

Development Committee

Wednesday, 6th December, 2006

MEETING OF DEVELOPMENT COMMITTEE

Members present: Councillor P. Maskey (Deputy Chairman) (in the Chair); the High Sheriff (Councillor Humphrey); and Councillors M. Browne, Convery, Crozier, D. Dodds, Ekin, Hartley, Kelly, Kirkpatrick, Long, McGimpsey, Newton and Stoker.

In attendance: Ms. M. T. McGivern, Director of Development; Ms. S. McCay, Head of Economic Initiatives; Ms. S. Wylie, Head of Urban Development; and Mr. J. Heaney, Committee Administrator.

Apologies

Apologies for inability to attend were reported from the Chairman (Councillor McCausland) and Councillor Ní Chuilín.

Minutes

The minutes of the meetings of 26th October and 15th and 22nd November were taken as read and signed as correct. It was reported that those minutes had been adopted by the Council at its meeting on 4th December, subject to

- (i) the rejection of the decision of the 15th November under the heading "New Partners for Smart Growth Annual Conference" agreeing that the Committee be represented at the aforementioned Conference, the Council agreed that it be not represented at the Conference; and
- (ii) the amendment of the minute of 15th November under the heading "Belfast International Airport", to provide that all Members of the Council be invited to attend a special meeting to receive a presentation from representatives of the Belfast International Airport in connection with the Airport's investment programme, new facilities and additional routes.

Expression of Sympathy

The Deputy Chairman (Councillor P. Maskey), on behalf of the Committee, expressed sympathy and condolences to the Chairman (Councillor McCausland) on the recent death of his Father-in-law.

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Arts Sub-Committee

The minutes of the Arts Sub-Committee of 29th November were approved and adopted.

Economic Development Sub-Committee

The Committee approved and adopted the minutes of the meeting of the Economic Development Sub-Committee of 29th November.

Tourism and Promotion of Belfast Sub-Committee

Resolved – That the minutes of the meetings of the Tourism and Promotion of Belfast Sub-Committee of 23rd and 27th November be approved and adopted.

Support for SS Nomadic

The Committee was reminded that, at its meeting on 15th February, it had agreed to rescind its decision of 18th January allocating £100,000 towards the project to return the SS Nomadic to the City and to refurbish it to an acceptable standard. The Committee had decided instead to enter into discussions with the Department for Social Development with a view to the formation of a Charitable Trust to oversee the project and that, subject to a satisfactory outcome to those discussions, a substantial financial contribution be made to the Trust.

The Director advised the Members that the Minister with Responsibility for Social Development had announced in May the creation of the Trust which would oversee the development and the restoration of the vessel. The Trust would be made up of representatives from the public, private and voluntary sectors. In July the Department for Social Development had, at a cost of £263,000, purchased the vessel, which had been returned to the City. However, the Department had stated that it reserved the right to return the vessel to auction should insufficient progress be made within eighteen months of the establishment of the Trust which, apart from restoring, improving and enhancing the vessel, would seek also to provide a museum and or exhibition centre to promote the historic and industrial development of the Nomadic and shipbuilding in Belfast in general.

The Director advised the Committee that the Department was seeking from the Council a contribution in the sum of £250,000 towards the upkeep, restoration and improvement of the SS Nomadic. The overall estimated cost of the project was £7 million. She pointed out that, apart from £30,000 which had been promised by the Harbour Commissioners, she was unaware of any other public or private bodies which had agreed at this time to contribute towards the project.

The Committee expressed its support in principal for the initiative but suggested that it would be appropriate for a more detailed business plan for the overall project to be made available prior to the Council arriving at a final decision. The Director advised the Committee that there was no allocation currently within the Development Department's budget for any financial contribution and she suggested that the matter be referred to the Policy and Resources Committee for consideration.

After discussion, it was agreed that the matter be referred to the Policy and Resources Committee and that the Department for Social Development be requested to provide a copy of the business plan for the SS Nomadic project.

Change of Membership on the Nomadic Charitable Trust Board

The Director informed the Committee that notification had been received from the Sinn Fein Party Grouping indicating that it wished Councillor Hartley to replace Councillor P. Maskey on the membership of the Nomadic Trust Board.

The Committee approved the amendment to the membership of the Board.

European Unit Update

The Director submitted a report in respect of the work of the Department's European Unit, highlighting the activities which the Unit had organised or facilitated during September and October. She referred to the "Regenera Inward Visit", a three-day thematic visit focusing on urban development, which had attracted to the City forty delegates from twenty-five European cities. In addition, the Unit had organised the first ever "Europe Means Business" seminar in the City Hall in September which had been attended by representatives from eighty businesses throughout Northern Ireland. The purpose of the event had been to clarify European policies affecting enterprise, the dissemination of information relating to the new European Funding Programme and how Europe could assist small and medium sized enterprises. The Director then drew the Members' attention to the Connect Final Conference, at which local delegates had been given the opportunity to discuss development issues with delegates from four partner cities in Europe. She pointed out the level of publicity which these events had generated for the Council, in particular in highlighting its development work and contacts with the European Union.

Noted.

Celebrate Belfast Update

The Head of Economic Initiatives submitted a report in respect of the Celebrate Belfast Programme, an initiative which had been designed to showcase and promote the City to local and international audiences by promoting its cultural activities. She reported that since October, 2005 a number of key initiatives had been assisted as part of the Programme. She reported further that, in addition to the funding which had been made available by the Council, financial support had been provided also from the Millennium Commission, under the Urban Cultural Programme, and from the Arts Council of Northern Ireland, through its Art of Regeneration scheme.

She drew the Committee's attention to the Community Festival Fund, whereby applications which had been received by the Council were assessed against a set of pre-agreed criteria, prior to them being forwarded to the Arts Council of Northern Ireland, the organisation which would provide the funding. A list of applications, together with the assessments made thereon including three options for the distribution of funds had been circulated to the Members.

After discussion, the Committee agreed that the applications in respect of the Community Festival Fund, together with the corresponding assessments and funding options be forwarded to the Arts Council of Northern Ireland. The Committee agreed further that a special meeting, to receive a presentation in respect of the results of the Celebrate Belfast Programme, be held in due course.

Newtownards Road 2012

The Committee agreed that the Director of Development be authorised to participate on the Newtownards Road 2012 Project Management Board which would be overseeing a key regeneration project for the east of the City.

Belfast Metropolitan Area Plan

(Mr. J. Walsh, Principal Solicitor, attended in connection with this item.)

The Committee considered the undernoted report in respect of the Department of the Environment's decision to hold a public inquiry for the purposes of considering objections to the Draft Belfast Metropolitan Area Plan:

"Relevant Background Information"

The Planning Appeals Commission (PAC) propose to commence on 16th April 2007, the Draft BMAP Public Local Inquiry, for the purpose of considering objections to the Draft Plan including Plan Amendment No.1.

The First Pre-Inquiry meeting took place on Tuesday the 14th November 2006. The purpose of the meeting was to explain the process between now and the inquiry; outline procedures to be followed at the inquiry; and to outline a broad inquiry programme.

The PAC stated that there will be a two stage inquiry process: Stage 1 – Strategic and General Objections; and Stage 2 – Site specific objections.

An objection can be pursued by the following methods:

- **rely on original letter**
- **make a further written statement but take no part in the inquiry**
- **make a further written statement and present case at the inquiry**

The objectors will be required to submit any written statements to the PAC by 5pm on the 14th February 2007. The exchange of statements between the objectors and Planning Service will then take place on 21st February 2007. Formal rebuttal statements from Planning Service will only be provided for the written submissions to a deadline of the 30th March 2007 with subsequent exchange taking place on the 13th April 2007.

Key Issues

Public Inquiry Procedure Issues

A number of issues or concerns have been identified in relation to the process:

- The limitation of written submissions to 1500 words. Whilst it is accepted that the submissions should be concise, this limit is considered to be overly restrictive particularly for more complex issues where the Council would seek to present the case in detail;
- The PAC also proposes a simultaneous exchange of written evidence which removes the opportunity for the objectors to focus their position on the Departments response; and
- Rebuttal statements will only be provided for evidence submitted by objectors who are not participating at the inquiry.

The Council is currently taking legal advice as to the most appropriate means of addressing these concerns with the Planning Appeals Commission and Planning Service.

External support

As agreed that the November Committee, the Council will provide written submissions in respect of a number of objections and will also be represented at the enquiry in relation to those particularly key issues both at the strategic and site specific stages. As previously agreed this will require specialist support from Consultants in relation to a number of issues arising at the strategic and sites specific level. In the first instance internal resources, from across the Departments, will continue to be utilised to develop the Council's case as a means of minimising costs and ensuring continuity. However, to support Council staff specialist assistance will be required in relation to the range of issues outlined in the previous report.

This external assistance will involve support from five consultants (in addition to the work already commissioned in respect of Cemeteries). The development and refinement of the Council position in advance of the Inquiry is necessary to ensure the effectiveness of participation is maximised for the different issues or themes covering housing, transport, waste, and retail/commercial.

The resources required to supplement the development of work being carried out internally has been estimated at £70,000 for this important pre inquiry phase. It should also be noted that additional costs are likely to arise in relation to any necessity for the appearances of Consultants as specialist witnesses at the formal Inquiry process – this will be the subject of a further report to Committee.

The other significant cost in respect of the inquiry participation will relate to the formal Legal Representation from Counsel. Whilst there will be limited costs during the pre-inquiry phase, in the current financial year, there will be significant cost implications for the 2007-8. The estimates for the 2007/8 financial year have included initial provisions for £95,000 to meet these requirements. It should, however, be noted that the precise financial cost will be dependant on the work during the pre-inquiry phase and the full assessment of the implications arising from the PAC announcement. It is proposed that this matter will also be brought back to the Committee for further consideration as the process develops.

Resource Implications

Financial

The costs of commissioning specialist support and legal counsel to assist in the Public Inquiry process, as provided for in the current estimates.

Recommendations

Members are asked to:

- To approve the proposed budget provisions in relation to the provision of specialist support (£70,000) and legal representation (£95,000) to ensure the effective participation by the Council in the Belfast Metropolitan Area Plan Public Inquiry.”

The Principal Solicitor drew the Members' attention to the concerns which had been highlighted within the report and which had been identified also by another Local Authority in relation to the procedures under which the inquiry would be held. Indeed, the other authority was actively considering seeking a Judicial Review in relation to the matter. The Principal Solicitor indicated that he had written to the Planning Appeals Commission outlining the Council's concerns in respect of the Inquiry's procedures. He advised the Members further that legal opinion had been sought in the matter and he requested the Committee's approval, should it be deemed necessary, to instigate, before the holding of the next scheduled meeting of the Committee, proceedings in relation to the seeking of a Judicial Review.

After prolonged discussion in relation to the level of representation required by the Council at the inquiry, the Committee adopted the recommendations contained within the report and granted the authority sought by the Principal Solicitor in connection with the possible instigation of a Judicial Review.

Titanic Quarter

Arising from discussions in the above matter, the Director advised the Committee that correspondence had been received earlier that day from the Department of the Environment, Planning Service, which had contained a copy of the Department's Masterplan for the Titanic Quarter and seeking a Council response thereon, by 15th December. She pointed out that the deadline for the response would preclude the matter being considered by the Committee and, accordingly, she suggested that the officers within the Development Department provide a response which would reflect the Council's current position in regard to the masterplanning process at the Titanic Quarter.

The Committee expressed its concern at the method by which the Planning Service had sought to consult with the Council in regard to the masterplanning process and, in particular, the inappropriate timescale allowed for consideration of such an important issue to the City. The Director was requested to provide clarification in regard to the response which the officers would be making to the Planning Service.

The Director indicated that the response would outline the Council's current position on issues relating to housing mix and tenure, transport, accessibility, the provision of an appropriate mix of retail and commercial facilities, open space and general design. The response would state clearly that the Council was not content with the actions of the Planning Service in regard to the period of time allowed for consultation.

After discussion, the Committee authorised the Director to respond to the Planning Service as outlined above and instructed that the Council's dissatisfaction with the timescale allowed for consultation be intimated in the strongest possible terms.

Award of the Tender for Provision of Courier Services

The Director informed the Committee that individual Council departments sourced courier services on an ad hoc basis, as a result of which those services were provided by various companies. Accordingly, as part of the Council's drive for efficiency, it was considered appropriate that a corporate tender for the provision of courier services be prepared.

As a result of public advertisement, two tenders had been received and evaluated against a set of pre-agreed criteria. She recommended the acceptance of the most economically advantageous tender, that submitted by Data Dispatch, Unit 33 Westlink Enterprise Park, Distillery Street, Belfast. The tender had been based on a schedule of rates and the contract period to be 1 year with an option to renew annually for a further 3 years.

The Committee adopted the recommendation.

Smithfield Market

The Head of Economic Initiatives informed the Committee that the Smithfield Market building had not be redecorated for approximately 12 years and as a result the appearance of the building had deteriorated considerably. She drew the Committee's attention to the recent ministerial decision to progress with the regeneration of the North East Quarter of the City, in advance of the North West Quarter, which would result in the future of market building not being considered until 2011 at the earliest.

She reminded the Committee that, as part of its City Centre regeneration strategy, the Council had placed great emphasis on independent retailing and Smithfield Market would, over the next 5 years, have a significant role to play in this regard within the North West Quarter of the City.

The Committee was informed that officers from the Department had consulted with market tenants in relation to improvements at the market and the tenants had agreed that the internal and external fabric of the building required redecoration, together with improvements to the internal and the external lighting. The estimated cost of such work would be approximately £60,000, provision for which had been made within the Department's budgets. The Head of Economic Initiatives sought the Committee's authority to commence a tendering exercise for this work

After discussion, the Committee granted the authority sought.

Conway Mill

The Committee considered the undernoted report in respect of the provision of funding to Conway Mill:

“Relevant Background Information

Members will be aware a number of key infrastructure sites were identified for development in the City as part of the Council's local Economic Development Plan. The project selected for West Belfast was the Conway Mill. The project plans to redevelop the two Mill Buildings on the site. One of the Mill Blocks will be developed for Creative Industries and the other for Enterprise and Education. A full funding package has been identified and the overall cost of the project is £4,333,284. At present it is being funded by the following organisations:

- DSD – Belfast Regeneration Office
- Heritage Lottery Fund
- Integrated Development Fund
- International Fund for Ireland
- DETI – Peace II
- NI Arts Council
- Conway Mill
- Belfast City Council (part funded by ERDF)

Belfast City Council's overall commitment to the project is £200,000.

Key Issues

On 31 October DSD convened a meeting of the key funders of the Conway Mill Project to discuss and agree a way forward with regard to the project's development. At this meeting discussion centred around the viability of developing the project as two distinctive elements i.e. the Creative Industries Block and the Enterprise and Education Block. Council had agreed to fund the former and the DETI the latter.

The IFI, which is providing potentially over £800,000 to the project have now indicated that they are not entirely comfortable with this proposal and have concluded that to treat the development as two separate projects rather than one large one, may jeopardise their entire contribution.

If this is developed as a single project then it will jeopardise the Council's contribution, as DETI has advised that as this commitment is match-funded by ERDF monies, Article 28 (I) of EC Regulations 1260/99 does not permit ERDF funding to support the same project i.e BCC/ERDF and DETI/Peace II.

In a bid to resolve the situation DETI has advised that the funder providing the least amount of EU funding, i.e. Belfast City Council, agree to withdraw funding from the project.

DETI have confirmed that this action would not jeopardise the project and would safeguard it from potential EC criticism in the future.

DETI has further encouraged that the £200,000 can be freed up for use on the other local economic development activity in the Belfast City Council area, to be spent by 30 June 2007.

Given the very tight timescales it is recommended that these monies would be reallocated to the existing North Fore Shore Project.

Resource Implications

Financial

Potential for £200,000 reallocation

Human Resources

Managed by Economic Development Unit

Recommendations

1. To note contents of the report
2. To reallocate the £200,000 to the North Fore Shore Project.

Key to Abbreviations

DSD – Department of Social Development
DETI – Department of Enterprise Trade and Industry
ERDF – European Regional Development Fund
IFI – International Fund for Ireland”

In response to several questions, the Director advised the Committee that should the Council agree to withdraw its funding from the project, money would be made available from other sources and that the Conway Mill project would receive the same level of support as had been proposed originally. In addition, the Committee was advised that, as the £200,000 had been provided from European Union funding, it had to be used on other local economic development activities within the Council area prior to 30th June, 2007. Accordingly, the Director suggested that the Committee might wish to consider the reallocation of these monies to the North Foreshore projects or to another local economic development project, should one be identified as suitable within the available time.

The Committee agreed that the funding of £200,000 be reallocated to the North Foreshore project, or to another local economic development programme should one be identified as suitable prior to the 30th June, 2007.

Chairman