



Subject:	DfC Covid-19 Recovery Revitalisation Programme Update
Date:	11 <sup>th</sup> August 2021
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<b>Restricted Reports</b>	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<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	To update Members on the progress of the DfC Covid-19 Revitalisation Programme and to seek approvals to proceed with the recommendations regarding reallocation of budget lines within the overall programme.
<b>2.0</b>	<b>Recommendations</b>
2.1	The Members of the Committee are asked to recommend that, in accordance with the Council decision of 4 <sup>th</sup> May, the Chief Executive exercise her delegated authority to: <ul style="list-style-type: none"><li>Note the updates on the DfC Revitalisation Programme projects contained within this paper and the continued importance of the use of streets and spaces to assist</li></ul>

	<p>businesses and communities as part of a wider programme of work focused on Reimagining the Public Realm.</p> <ul style="list-style-type: none"> <li>• To note the challenges and risk around delays in delivery, the request to DfC for an extension and the agreement, via a Letter of Variance process, to extend funding spend period to March 2022.</li> <li>• To note the outcome of the Castle Place Hub procurement, with project costs now exceeding the current budget allocated;</li> <li>• To note the DfI commitment to 100% funding Adelaide Street project and the proposed condition to reallocate Adelaide Street budget of £100,000 to Castle Place Hub scheme.</li> <li>• To note the £45,000 underspend of the Connectivity Scheme in Church Lane area following a procurement exercise and agree to reallocate this underspend to Castle Place Hub project.</li> <li>• To agree that any further underspends realised are utilised to meet any additional cost increases on previously agreed and committed projects.</li> <li>• To note the progress made with the E-cargo bike pilot and the appointment of a suitable operator to carry out the pilot project.</li> <li>• To note the progress of the Covid-19 Business Grant, the potential underspend and to approve the reallocation of underspend to the overall Revitalisation Programme budget.</li> <li>• To note the current position regarding the Business Cluster and Community grant scheme and the ratified decision at full Council 1 July to allocate Council monies towards the remaining applications (subject to the applications due diligence process).</li> </ul>
<b>3.0</b>	<b>Main report</b>
3.1	<p><u>Background</u></p> <p>The CG&amp;R Committee have received regular updates and provided approvals relating to the DfC Covid-19 Revitalisation Programme - a £4.039m programme funded via DfC to bring forward and deliver a range of economic, cultural and physical interventions to support businesses to trade efficiently during the Covid-19 restrictions and to maximise and create more outdoor space for businesses. To date a total of £2.250m has been spent or directly allocated to delivery partners up to the end of June 2021. The following sections provide an outline of certain works still in progress and programme challenges, with Appendix 1 Table providing a summary overview of the overall programme.</p>
3.2	<p>To date, some eight interventions/projects have been completed including marketing, branding, public safety messaging and communication activity; animation activity; revenue funding support for additional street cleansing and neighbourhood safety; and the</p>

replacement of the Belfast Bikes fleet with 450 new smart bikes. The first of the physical interventions completed and recently launched by the Lord Mayor and Department for Infrastructure Minister was the Linen Quarter parklet (see Appendix 2 photos). This new 10m parklet, located on the corner of Linenhall Street and Clarence Street, provides improved and enhanced outdoor green, social space and bike racks. This parklet is the first of a number of new place-making and outdoor spaces across the Business Improvement Districts (BIDs) areas that we are working in partnership with the BIDs, DfI and other city stakeholders to deliver.

3.3 While much progress has been made and work continues to progress at pace across a number of strands, there are however challenges and risks to achieving the current programme deadline of September 2021. A key factor in the delay in progressing with a number of projects is the dependency of Council on external factors such as the reliance on DfI Statutory approvals and /or DfI enabling works delivery timeframes. As much of the physical public realm, parklet, and streetscape type interventions are on adopted pavements and roads this requires DfI consent or have elements of enabling works that require DfI delivery of the civils works elements. Ongoing delays have also resulted in the realisation of increases in contractor/supplier costs, increased lead-in times for delivery items, and limitations in contractor availability. Officers have taken a partnership approach to delivering many of the physical measures, and therefore are reliant on partner capacity and resources to support this partnership working at a time when many partners are stretched.

3.4 Given the expected delays in delivery in a number of interventions, officers requested an extension to the DfC Contract for Funding programme completion timeframe from September 2021 to March 2022. DfC have issued notice of their agreement to extend the completion timeframe in line with this request and will issue the associated Letter of Variance in the coming weeks.

3.5 As above, we are increasingly aware of external supplier environment in terms of increase in contractor/supplier costs. We continue to proactively manage the cost estimate process as effectively as possible through project scope review and value engineer processes and also via consideration of other sources of funding (e.g. DfI, DfC), identified underspend opportunities within the Revitalisation Programme and agreed CRD Divisional budget. As outlined below there is an excess budget cost on one project (Castle Place Hub) but with underspend within another project (Church Lane) The proposed recommendations below

will also be notified to DfC and included with the information to be submitted as part of the DfC Letter of Variance process.

Project Specific updates

**Castle Place Hub**

3.6 This project involves the creation of new public realm and streetscape enhancements, including a new cycle lane and a new kiosk that offers a unique city centre kiosk located in a prime retail pitch. Planning Permission has been granted although following further engagement with local businesses, an amendment to the Planning Consent will be sought in August 2021. DfC (with Council also on the assessment panel) have completed an external exercise to seek an operator for the new kiosk with 16 applications received, with the preferred operator notified. Other statutory approvals, including Experimental Road Orders, signalling design and relocation of bus and blue badge parking are currently underway by DfI. A critical factor however in the overall delivery is DfI delivery of the civils enabling works and finalising the necessary statutory approvals. Discussions remain ongoing with DfI regarding programming these works into their works programme.

3.7 In terms of contractor appointment procurement has completed however the returned cost has exceeded the current project budget by approx. £150k. As outlined below there are proposals for reallocation of underspend from other interventions as well as the potential to lever in additional monies from other funders.

**Adelaide Street – parklet and public realm scheme**

3.8 This parklet / public realm scheme proposal has been developed in partnership with DfI and will see pavement extensions and public realm improvements along the length of Adelaide Street. Given the wider benefits of the scheme DfI have agreed to commit to 100% fund this scheme outside of the Revitalisation Programme, thereby releasing the previously allocated funding of £100,000, on the condition that the budget would be reallocated to Castle Place Hub given the Castle Place Hub budget issues (as above) and as this project contains a significant amount of DfI-related improvements to the pavements/public highway. The funding commitment from DfI for Adelaide Street scheme is currently going through Department of Finance approval process.

3.9 Subject to a satisfactory Contract for Funding offer from DfI for £100,000 for the Adelaide Street Scheme, it is being recommended that the DfC Covid-19 Revitalisation £100,000

budget is subsequently moved from Adelaide Street scheme to Castle Place Hub budget line.

#### **Connectivity Scheme in Church Lane area**

- 3.10 Following consultation with local businesses to refine the project scope, the emerging proposal will see a new lighting installation and open space enhancements via planters. The procurement process for a relevant contractor has now been completed. The reduction in the initial project proposal scope and confirmed project costs will result in a £45,000 underspend and it is being recommended that this underspend is reallocated to the Castle Place Hub project.
- 3.11 It is also worth noting that the illegal car parking and enforcement of the pedestrianised zone along Church Lane was raised as a specific issue by a number of stakeholders. Officers have been liaising with Dfl to develop measures to address this issue.
- #### **E-cargo delivery pilot**
- 3.12 This e-cargo delivery pilot aims to improve air quality, reduce kerb parking and congestion by providing a sustainable delivery options for first mile/last mile/onforwarding and only mile deliveries. As updated in the CG&R Committee Revitalisation report in May, an Expressions of Interest exercise was undertaken which subsequently informed a competitive tender process. This tender process closed on 9 July 2021. Following the assessment process, and contract discussions, a local business, StreetDock Systems Limited has been awarded the contract for the pilot which will commence operations in the Autumn.
- 3.13 This project will involve use of e-cargo delivery bikes to make urban logistics more convenient, efficient and environmentally sustainable. Seed-funding is often offered in city centres to bring forward innovative pilot schemes for breaching the issues created by the last and first mile deliveries. Previous bids for funding for sustainable solutions have been unsuccessful in the city centre, with successful bidders showing that once market viability is established the trend continues to grow. It will operate as a first, last and only mile delivery project through a hub-based approach that is scalable as demand grows. The successful operator is responsible for developing a long term and sustainable business plan, client base and operation of the e-cargo fleet. Key performance indicators have been established and will be reported on at agreed intervals to monitor the success of the project and longer-term commercial viability.

**Cathedral Gardens Active Travel Hub**

3.14 This pilot project involves the creation of new active travel physical hub on Council's Cathedral Gardens site as a meanwhile use. It will provide two key elements that will be run and operated by the successful operator following a competitive procurement competition:

1. **Active Travel Support and Advice:** Information, guidance and programming provision to encourage and support walking and cycling
2. **Bicycle and Bicycle Parking Provision:** Supporting bike accessibility and provision through a range of cost-effective products and services

3.15 A Planning Application was submitted on the 9<sup>th</sup> July in conjunction with Physical Programmes and the design team for the proposed permanent Cathedral Gardens works. Discussions remain ongoing with a number of partners including the Public Health Agency, DoJ and the University of Ulster to finalise agreements on the required revenue funding for the temporary period. Any approvals in relation to asset implications (e.g. lease/licence) will be brought to the Strategic Policy & Resources Committee.

**Covid-19 Business Grants [up to £2.5k grant]**

3.16 The Covid-19 Business Grant, with an initial budget of £800k, is now closed and fully committed through mini grants up to £2.5k per application. Following additional funding provided by DfC in January 2021 an additional £154k was allocated to this scheme. In total 494 awards were made totalling £858,165.

3.17 The closing date for businesses to claim their awards through the scheme was the 25<sup>th</sup> June. To date £790,821 of funding has been drawn down by 445 businesses who were granted awards through the process. 49 businesses have withdrawn from the scheme and officers are currently processing the remaining 13 claims. There is currently an underspend within this budget line, and it is therefore recommended to reallocate any underspend from the fund to the overall Revitalisation Programme budget to meet some of the cost escalation currently being realised in other projects. The total amount of underspend and area of reallocation will be confirmed to this Committee when outstanding claims are processed.

**Business Cluster & Community Grants [£10k - £25k capital grants]**

3.18	<p>Members will be aware of this capital grants scheme for environmental improvement proposals on arterial routes, in urban villages and local communities – proposals were sought on interventions that would support business operation and recovery; enhance physical spaces; increase civic participation and sense of ownership; and encourage people to live, work, visit and invest in local area. The scheme was originally allocated £363k from the Revitalisation Programme, with a further £300k and £95k allocated to the scheme following additional funding provided by DfC in January 2021 and from underspend in the Business Grant Scheme respectively and as agreed by this Committee. Members will also be aware that the Council received a total request for £1.34m from over 66 submitted applications. Grants were awarded on a first come basis, subject to appropriate due diligence checks, and 32 applications were approved with total committed funding of £690k.</p>
3.19	<p>As of end of June £531,160 has been provided to businesses. This represents the provision of the Integrated Design Team and the first 80% upfront payment to 27 of the successful applicants, with the remaining 20% to be paid on completion of the works and satisfactory completion of the monitoring and evaluation returns. Officers continue to work through the remaining successful applicants to secure relevant statutory approvals, however delays in securing relevant statutory approvals are anticipated and will result in an impact on delivery timelines, and subsequent funding spend beyond the initial proposed September deadline of the Funding Contract as paragraph 3.6 above.</p>
3.20	<p>Members will be aware of the oversubscription of applications to the funding allocated to this Business Cluster and Community Grants Scheme. Following Council ratification on the 1<sup>st</sup> July, the Council have committed to allocating £450,000 additional Council funding to meet the outstanding demand with an extended scheme delivery timeframe of March 2022. Officers have commenced engagement with business and organisations who previously applied, with the due diligence assessment process underway. Further updates on this next phase of application assessment will be brought back to Committee at a future date.</p>
3.21	<p><b><u>Financial &amp; Resource Implications</u></b></p> <p>Subject to a satisfactory Contract for Funding from DfI for £100,000 to fund the Adelaide Street parklet and public realm scheme, it is recommended that £100,000 initially allocated from the Adelaide St project is to be reallocated to Castle Place Hub. It is recommended the £45,000 underspend identified as part of the Connectivity Scheme in Church Lane area, to be allocated to Castle Place Hub scheme, and that any further underspends realised will be utilised to meet any additional cost increases on previously agreed and committed projects.</p>

	Any overall Programme underspend will be brought into this Committee for agreement on allocation.
<b>3.22</b>	<b><u>Equality or Good Relations Implications/Rural Needs Assessment</u></b> Impact assessment complete on overall programme and kept under review
<b>4.0</b>	<b>Appendices – Document attached</b>
	Appendix 1 – DfC Covid19 Revitalisation Programme - status overview