



Belfast City Council

Report to:	Strategic Policy & Resources Committee
Subject:	Loughside Park: Development
Date:	20 March 2009
Reporting Officer:	Gerry Millar, Director of Improvement
Contact Officer:	Michael Stanley, Capital Programme Manager

Relevant Background Information

The Client Services (Community & Leisure Services) Sub-Committee and the Client Services (Parks and Amenities) Sub-Committee at their meetings on 2 and 8 May 2001 respectively adopted the recommendation that Castlemore Morgan Ltd should be appointed as the preferred developer for development of land at Loughside.

Arrangements were subsequently entered into, under a Heads of Terms agreement, with Castlemore Morgan Ltd (later renamed as Bayshore Developments Ltd) and, following further discussions and negotiation, the parties signed an Agreement for Sale dated 16 June 2003 in the sum of £14.051m with payment on completion of the sale.

Key Issues

In line with the Council's Gates process an economic appraisal has been undertaken for the proposed overall development and this recommends that replacement facilities provided should comprise one grass pitch, one enhanced 3G pitch, changing accommodation with attached community rooms, enhanced outdoor play areas at Loughside/Mount Vernon, general open space and associated works. The executive summary of the economic appraisal is attached as Appendix A to this report. The recommended proposals differ from those previously agreed by the Community and Recreation Committee on 16 January 2007 which provided for a more expansive community building but only a single pitch.

Members should note that planning permission is far from straight forward and without planning permission the whole deal will fall. The key issues concern PPS8 regarding the loss of open space and or betterment, together with some retail issues. It is likely that the revised scheme will have a better opportunity to secure planning permission.

Resource Implications

The Council will accrue a capital receipt of £14.051m (less a £150,000 deposit already paid by the developer) when planning permission is granted and the sale is completed.

The provision of the facilities as recommended by the Economic Appraisal would require an amount of approximately £4.5m-£5m of funding from the capital receipt. Although there would be some ongoing operational revenue expenditure this is not anticipated to be significant as it is proposed that the facility will be managed through an agreement with a local community/sports organisation. The Parks and Leisure Department have confirmed that such expenditure can be accommodated within future revenue estimates.

Recommendations

Members are requested to:

1. Note the current position.
2. Agree to proceed with the development of replacement facilities comprising one grass pitch, one 3G pitch, changing accommodation with attached community rooms, outdoor play areas at Loughside/Mount Vernon, general open space and associated works, as identified as the most appropriate option by the economic appraisal, as a “Committed” proposal in the Capital Programme¹.
3. Agree to the balance of the capital receipt from the sale of land (less £4.5m-£5m required to finance the development of replacement facilities) being ring fenced to the City Investment Strategy.

¹ Subject to planning permission being obtained for the overall joint development proposals and payment of the £14.051m capital receipt by Bayshore Developments Ltd. on completion of the sale.