



Report to:	Strategic Policy and Resources Committee
Subject:	Investment Programme – Local Investment Fund and Social Investment Fund Update
Date:	23 August 2013
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1	Relevant Background Information
1.1	At its meeting in April 2012, the SP&R Committee agreed to convene Area Working Groups (AWGs) to support effective 'place-shaping' and make recommendations on investment decisions for their local area including the Local Investment Fund (LIF).
1.2	The £5million LIF was established to support the delivery of key local regeneration projects in neighbourhoods and as a means for Members to connect with local communities in their area, in preparation for their formal role in community planning under the RPA. SP&R Committee agreed on 23 March 2012 that there was a minimum level of investment through LIF of no less than £15,000 and unlikely to exceed £250,000 to ensure focus on more local investments and the opportunity for a broad spread of investment across the city. North, South, East and West AWGs were allocated £1,127,500 each, with a proportionate amount of £490,000 for the Shankill area.
1.3	A Feasibility Fund was established as a ring fenced fund of £500,000 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 or Belfast Investment Fund schemes. SP&R at its meeting on 21 st September 2012 agreed the governance arrangements for the Feasibility Fund and agreed that because no proposals were being taken forwarded in the 2012/13 financial year under BIF that each Area working Group would be able to " <i>consider and recommend to the Strategic Policy and Resources Committee, a maximum of five Local Investment Fund proposals per area which should proceed to feasibility study stage</i> " obviously feasibility studies for these schemes must be proportionate to LIF expenditure levels.

2.0	Area Working Groups –Key Issues												
2.1	At the most recent round of AWG meetings, officers updated Members on the external meetings they have facilitated on the LIF proposals. In accordance with Council procedures, individual Members declared any conflicts of interest and this was noted in the minutes of the AWG. On the basis of the information presented, the following AWGs have made recommendations for the consideration of the Committee:												
	SHANKILL AWG												
2.2	Members are asked to note that the Shankill AWG at its meeting on 3 rd July agreed that the High Sheriff, Councillor Brian Kingston, be elected as Chair of the Shankill AWG.												
2.3	<i>LIF recommendations</i> - On the basis of the information presented, the Shankill AWG made the following recommendation for the consideration of the SP&R Committee:												
	<table border="1"> <thead> <tr> <th>Proposal</th> <th>Ref No.</th> <th>Up to £</th> <th>AWG Comments</th> </tr> </thead> <tbody> <tr> <td>Ballygomartin Presbyterian Church</td> <td>ShLIF026</td> <td>£27,680</td> <td></td> </tr> <tr> <td>St. Mary's Church, Crumlin Road</td> <td>ShLIF027</td> <td>£24,320</td> <td></td> </tr> </tbody> </table>	Proposal	Ref No.	Up to £	AWG Comments	Ballygomartin Presbyterian Church	ShLIF026	£27,680		St. Mary's Church, Crumlin Road	ShLIF027	£24,320	
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Ballygomartin Presbyterian Church	ShLIF026	£27,680											
St. Mary's Church, Crumlin Road	ShLIF027	£24,320											
	<i>Feasibility study recommendations</i>												
2.4	The Shankill AWG considered the potential for feasibility support and recommends to the SP&R the following as a feasibility project:												
	<table border="1"> <thead> <tr> <th>Project</th> <th>Ref No.</th> <th>Comments</th> </tr> </thead> <tbody> <tr> <td>North Belfast Working Men's Club</td> <td>-</td> <td>Feasibility study</td> </tr> </tbody> </table>	Project	Ref No.	Comments	North Belfast Working Men's Club	-	Feasibility study						
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2.5	Members are asked to note however that as outlined in 1.3 above, SP&R Committee had agreed that each Area Working Groups would be allowed to recommend ' <i>a maximum of five Local Investment Fund proposals per area which should proceed to feasibility study stage</i> '. The proposal by the North Belfast Working Men's Club does not fit with this criterion as it was not proposed as a Local Investment Fund project and Members are therefore asked to consider if they wish to recommend this.												
	SOUTH AWG												
2.6	<i>LIF recommendations</i> - On the basis of the information presented, the South AWG made the following recommendation for the consideration of the SP&R Committee:												

	Proposal	Ref No.	Up to £	AWG Comments
	Annadale/Haywood Residents Association		£102,959	Subject to match funding being secured within a period of 12 months, and on the understanding that a South AWG study visit be undertaken to the premises prior to the request for funding being considered by SP&R (scheduled to take place 14 th August)
<i>Local Intervention</i>				
2.7	The South AWG made the following recommendation for the consideration of the SP&R Committee in relation to their Local Intervention money:			
	Proposal	£	AWG Comments	
	Stranmillis Road Business Association	£10,000	That £10,000 be allocated from the South AWG Local Intervention Fund for specific retail development and promotional activities on the understanding that the Association would contribute a sum of 10 per cent in addition to the amount granted by the AWG	
Local Investment Fund – Next Steps				
2.8	Members are asked to note that if the recommendations as above are approved by Committee the full allocation of £5million under the local Investment Fund will be committed in principle to 67 projects across the city. A full list of proposed LIF projects is included for Members interest at Appendix A. To date 20 projects totalling £1.26m have received funding formal agreements.			
2.9	Members are aware that every LIF project that has been approved in principle for funding is subject to a rigorous due-diligence process as previously outlined to Members. This due diligence process looks in detail at a range of issues including governance; security of tenure; proposed approach to procurement; financials; statutory consents; sustainability and accessibility issues. The due-diligence process also ensures that the support is eligible under the Local Government Finance Act 2011 and the Local Government Accounts and Audit Regulations (Northern Ireland) 2006. This information is then scrutinised by a Due-Diligence working group which has been set up to oversee this process. Members are aware that a project proposal will not receive a Letter of Offer or Funding Agreement before all due-diligence information is received and has been signed off by each individual section (Property & Projects, Legal Services, Estates, Urban development Unit and Financial Services) as being satisfactory and meeting all requirements.			
2.10	Due-diligence work is continuing on the other projects which have been approved in principle and officers are working closely with groups to ensure that all information is			

	<p>being forwarded to the Council. Reports on the progress of individual projects in each area will be brought to Area Working Groups at their regular meetings. As such, it is recommended that Area Working Groups would be notified at these meetings of those funding agreements that are ready to be issued; at which time arrangements can be made through the Chair for appropriate communications activity. Members should be aware however that there may be circumstances when funding agreements need to be released in advance of scheduled meetings. In these circumstances it is recommended that officers notify the Chairperson of the relevant Area Working Group and subsequently report back at the next available opportunity to the full AWG.</p>
2.11	<p>Finally, Members are also asked to note however at this stage that there may be projects which do not satisfactorily meet all the due-diligence requirements and where the Council will be unable to commit money as agreed to the project. In these circumstances, the money that had been allocated to these projects could be considered for reallocation by the Area Working Group. If this situation arises, it is proposed that Area Working Groups would be able to consider both existing alternatives or new proposals and may recommend the reallocation of the money from within their area budget. As per the existing process these recommendations will be subject to approval by the SP&R Committee and must be within the scope of the LIF funding and the original overall allocations to AWGs.</p>
3.0	<p>Update on Social Investment Fund and BIF Implications</p>
3.1	<p>Members should note that, following a meeting with senior OFMDFM officials, it is understood that decisions on the first round of Social Investment Fund (SIF) schemes will be announced by early autumn. Given the potential linkages between a number of SIF schemes and the Belfast Investment Fund (BIF), Members are asked to now give due consideration to the first phase of BIF. In doing so Members will have the opportunity to consider how this strategic investment will benefit the needs of the city as a whole while complimenting local investment through LIF and SIF.</p>
3.2	<p>A further issue concerning BIF is growing frustration in some AWGs due to the fact that some groups are clear on which projects they wish to proceed with while others are not. Officers are being pressurised to move schemes on including spending money on various preliminary studies but cannot do so without SP&R Committee agreement on the projects.</p>
3.3	<p>When the AWG system was established in April 2011 it was envisaged that the groups would by this stage have area plans and governance issues resolved allowing decisions on BIF expenditure to be more strategic City wide. However, the impact of SIF together with the upcoming pressures of Local Government Reform, the Leisure Transformation Programme on top of the Investment Programme may mean it is unrealistic to expect the issues of area planning and governance to be resolved quickly. If Members accept this scenario it would be helpful if the Committee could ask the AWGs to prioritise some BIF proposals so that the Committee can decide if there are schemes it wishes to move forward.</p>

4	Resource Implications						
4.1	Human – Resources are currently allocated to individual projects						
4.2	Financial – Proposed allocations as outlined in the report and summary detailed below:						
	AWG	(A) Allocation	LIF	Amount allocated June 12- June 13 (B)	Proposals in this report (C)	(D) Projected Allocation (b) + (c)	Remaining amount (A) – (D)
	East	£1,127,500		£1,127,500	-	£1,127,500	£0
	South	£1,127,500		£1,024,541	£102,959	£1,127,500	£0
	West	£1,127,500		£1,127,500	-	£1,127,500	£0
	North	£1,127,500		£1,127,500	-	£1,127,500	£0
	Shankill	£490,000		£438,000	£52,000	£490,000	£0
	TOTAL	£5,000,000		£4,845,041	£154,959	£5,000,000	£0

5	Equality and Good Relations Considerations					
5.1	The overall LIF programme will be screened at regular intervals to ensure that the Council is fulfilling its obligations as part of the Equality Scheme as well as ensuring that it is in line with the Investment Programme's underpinning principles related to good relations and balanced investment.					

6	Recommendations					
6.1	The Committee is asked to note the contents of this report and:					
	<ul style="list-style-type: none"> - note that Cllr Kingston has been elected Chair for the Shankill Working Group and that Chairs have now been elected for each Area Working Group - approve in principle the allocation of Local Investment Funding as proposed by the Shankill and South Area Working Groups as set out in paragraphs 2.3 and 2.6 above - note that the Shankill proposal for feasibility for the North Belfast Working Men's Club does not meet the criteria as previously agreed and the Committee is therefore asked if they wish to agree this feasibility study - agree the Local Intervention recommendation as proposed by the South AWG for £10,000 for the Stranmillis Road Business Association for retail development and 					

	<p>promotional activities on the understanding that the Association would contribute a sum of 10% in addition to the amount granted by the AWG</p> <ul style="list-style-type: none"> - note that, if the SP&R Committee agrees with the funding proposals as above, that the full £5million which was set aside for the Local Investment Fund has now been allocated. A full list of the proposed LIF projects is attached at Appendix A - agree that Area Working Groups should be notified at their scheduled meetings of those funding agreements that are ready to be issued; at which time arrangements can be made through the Chair for appropriate communications activity - agree that in circumstances when there is a need to release a funding agreement in advance of the next scheduled meeting officers should notify the Chair of the relevant AWG and report back at the next available opportunity to the full AWG - note that there may be instances going forward where projects do not satisfactorily meet all the LIF due-diligence requirements and where the Council will therefore be unable to commit money as agreed. If this arises, it is proposed that the relevant Area Working Group will be able to consider alternatives and may recommend the reallocation of money to other projects. As per the existing process, these recommendations will be subject to approval by the SP&R Committee, within the scope of the original allocations to AWGs - Note the position on BIF projects and seek to ensure some are prioritised to allow progress.
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7	Decision Tracking
	Director of Property & Projects and Director of Finance & Resources to ensure recommendations are progressed in relation to LIF proposals.
8	Key to Abbreviations
	AWG – Area Working Groups LIF – Local Investment Fund
9	Documents Attached
	Appendix A – List of all approved in principle LIF projects Appendix B – Scoring of recommended projects