



## Belfast City Council

<b>Report to:</b>	Strategic Policy and Resources Committee	
<b>Subject:</b>	Loughside Development	
<b>Date:</b>	19 June 2009	
<b>Reporting Officer:</b>	Gerry Millar Andrew Hassard Marie-Therese McGivern	Director of Improvement Director of Parks and Leisure Director of Development
<b>Contact Officer:</b>	Gerry Millar	Director of Improvement

### Relevant Background Information

The Parks & Leisure Committee, at their meeting on 11 May 2009, to which Members of the Development Committee were invited, adopted the recommendation to note the current position and agreed:

1. that the Council should proceed with the development of 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; subject to planning permission being approved for the overall joint development proposals and payment of the £14.051m capital receipt by Bayshore Developments Ltd. on completion of the sale;

and

2. to commend the decision of the Committee to the Strategic Policy and Resources Committee.

At their meeting on 22 May 2009, the Strategic policy & Resources Committee agreed to defer for one month consideration of a report (attached as appendix A) in relation to the development of the Loughside Park to enable further information to be provided.

### Key Issues

The overriding issue to ensure that monies are released and that this scheme goes forward is to obtain planning permission, which, in turn, is dependent on putting back adequate facilities.

The decision of the Community & Recreation Committee in January 2007 (to provide a replacement pitch, play area and a community focussed facility at Loughside and a kickabout/activity area at Mount Vernon) was unlikely to obtain planning permission as the Planning Service had difficulties, both with loss of open space and with additional retail provision arising from the developer's proposals.

The latter point has been improved through the change in the deal to bring in Asda as the main

retail tenant. The issue of the single pitch and what exactly was meant by a community focussed facility needed to be addressed by Council staff in Parks and Community Services.

In working up the detail of specification for the Council facilities with the Parks & Leisure and Development Departments, an Economic Appraisal was commissioned to provide an independent assessment of the proposals. This was carried out in accordance with the *Northern Ireland Practical Guide to the Green Book* (as published by the Department of Finance and Personnel).

Economic Appraisal is considered to be a key tool for achieving value for money and satisfying public accountability requirements and is based on an assessment of needs, objectives, options, costs, benefits, risks, funding, affordability and other factors relevant to spending decisions.

Although the Community & Recreation Committee had previously decided that a community focussed facility and single pitch should be provided, the Economic Appraisal took other factors and changed circumstances into account.

These included:

- The community consultation, carried out in October 2006;
  - which indicated that the sports element was essential and that community meeting rooms would be adequate;
- Planning Service's comments regarding the lack of need for significant additional retail space and reduction in open space;
  - this has been addressed by the inclusion of Asda as the anchor retailer meaning relocation of nearby retail rather than additional space; with additional family housing proposed for the old Asda site;
  - enhanced pitch and play facilities;
- The construction of the Grove Wellbeing Centre;
  - all of the indoor activities currently provided in the Loughside Recreation Centre are now available at this new facility (which is less than 1 mile away);
- The Parks & Leisure Department's Framework for Play Provision in Belfast;
- The Development Department's Community Support Plan to facilitate and support community development rather than directly provide community facilities.

There is a counter argument that the local community were promised by Council officer(s) a more substantial centre but we have been unable to verify who made such a promise, when it was done or what it consisted of. In any event, the substantial decision is that of the Council of January 2007, which is unlikely to obtain planning permission, and on which the Committee is being asked to endorse the change agreed by the Parks & Leisure Committee of 11 May 2009.

Members should also note that the Council is under an obligation to cooperate fully with the developer for the purposes of obtaining planning permission for the overall development proposals.

## **Resource Implications**

### **FINANCE**

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 on the basis recommended by the Economic Appraisal would require an amount of approximately £4.5m of capital funding. Although there would be some ongoing operational revenue expenditure this is not anticipated to be significant as the facility is expected to be managed through an agreement with a local community/sports organisation.

To proceed with the development based on a community focussed building would require a further amount of approximately £750,000 of capital funding, as well as significant ongoing operational revenue expenditure (including staffing costs).

## **HUMAN RESOURCES**

The replacement of Loughside Recreation Centre will result in displacement of staff currently assigned to that location. Therefore, in line with established Council procedures, staff currently based at Loughside Recreation Centre will be offered suitable alternative employment or voluntary redundancy, as appropriate to the circumstances applying.

## **LOUGHSIDE RECREATION CENTRE: CURRENT USE**

Pending project approval by Elected Members, arrangements to offer alternative facilities to current Loughside Recreation Centre and Pitch users during the construction phase of new facilities will be explored by officers.

## **Recommendations**

In essence, based on Council policy and to optimise the chances of obtaining planning permission (although this is by no means certain), it is recommended that the Council should:

- 1) proceed with the development of 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;  
and
- 2) consequently, advance the proposal into the "*committed*" section of the Capital Programme;

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

## **Decision Tracking**

The key issue regardless of the extent of community facilities is the matter of obtaining planning permission, otherwise the deal falls and there is no resource for anything.

If we can agree the level of replacement facilities, planning application can be made by Summer.

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## APPENDIX A



### Belfast City Council

<b>Report to:</b>	Strategic Policy and Resources Committee	
<b>Subject:</b>	Loughside Development	
<b>Date:</b>	22 May 2009	
<b>Reporting Officer:</b>	Gerry Millar Andrew Hassard Marie-Therese McGivern	Director of Improvement Director of Parks and Leisure Director of Development
<b>Contact Officer:</b>	Gerry Millar	Director of Improvement

#### Relevant Background Information

The development of Loughside has been a long running saga as detailed below. However in summary subject to planning permission the Council stands to gain £14m of which approximately £4.5 - £5m will be reinvested directly into replacement facilities. Planning delay has been a result of concern around loss of open space, retail policy and BCC/community agreement.

Committee in April asked that the proposed facilities replacement be considered by a joint Parks and Leisure/Development Committee which took place on 11 May 2009 and which accepted the following report.

#### Committee History

At the Client Services (Community & Leisure Services) Sub-Committee and the Client Services (Parks and Amenities) Sub-Committee meetings on 6 and 13 June 2000 respectively, a draft development brief was considered for land at Loughside.

The Client Services (Community and Leisure Services) Sub Committee expressed the view that any development must include an enhancement of the recreation and community facilities currently provided on the land which would remain in Council ownership and demonstrate clearly that it would continue to contribute to the regeneration of that part of the City and provide tangible benefits for the local communities and the City as a whole.

The Client Services (Parks and Amenities) Sub-Committee approved the development brief subject to the provision of two floodlit grass soccer pitches.

At the Client Services (Parks and Amenities) Sub-Committee meeting of 6 March 2001, the Sub-Committee authorised the Head of Capital Works to enter into discussions with Castlemore Morgan Limited regarding its proposals for the development of the

Loughside Playing Fields and Recreation Centre site and that a report thereon be submitted to a future meeting of the Sub-Committee.

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.

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 on completion of the sale, which is dependent on planning permission being granted. The proposal from Bayshore is for significant retail and residential development.

At their meeting on 3 October 2006 the Community and Recreation (Community and Leisure Services) Sub-Committee agreed that the replacement facility provided should have a community, rather than sport, focus.

At a public meeting in Loughside Recreation Centre on 18 October 2006, the local community put across a number of strongly felt and broadly supported messages:

- They had been promised enhanced facilities and expected this to be provided;
- Sports facilities were essential;
- Community meeting rooms were required, but not in place of sports facilities.

At the 14 November 2006 Community and Recreation Committee meeting, following representation from a number of Councillors, the Committee reassessed the brief for the replacement facilities and agreed that a community focussed facility should be provided, with play facilities also to be constructed at Mount Vernon and a single replacement pitch.

At their meeting on 16 January 2007 the Community and Recreation Committee affirmed its decision of 14 November 2006 – that a community focussed facility should be provided.

### **Key Issues**

Subsequent to the above mentioned decisions:

- The SP&R Committee on 25 January 2008 at the developers request agreed to amend the original agreement to increase the retail floor space.
- the new Grove Wellbeing Centre has opened and which will provide all of the indoor facilities currently existing in Loughside Recreation Centre;

and

- organisational changes within the Council have resulted in a shift in emphasis in terms of community development by BCC and it is now considered that the provision of a community focussed building at Loughside, with its associated capital and longer term operational costs, would not be appropriate; this general policy change is set out in the Councils Community Support Plan.
- the open space strategy identifies Loughside/Mount Vernon as an ideal location for neighbourhood equipped areas for play (NEAP).

In line with the Gates process an Economic Appraisal was commissioned for the proposed overall development to include a demonstration of “significant community benefit to compensate for the loss of open space” as necessitated to satisfy the requirements of Planning Policy Statement (PPS) 8 – Protection of Open Space, and Use of Land for Sport and Outdoor Recreation which will apply to the joint planning application.

The Economic Appraisal recommends that the facilities provided should comprise one grass pitch, one enhanced 3G pitch, changing accommodation with attached community rooms, enhanced outdoor NEAP play areas at Loughside/Mount Vernon, general open space and associated works.

## **Resource Implications**

### **FINANCE**

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 on the basis recommended by the Economic Appraisal would require an amount of approximately £4.5m of capital funding. Although there would be some ongoing operational revenue expenditure this is not anticipated to be significant as the facility is expected to be managed through an agreement with a local community/sports organisation.

To proceed with the development based on a community focussed building would require a further amount of approximately £750,000 of capital funding, as well as significant ongoing operational revenue expenditure (including staffing costs).

### **HUMAN RESOURCES**

The replacement of Loughside Recreation Centre will result in displacement of staff currently assigned to that location. Therefore, in line with established Council procedures, staff currently based at Loughside Recreation Centre will be offered suitable alternative employment or voluntary redundancy, as appropriate to the circumstances applying.

### **LOUGHSIDE RECREATION CENTRE: CURRENT USE**

Pending project approval by elected Members, arrangements to offer alternative facilities to current Loughside Recreation Centre and Pitch users during the construction phase of new facilities will be explored by officers.

## **Recommendations**

It is recommended that the Committee:

1. note the current position

and agree:

2. that the Council should proceed with the development of 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; subject to planning permission being approved for the overall joint development proposals and payment of the £14.051m capital receipt by Bayshore Developments Ltd. on completion of the sale.

## **Decision Tracking**

The key issue regardless of the extent of community facilities is the matter of obtaining planning permission, otherwise the deal falls and there is no resource for anything.

The Council is also obliged in its agreement with the developer to provide relevant information for the planning application and as noted Castlemore have already walked away. If we can agree the level of replacement facilities, planning application can be made by Summer.