



## Belfast City Council

<b>Report to:</b>	Strategic Policy and Resources
<b>Subject:</b>	<b>Feasibility Fund – Governance Arrangements</b>
<b>Date:</b>	21 September 2012
<b>Reporting Officer:</b>	Ronan Cregan, Director of Finance and Resources Gerry Millar, Director of Property and Projects
<b>Contact Officer:</b>	Mark McBride, Head of Finance and Performance Donal Rogan, Head of Contracts

<b>1.0</b>	<b>Relevant Background Information</b>
1.1	The Strategic Policy and Resources Committee, at its meeting on the 22 June 2012, approved the ring fencing of £500k of the capital financing budget for 2012/13 to provide for a Feasibility Fund.
1.2	The Feasibility Fund was established to enable initial feasibility work to be undertaken on proposed projects to bring them to a point where members could decide if they should be progressed as Capital Schemes, Local Investment Fund (LIF) schemes or City Investment Fund (CIF) schemes.
1.3	The purpose of this report is to set out the governance arrangements which will support the management of the Feasibility Fund.

<b>2.0</b>	<b>Key Issues</b>
2.1	The Feasibility Fund is intended to be used to move projects to a stage where Members can make decisions regarding future financing. This work may involve the preparation of a Strategic Outline Case (SOC) up to, and including, the completion of an economic appraisal and a recommendation as to the preferred project option.
2.2	Any feasibility work undertaken, will be commissioned and procured by the Council through the Project Management Unit “Call Off” contracts.
2.3	Officers are currently working on the development of the policy framework for CIF. One element of this will be the allocation of feasibility funding for CIF projects.

2.4	It is anticipated that once the CIF is fully operational, the main use of the feasibility fund will be to finance feasibility studies for CIF projects, however, in the interim period there is the opportunity to use the 2012/13 feasibility budget to progress feasibility work on a number of LIF proposals. Given the limited financial and technical resources available, it is recommended that the maximum number of LIF feasibility proposals which can be recommended by each Area Working Group should, at this stage, be limited to five proposals.
2.5	Each Area Working Group is progressing through the Jon Huish workshops to create a vision and direction for their area which will assist Members in selecting projects that make a difference.
2.6	In order to allocate funding and complete the studies within this financial year, it is recommended that Area Working Groups recommend proposed projects for LIF feasibility studies to the SP&R committee in November 2012.

<b>3.0</b>	<b>Resource Implications</b>
3.1	The feasibility fund has a budget has a £500k for 2012/13.

<b>4.0</b>	<b>Recommendations</b>
4.1	That Members note the proposed governance arrangements for the Feasibility Fund.
4.2	That Members request each Area Working Group to consider and recommend to the SP&R Committee in November 2012, a maximum of five LIF proposals per area which should proceed to feasibility study stage.

<b>5.0</b>	<b>Decision Tracking</b>
5.1	The Director of Finance and Resources and Director Property and Projects will present the proposals from the Area Working Groups to SP&R Committee in November 2012.

<b>6.0</b>	<b>Key to Abbreviations</b>
LIF: Local Investment Fund CIF: City Investment Fund AWG: Area Working Groups	