rate settlement of £2.3m. The assumptions around this forecast will be analysed by Financial Services and considered as part of the half year financial report.

**2.4 Investment Programme**

Committed expenditure approved by the Strategic Policy and Resources Committee for the 3 year Capital Programme stands at £30,503m, leaving £44,497m of schemes within the 3 year programme at the uncommitted or emerging project stage.

**2.5** Committed expenditure on LIF projects currently stands at £4.75m, with 50 projects worth £3.45m having been through the Council's due diligence process. Actual payments of worth £936k have been made to date.

**2.6** The amount of levered external funding for the Investment Programme which has been agreed in principal is £69.415m, with £50,290m of these funds confirmed through letters of offer.

**2.7** Actual capital expenditure for the period was £898k, while non-recurring expenditure was £33k.

**2.8 Other Financial Indicators**

The percentage of average for debt under 90 days old increased during the quarter to 63.6% which was slightly below the target of 65%. The percentage of debt collected in 30 days was 46.7% against a target of 60%, however overall debt reduced from £3.7m to £3.6m at the end of quarter 1.

**2.9** The average number of creditors paid within 28 days for quarter 1 was 90.6%, compared to a target of 85%

**3.0 Resource Implications**

**3.1** The forecast year end departmental position is an under-spend of £824k (0.7%) which includes £500k of planned expenditure arising from changes to pension regulations which will not now come into effect until April 2015. In addition, LPS are forecasting a year end positive rate settlement of £2.3m.

**3.2** As part of the revenue estimates process, departments are assessing the transition cost implications of condition surveys of assets transferring to the Council from Lisburn and Castlereagh. The Committee will also be considering separate papers at this meeting relating to the one-off mobilisation costs associated with the Waterfront Hall Exhibition Centre (£700k) and Innovation Centre (£130k).

**It is therefore recommended that there should be no reallocations of the forecast under spend at this stage, but that the Committee agree that any in year under spends be ring fenced to meet the non recurrent costs referred to above which would avoid these costs being added to the district rate in 2015/16.**

#### **4.0 Equality and Good Relations Implications**

**There are no equality and good relations implications associated with the report.**

#### **5.0 Recommendations**

**Members are asked to:-**

- Note the contents of the quarter 1 financial report.**
- Agree that no reallocations of the forecast under spend be made at this stage but that any in year under spends be ring fenced to meet the mobilisation costs of the Waterfront Hall (£700k) and the Innovation Centre (£130k) and non recurrent costs associated with Local Government Reform.”**

The Committee adopted the recommendations.

#### **IBF World Title Fight**

The Committee was reminded that the Belfast Boxer Carl Frampton was due to fight Kiko Martinez in Belfast on 6th September, 2014, with the event being promoted by Barry McGuigan's company, Cyclone Promotions. The Members were reminded further that the Development Committee, at its meeting on 17th June, 2014, had agreed to provide funding of £7,500 to support a series of boxing-related events to allow the general public to have some involvement with such a world class event taking place in the City. That included a public weigh-in in the Ulster Hall on Friday 5th September and a preview interview with Barry McGuigan along with other prominent boxers.

The Committee was advised that Cyclone Promotions had hoped to utilise one of Belfast's sporting venues to stage the fight, a stadium being required due to the demand for tickets and a need to maximise ticket sales to minimise the cost of staging the event in the city. Unfortunately, the Kingspan stadium at Ravenhill was unavailable and Windsor Park was undergoing reconstruction, with neither Casement Park nor the Oval being suitable for that type of event. As a result, the promoter had had to build a temporary stadium, along with associated infrastructure, on the Titanic Slipways that had come at a considerable additional cost, well in excess of £300,000. The venue did, however, provide the opportunity to provide iconic television footage of Belfast to a worldwide audience, promote the city as a venue for further world class events and reach key target segments for Belfast's Tourism sector.

Given the considerable additional costs which the promoter now had to bear, Cyclone Promotions had requested Belfast City Council to commit £50,000 in

sponsorship towards the event. It was understood that a similar approach had been made to a number of other organisations.

After discussion, the Committee acceded to the request and agreed that the £50,000 be met from in-year reallocations.

### **Minutes of Budget and Transformation Panel Meeting**

The Committee noted the minutes of the meeting of the Budget and Transformation Panel held on 15th August, 2014.

### **Approval to seek Tenders for the supply of Catering Foodstuffs**

The Committee approved the commencement of a tendering exercise for the supply of fresh, chilled, frozen and ambient goods and noted that, in accordance with the Scheme of Delegation, the Director of Property and Projects was authorised to accept the most advantageous tender received.

### **NI Street League Funding**

The Committee was advised that the NI Street League was a charity working with homeless people and marginalised groups in Northern Ireland through the medium of football. Their activities were principally focused in Belfast and their aim was to use football to reach some of the most marginalised people in society. Using the football as a hook, they then provided education, training and volunteer opportunities. In October, 2014, the charity was bringing the NI Homeless Football team to the Homeless World Cup in Santiago, Chile and 10 teams from Belfast were attending. In order to do so they have acquired a range of support from several organisations and via fundraising, for example the Irish Football Association, the Northern Ireland Housing Executive, Extern and Comic Relief. The Parks and Leisure Committee, at its meeting on 14th August, had considered the matter and agreed to commend to the Strategic Policy and Resources Committee that it provide funding in the sum of £4,400 for the event.

The Committee was advised by the Legal Services Manager that, as a general rule, District Councils did not have any legal power to contribute to the funds of charitable organisations. The only exception to that general rule being where an application for financial assistance was made under the criteria which the Council had in place in relation to the occurring of expenditure for special purposes under the provisions of Section 37 of the Local Government Finance Act (Northern Ireland) 2011.

After discussion, it was

Resolved - That the Committee agrees that expenditure of £4,400 in respect of the aforementioned event be approved under Section 37 of the Local Government Finance Act (Northern Ireland) 2011, it being the opinion of the Committee that the expenditure would be in the interest of, and would bring direct benefit to the District, and the inhabitants of the District, with the Committee being satisfied that the direct benefits so accruing would be commensurate with the payment to be made.

### Asset Management

#### Walkway Community Association LIF project update

The Committee was reminded that, at its meeting on 22nd November, 2013, it had received an update regarding the Walkway Community Association LIF Project and had agreed that officers progress discussions with the Roads Service with a view to acquiring, by way of long lease, land at Bloomfield Walkway and to progress discussions with the Walkway Community Association with a view to subletting the aforementioned land.

The land formed part of the Comber Greenway and was currently zoned within the draft BMAP as EWAY and it was also within the protection line for the Comber Route E14 road scheme. The current proposals for the Belfast Rapid Transit were that it would run along the Upper Newtownards Road rather than the Comber Greenway, therefore the land would not now be required for the EWAY. In addition, the Department for Regional Development Minister, Danny Kennedy, had confirmed the Department's intention to abandon the E14 road scheme on the adoption of BMAP and thereafter the land could be subject to the normal land disposal process, should that be deemed appropriate.

The Estates Management Unit had had discussions with Roads Service to clarify the way forward, however, the Department for Regional Development could not sell nor lease the land until it was declared surplus and that could not be done until BMAP had been published, which was at the discretion of the Planning Service. The Department were, however, willing to grant the Council a 5 year licence which would include rights for the Walkway Community Association to enter onto the land to construct the Multi-Use Games Area and play park using the Local Investment Fund (LIF).

In the guidance issued to Members, it was stated that the Local Investment Fund was to *'only fund capital projects which were not owned by the Council'*. In general terms, the view had been taken to date that projects which fell within that category were likely to be funded through the Council's own Capital Development Scheme and should therefore be ineligible for funding through the Local Investment Fund. At its meeting on 14th December, 2012, the Committee had clarified that a proposal in respect of a council asset could be eligible if it was subject to a lease of reasonable duration from the Council *'or the most appropriate alternative arrangement between the Council and the third party depending on the circumstances'*. In this case the most appropriate alternative arrangement was for the Council to take a licence from the Department for Regional Development and then agree terms with the Walkway Community Association to allow the construction of the Multi-Use Games Area and play park.

After discussion, the Committee approved:

- (1) the taking out of a licence from the Department for Regional Development on terms agreed between that Department, the Estates Management Unit and Legal Services; and

- (2) the grant of a suitable legal agreement to the Walkway Community Association to allow them to construct and occupy the Multi-Use Games Area and play park on terms and conditions to be agreed by the Estates Management Unit and Legal Services.

### **Gasworks – Proposed change of use at Plot 4 Cromac Quay**

The Committee considered a report outlining a request for the proposed change of use at Plot 4 Cromac Quay, Gasworks, Belfast and agreed to approve the revoking of the current Deed of Variation and enter into a new Deed of Variation to vary the permitted user in the lease for Plot 4 to allow for office, car parking and/or hotel development.

The Committee agreed also that a report on vacant sites at the Gasworks be submitted for its consideration in due course.

### **Disposal of Land at Maysfield**

The Committee noted the contents of a report in relation to the disposal of land at Maysfield and agreed:

- (1) to approve the preparation of a further Development Brief for the remainder of the Council's landholding at Maysfield and, subject to the Northern Ireland Transport Holding Company completing their own internal approval processes, to incorporate additional Northern Ireland Transport Holding Company adjoining land and for the Council to market the site for the development on the open market;
- (2) to agree to enter into an agreement in respect of adjoining Northern Ireland Transport Holding Company land in order to permit assembly of a larger development, subject to terms and conditions as agreed by the Estates Management Unit and Legal Services;
- (3) to approve facilitating alternative temporary parking arrangements for Translink, should it be necessary, subject to agreement of terms by Legal Services and the Estates Management Unit to enable the assembly of a larger development site; and
- (4) to approve the grant of any licence or indemnity agreements, if required, by prospective purchasers, for the purposes of undertaking site investigations.

### **Interim Office Accommodation**

The Committee considered the undernoted report:

**"1 Relevant Background Information**

- 1.1 At its meeting of 19th June 2014 the Strategic Policy & Resources Committee Members were updated on a need for the Council to**

address the need for short-term office accommodation due to additional staff requirements transferring under Local Government Reform (LGR) until new permanent offices are provided under the Council's longer-term Accommodation Strategy by the end of 2016. Members were advised that a further report would be brought back to Committee in this regard.

- 1.2 The need to align the additional functions transferring from Central Government and to integrate new staff into the existing Council structure come April 2015 will require a sufficient lead-in time to allow for any reorganisation within existing Council services, complete the leasing-in of any additional office accommodation, undertake fit-outs, prepare desk layouts, install necessary IT etc necessitating the immediate need to secure an appropriate interim accommodation solution.
- 1.3 Based on what information we have in terms of staff complements involved under LGR it is estimated that there could be a requirement to accommodate in the region of a further 130 staff from April 2015. However, following the previous decision of the Strategic Policy & Resources Committee on 19<sup>th</sup> June 2014 to approve the commencement of a tendering exercise to procure new build city centre office premises, it will be approximately 1¾ years before these new Council offices are ready for occupation.
- 1.4 In addition to considering the co-location of transferring staff within the Council's existing office estate there is potential for some Central Government staff to continue occupation in their existing accommodation. However there remains an identified need to procure additional office space within the city centre close to existing Council offices.

## 2 Key Issues

- 2.1 Details provided for those property assets transferring from Lisburn and Castlereagh together with comparatively accurate identification of associated staff complements both within these assets and serving the extended boundary (community centres, parks, refuse collectors etc) has enabled a fairly precise assessment of accommodation needs for staff transferring from these two Councils – many of these staff have no office accommodation requirement as they will remain within transferring assets such as community centres. However, there remains uncertainty around staff numbers and assets associated with the functions transferring from Central Government.
- 2.2 Detail on the number of Central Government transferring staff, or equivalent staff recruitment, is not clear at this stage but it is estimated, together with staff transferring from Lisburn and

**Castlereagh councils, that the total number of staff requiring office space in the city centre will be in the region of 130. Based on this assessment of additional staff numbers there is a latent requirement for a minimum of 17,000 sq ft of office accommodation. This estimation of office space does not take account of any specific space requirements such as storage capacity and public meeting rooms for Planning Service.**

- 2.3 Currently there is no capacity within the Council's existing city centre office estate to accommodate the numbers of additional staff transferring. This is particularly so with the pressure of staff decanting recently from the Waterfront Hall into Seymour House and the potential of further displaced staff from City Hall if/when work on the new exhibition space commences with potentially other decants emanating from a wider review of the use of City Hall.**
- 2.4 Over the course of discussions with Central Government it has become evident that there is no coherent approach to accommodation requirements beyond the end of March 2015 with the Lease of Laganview House expiring and not being renewed (NIHE, HMOs); in Bedford House (Planning Service) one floor surrendered and one Lease extended without any prior consultation with the Council (only until August 2016) and no clarity around the existing DSD accommodation in Oxford House which may or may not become available to the Council. Despite officers seeking clarity the picture therefore remains unclear in respect of both transferring staff numbers and what, if any, office accommodation might be available**
- 2.5 At a regional level discussions are continuing between DOE and DFP in relation to a policy position and potential transfer of funding in relation to the increased costs to Councils of additional accommodation requirements resulting from LGR transferring staff and functions. DOE initial proposals have just been received in respect of high level funding/leasing policy proposals for accommodation, in addition DFP assessments of relevant support costs were also included in order to clarify issues highlighted by the Deloitte due diligence report on Transferring Functions, however these proposals require further clarification. Given the tight time constraints to have accommodation ready for occupation this process needs to commence as soon as possible.**
- 2.6 In addition to identifying the office accommodation currently utilised by Central Government (all held under lease – such as Bedford House) that may transfer with the new functions the possibility of utilising other parts of the NICS city centre office estate have also been explored with DFP and SIB. However, other than currently surplus Longbridge House in Waring Street (c 19,500 sq ft) which is part of the NI Civil Service office estate, we have been advised that**



there is nothing else that would be made available to the Council by Central Government – any such occupation would however be subject to the Council paying a market rent and meeting all other outgoings.

- 2.7 To summarise therefore there is minimal space available within the Council's existing city centre office estate, uncertainty regarding the transfer of a limited amount of office space with transferring functions from Central Government and no alternative office space being made available from within the NICS office estate. This means that the Council need to source additional alternative office accommodation in close proximity to existing Council offices in Cecil Ward Building/Adelaide Exchange of sufficient capacity to accommodate the anticipated increasing staff numbers, provide for any prior decants that will assist assimilation with existing Council services and staff and be sufficiently flexible to cope with any new emerging structure of the Council prior to completion of the Accommodation Strategy.
- 2.8 An initial site search has been undertaken to identify suitable office accommodation in the private sector currently available to lease within the target location. This search has revealed a limited supply of appropriate scale of office accommodation and of sufficient quality that Landlord's are willing to let on a short-term basis (approx 2 ½ years from September 2014 to December 2016 – after which time the Council's permanent office solution should be in place)
- 2.9 In addition to the above requirement it is proposed that the Planning Service, located in approx 10,000 sq ft Bedford House, and who occupy under a short-term extension to their original Lease remain in situ after April 2015 given the specific requirements of this function – dedicated IT infrastructure for the Planning Portal which serves the entire Province with daily public access/meeting room requirement. However, the tenure renewal negotiated by DFP would expire in August 2016 therefore a longer term extension until December 2016 will have to be negotiated and agreed.
- 2.10 Specific occupational requirements for new functions such as storage (may be contracted out) and car parking provision will need to be scoped to ensure we plan sufficient provision. For example our HR has been indentifying transferring staff with essential car user designation; Planning Service has a significant off-site storage contract which may be replicated for DSD filing. Whilst both storage and car parking can be dealt with separately there is need for an integrated approach to be taken.
- 2.11 To facilitate any required co-location of the new functions and transferring staff into the Council's existing city centre office

buildings (City Hall, Cecil Ward Building, Adelaide Exchange, Lanyon Place) there is an immediate need to lease additional office accommodation now in order to plan decants of existing Council staff and undertake necessary fit-outs, installation of IT infrastructure etc.

### **3 Resource Implications**

#### **3.1 Finance**

It was agreed in November 2011 by the NI Executive that the cost of transferring functions to local government was to be cost neutral to the rate payer at the point of transfer and it is based on this principle that negotiations on transferring budgets will need to be progressed with DOE to try and agree an appropriate funding model that includes accommodation costs arising from LGR.

Irrespective of how these costs will ultimately be funded by DOE the Council will have to fund in the interim:

- Occupational costs – rent, service charge, rates, insurance
- Annual running costs – light, heat etc
- Fit-out costs/reinstatement obligations
- Decant costs

As referenced above, further specific discussions will be required with DOE regarding the funding proposals.

#### **3.2 Assets**

There will be an additional property asset to manage in the short-term in terms of facilities and lease management. In addition to day-to-day repair obligations there may be a dilapidation obligation at the end of the lease term to reinstate the premises.

#### **3.3 Human Resources**

Staff Resource, primarily from Property & Projects and Legal Services to lease, fit-out and decant staff as appropriate with ongoing Facilities and Estates lease management responsibilities

### **4 Equality and Good Relations Considerations**

4.1 The longer term delivery of the Councils Corporate Accommodation Strategy will take account of equality issues.

### **5 Recommendations**

**5.1 Members are requested to note work undertaken in respect of addressing the interim office requirement arising from the transfer of additional staff under LGR and in order to manage the immediate requirements, and until such time as the Council's longer-term accommodation solution is delivered, to:**

- (i) approve the leasing of additional office space (for a short term) in close proximity to the Council's existing city centre accommodation, subject to terms agreed by Legal Services and Estates Management Unit;**
- (ii) agree in the short term to the Planning Service staff remaining in their existing accommodation in Bedford House, subject to terms agreed by Legal Services and Estates Management Unit."**

The Committee adopted the recommendations and agreed to delegate authority to the Director of Finance and Resources, in consultation with the Accommodation Steering Group, to approve expenditure of up to £250,000 for accommodation purposes.

#### **Smithfield Market Lettings**

It was reported that, in accordance with the authority delegated to him, the Director of Property and Projects had let the following units at Smithfield Market:

- Unit 7 – Revision to Tenancy Agreement – the formal transfer from Enrique Benasa to Veronica and Kristine Benasa;
- Unit 15 – Niall McAteer, 31 Squireshill Crescent, Belfast, at a cost of £400 per month for bicycle sales, maintenance and servicing;
- Unit 16 – Brendan and Anne McLarnon, 18 Glenwell Park, Belfast, at a cost of £400 per month for the sale of rugs; and
- Unit 26/27 – Gregory Brown, 1 Mornington Avenue, Lisburn, at a cost of £810 for use as a coffee shop.

Noted.

#### **Connswater Community Greenway Land Assembly**

The Committee was reminded that the Council, as part of the City Investment Strategy, had agreed to co-ordinate the acquisition of lands to enable the Connswater Community Greenway programme to proceed. As part of the Project, the Council wished to landscape an area of land at Ballymacarrett Walkway. The Northern Ireland Library Authority had agreed to grant the Council a licence to enter onto the land to landscape it in line with the plan for the adjoining Council-owned land.

The Committee granted approval for the Council to acquire a licence from the Northern Ireland Library Authority for an area of land at Ballymacarrett Walkway on terms to be agreed by the Authority, the Estates Management Unit and Legal Services.

### Study Visits

The Committee considered the undernoted report:

#### **“1 Relevant Background Information**

- 1.1 The purpose of this report is to gauge if Members would like to go on a study visit to the former landfill site – Metabolon and research centres in Tournai and /or Mol, Belgium as part of the ReNew (Resource Innovation Network for European Waste) project that the Council is a founding partner in.
- 1.2 This project is EU Interreg North West Europe funded and is being led by Queen’s University, Questor Centre. The project is scheduled to run for 36 months and is now in its second year. The visit will be of particular interest to Members interested in the development of the North Foreshore and also in regard to Waste Management.
- 1.3 The aim of ReNEW is to create a network of organisations which work together to deliver innovations for the recovery of valuable materials from waste, in emerging terms to support the development of “*the circular economy*”. Further details on this EU funded project are available at <http://www.renew-network.eu>

#### **2 Key Issues**

- 2.1 Metabolon is one of the partners in the project. :metabolon - waste-to-energy & waste-to-resource.
- 2.2 Metabolon was the central landfill site North Rhine-Westphalia, Germany. It has been transformed to a centre of research and expertise - a facility of the Cologne University of Applied Sciences (CUAS). The main focus of this new research centre is material conversion, sustainable resource efficiency as well as the development of site-related environmental technologies and techniques.

The central landfill has many uses and is well situated in the metropolitan area of Cologne-Bonn.

- 2.3 There are four sections to the site:

- Innovation support; technology facilities with state-of-the-art pilot plants and laboratory equipment for pre commercial use. There is also participation in a broad international network of research partners collaborating on innovative technical and structural solutions.
- Bergisch Energy Competence Centre:

Knowledge and information sharing were the key players from the competence fields of energy, energy efficiency and climate protection have joined forces.

- Demonstration sites.
- Hands-on learning supporting schools' curriculum - pupils can spend a morning working on the topics waste prevention, recycling and energy.

- 2.4 VITO research institute focuses on climate change, food security, the scarcity of raw materials, a sustainable energy supply and an ageing population.

CTP research institute has the aim of meeting the needs of its clients and partners and in particular of helping them to resolve problems and challenges linked with the treatment and recovery of solid materials (ore, industrial minerals, sludge, by-products, and waste).

In 2009, CTP committed itself to setting up a close partnership with other Walloon Research Centres and to creating EMRA - Environment and Materials Research Association

- 2.5 The Council has been involved in the ReNew Project to develop potential resource management projects. An emerging project being developed by QUESTOR – CASE, ReNew's lead partner in a cleantech renewable energy innovation centre.

- 2.6 The reason for the visit is to see how the Metabolon site has been redeveloped to incorporate a renewable energy competence centre, resource research facility, sustainable business park and public open space it is also to learn about the innovative approach and the different sources of funding that were used to develop the Metabolon site that could be applied to the redevelopment of the North Foreshore site. As Members are aware the North Foreshore a closed waste landfill site which is to be developed as an environmental resource park, is a strategic project contained in the Investment Programme 2015. Appendix 2, which has been circulated for Members' information, provides an update on current environmental park projects at North Foreshore.

- 2.7 The proposed visit will be in October 2014, likely to be 16 October, for approximately 3 days. The visit will be 100% funded by the Renew project. An agenda will follow once dates are confirmed.

It is anticipated that approximately 3-4 MLA's from the Environment Committee may also attend.

**2.8 Eden Project**

The Eden Project is a globally recognised major ecological project with huge tourism returns situated in a former china clay quarry in Cornwall. Two botanists from the Eden Project are currently advising Council in regard to the restoration of the Tropical Ravine in Botanic Gardens.

The botanists were asked for their opinion on the future potential of the 200 plus acres of open space at North Foreshore and were very excited about various possibilities.

They have offered to host a study visit to Eden Project for the North Foreshore Steering Group to give Members an impression of what is possible and to discuss further ideas.

**3 Resource Implications**

3.1 The visit will be 100% funded by the Renew project.

3.2 The Eden Project visit is within existing budget resources.

**4 Equality and Good Relations Considerations**

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

**5 Recommendations**

5.1 It is recommended that Committee nominate representatives to attend Metabolon with an interest in the North Foreshore and waste management (one Member from each party). Members are to contact Sarah Jayne Smith, [smithsj@belfastcity.gov.uk](mailto:smithsj@belfastcity.gov.uk) or 028 90 270666 to reserve a place by 5 September.

5.2 It is also recommended that Committee nominate representative with an interest in the North Foreshore open space to undertake this Eden Project study visit (one Member from each party). Members are to contact Frankie Smith ext: 3575 to reserve a place by 5 September 2014.

5.3 Final dates will be confirmed if Committee approve the study visits.”

The Committee adopted the recommendations.

**City Hall 'Illuminate' Revised Governance Arrangements**

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

**"1 Relevant Background Information**

- 1.1 On 18 February 2013 a report to SP&R provided information on the 'Illuminate' project and outlined governance arrangements. The Committee agreed to review the management and control arrangements after 12 months in order to permit any changes to be made.
- 1.2 Since being installed the City Hall LED floodlighting has received numerous favourable comments and has proved an attraction for both local people and visitors from further afield.
- 1.3 For the majority of the time the City Hall is illuminated in a soft white light which is in keeping with the historic listed status of the building and which best highlights the many architectural features on the building's facades.
- 1.4 Members will be aware that the current governance arrangements limits access to the lighting facilities to (a) the 12 charities nominated by our civic office-bearers, (b) events organized or supported by the council and (c) 10 approved additional days. Any request not falling into these categories currently requires the approval of the Committee.
- 1.5 Over the last year there have been a number of requests from charity, sporting and other organisations to have the City Hall illuminated in specific colour/s to help promote their particular event. To date 21 additional dates have either taken place or have been approved to take place in the future.
- 1.6 In recent months the number of requests has increased substantially as more people see permission being granted to other organisations. Processing these requests involves significant officer time and costs are also incurred for the programming and testing of the lighting when permission has been granted.
- 1.7 Increasingly it is proving difficult for officers to turn down requests especially when similar requests have been looked on favourably in the past, and the time of the Committee is increasingly being taken up dealing with these requests. In order to try to enhance consistency in terms of the granting of permission for special illuminates and also to allow some additional flexibility in dealing

with such requests, some changes are proposed to the current criteria.

1.8 It is proposed that, in addition to the criteria outlined in 1.4 above, the following changes are introduced:-

- where a charitable, community or other non profit-making organisation based in or having a strong connection to Belfast is celebrating a significant anniversary (e.g. 50th, 75th or 100th etc) it may be permitted to have the City Hall illuminated in appropriate colours;
- where a sporting team or organisation with a connection to Belfast has achieved a significant accolade (e.g. winning a notable national or international competition) permission may also be granted to have the City Hall illuminated in appropriate colours;
- it is also proposed that any event, not itself organised by Belfast City Council, but which can legitimately be regarded as being of significant benefit to the city from a promotional or tourism perspective may also be permitted to have the City Hall illuminated in appropriate colours.

1.9 It is proposed that, in the first instance, requests falling into these categories should be dealt with by extending the authority currently delegated to the Director of Property & Projects. Where, however, the request is of large scale and/or could be regarded as potentially contentious, the matter would be laid before the Committee for approval in the usual way.

1.10 In order to avoid doubt and to give more clarity regarding requests for use of the facilities it is recommended that senior Officers are briefed and the revised criteria are published on our internal and external websites.

## 2 Key Issues

2.1 The key issues are, firstly, whether or not the Committee is minded to extend the range of groups to whom access to the ILLUMINATE facilities might be granted, and secondly whether or not to extend the degree of authority currently delegated to the Director of Property & Projects in relation to such requests.

At present, delegated authority can only be used in circumstances where the proposed timescales make it impractical to seek the approval of the Committee.



**3 Resource Implications**

3.1 There are no direct resource implications in respect of this report.

**4 Equality and Good Relations Screening**

4.1 An equality and good relations screening was carried out for the original governance arrangements and then revised for the 4 additional annual days. No further equality and good relations screenings have taken place.

4.2 Since the new lighting has been installed a record is being kept of requests received and those which have been granted permission.

4.3 The Equality and Diversity officers have advised that consistency of approach in terms of access to ILLUMINATE facilities will be essential where there is a potential widening of access. Where new categories of request are permitted, these must be assessed in the same way as previously in order to ensure equality of opportunity and the promotion of good relations, in line with our statutory obligations. This will be done on a case-by-case basis in liaison with the Good Relations Unit should the Committee be minded to extend the authority delegated to the Director of Property & Projects as proposed herein.

**5 Call-in**

This decision is subject to call in.

**6 Recommendations**

- (a) that the existing criteria as outlined in 1.4 are retained and are supplemented by the additional criteria outlined above; and
- (b) that the authority currently delegated to the Director of Property & Projects be extended to cover the types of request outlined above.”

The Committee adopted the recommendations and agreed that authority be delegated also to the Director, in consultation with the Party Group Leaders, to consider any potentially contentious requests which were time bound and could not meet the deadline for submission to the Committee.

**Request to Use City Hall Grounds**

The Committee was advised that a request had been received from Kabosh, a local theatre company, to perform a short 20 minute piece of orchestrated music in the grounds of the City Hall on 1st September, 2014. The piece of music entitled “20” had

been composed by award winning Lurgan composer, Conor Mitchell and marked the 20th anniversary of the 1994 IRA Ceasefire.

Kabosh have been undertaking a body of work consisting of a number of projects over the past seven years under the theme of peace-building through the arts, both at a local level and internationally. The musical piece "20", which would be performed by 20 local musicians, aged 20, was part of that overall theme. The project had been supported by the Arts Council, Atlantic Philanthropies and the Council's Good Relations and Culture and Arts Units.

The Committee was advised also that, in addition to the proposed live performance at the City Hall, invitations had been extended to community groups from the Shankill, the Short Strand, the Falls Road and the Antrim Road which Kabosh had worked with and that invitations had also been issued to the wider public. It was intended that it would be a one-off piece, although the music was to be recorded and used as a soundscape for a 3D installation at Victoria Square as part of the Belfast Festival at Queens in October. The details of the performance set up had been discussed with the Civic Headquarters staff and there were no particular difficulties in hosting the event.

Kabosh saw this as an important event in their peace-building activities and a timely reminder as to how far society had moved on since 1994 despite some current unresolved issues. In that respect, it was particularly important for Kabosh that the performance take place on the actual anniversary. If Members were content that the performance went ahead on 1st September, agreement would also be required that it preceded formal Council ratification on the evening of 1st September.

During discussion, a Member indicated that further information was needed in relation to the proposal and that that required some discussion to be undertaken with the organisers before granting authority for the use of the grounds.

After further discussion, the Committee agreed that the request for the use of the City Hall grounds by Kabosh be referred to the Party Group Leaders for consideration.

### **Leases, Licenses and Disposals**

The Committee considered the undernoted report:

**"1 Relevant Background Information**

**1.1 (i) Beechvale Farm – Letting to the Agri-Food and Biosciences Institute**

**At its meeting on 11 February 2010 the Parks and Leisure Committee agreed to provide the Agri-Food and Biosciences Institute with a 5 year Lease from 1 December 2009 for 45.81 acres of Council lands at Beechvale Farm, Gransha. The Lease is subject to an annual rent of**

£8,000. AFBI use the land for growing various grass, cereal and potato varieties for research and trial purposes. The current Lease is due to expire on 30 November 2014 and AFBI have requested a further lease under the existing terms for a further 5 years.

- 1.2 (ii) Grampian Avenue Playground – Licence Renewals  
On 11 January 2000 the Client Services (Parks and Amenities) Sub-Committee agreed to acquire land at Grampian Avenue for the development of a small park with associated play facilities. Grampian Ground Force, a local group located in the Grampian Avenue area of East Belfast had identified the site and obtained funding from Making Belfast Work to develop the Play Area. The Sub-Committee agreed to accept responsibility for the maintenance and insurance of the play area.
- 1.3 DRD and Helm Housing Association own separate portions of the land, with unknown ownership of the remaining portion. Separate Licence Agreements were entered into with DRD and Helm Housing, both for 4 year terms from 1 May 2002 with provision to continue on a month to month basis thereafter. Following advice from Legal Services it was agreed the Council could include the area of unknown ownership within the scheme at minimal risk to the Council.
- 1.4 The initial term of these Licence Agreements expired on 30 April 2006 and the Council since then have continued to hold over on a month to month basis. A map highlighting Grampian Avenue Playground outlined red, the area licensed from DRD shaded blue and the area licensed from Helm Housing shaded green is attached has been circulated for the information of Members.
- 1.5 (iii) Ormeau Park Playgroup Building – Lease Renewal  
At its meeting on 10 December 2009 the Parks & Leisure Committee agreed to renew a previous Lease to Marion Hunter for the former elderly men's building, situated at Park Road within Ormeau Park. The building is used for a playgroup facility know as Parkside Playgroup. The lease was for 5 years from 1 July 2009 subject to a rent of £2,940 per annum. This Lease has now expired and the tenant, Marion Hunter, has sought renewal of the Lease for a further 5 year term from 1 July 2014.
- 1.6 (iv) Land at Orchardville Crescent  
At its meeting on 14 January 1993 the former Parks Committee agreed to the disposal of land at the rear of houses at 8 to 54 Orchardville Crescent, to the adjoining householders. Disposals were to take place at a figure of £4000 per acre with each side bearing its own legal costs and subject to Agreements to be prepared by the Town Solicitor.

- 1.7** Subsequent to the Committee approval a number of disposals took place at the western end of the site; however the Council continue to hold title to the area of land (approximately 0.58 acres) to the rear of 20 to 56 Orchardville Crescent.
- 1.8** The subject land does not form part of any other land in Council ownership and is effectively inaccessible other than by the occupants of the houses on Orchardville Crescent. In addition the householders may seek to claim to have been in possession of the land for sufficient time to establish possessory title. Despite this the Council has received enquiries from two of the residents seeking to formally acquire portions from the Council.
- 1.9** In view of the recent enquiries it is considered appropriate to once again trawl all of the householders at 20 to 56 Orchardville Crescent to enquire if they would be prepared to purchase relevant portions of land which adjoin their houses. Formally acquiring the land from the Council has some advantages for householders when they come to sell their houses.
- 1.10** (v) **Licence Agreement 155-157 Newtownards Road, Belfast**  
At its meeting on 14 February 2013 the Parks and Leisure Committee approved the acquisition of a small area of land at 155/157 Newtownards Road by the Council from the Department for Social Development (DSD) for a period of five years. The Parks and Leisure Committee also agreed that a contribution should be sought from DSD regarding the maintenance and cleansing costs of the site following its development as a 'pocket park'. At that time it was envisaged the development of the 'pocket park' would be carried out prior to the Council taking any responsibility for the site as a result of Local Government Reform.
- 1.10** Since February 2013 Council officers have been in discussions with DSD and East Belfast Partnership Board regarding the proposals for this site and have taken account of the proposed transfer of assets from DSD to the Council as part of Local Government Reform.
- 2.0** **Key Issues**
- 2.1** (i) **Beechvale Farm – Letting to the Agri-Food and Biosciences Institute**  
The proposed new lease will be held on similar terms to the existing agreement and at the passing rent of £8,000 per annum. This rent equates to a price per acre which is above the average agreed for similar land in the area held under conacre agreements. This reflects the increased security of tenure offered to the AFBI by way of a 5 year lease. The Council will protect its interests by reserving the

right to terminate the agreement at any time by giving 6 months written notice.

- 2.2 The AFBI will continue to be responsible for maintaining all existing hedges, ditches, fencing and gates. They will also be responsible for indemnifying the Council against damages, costs, claims and proceedings arising from their operations on the land and maintaining public liability insurance.
- 2.3 (ii) Grampian Avenue Playground – Licence Renewals  
To place the Council's tenure on a more secure footing it has recently been agreed to enter into further 5 year licence agreements from 1 May 2012 with DRD and Helm Housing under the same terms as the initial agreement. Under the existing agreements there is no premium or annual fee payable and the Council are responsible for maintaining the site and indemnifying the Licensors. It is intended that this situation would continue under the new agreements.
- 2.4 The playground does not require any significant planned upgrades or refurbishment and will only require ongoing minor repair and maintenance and litter picking over the new term of the new licences.
- 2.5 (iii) Ormeau Park Playgroup Building – Lease Renewal  
Negotiations with the Tenant have resulted in agreement to a new 5 year lease commencing on 1 July 2014 at an increased rent of £3,880 per annum. Under this agreement the Council would be responsible for internal and external repairs although would not be obligated to put the Premises in any better standard of repair than at lease commencement. The Tenant would remain responsible for insurance and other outgoings such as rates, utility bills etc.
- 2.6 The extent of the premises to be leased remains the same as in the previous lease with access to the Premises over the path the right to place a storage container at the location.
- 2.7 (iv) Land at Orchardville Crescent  
The Council no longer have any practical means of gaining access to the land at the rear of 20 to 56 Orchardville Crescent. The disposal price agreed by Committee at the time of the previous trawl was £4000/acre. Given the issues involved it is considered that disposal at this same figure of £4000 per acre (approx. £1 per square metre) represents the best price the Council could hope to achieve for the land.
- 2.8 (v) Licence Agreement 155-157 Newtownards Road, Belfast  
A proposed landscaping scheme for this site has been developed through the Council's Development Department as part of the Renewing the Routes project in consultation with the East Belfast

Partnership and Parks and Leisure Department. Rather than the scheme being funded by East Belfast Partnership Board it is envisaged it will be 100% funded via the Council's Renewing the Routes project. This project was approved as part of the Integrated Regeneration Plan for the 2012/2013 Renewing the Routes programme for Newtownards Road that was presented to the Development Committee 21 August 2012 and agreed by Council on 3 September 2012.

- 2.9 Because the site will transfer from DSD to the Council as part of Local Government Reform, it is proposed the arrangement up to the end of March 2015 should be in the form of a Licence Agreement at a nominal fee. The Licence would provide the Council with permission to develop the site in accordance with an agreed scheme drawing and place responsibility for public liability insurance, management and maintenance of the developed facility upon the Council. DSD will provide funding for the management and maintenance for the period up to the transfer of the DSD Regeneration function (and associated transfer of assets) under LGR.
- 2.10 It is envisaged the proposed scheme would commence upon completion of the Licence Agreement with a construction period of approximately six weeks.

### **3 Resource Implications**

#### **Finance and Assets**

- 3.1 (i) Beechvale Farm – Letting to the Agri-Food and Biosciences Institute
- A yearly rent of £8,000 from 1 December 2014 would become payable on completion of the new lease between the Council and the AFBI.
  - The Council's medium term interests will be protected by reserving the right to terminate this agreement at any time subject to giving six months written notice.
- 3.2 (ii) Grampian Avenue Playground – Licence Renewals
- The Council will remain responsible for maintenance and insurance of the play area. However, there will be no rent payable under the licence agreements to DRD and Helm Housing.
  - The Council will hold the site for a further 5 years from 1 May 2012.
- 3.3 (iii) Ormeau Park Playgroup Building – Lease Renewal
- A yearly rent of £3,880 from 1 July 2014 would become payable on completion of the new lease between the Council and Marion Hunter.

- Tenant will continue to be responsible for buildings and contents insurance along with appropriate insurance cover in respect of the use of the premises.
  - The Council will be responsible for internal and external repairs; however will not be obligated to put the Premises in any better standard of repair than at lease commencement. The Council will also be responsible for maintenance of the grassed area outside the playgroup building
  - The tenant is likely to have protection under the Business Tenancies (NI) Order 1996. However this would not diminish the Council's ability to recover possession for Council purposes or redevelopment should such be required at the end of the lease term.
- 3.4 (iv) Land at Orchardville Crescent
- If the formal disposal of the entirety of the land was achieved this would provide the Council with a capital receipt of approximately £2320. However it is not expected all householders will take up the offer of the land and the total capital receipts from the land are likely to be somewhat less than this. As part of the arrangement with householders it would be expected they would bear their own legal costs. .
- 3.5 (v) Licence Agreement 155-157 Newtownards Road, Belfast
- Council funding for the proposed 'pocket park' development is being provided as part of the Council's Renewing the Routes. The cost for the scheme will be covered within the agreed budget of up to £14,000 allocated for boundary improvements to vacant sites along Newtownards Road.
  - Annual management and maintenance costs associated with the completed scheme have been estimated by Parks and Leisure Department at £1,360 and DSD have agreed to provide pro rata funding based on this cost for the duration of the Licence Agreement.
  - This small plot (approximately 116 square metres) will be transferred to the new Belfast City Council on 1 April 2015. Development of the proposed 'pocket park' in advance of this will make a contribution to the local visual amenity of the site and contribute to wider improvements resulting from Renewing the Routes in this area.
- 3.6 Human Resources
- Staff resources from the Estate Management Unit, Parks and Leisure Department and Legal Services will be required to complete all agreements.

**4 Recommendations**

It is recommended that Members agree:

- 4.1 (i) **Beechvale Farm**  
To renew the current Lease between the Council and AFBI for a further 5 year term from 1 December 2014 at a rent of £8,000 per annum.
- 4.2 (ii) **Grampian Avenue Playground**  
To approve entering into licences with both DRD and Helm Housing for the portions of ground making up the playground for a further 5 years from 1 May 2012.
- 4.3 (iii) **Ormeau Park Playgroup Building**  
To approve renewal of the lease between the Council and Marion Hunter from 1 July 2014 for a further 5 year term at a rent of £3,880 per annum.
- 4.4 (iv) **Land at Orchardville Crescent**  
To provide authority to officers to contact householders at 20 to 56 Orchardville Crescent with a view to agreeing disposal terms based on the previously approved figure of £4000 per acre, with each party bearing their own legal costs and to proceed with disposal of as much of the site as possible to the adjoining householders.
- 4.5 (v) **155-157 Newtownards Road**  
To enter into a Licence Agreement with DSD which would run up until 31 March 2015 to allow the Council to develop a 'pocket park' subject to the terms as outlined above.

**5 Key to Abbreviations**

- 5.1 **AFBI – Agri-Food and Biosciences Institute  
DRD – The Department for Regional Development  
DSD – Department for Social Development”**

The Committee adopted the recommendations.

**Council Chamber Seating Arrangements**

The Committee considered a report in relation to the Council Chamber seating arrangements and agreed that no alterations take place and that the existing seating be used.



## Human Resources

### Standing Order 55 – Employment of Relatives

It was reported that, in accordance with Standing Order 55 and the authority delegated to him, the Director of Finance and Resources had authorised the appointment of members of staff who were related to existing officers of the Council.

Noted.

### Industrial Action

The Committee noted the contents of a report which provided an update on the national industrial action that had taken place on 10th July, 2014 and which provided information on further industrial action involving Belfast City Council employees which was proposed for 14th October, 2014.

## Good Relations and Equality

### Minutes of Meeting of Good Relations Partnership

In considering the minutes of the meeting of the Good Relations Partnership of 11th August, a Member drew the Committee's attention to the decision of the Partnership in relation to the Bonfire Management Programme 2014, a copy of which is set out hereunder:

*“(i). where there was clear evidence of a group's adherence to the conditions set out within the Council's Bonfire Management Programme, that that group be allocated the remaining 30% of its funding entitlement;*

*(ii). a report be submitted to its next meeting providing information on groups which had clearly breached the conditions set out within the Bonfire Management Programme, with a view to deciding if penalties should be imposed; and*

*(iii). a report be submitted, in due course, to the Partnership setting out potential options for the future delivery of the Bonfire Management Programme and, in terms of this year's bonfires, to include statistics, where available, from the relevant agencies on the number of reported assaults, incidences of hate crime, theft of materials for use on bonfires, damage to roads and properties, their impact upon service delivery, including healthcare, and on air quality.”*

During discussion, a Member pointed out that the decision as set out in point (ii) did not take into account all the steps which organisers had taken to rectify any problems which had arose and requested that the minute be amended accordingly.

The Committee agreed that the following be appended to point (ii) after the word imposed 'subject to any breaches being properly assessed and taking account all of the

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steps which had been taken by organisers to rectify any problems which had arose and any actions to ameliorate those breaches.

Subject to the foregoing amendment, the minutes of the meeting of the Good Relations Partnership were approved and adopted.

Chairman