



Belfast City Council

Report to:	Strategic Policy & Resources
Subject:	Gasworks: Review of Service Charge
Date:	17 th October 2014
Reporting Officer:	Gerry Millar, Director of Property & Projects Ext 6217
Contact Officer:	Linda McNeill, Estates Surveyor, Ext 3499

1	Relevant Background Information
1.1	On 19 th September 2014, the Strategic Policy & Resources Committee gave approval that the contract for the shuttle bus service at the Gasworks should not be renewed when it expires on 30 th November 2014 but with a short extension of the contract to 31 st March 2015. At Council on 2 nd October 2014, at the request of Councillor Hargey, this decision was taken back for further consideration.

2	Key Issues
2.1	Concerns have been highlighted that there has been no consultation with the local community groups in relation to this specific proposal and that the cessation of the shuttle bus service may lead to an increase in parking congestion in the immediate vicinity.
2.2	Members will be aware that the shuttle bus is not funded by the Council and is paid for in full by the tenants of the Gasworks through the service charge. The request for removal of the service came from a number of the developer Landlords within the Estate with the aim of identifying cost saving measures for tenants.
2.3	Under the Royal Institute of Chartered Surveyors Service Charge Code of Practice, the Council are obliged to monitor and keep under review the service charge and be responsive to the needs of tenants. The Council is obliged to consider their requests and make amendments that are deemed reasonable and not to the detriment of the Estate.
2.4	However, Members will be aware that Council had previously agreed a Masterplan for the undeveloped Northern Fringe lands at the Gasworks which outlined proposals for progressing development on a site by site basis. As part

	of the redevelopment of the Northern Fringe, the Council gave an undertaking to continue to work with Members and the local community in respect of delivering community benefits in the area.
2.5	It is therefore proposed to meet with the local community organisations to discuss the wider development of the Council's remaining undeveloped land at the Northern Fringe and ensure that the local community is fully consulted in relation to any future development proposals for these lands including use and access.
2.6	The intention is to hold a number of planning sessions in a focused manner with a clear end date for an agreement on final usage. The fact that BMAP has at last been finalised now sets out some parameters for planning this area.

3	Resource Implications
3.1	<p><u>Financial</u></p> <p>The withdrawal of both of the shuttle bus and security service will reduce the service charge costs payable by the tenants at the Gasworks and will ensure that the Gasworks is competitively placed against competing business locations in the marketplace. Whilst occupation levels of buildings located within the Gasworks are fairly high, there nevertheless remain vacancies within some of the buildings.</p> <p>Landlords and lettings agents have highlighted the high services charges as having a negative impact on the ability to secure sub tenants to the vacant units. Any reduction in the service charge costs should help attract and secure tenants. This in turn will benefit the Council whose equity rent could potentially increase as a result of new tenancies being created.</p>
3.2	<p><u>Human Resources</u></p> <p>Estates & Legal Services staff resource.</p>
3.3	<p><u>Asset & Other Implications</u></p> <p>The withdrawal of the shuttle bus service should not impair the quality environment created in the Gasworks Estate.</p>

4	Recommendations
4.1	<p>Committee is recommended to approve:</p> <ul style="list-style-type: none"> (i). That the shuttle bus service at the Gasworks is not renewed when it expires on 30th November 2014 and a short extension to 31st March 2015 is agreed. (ii). That a dialogue and consultation process is now initiated with the local community in respect of the Councils undeveloped Northern Fringe lands at the Gasworks.