



Belfast City Council

Report to:	Strategic Policy & Resources Committee
Subject:	Investment Programme Workshop
Date:	3 February 2012
Reporting Officer:	Gerry Millar, Director of Property and Projects Ronan Cregan, Director of Finance and Resources

1.0	<u>Relevant Background Information</u>
1.1	<p>The capital investment detailed in the Investment Programme 2012-15 is as follows:</p> <ul style="list-style-type: none"> - £75m in council facilities – delivered through the Council’s capital programme and financed through a combination of one-off revenue payments, loans, grants and capital receipts. - £20m in partnership projects and £50m levered from sources outside of the council – delivered through the Council’s City Investment Fund and financed through an annual £6m rate contribution and capital receipts. Additional private investment will also be explored as more definition is put round the projects. - £5m in smaller regeneration partnership projects – delivered through the Local Investment Fund and financed through re-allocation of existing resources.
1.2	<p>Now that the finances have been agreed Members and officers must turn their attention to delivery. It was agreed at the Strategic Policy and Resources Committee on 20 January that a workshop for Members would be held on 3 February to discuss delivery issues followed by party group briefings and finally an implementation plan would be presented on 23 March to the Strategic Policy and Resources Committee for approval.</p>
1.3	<p>The issues to be covered in the workshop are as follows:</p> <ul style="list-style-type: none"> - Governance arrangements to support moving projects from concept to construction; - Policy frameworks for prioritisation of City Investment Fund and Local Investment Fund projects; - Prioritisation of non-recurrent capital expenditure; - Capacity to deliver – internal and external; - Monitoring and review arrangements.
2.0	<u>Key Issues</u>
2.1	<p>Governance arrangements</p> <p>A physical project, regardless of size, goes through four key stages. These are:</p> <ul style="list-style-type: none"> - Concept – initial appraisal including feasibility, financing and design option – should the project be considered to move forward to the next stage. - Design – detailed design appraisal, quantifying social, economic and environmental impacts, community consultation and engagement and affordability and sustainability. Should the Council invest?

	<ul style="list-style-type: none"> – Pre-Construction – specification, tender documents, evaluation of submissions and deliverability. – Construction – deliver the project on time, to the appropriate quality and within budget. – Hand-over – Management of facilities, assessment of outcomes and running costs. <p>The workshop will consider the role of Members and the Strategic Policy and Resources Committee at each of the five project stages in the context of the Capital Programme, City Investment Fund and Local Investment Fund.</p>
2.2	<p>Policy Framework</p> <p>In order for Members to prioritise individual projects and to allocate resources within the Capital Programme, City Investment Fund and Local Investment Fund agreement will need to be reached on the criteria to be used. The workshop will include the assessment of social, environmental and economic impacts and how the investment principles which have already been agreed by Members will underpin investment decisions.</p>
2.3	<p>Prioritisation of non-recurrent capital expenditure</p> <p>Members are aware that with the new Finance Act, if the full budget for the capital programme loan repayments is not needed in a particular year, that element of the budget which is not required may be reallocated in that year to pay for other capital schemes, on a one-off basis. The workshop will consider how Members may wish to allocate and prioritise any potential one-off capital expenditure.</p>
2.4	<p>Capacity to deliver – internal and external</p> <p>The Investment Programme raises a number of capacity issues for the organisation. At the area briefings, Members have raised the issue of officer support for its implementation. There are a number of key functions related to this:</p> <ul style="list-style-type: none"> – Project development and appraisal – Community engagement and stakeholder management – Project management – Financial management <p>There are also a number of key external dependencies which are central to the delivery of Investment Programme projects, including the Planning Service and speedy engagement with statutory consultees, such as DRD Roads Service and Heritage Service.</p> <p>The organisational implications of the Investment Programme and the development of a Belfast Delivery Forum will be discussed at the workshop.</p>
2.5	<p>Monitoring and review</p> <p>The workshop will consider the content and frequency of reporting to Members on the implementation of the Investment Programme.</p>
3.0	<p>Recommendations</p>
3.1	<p>Members are requested to note the contents of the report.</p>
4.0	<p>Officers to contact</p>
<p>Ronan Cregan, Director of Finance and Resources Gerry Millar, Director of Property and Projects</p>	