



<b>Subject:</b>	Physical Programme Update
<b>Date:</b>	23 June 2017
<b>Reporting Officer:</b>	Gerry Millar, Director of Finance and Resources Ronan Cregan, Deputy Chief Executive
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<b>Restricted Reports</b>	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>If Yes, when will the report become unrestricted?</b>	
<b>After Committee Decision</b>	<input type="checkbox"/>
<b>After Council Decision</b>	<input type="checkbox"/>
<b>Some time in the future</b>	<input type="checkbox"/>
<b>Never</b>	<input type="checkbox"/>

<b>Call-in</b>	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

<b>1.0</b>	<b>Purpose of Report or Summary of main Issues</b>
1.1	Members will be aware that the Council manages a substantial physical programme under a range of funding streams. The purpose of this report is to update Members on the current status of the Programme and the emerging implications for future investment decisions.
<b>2.0</b>	<b>Recommendations</b>
2.1	Members are asked to– <ul style="list-style-type: none"><li>• note the achievements under the physical programme since the <b>beginning of the Investment Programme</b> in 2012 and to note the scale of the <b>Council's current Physical Programme which covers over 300 projects worth in excess of £325m</b></li></ul>

- note that the physical programme is one of the **most important and high profile programmes delivered by the Council due to its visibility on the ground and the positive reputational impact that it has**. Given this Members have expressed a desire to continue to deliver a substantial physical programme going forward.
- **note that the capital financing budget will come under pressure of all projects currently in the programme are to be delivered and given this there is a need to review how schemes are prioritised in the context of the Council’s overall affordability limits; alignment with the strategic objectives under the Belfast Agenda and the Corporate Plan and ensure that they are fully cognisant of other assets and ongoing initiatives in an area**. To aid this it is therefore proposed that a **prioritisation and outcomes framework** to help Members make informed, evidence based physical investment decisions is developed and to help ensure that Members can invest in those projects which deliver maximum returns for the city and local areas
- **given the complexity of this area agree that a series of Party Group briefings are undertaken on the Physical Programme and the proposed prioritisation framework**

**3.0 Main report**

Key Issues

**3.1 Physical Programme – Role as an Enabler for transformational change**

In setting the context within this paper it is important for Members to appreciate from the outset that the Council’s physical programme is not simply about **the stand-alone development of new facilities or assets but that all physical projects are an enabler in their own right towards the achievement of the City’s and the Council’s wider strategic objectives under the Belfast Agenda and the Corporate Plan** (which the Committee is also considering on the agenda today).

**3.2 Physical Programme – Achievements to date and current programme**

Members will be aware that the Council runs a substantial physical programme under a range of funding streams. In addition to the delivery of our own projects the Council is becoming the delivery agent of choice for external projects across the city

Funding stream	KEY DETAILS
Capital Programme	Rolling programme of enhancing <b>existing Council assets</b> or <b>building / buying new ones</b> .
Leisure Transformation Programme	£105m in the Council’s leisure estate. 7 major redevelopments
Local Investment Fund (LIF1 & LIF2)	<b>£9million</b> fixed programme of capital investment in <b>non-council neighbourhood assets (£5m – LIF1 and £4m – LIF2)</b> . Minimum investment of £15,000 - Maximum £250,000). Over 130projects

<b>Belfast Investment Fund (BIF)</b>	<b>£28.2million</b> rolling programme of investment in <b>partnership projects</b> Minimum council investment £250,000 - 38 projects in total
<b>Planned Maintenance Programme</b>	A £6m rolling programme of ongoing maintenance on existing council assets.
<b>Non –recurrent maintenance projects</b>	<b>A fixed programme of nonrecurring projects</b> funded from the capital financing budget.

### Key achievements to date

3.3 Members will be aware of the many of the great achievements that have been delivered under the Physical Programme since the launch of the Investment Programme in February 2012 including

- Delivery of over £200m of projects including the £40m Connswater Community Greenway project, the £30m Waterfront Exhibition and Conference Centre, the £27m new corporate accommodation for staff, the £9m Innovation Factory, the £8m infrastructure at the North Foreshore, the £11m Girdwood Community Hub, more than £15m on new pitches and pavilions, over £5m on playgrounds and MUGAs; the £2m upgrades of Dunville and Woodvale Parks; the £3m Mary Peter’s Track, the £1.3m new visitor attraction in the City Hall; the Bike Share Scheme, the completion of over 60 LIF projects worth £4.3m and the recent completion of the redevelopment of Willowfield Church Halls which received £560,000 of BIF investment
- Levering in over £100m in external funding which surpassed the initial target set of £50m. The Council is continuing to look for opportunities for external funding and has recently secured HLF funding for the redevelopment of both the City Cemetery and the Templemore Baths. Other monies recently levered in includes £290k from the Department for Communities for the new pavilion at Sally Gardens, and £100k for a new sensory garden at the Blacks Road together with £2.4m from HLF for the redevelopment of Tropical Ravine
- External recognition of projects – Members are asked to note that the Girdwood Community Hub was recently awarded the RICS Northern Ireland Project of Year. The RICS awards celebrate inspirational initiatives in the land, property and construction sectors. The highly acclaimed Project of the Year title is presented to the scheme which demonstrates overall outstanding best practice and an exemplary commitment to adding value to its local area. This is a very prestigious accolade with the judges noting that *“when Belfast City Council stepped in with the ambitious cross-community hub concept, it seemed a noble but impossible idea. Yet in the two years since opening it is in full use by all communities, it has opened previously blockaded*

*streets and peace walls and created a positive ripple effect*". In addition, the Waterfront won the Commercial Project of the Year. Other awards that the Council has won for the physical programme include Councillor Initiative of the Year for the LIF programme at the NILGA Awards and the Waterfront also won an accessibility design award from the William Keown Trust

### **Current Programme**

- 3.4 The Council's current physical programme encompasses over 300 projects including -
- over 100 projects on the Capital Programme including the £4.2m redevelopment of the Tropical Ravine, the rollout of phase 4 of our alleygating programme which will see a minimum of 300 gates installed across the city and a new changing pavilion at Sally Gardens. In addition, works will commence on new pitches and pavilions at Falls Park and Cherryvale Playing Fields and a new mini 3G pitch at Clarendon and environmental upgrades at Skegoneil and Falls Park
  - the £105m Leisure Transformation Programme which will see the redevelopment of 7 leisure centres across the city with works due to commence in the summer on Andersonstown, Brook and Robinson Centre
  - 35 BIF projects which includes 12 which are at Stage 3 –Committed with the 23 projects currently being worked up
  - A £9m LIF programme –70 projects either underway or agreed in principle
  - a £6m annual rolling programme of maintenance
- 3.5 In addition, the Council is now becoming the delivery agent of choice for a number of central government departments and is currently either delivering or proposed to be the delivery agent for over 30 projects across the city under the Building Successful Communities initiative, Urban Villages or the Social Investment Fund. Delivering these type of projects, while a recognition of both the successful track record of the Council as a delivery agent for capital projects and also the uniquely placed role of the Council as a civic leader in the city also bring with them their own risks and issues and a separate paper on this is on the agenda for discussion today (*See Council's role as a delivery agent – Update paper*).

### **Physical Programme – Challenges and Implications for Members**

- 3.6 Members will appreciate that the Council's physical programme is one of the most important programmes delivered by the Council and due to the **nature of capital projects it is also one of the most visible and easily recognisable signs of the Council's civic leadership role in the city**. Moving forward the Council will face two key challenges in respect of the capital programme. These are:

<p>3.8</p> <p>3.9</p>	<ul style="list-style-type: none"> <li>• The capital financing budget will soon come under pressure if all the projects currently in the programme are to be delivered.</li> <li>• The need to ensure that Investment decisions are taken within the context of strategic alignment with the Belfast Agenda and in full consideration of what assets already exist in an area and how these are being used</li> </ul> <p>It is therefore proposed that a <b>prioritisation and outcomes framework</b> to help Members make informed, evidence based physical investment decisions is developed. It is envisaged that this will form part of the three stage approval process for physical projects will Members have previously approved and will ensure that the physical programme is aligned with the city outcomes framework and the Belfast Agenda to ensure that the maximum benefits and outcomes are achieved. <b>This will also ensure that the projects which Members choose to invest in are those which deliver the maximum benefit for the city and for local areas.</b></p> <p><b>Given the complexity of this issue and its implications for Members in terms of future decision making it is proposed that a series of Party Group briefings are undertaken on the Physical Programme and the prioritisation framework.</b> It is proposed that the briefing areas will include - City/area strategy; Use of existing assets; Affordability; Prioritisation; Whole life costs and Benefits</p>
<p>3.10</p>	<p><b><u>Financial &amp; Resource Implications</u></b></p> <p>Financial – The Council’s physical programme covers a number of funding streams as outlined in 3.2 above</p>
<p>3.11</p>	<p><b><u>Equality or Good Relations Implications</u></b></p> <p>There are no direct equality implications</p>
<p><b>4.0</b></p>	<p><b>Appendices – Documents Attached</b></p>
	<p>None</p>