

Strategic Policy and Resources Committee

Friday, 10th December, 2010

MEETING OF STRATEGIC POLICY AND RESOURCES COMMITTEE

Members present: Councillor Crozier (Chairman); ; and
Councillors Rodgers, Adamson, Attwood, Austin,
Browne, Browne, Campbell, Garrett, Hartley, Hendron,
Kelly, Lavery, McCarthy, McVeigh, Robinson and Stoker

In attendance: Mr. P. McNaney, Chief Executive;
Mr. G. Millar, Director of Property and Projects;
Mr. C. Quigley, Town Solicitor;
Mrs. J. Thompson, Director of Finance and Resources;
Mr. S. McCrory, Democratic Services Manager; and
Mr. J. Hanna, Senior Democratic Services Officer.

Routine Matters

Apologies

Apologies for inability to attend were reported from Councillors Newton and Rodway.

Minutes

The minutes of the meeting of 19th 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 1st December, subject to the omission of the minutes under the headings:

- (i) "Exhibition in the City Hall" which, at the request of Councillor Hendron, had been taken back to the Committee for further consideration; and
- (ii) "Revenue Estimates 2011/12" which, at the request of Councillor Newton, had been taken back to the Committee for further consideration.

Exhibition in the City Hall

The Committee considered further the minute of the meeting of 19th November, a copy of which is set out hereunder:

"In considering the minutes of the meeting of the Memorabilia Working Group of 28th October, a Member drew the Committee's attention to the decision to stage the Reflections on Internment exhibition in the City Hall. An extract of the minutes in this regard is set out hereunder:

'3.0 REQUEST TO STAGE EXHIBITION from the FAMILIES of the VICTIMS of the BALLYMURPHY MASSACRE

- 3.1 The Good Relations Manager referred to a report, copies of which had previously been circulated, reminding the Group that at the last meeting on 9 September, a letter had been tabled from the families of the victims of the Ballymurphy massacre, requesting an opportunity to stage a photographic exhibition entitled Reflections in the City Hall in August/September 2011 as part of their 40 year anniversary. Copies of images and text used in the exhibition were also tabled.***
- 3.2 The exhibition consists of 12 boards, one for each person that was killed and one panel that set the scene regarding the lead up to the events in August 1971. The exhibition is made up of a group of 11 photographs taken by local photographer Jonathan Porter. The individuals who were killed were all civilians and included a Catholic priest and a mother of eight children; a total of 51 children were left without a parent as a result of the events.***
- 3.3 The Good Relations Manager reminded the Working Group that the families of the victims continue to seek an acknowledgement from the British Government that those killed were innocent of any wrongdoing. The Ballymurphy group had recently met with the Secretary of State and has requested the Attorney General to order a fresh inquest into the deaths.***
- 3.4 A Good Relations Officer met with representatives of the Ballymurphy group who wish their campaign to be given greater prominence within the City. Members noted that the exhibition has already been exhibited twice in Stormont and in Whiterock Library, West Belfast Festival (for several years), the Ulster Museum, the Grand Opera House and in Dublin. A letter of support for the exhibition from Alan McBride, the Co-ordinator of the WAVE Trauma Group, was tabled. He stated that he thought that the exhibition would reinforce the view that the City Hall was a welcoming place for all the citizens of Belfast.***

- 3.5 A Member stated that although he had no problem with the exhibition and had every sympathy with the families, he had concerns around the accompanying text and could not support the staging of the exhibition in the City Hall for that reason. A Member noted that the letter from Alan McBride illustrated how the dynamic had changed within the victims sector and he felt that the City Hall should be open to all these groups.**
- 3.6 The Good Relations Manager suggested that a film from the WAVE trauma centre 'Unheard Voices' could be screened for one evening during the time of the Ballymurphy exhibition. This film was made up of a collection of 6 powerful short stories of those who have lost someone as a result of the NI conflict, presenting poignant reflections on a range of experiences. The Working Group agreed that Good Relations staff should contact the Ballymurphy group before the next Strategic Policy & Resources Committee meeting to check if they would be happy to agree to this, since they might not wish their exhibition to be diluted.**
- 3.7 The Working Group also agreed that other victims groups should be made aware that the space in the City Hall was available for similar exhibitions. It might be possible at some stage in the future to hold a broader exhibition on victims/violence in the City.**
- 3.8 After discussion, the Working Group voted by 3 votes to 1 to recommend to the Strategic Policy & Resources Committee that the request from the Ballymurphy Group should be approved.'**

The Good Relations Manager tabled for the information of the Members a copy of the material which it was proposed would be displayed and the criteria approved by the Committee for exhibitions in the City Hall.

After a lengthy discussion, it was

*Moved by Councillor Hartley,
Seconded by Councillor Attwood,*

That the Committee agrees to accede to the recommendation of the Working Group that the request from the Ballymurphy Group to stage the Reflections on Internment exhibition in the City Hall be approved and that representatives of the Group be requested to meet with those Party Groups who so wished prior to the meeting of the Council on 1st December.

Amendment

*Moved by Councillor Hendron,
Seconded by Councillor Robinson,*

That the Committee agrees to defer consideration of the request to stage the exhibition to enable discussions to be held with representatives of the Group.

On a vote by show of hands six Members voted for the amendment and eight against and it was accordingly declared lost.

The original proposal standing in the name of Councillor Hartley and seconded by Councillor Attwood was thereupon put to the meeting when nine Members voted for and five against and it was accordingly declared carried.”

After discussion, it was

Moved by Councillor Hartley,
Seconded by Councillor Attwood,

That the Committee agrees to accede to the request from the Ballymurphy Group to stage the Reflections on Internment Exhibition in the City Hall.

On a vote by show of hands eight Members voted for the proposal and six against and it was accordingly declared carried.

Revenue Estimates 2011/12

The Committee considered further the minute of the meeting of 19th November. A copy of the minute in that regard is set out hereunder:

“The Director of Finance and Resources submitted for the Committee’s consideration the undernoted report:

‘Relevant Background Information

- 1.1 An update on the revenue estimates for 2011/12 was presented to the Strategic Policy and Resources Committee at its meeting on 22 October 2010. As advised within that report, the rates bill received by ratepayers contains two principal elements – the district rate received by local Councils and the regional rate which is set and received by the Northern Ireland Executive.**

- 1.2 *For information, over the last ten years, the district rate increases have ranged from 2.83% to 7.81%, with an average increase of 5.6%. It is important to note that the setting of the rate for 2011/12 reflects two unique circumstances:*
- (a) *the recession means that the rates base is no longer growing. This represents a significant risk for the future finances of the Council, given that the district rate provides approximately 74% of the total funding for the Council's activities; and*
 - (b) *on the positive side, there is a one off opportunity to reallocate money that was needed in 2010/11 to boost reserves.*
- 1.3 *The October report to the Strategic Policy and Resources Committee on rates setting presented information on three scenarios, as requested by Members – 0%, 1% and 2.5% increases in the rates. This was a preliminary assessment of the overall position and there were a range of internal and external variables which were still uncertain at that stage. In addition, at the October meeting, Members agreed to action a number of proposals which would utilise some £1.1m of the 2010/11 underspend. These proposals will produce savings of some £700k for 2011/12 which now need to be factored into the rates setting process.*
- 1.4 *This report provides an update on our assessment of the revenue estimates for 2011/12, reflecting our current analysis of both the internal position and the external variables and providing more information on what can be achieved within the various scenarios.*

Key Issues

- 2.0 *Updated analysis of zero growth in rates*
- 2.1 *The scenario for zero growth in the rates has been updated from the October position to reflect:*
- (a) *the £700k savings arising from implementation of the agreed proposals for the use of the 2010/11 underspend; and*

- (b) *the current indication of the industrial derating grant for 2011/12 from DOE which is a reduction of £210k from the 2010/11 budget.*

Revenue Estimates 2011/2012

Table 1

	2011/12 increase £m	% increase
Department Estimates	1.5	1.3
City Investment Strategy	0.0	0.0
Capital Programme	1.4	19.1
Waste Plan	1.3	106.3
De-rating Grant decrease	0.2	4.8
Rate Increase before Reserves	4.4	3.6
Movement in reserves	-4.5	-100
District Rate Decrease	-0.1	-0.07

2.2 Departmental Estimates – This is the money required by departments to deliver services and typically covers expenditure on headings such as salaries, supplies and services. Based on current estimates, this scenario would mean that net expenditure is budgeted to rise by £1.5m which equates to some 1.3% of an increase from 2010/11. Given that inflation has been estimated at 3.1%, this represents a real terms cut of some 1.8%, in line with that faced by the Northern Ireland Executive. The key drivers for the departmental estimates increases include costs which the council has limited control over such as:

- **Payroll costs – increases in pension contributions and assumptions on nationally agreed pay rises for employees earning less than £21,000 and staff increments**
- **Increase in landfill tax**
- **Loss of external income in areas such as building control**
- **Inflationary pressures**

In order to minimise the impact of these cost pressures, some £2.9m of cash savings have been identified and deducted from budgets for 2011/12, as part of the efficiency programme. This has been achieved without any cut in front line services. This will mean that the Council will achieve savings of some £12m since 2006/07. These are set out below in Table 2 and explained in more detail in Appendix 1.

Table 2

Efficiency Split	Target	Actual
	£'000	£'000
<i>Assets / Land</i>	200	294
<i>Budgetary Challenge</i>	388	769
<i>ICT</i>	195	98
<i>Income Generation</i>	122	245
<i>Procurement</i>	357	320
<i>Service Review</i>	440	522
<i>Use of Underspend</i>		700
Total	1,702	2,948

- 2.3** *Capital Programme - Most of the capital programme is currently financed through loans and therefore the rates set need to cover the cost of borrowing to the council. This scenario provides the additional £700k needed to finance existing ongoing schemes in 2011/12 and to finance the Mercury Abatement at the Crematorium and developments at Dunville and Woodvale Park. It will also provide £700k for the financing of some £4.85m of additional capital investment, which is explained more fully in section 4 below.*
- 2.4** *City Investment Strategy – This scenario assumes no growth from the £3m per annum currently invested in the City Investment Strategy. This fund has been put in place to support major iconic projects and help lever in additional money into the city. This fund is currently supporting the Titanic Signature Project, the MAC, the Lyric and the Connswater Greenway.*
- 2.5** *Waste Plan – The costs of managing waste continue to rise. Indeed, it is estimated that costs to Belfast City Council will be some £5m higher in 2014/15 compared to 2010/11. The council needs to prepare financially for this increase in order to avoid a one off hike in the rates in 2014/15. The zero growth rates scenario therefore assumes a stepped increase of some £1.3m to help meet this financial commitment in 2014/15, building on the £1.2m set aside in 2010/11. This money will primarily be directed to actions which enhance recycling, thus reducing the amount of waste for landfill and assisting the Council to meet its landfill diversion targets.*

- 2.6 *Industrial De – Rating Grant – The Council currently receives a grant from the DOE to cover those properties affected by the policy on industrial de-rating. Following a review by LPS, the number of properties which attract this grant has fallen, predominantly due to the increase in vacant properties. Our latest information is that the grant from the DOE will reduce by some £210k in 2011/12, but there is a risk that this may be further adjusted during 2011/12, if the level of industrial vacant properties continues to rise.*
- 2.7 *Reserves – Members will recall that a significant element of the rate increase in 2010/11 was attributable to the need to increase reserves to an acceptable level. Given that approach and the 2010/11 underspend, this zero growth scenario assumes that there does not need to be a contribution from the rates to reserves in 2011/12.*
- 3.0 **Key Risks/External Variables**
- 3.1 *There are a number of external variables which have been previously highlighted and which represent risks to the scenarios outlined above.*
- (a) *Clarity on EPP – the estimated penny product (EPP) is provided by LPS to the Council as an estimate of what the rates will yield in income for the Council in 2011/12. As the Council is dependent on the district rate for some 74% of its income, this figure can make a significant difference to the rates that the council needs to set in order to cover its planned expenditure.*

We have been engaging with LPS on both the EPP for 2011/12 and the updated rates assessment (APP) for 2010/11. The separate report on the Financial Position – Quarter 2, 2010/11 outlines that the LPS has advised that the estimated rates income for 2010/11 will be some £0.6m less than planned. This is a matter of concern both for 2010/11 and future years, as the economic downturn leads to more vacant properties, appeals and bad debts. These rates scenarios are based on a ‘flat’ EPP rather than the traditional growth scenario of previous years.

Members will need to consider the need for sound financial planning and the risks to the rates base in setting the level of the rates for 2011/12.

- (b) Effects of cuts in government funding – the implications of the Spending Review on the Council for 2011/12 are not known at this stage but at present the Council receives around £4m in government funding to support various activities such as community relations and community safety. It is unlikely that we will know how any cuts will impact on the Council by the time the rates need to be set. Members will therefore need to consider the potential risks to the Council finances from cuts to central government funding in setting the level of the rates for 2011/12.*
- (c) Level of the Regional Rate – At this stage the increase in the regional rate is unknown but it is likely that it will be at least in line with inflation. Members are reminded that the regional rate accounts for 55% of the rates bill and that inflation has been estimated at some 3.1%.*

4.0 Investment Implications of Scenarios

4.1 *Members had asked for a number of scenarios to be considered. This report sets out the implications of the three previously identified scenarios and an additional 2% scenario to assist Members discussions. Each scenario builds on from the zero growth scenario set out in section 2 above. With scenarios of 1%, 2% and 2.5%, further sums would be available for investment in either capital or revenue projects.*

4.2 *At the Members workshop in September there were strong views about the importance of investment in the City. The key arguments were in terms of delivering for the citizen to show value for their rates contribution and support for the beleaguered construction sector, as well as enhancing the economic multiplier effect. The current tendering environment is also favourable, at the moment, given the difficulties in the construction sector. These are set out in Table 3 below.*

Table 3

Scenario	Average Cost to Ratepayer Per Annum	Additional Revenue Investment	Additional Capital Finance (Table 4)	Additional Capital Investment (Table 4)	Additional Total investment (revenue and capital)
0%	-£0.23	0	£0.7m	£4.85m	£0.7m
1%	£3.34	£1m	£1.2m	£8.0m	£2.2m
2%	£6.79	£1m	£2.5m	£15.0m	£3.5m
2.5%	£8.40	£1m	£3.2m	£20.5m	£4.2m

A. Capital Investment

4.3 *The Council has delivered several beneficial projects over the past few years and has just let a significant contract for the Connswater Community Greenway. Table 4 gives some examples as to the level and type of capital investment that could be considered, depending on the particular rates level agreed by Members.*

Table 4

Project Title	Gross Project Cost	Financing Cost – Rates Impact	Gross Project Cost	Financing Cost – Rates Impact	Gross Project Cost	Financing Cost – Rates Impact	Gross Project Cost	Financing Cost – Rates Impact
Rate increase	0%		1%		2%		2.5%	
Pitches Various Locations			£3.0m		£10.0m		£10.0m	
Alleygates	£0.85m		£1.0m		£1.0m		£1.0m	
Mary Peters Track 2013	£3.0m		£3.0m		£3.0m		£3.0m	
Other Schemes	£1.0m		£1.0m		£1.0m		£6.50m	
	£4.85m	£0.70m	£8.0m	£1.23m	£15m	£2.5m	£20.5m	£3.22m

4.4 *The above table provides examples of what could be achieved under the various scenarios. Members will need to agree the level of the rates and the actual schemes which will be financed under that scenario. The particular schemes used as an example were chosen for the following reasons:*

- *they are commitments by Council*
- *they are the most straightforward schemes in terms of deliverability as they do not depend on other funding or other people's land*

- *they will have short run economic benefits in terms of construction jobs*
- *they will have long run benefits in terms of improving the quality of service, providing new facilities and provide a positive impact upon equality, social inclusion and good relations*
- *in some instances they will assist in leveraging further resources.*

4.5 *Specifically the Pitches and Changing Accommodation Strategy is a £30m plan to enhance provision right across the City with two thirds of provision via use of school playing fields and support from DCAL and Sport NI. The Council's £10m will address our provision and create new pitches, bring existing pitches up to standard and enhance or produce new changing accommodation and helps our leverage of others resources. The outcomes include:*

- *better facilities*
- *healthy active lifestyle opportunities*
- *diversionary activity from anti-social behaviour*
- *greater social inclusion of young people and positive cross community impacts.*

4.6 *Alleygates are a popular tool to address peoples concerns regarding safety and security and have major benefits in upgrading and maintaining clean, green environments.*

4.7 *The Mary Peters track is a clearly stated objective of the Council and has obvious long run sporting benefits. More immediate bonuses exist in terms of the World Police and Fire Games 2013 and the Glasgow based Commonwealth Games of 2014 which if properly harnessed have substantial tourism and economic benefits for the City.*

4.8 *Other schemes relate to various proposals in the existing Capital Programme which are neither too expensive or too dependent on external funding a full list of current uncommitted capital schemes has been circulated.*

B. *Additional Revenue Investment*

4.9 *Within the October revenue estimates report, there was a proposal to pilot new and innovative approaches to integrated service delivery at a neighbourhood level.*

4.10 *An additional £1.0m of revenue would secure a £250k budget for the four city areas. This would facilitate a member led process to allocate resources at a local level and to prioritise local actions. This process could be supported by information from the SRFs, the Public Consultation Survey and the My City My Neighbourhood programme. The next stage of the My City My Neighbourhood programme is a member led local engagement programme. A report on the My City My Neighbourhood programme is a separate item on the Committee agenda.*

4.11 *Examples of what the area budgets could be spent on include:*

- *Additional arterial routes support*
- *Health awareness programmes which would tackle issues like suicide and mental ill-health*
- *Safer neighbourhood programmes*
- *Improved small scale tourism initiatives*
- *Increase in youth activities*
- *Support to local traders, to animate local activity*

4.12 *It is proposed in the separate Committee report on the Financial Position – Quarter 2, 2010/11 to invest £100k in a pilot of this initiative in 2010/11, based on a number of guiding principles. If agreed, learning from this pilot could help inform the future development of integrated service delivery at a local level (if this is affordable within the recommended rates scenario).*

5.0 *Implications of the Scenarios for Ratepayers*

5.1 *The following tables summarise the potential rate options and their impact on the rate payer.*

Table 5

<i>District Rate Increase</i>	<i>District Rate Impact on Domestic Ratepayer Per Annum</i>	<i>District Rate Impact on Domestic Ratepayer Per Week</i>
0%	-£0.23	£0.004
1%	£3.34	£0.064
2%	£6.79	£0.131
2.5%	£8.40	£0.162

Table 6
Average District Rates Bills based upon scenarios of -0.07%, 1%, 2% and 2.5%

PROPERTY	Ave Capital Value /NAV	District Rate 2011/12			
		-0.07%	1.00%	2.00%	2.50%
Domestic Properties	£	£			
Terrace House	86,425	-0.17	2.51	5.10	6.31
3-Bed Semi-Detached House	132,173	-0.26	3.83	7.80	9.65
4-Bed Detached House	293,843	-0.59	8.52	17.34	21.45
Apartment	83,379	-0.17	2.42	4.92	6.09
Average Capital Value	115,000	-0.23	3.34	6.79	8.4
Non-Domestic Properties					
Office Property	12,728	-2.28	32.56	65.13	81.41
Retail Property	10,247	-1.83	26.21	52.43	65.54

6.0 Summary

Members are asked to consider the information above and recommend a district rate for Belfast City Council which recognises the economic recession and the challenges and risks it presents, can demonstrate value for money to the ratepayer, represents sound financial planning and delivers Members' ambitions for improved services for the citizens of Belfast.

Resource Implications

A range of rates scenarios have been presented – 0%, 1%, 2% and 2.5%

Recommendations

Members are asked to:

- (a) *note this most up to date assessment of the revenue estimates for 2011/12 and the risks highlighted;*
- (b) *note that further engagement is planned with Members on the corporate plan and departmental plans which are proposed to be delivered with the resources available;*
- (c) *recommend a level for the rates for 2011/12;*
- (d) *agree that Members briefings should take place to prioritise and agree the capital projects which are affordable within the recommended rates scenario; and*

- (e) *note that key messages will be developed to assist Members based on the recommended rates scenario.'*

After discussion, the Committee noted the information which had been provided and agreed that:

- (i) *Party Group briefings should be held in order to prioritise and agree the capital projects which would be affordable within the recommended rates scenarios; and*
- (ii) *that the question of the recommended rates increase be deferred and that it be considered by the Council at its meeting on 1st December."*

After discussion, the Committee agreed to defer consideration of the matter to enable a meeting of the Budget and Transformation Panel to be held before the next meeting of the Council to ascertain whether a consensus on the recommended rates increase could be achieved.

The Committee agreed also that the Corporate Planning Workshop scheduled to be held on 15th December be postponed until January.

Finance

Land and Property Services/Rates Issues

The Director of Finance and Resources submitted for the Committee's consideration the undernoted report:

"Relevant Background Information

The purpose of this report is to:

- **inform Members about the notification of the estimated penny product (EPP) from Land and Property Services (LPS) for 2011/12;**
- **update Members on the work being done by officers in relation to the implementation of the Memorandum of Understanding with LPS; and**
- **the Committee at its meeting in October agreed that a series of meetings be arranged with relevant Ministers, for a cross party delegation. The meeting with Minister Wilson is scheduled for 20 December and this report highlights the key issues which are impacting on the rates income within the city and which are proposed to be raised with the LPS and the Minister for the Department of Finance and Personnel.**

Key Issues

A. Notification of the estimated penny product (EPP) from Land and Property Services (LPS) for 2011/12

1. The rate base is the value of all the properties in Belfast. It is of great significance to the council because the income from the rates provides 74% of the council's overall funding. The level of rates the council can expect to raise for the coming year is advised to the council by LPS and is known as the estimated penny product (EPP). We have now received the EPP for 2011/12 and it shows zero growth. This means that the council can expect the rate base to yield the same level of rates for 2011/12 as was estimated for 2010/11.
2. Members should note that the figures provided in the rates scenarios at the October and November SP&R meetings (and the report later on this agenda) were based on a zero growth assumption. This means the figures in the scenarios will not change with the notification of the EPP. However, this zero growth assumption masks significant issues of concern which are set out later in this paper.

B. Update on implementation of Memorandum of Understanding (MOU)

3. The council already has in place an MOU with LPS. The purpose of the MOU is to enable Members to better hold LPS to account for its performance and to agree the key improvement actions which should be prioritised for the year.
4. Council officers have been working with LPS and the Institute of Revenue Rating and Valuation (IRRV) – the leading experts in this field – to agree a suite of performance indicators which cover the key areas of LPS activity. The IRRV have also put in place a framework of benchmark information which will allow Members to compare LPS performance with local authorities in Great Britain.
5. Members have previously raised concerns about increasing the level of advice available to ratepayers on rates reliefs. Therefore one of the key areas of work with LPS during the year has been the development of a programme of work to make the best use of council community and advice based resources to increase the uptake in the range of rate reliefs available to ratepayers.

6. It is anticipated that the first report on the performance of LPS and an update on the advice work on rates relief will be presented to the Strategic Policy and Resources Committee in February 2011.

C. Rates Issues and LPS improvement

7. Given the zero growth notification for our EPP for 2011/12, it is very important that the council continues to work very closely with LPS to ensure that the collectable rate is maximised. In other words, we need to be clear that the appropriate actions are being taken by LPS to ensure the amount of rates collected during 2011/12 will at least match the estimate provided in the EPP.

8. There are three main ways that the LPS can ensure that the collectable rate is maximised. These are:

Maximise the amount of rates to be collected.

Maximise the amount of rates actually collected.

Minimise the amount of losses on collection – vacant rating.

Minimise the amount of losses on collection – non domestic vacant rating exclusions

Maximise the amount of rates to be collected

9. The main way that LPS can maximise the amount of rates to be collected is to ensure that every property which is liable to pay rates is issued with a rates bill in a timely manner for the right amount. Reasons for a bill not being issued include being unable to identify the occupier or the specific date of occupation. Obviously, if no bill is raised then the council will not receive the income to which it is entitled.

Maximise the amount of rates actually collected

10. Members will be aware of the continuing press coverage about the level of rates arrears. The level of arrears for the city (including district and regional rate) as at 30 September 2010 is £42m compared to £53m for the same time last year. The arrears affect the council when LPS decides that arrears will not be recovered and the debt is written off. For 2010/11, the Belfast EPP allowed for £3.3m of write-offs and this will increase to £5.9m for 2011/12.

Minimise the losses on collection – vacant rating

11. The main way that the council suffers losses in rate income is through vacant properties. In 2010/11 the EPP allowed for £17.5m of vacant property losses and this figure will rise to £18.5m for 2011/12.
12. Even though LPS cannot control the number of vacant properties, it must ensure that all properties in the city currently classified as vacant are actually vacant and that any changes to the status of vacant properties, for example, a property becoming occupied, are identified on an on-going basis in a timely manner.
13. Members should note that the council's Building Control service, in agreement with the Health and Environmental Services Committee, is currently assisting LPS to inspect non-domestic vacant properties in order to determine occupancy status and enhance rate income.
14. In October 2011, rates will start to be levied on vacant domestic properties in a manner similar to that currently in place for non-domestic properties. This will result in additional rates income and will compensate to some degree for the increase in losses from non-domestic vacant properties. The key issue will be for LPS to ensure that the appropriate systems, processes and resources are in place to implement this policy change and actually collect the income.

Minimise the losses on collection – Non-domestic Vacant Rating (NDVR) Exclusions

15. For 2011/12, the most concerning aspect of the EPP is the increase in losses resulting from properties which have been excluded from NDVR. This means that the property is not subject to vacant rates. There are a number of reasons for a property being excluded from rates such as an NAV less than £2,000. In 2010/11 the EPP allowed for £3.2m of exclusion losses and in 2011/12 this figure has risen to £7.4m. The key drivers for this increase are the fact that successful applications may be able to have the exclusion backdated for up to 8 years and the impact of the economic recession whereby property owners are taking any appropriate steps so that they can be excluded from rates.

D. Guidance on Rates for Councillors

16. It is proposed to update the popular booklet, 'Guidance on Rates for Councillors' produced by the council in conjunction with the IRRV to account for a number of rating policy changes.

E. Role of Economic Development

17. While the MOU covers the relationship between BCC and LPS it does not address the issue of how the council's economic development work can support the strengthening of the city's rate base. The council is currently in the process of the developing its corporate plan and it is recommended that the Development Committee give consideration to aligning its economic development work to strengthening and supporting the rate base. This should include how the council engages with the business community including retailers, developers and stakeholders in the city centre and the arterial routes.

Way Forward

18. In order to ensure that the rates issues are properly addressed, it is proposed that the following actions are taken:
- a. On behalf of the Strategic Policy and Resources Committee, the Chairman will formally write to LPS requesting the following:
 - i. The number and value of properties which have been valued but a rates bill has not been raised and the actions being taken to get bills issued to these properties (see paragraph 9 above).
 - ii. Details of the current level of rates arrears along with an age profile of the debt (see paragraph 10 above)
 - iii. Details of what steps are being taken to recover the rates arrears (see paragraph 10 above)
 - iv. Details of what improvements are being made to the management of vacant properties (see paragraph 12 above)
 - v. Details of what systems, processes and resources are being put in place to ensure that the introduction of vacant domestic property rating will be effectively implemented (see paragraph 14 above).

- vi. Details of applications for NDVR exclusions and the potential liability to the council (see paragraph 15 above)
 - vii. Rating Policy Division to be requested to review the policy of back dating exclusions for up to 8 years (see paragraph 15 above).
- b. These rates issues will be raised with the Minister of Finance and Personnel at his meeting with councillors which has been arranged for 20 December 2010.
 - c. Officers to provide a report to the Strategic Policy and Resources Committee in February detailing the responses from LPS, providing an update on their performance and an update on the progress on advice work on rates reliefs. The committee to invite LPS officers to attend this meeting.
 - d. Agree the improvement actions to be included in the MOU for 2011/12 at the Strategic Policy and Resources committee in March.

Recommendations

Members are asked to:

- 1) Agree to the way forward in relation to the rates issues as detailed in paragraph 18 above.
- 2) Agree to update the booklet, 'Guidance on Rates for Councillors' in conjunction with the IRRV to account for a number of rating policy changes.
- 3) To request the Development Committee, as part of the corporate plan, to consider how it can align its economic development work to strengthening and supporting the rate base."

After discussion, the Committee adopted the recommendations and agreed that representatives of the Land and Property Services agency be invited to attend one of the meetings of the Committee in February, 2011.

Minutes of Meeting of Audit Panel

The Committee approved and adopted the minutes of the meeting of the Audit Panel of 30th November.

Minutes of Meeting of Budget and Transformation Panel

The Committee approved the minutes of the meeting of the Budget and Transformation Panel of 2nd December.

Tenders - Mobile Plant and Vehicles

The Committee granted authority for the commencement of tendering exercises and delegated authority to the Director of Property and Projects, in accordance with the Scheme of Delegation, to accept the most advantageous tenders received in respect of the following:

- (1) the supply of two roll compactors and two ride-on grass cutting mowers;
- (2) the hire of vehicles; and
- (3) the provision of a vehicle and mobile plant recovery service.

Modernisation and Improvement

Local Government and Planning Reform

The Chief Executive submitted for the Committee's consideration the undernoted report:

"1.0 Relevant Background Information

1.1 Members will recall that discussions in relation to the future of the Review of Public Administration and reform of local government had concluded on Monday 14th June with the NI executive not having agreed on the way forward. Subsequently, it was agreed that elections would proceed for twenty-six, and not eleven, councils in 2011 as originally planned as part of the local government reform programme.

2.0 Key Issues

2.1 On 30th November 2010 the Environment Minister, Edwin Poots made an announcement to the NI Assembly setting out proposals to progress particular aspects of Local Government reform and the reform of the Planning Service within Northern Ireland. A copy of the Ministerial announcement has been circulated with a summary of the key proposals set out below.

Local Government Reform

2.2 As part of his announcement to the Assembly, the Environment Minister launched a consultation document which sets out policy proposals for local government reform, which seeks to modernise the governance and legal framework within which district councils operate. It is intended that such proposals will, in due course, be translated into a draft Bill (previously known as the Local Government

Reorganisation Bill) to be considered by the NI Assembly.

2.3 The consultation document sets out proposals and seeks views on eight key areas including:

1. **New governance arrangements** –proposals in regards to decision making structures; sharing power and responsibility; putting in place necessary checks and balances (including proposals to introduce a call-in procedure) and ensuring that there is openness and transparency in how councils conduct their business.
2. **Ethical Standards** – proposals for a new ethical standards regime for local government which would include a mandatory code of conduct for councillors with supporting mechanisms for the investigation and adjudication of appeals.
3. **Service Delivery and Performance Improvement** - proposals for the introduction of a new service delivery and performance improvement framework for local government. This would involve a revised, more expansive statutory duty for councils to secure best value and to continuously improve services.
4. **Community Planning** – proposals to bring forward a statute based community planning process, led and facilitated by the new councils.
5. **Power of Well-Being** – proposals to confer to councils a new power of well-being which would enable councils to take any action that is not already the responsibility of another agency, to promote or improve the well being of their districts. It is suggested that such a duty would further support the community planning role of councils.
6. **Partnership Panel** – proposals to formalise the relationships between the Executive and district councils and provide a forum to consider strategic issues collectively. It is proposed that the Panel will consist of Departmental Ministers and representatives from each of the 11 new councils.
7. **Supervision of Councils** – proposals to extend the supervision powers currently available to the DOE to all Government Departments.
8. **Reorganisation of District Councils** – seeks views on how key elements of the reorganisation of district councils (e.g. transfer of staff, transfer of assets and liabilities etc) should be progressed.

Planning Reform

- 2.4 The Environment Minister's announcement to the Assembly also set out proposals in respect to the reform of the Planning Service within Northern Ireland. The key proposals include:
1. On the 1st April 2011, Planning Service functions and staff will have been absorbed into the core of DOE and the Planning Service's status as an Agency will end.
 2. These functions will be taken forward by two divisions i.e.
 - Local Planning Operations Division which will have responsibility for the Development Plan and Development Management functions which will in time transfer to local government
 - Strategic Planning Operations Division which will take forward the responsibilities which will remain with the Department.
 3. The existing six Divisional Planning Offices will be streamlined to five Area Planning Offices based around amalgamations of the proposed 11 council cluster model. Members will note that under these proposals, the new Belfast Area Planning Office will comprise of 3 of the proposed 11 new council areas including the local government districts of Belfast, Lisburn, Castlereagh, North Down and Ards. The current Belfast Divisional Office covers the areas of Belfast, Castlereagh and Newtownabbey.
 4. Introduce a scheme of delegation (still to be published) whereby certain planning decisions would be delegated from the Minister to the Department.
 5. Outlined proposals in regards to reforming the Planning Service's fees regime.
 6. Announced the intention to progress with a small number of pilot initiatives from April 2011 to test the working arrangements for the delivery of planning functions by the new councils before they are rolled out across the new council areas.

- 2.5 It is understood that a detailed Planning Bill will be introduced to the Assembly within the new few weeks for consideration. It is further understood that the Planning Bill will provide for the transfer of development plan and development management powers from the Department to councils within a timetable still to be agreed by the NI Executive.
- 2.6 Clearly such proposals are far-reaching and are likely to have a significant impact upon the future operation and service delivery by the Council. It will take time to consider the proposals (including any Planning Bill released) in detail and the potential implications for the Council and wider local government sector. It is intended that officers, in liaison with elected Members and Party Groups, will undertake a review of the proposals and will submit a detailed report for the consideration of the Council's Strategic Policy and Resources Committee in the New Year.
- 2.7 In the interim, Members may wish to review the proposals put forward by the Environment Minister with a view to identifying any initial issues/ concerns which they may have so as to inform any future consideration of this matter by the SP&R Committee.
- 2.8 Members may also wish to discuss any pertinent issues with the Environment Minister when a cross-party delegation from the Council meets with the Minister in due course (a date is still to be confirmed), in line with a previous decision taken by the Committee. Detailed briefings will be provided to Members in advance of such Ministerial meetings.
- 2.9 The proposal put forward by the Environment Minister to initiate a small number of pilots is in line with the views previously expressed by the Committee, at its meeting on 22nd October 2010, at which it was agreed that the Council should advocate for the initiation of an integrated area-based pilot for Belfast. It is suggested that such a pilot should be broader than only Planning and include, for example, regeneration and linked to a wider community planning approach.
- 3.0 **Resource Implications**

There are no Human Resource or financial implications contained within this report.

4.0 Equality and Good Relations Implications

There are no Equality of Good Relations implications contained within this report

5.0 Recommendations

Members are asked to:

- i) note the contents of this report and, in particular, the proposals set out by the Environment Minister in relation to Local Government Reform and the reform of the Planning Service; and
- ii) note that a detailed report will be submitted for the future consideration of the SP&R Committee in relation to the reform proposals and the proposals for area based planning pilots.”

After discussion, during which the Chief Executive confirmed that the aforementioned report would include details on the finance required to cover the proposals, the number of staff involved, the potential for a review of the allowances paid to Members for assuming this additional responsibility and the impact on the rates, the Committee adopted the recommendations.

Winter Maintenance Arrangements

The Chief Executive submitted for the Committee's consideration the undernoted report:

“1. Purpose of the Report

- 1.1 To inform the Committee of recent correspondence from NILGA and the Roads Service in relation to ice and snow clearance.
- 1.2 To update the Committee on the current inter-agency arrangement in place between the Council and DRD Roads Service in relation to Winter Maintenance for the clearance of ice and snow from public footpaths and roadways in Belfast.
- 1.3 To take the Committee's views on entering into further discussions with DRD to develop such arrangements further.

2. **Relevant Background Information**

- 2.1 The Committee is reminded that the Council has no statutory function in relation to clearance of ice and snow from roads or footways.

Article 9 of the Roads (NI) Order 1993 empowers the Department for Regional Development (DRD) to take such steps as it considers reasonable and practicable to prevent snow or ice interfering with the safe passage or persons using a road (including footways), and for that purpose may enter into an agency arrangement with any persons for the treating of roads affected by snow and ice.

- 2.2 Heavy snow and a prolonged period of bad weather in January 2008 prompted a meeting between the Council, BCCM and DRD. This resulted in proposals being taken to the Health and Environmental Services Committee for the Council to enter into an arrangement with DRD to assist in certain circumstances with the clearance of snow and ice from footpaths and roadways in the city centre. The reason why this was limited to the City Centre was as a result of limited resource in terms of staff and equipment to undertake such work in a wider area.

On 6 February 2008 the Health and Environmental Services Committee noted, that as a matter of civic leadership, the Council should seek to ensure that the city centre footways remained accessible during times of severe winter weather. As such, the Committee approved the purchase of equipment to be used for the clearance of snow and ice and recommended that a suitable form of agreement with DRD be drawn up by then Director of Legal Services.

3. **Key Issues**

Current Position

- 3.1 Under sections 104 and 105 of the Local Government Act (NI) 1972, the Council is empowered to exercise functions on behalf of, and to enter into arrangements with other Statutory Agencies (including government departments) for the supply of services. The Council entered into an agreement with DRD on 27 November 2008 whereby, during extreme conditions following heavy snow falls or prolonged freezing, the Council will assist the Department with ice and snow removal from footways and pedestrian areas and with the treatment of such

areas affected by snow or ice by the provision of labour, material and vehicles. This agreement is renewable annually. The arrangement only extends to certain specified streets within the city centre area which are considered to be the main pedestrian thoroughfares and approaches to the city centre.

- 3.2 Under this agreement, a request for assistance is made to the Council by DRD, and works will only be carried out when it is practicable for the Council to do so and when resources are available (up to 20 staff members from Dunbar Depot). An annual service fee, calculated in accordance with the Service Fee Scale, is currently payable to the Council by DRD. This amounts to about £5,000 annually.
- 3.3 The Committee is also reminded that the Council's Cleansing Department has expended £30,000 to purchase snow removal and gritting attachments for a number of the Councils mechanical sweepers. Accordingly, under Article 19 of the local Government Northern Ireland Order 2005, the Director of Legal Services approached the Department of the Environment (DOE) regarding this expenditure in order to obtain sanction and that sanction was duly granted.
- 3.4 The Council's insurers were provided with a copy of the agreement with DRD along with copies of the Health and Safety risk assessments which had been carried out, and then confirmed that they were satisfied that work carried out by the Council under this agreement would not result in an increase to the Council's premium for public liability insurance.
- 3.5 There has been no increase to the Council's insurance premium as a result of entering into the agreement with DRD. However any action taken by the Council in relation to the gritting of pavements will expose the Council to the risk of litigation from members of the public. It is the opinion of the Town Solicitor that this risk is relatively low, and in any event would be outweighed by the benefit offered to the general public. Legal Services have been informed by DRD Claims Department that over the last 3 years there have been 21 claims due to slipping on ice all of which were successfully defended.

3.6 NILGA held a meeting with the DRD Minister on Monday 6th December and the press release following that meeting stated that an agreement had been reached in terms of indemnification of Councils and third parties (contractors) to carry out such work in city and town centres. Belfast City Council already had such an agreement. NILGA and the Roads Service have now written to Councils following their meeting and copies of both letters have been circulated.

4. Proposals for further discussions

4.1 During the current prolonged spell of cold weather, it has become evident that there is a need for public service agencies to provide more support to communities. It would be impractical to grit and salt all footpaths and side streets on a regular basis. However it is proposed that the Council should enter into urgent negotiations with DRD and the Road Service to assess the possibility of:

4.2 Exploring with the DRD and Roads Service the potential of identifying 'hot spot' sites across the city which need to be gritted to allow access to essential public services. The DRD have indicated that resources do not permit regular gritting of side streets and footways but in the same way as agencies have worked together to identify sites particularly 'at risk' of flooding, it is suggested that a similar exercise should now be conducted in relation to key sites rendered inaccessible by snow and ice. Such a conversation could be enabled through the Council's emergency co-ordination arrangements.

4.3 Exploring with the DRD the potential of the gritting of some side streets to enable essential operational services such as refuse collection to be maintained.

4.4 Exploring with the DRD the potential of making grit/salt available to members of the public to allow local communities to help themselves via local action. Roads Service have indicated that resource availability and cost issues would need to be overcome to enable this to happen but it would be worthwhile to examine whether the Council could facilitate such a process using Council sites where resources permitted.

- 4.5 Reviewing the list of city centre streets within the current agreement to assess if they are sufficient in periods of prolonged severe weather.
- 4.6 Clearly there will be considerable logistical issues which would need to be worked through. However it is anticipated that there will be further extreme weather conditions this winter and hence these discussions should happen as soon as possible.

5 **Resource Implications**

Financial

The Council has expended £30,000 for the purchase of snow removal attachments for some of its existing mechanical road sweepers. An annual service fee, calculated in accordance with the Service Fee Scale, is currently payable to the Council by DRD. This amounts to about £5,000 annually.

Human Resources

Council staff are only currently deployed for the removal of snow and ice in circumstances where normal operations are rendered impracticable.

Any additional agreements for support to DRD would have staffing implications.

Asset and other implications

Depending on the agreements reached it is likely that further equipment and, potentially, vehicles will need to be purchased.

6. **Recommendations**

The Committee is asked to:

1. Note the existing arrangements in place with DRD
2. Agree that officers should enter into urgent discussions with DRD Roads Service and other agencies to develop the partnership approach further, within existing resource constraints.

7. **Decision Tracking**

A further report will be brought back to the Committee

8. Key to Abbreviations

DRD – Department for Regional Development.
DOE – Department of the Environment
BCCM – Belfast City Centre Management Company Limited.”

The Committee adopted the recommendations.

Democratic Services and Governance

Requests for the use of the City Hall
and the Provision of Hospitality

The Committee was informed that the undernoted requests for the use of the City Hall and the provision of hospitality had been received:

Organisation / Body	Event / Date – Number of Delegates / Guests	Request	Comments	Recommendation
Nomadic Preservation Society	SS Nomadic Centenary Celebration Convention 2011 3rd June, 2011 Approximately 100 attending	The use of the City Hall and the provision of hospitality in the form of a drinks reception	Delegates will be staying in accommodation in Belfast and the conference will take place within the city. This event would contribute to the Council's Key Theme of 'City Leadership, Strong, Fair and Together'.	The use of the City Hall and the provision of hospitality in the form of red/white wine and soft drinks. Approximate cost £400
Sport Northern Ireland	UK Coaching Summit 2011 7th June, 2011 Approximately 350 attending	The use of the City Hall and the provision of hospitality in the form of a drinks reception.	Delegates will be staying in accommodation in Belfast and the conference will take place within the city. This event would contribute to the Council's Key Theme of 'City Leadership, Strong, Fair and Together'.	The use of the City Hall and the provision of hospitality in the form of red/white wine and soft drinks. Approximate cost £500

<p>European Communication Research and Education Association</p>	<p>2nd Conference of the Interpersonal Communication and Social Interaction Section</p> <p>8th September, 2011</p> <p>Approximately 150 attending</p>	<p>The use of the City Hall and the provision of hospitality in the form of a pre-dinner drinks reception.</p>	<p>Delegates will be staying in accommodation in Belfast and the conference will take place within the city.</p> <p>This event would contribute to the Council's Key Themes of 'City Leadership, Strong, Fair and Together' and 'Better support for people and communities'.</p>	<p>The use of the City Hall and the provision of hospitality in the form of red/white wine and soft drinks.</p> <p>Approximate cost £500</p>
<p>Queen's University Belfast</p>	<p>International Research Society for Public Management Conference</p> <p>14th April, 2011</p> <p>Approximately 50 attending</p>	<p>The use of the City Hall and the provision of hospitality in the form of a drinks reception.</p>	<p>Delegates will be staying in accommodation in Belfast and the conference will take place within the city.</p> <p>This event would contribute to the Council's Key Themes of 'City Leadership, Strong, Fair and Together', 'Better opportunities for success across the city' and 'Better support for people and communities'.</p>	<p>The use of the City Hall and the provision of hospitality in the form of red/white wine and soft drinks.</p> <p>Approximate cost £500</p>
<p>Age Sector Platform</p>	<p>Northern Ireland Pensioners' Parliament - Belfast</p> <p>4th March, 2011</p> <p>Approximately 100 attending</p>	<p>The use of the City Hall and the provision of hospitality in the form of tea/coffee and biscuits</p>	<p>This event will provide a way for older people across Northern Ireland to have their say on the issues that matter to them.</p> <p>The event is one of seven local events which will identify issues of concern within the city and will be used to elect representatives to the overall Pensioners Parliament.</p> <p>This event would contribute to the Council's Key Themes of 'City Leadership, Strong, Fair and Together', 'Better Services - listening and delivering' and 'Better support for people and communities'.</p>	<p>The use of the City Hall and the provision of hospitality in the form of tea/coffee and biscuits.</p> <p>Approximate cost £200</p>

<p>British Council</p>	<p>Global Xchange Awards Ceremony 12th January, 2011 Approximately 50 attending</p>	<p>The use of the City Hall and the provision of hospitality in the form of a pre-reception drinks reception.</p>	<p>This event seeks to recognise the contribution of volunteers in the community and to acknowledge the role of voluntary and community groups in providing placements. The programme also seeks to increase the intellectual understanding and dialogue of the volunteers. This event would contribute to the Council's Key Themes of 'City Leadership, Strong, Fair and Together', 'Better opportunities for success across the city' and 'Better support for people and communities'.</p>	<p>The use of the City Hall and the provision of hospitality in the form of red/white wine and soft drinks. Approximate cost £200</p>
<p>The Scout Association</p>	<p>Queen's Scout Award and Chief Scout's Award Certificate Presentation 17th June, 2011 Approximately 450 attending</p>	<p>The use of the City Hall and the provision of hospitality in the form of tea/coffee and biscuits</p>	<p>This event aims to recognise the achievements of young people who have successfully demonstrated the determination and persistence required to achieve their personal best in terms of effort, commitment and self-reliance. This event would contribute to the Council's Key Themes of 'City Leadership, Strong, Fair and Together' and 'Better support for people and communities'.</p>	<p>The use of the City Hall and the provision of hospitality in the form of tea/coffee and biscuits. Approximate cost £900</p>

The Committee adopted the recommendations.

Celebration of a Decade of Centenaries

The Committee considered the undernoted report:

“1 Relevant Background Information

- 1.1 At the meeting of the Development Committee on 5 November a report was brought forward on Belfast and Northern Ireland 2012. This report highlighted the fact that this year would be marked by a number of historic centenaries and sought permission to allocate resources against a number of these issues such as the opening of the Titanic Signature Project and the Olympic Torch Run. The report also recognised that 2012 would be marked by the Queen’s Diamond Jubilee and that a separate report would be made to the Strategic Policy and Resources Committee in due course.
- 1.2 In the course of the discussion of the report a number of Members indicated that there would be a number of historic centenaries occurring over the period 2012-2022 and it was decided at the Council meeting on 1 December 2010 that “an all-Party Steering Group be established to oversee the Council’s input into the 2012 programme and the development of the Titanic Quarter; that this group consider the issue of the decade of centenaries and that a core set of principles should be developed which would apply to the celebration of all these events”.
- 1.3 The purpose of this report is to seek Members’ direction on how they would want this matter taken forward and to determine the allocation of responsibilities for doing so between the Development Committee and the Strategic Policy and Resources Committee.
- 1.4 Members will be aware that the Good Relations Partnership has considered the issue of cultural displays and celebrations in the past and that a general set of principles was developed in relation to the memorabilia report on the City Hall. A copy of these principles is attached at Appendix One, which also includes an extract from a speech by the Taoiseach outlining the principles to be used by the Irish Government in commemorating forthcoming commemorations.

2 Key Issues

- 2.1 Members are requested to consider how they wish these matters to be taken forward. A potential option would be to set up a Steering Group under the auspices of the Development Committee which would consider the issue of the celebration of events relating to tourism and economic development such as the opening of the Titanic Signature Project, the marketing of the city in relation to this opening and the Olympic Torch Relay and associated celebrations.
- 2.2 A potential option would also involve the present political Members of the Good Relations Partnership coming together as a group to consider on a one-off basis the agreement of a set of principles to guide cultural celebrations in relation to historic centenaries such as the signing of the Covenant, the commencement of the First World War, the 1916 Rising, etc. Consideration would have to take place on the historic centenaries over the period 2012-2022 and the development of a set of principles around what the Council might itself do in relation to these centenaries, what the Council might do in assisting others to celebrate these centenaries, and what the Council might do in collaboration with others.
- 2.3 Members should be aware that this issue was recently discussed at the Culture and Arts Committee of the Assembly and a copy of the initial report presented to that meeting is attached at Appendix Two.

3 Decision Required

In moving this matter forward it is suggested:

- (1) that the Steering Group created to report to the Development Committee should deal principally with the Titanic and the Olympic Games celebrations and the marketing of the city issues related thereto;
- (2) that the political Members of the Good Relations Partnership should convene as a Working Group to consider the agreement of historic centenaries which the Council may wish to consider over the next decade; the principles which should be applied to consider these issues and the actions that the Council may wish to take itself, carry out with others or support the celebrations of others.”

After a lengthy discussion, it was

Moved by Councillor McVeigh,
Seconded by Councillor Hartley,

That the Committee agrees that the issue of historic centenaries which the Council might wish to consider over the next decade; the principles which should be applied to consider those issues and the actions that the Council might wish to take itself, carry out with others or support the celebrations of others, be referred to the Good Relations Partnership for consideration.

Amendment

Moved by Councillor Stoker,
Seconded by Councillor G. Robinson,

That an All-Party Working Group be established, which would be convened from representatives of the Strategic Policy and Resources Committee, to consider historic centenaries which the Council might wish to consider over the next decade; the principles which should be applied to consider those issues and the actions that the Council might wish to take itself, carry out with others or support the celebrations of others.

On a vote by show of hands eight Members voted for the amendment and eight against. There being equality of votes, the Chairman exercised his second and casting vote in favour of the amendment and it was accordingly declared carried.

The amendment was thereupon put as the substantive motion, with eight Members voting for and eight against. There being an equality of votes, the Chairman exercised his second and casting vote in favour of the Substantive Motion and it was accordingly declared carried.

The Committee noted that a further report on the Steering Group created to deal principally with the Titanic and the Olympic Games celebrations and the marketing of the city issues related thereto would be submitted to the next meeting of the Development Committee.

Asset Management

Future Use of City Hall

The Committee agreed to the holding of a special meeting in order to allow for detailed discussion on the future use and management of the City Hall.

Connswater Community Greenway Update

The Committee was reminded that the Council, as part of the City Investment Strategy, had agreed to co-ordinate the acquisition of lands to enable the Connswater Community Greenway to proceed. The Council would secure rights over the land needed for the Greenway and would be responsible for the management and maintenance of that land and any assets on it. The Greenway would have to be accessible for 40 years to comply with the Big Lottery Fund Letter of Offer, although the intention was to secure rights for longer if possible. Subsequently, the Big Lottery Fund had agreed to the Council becoming the employer and the contract for the construction of the Greenway had been awarded to SIAC/Galliford Try. The Project Manager was finalising currently the programme of work with the contractor.

It was reported that two areas of land had been identified as being required to help complete the Greenway route and associated landscaping. The first was an area of 26 square metres of land at the Knock Dual Carriageway adjacent to Laburnum Playing Fields and Council officers had agreed, subject to the Committee's approval, to purchase from Andrew Millar and Company Limited an easement to create access over those lands at a cost of five pence if demanded. The second was an area of 0.98 acres of land at Glen Road to the south-east of the Knock Dual Carriageway. Subject to the Committee's approval, Council officers had agreed to purchase the lands from the Northern Ireland Housing Executive for the sum of £5.00. The purchase was subject to the approval of the Board of the Housing Executive.

The Committee granted approval for the purchase of the two areas of land as outlined.

Land at McClure Street

The Committee considered the undernoted report:

- "1. Relevant Background Information**
- 1.1 The Council owns a long linear strip of land at McClure Street off Ormeau Road. This land (together with other lands located opposite) was transferred to the Council by the Department of the Environment in 1987 for the purposes of open space and landscaping.**
 - 1.2 The land which adjoins the railway, extends to approximately 0.95 acres and is currently used as open space/landscaping.**
 - 1.3 Members will be aware that a number of reports were previously taken to Committee over the past few years regarding the potential disposal of this land. There is a long history of decisions in relation to this land and in order to understand the background; a summary of the main decisions has been circulated.**

- 1.4 The owner of an adjoining office block fronting onto Ormeau Road has also recently enquired about the possibility of acquiring a portion of the subject lands to extend his existing car park which fronts onto McClure Street.

2. Key Issues

2.1 Planning Issues:

In dBMAP the site is zoned as 'open space' although this is 'for information only'. The Council objected to this zoning on the basis that it should be identified as land available for housing.

Planning advice has recently been sought from Planning Consultants who have advised that the preliminary view of the BMAP team is that an application for housing should not raise matters of prejudice or prematurity and that the key planning policy document would be PPS 8 'Open Space, Sport & Outdoor Recreation'. In light of the preliminary view of the BMAP team and the fact that PPS 8 is the key planning policy document the consultants are of the view that there is no particular advantage (in planning terms) in awaiting the outcome of the BMAP process. Discussions have also recently been held with Planning Service in relation to any potential for obtaining planning approval in view of the 'open space' designation.

PPS 8 incorporates the presumption against the loss of existing open space but it also provides for an exception where 'it is clearly shown that redevelopment will bring substantial community benefits that decisively outweigh the loss of open space'.

Advice given by the planning consultants indicates that it may be possible to consider this exception test in light of the fact the site was previously used for housing; that its public value as open space is limited because of its nature (linear site) and context (located between a railway embankment and a road); that there is an area of better quality open space nearby i.e. the open space to the south of McClure Street. However any proposed development would have to bring substantial community benefit to outweigh the loss of open space and the view of the consultants is that the provision of, for e.g. social housing, would deliver such benefits. On the basis of both the consultant's advice and following discussions with Planning Service it is considered that the test of substantial community benefit is highly unlikely to be met by the provision of private housing.

If a planning application is submitted for social housing or other type of development of a community nature it would have to be considered on the basis of this exceptions test in terms of the substantial community benefits it might bring.

However, as well as the planning policy issues there are other hurdles that would have to be overcome in terms of the physical and technical constraints of developing on this long linear site. As part of any planning application an acoustic report (in light of the proximity of the site to the railway line) and an engineering report (due to proximity of the railway embankment and railway line) are also likely to be required.

In addition, PPS 7 Addendum, issued in August 2010, provides additional planning policy to protect areas of established residential character and will consider issues such as existing density in the area in terms of any new planning applications.

2.3 Restrictions on Sale:

Previous advice from VLA (now LPS) indicated that the inclusion of an exclusively social housing restriction would reduce the sale price of the land in the open market. This was at the peak of the market at a time when there was a strong demand from private housing developers and a resultant recognisable difference in values between private and social housing. In the current market there is, however, very limited demand from private housing developers and social housing is often the only demand in the open market for residential sites. This, together with a significant reduction in values overall for all house types, has resulted in a situation in the current market where there may in fact be little, if any, difference between the value of the land for social or general housing. However this will not be known until the land is marketed (if a decision is made to offer for sale on the open market).

From an audit perspective, and given that the Council does not have a housing function, then in order to comply with the Local Government Act (NI) 1972 best price obligation, it is recommended that the land is marketed without any restriction as to social housing. By imposing a user restriction (particularly where the use is a function not carried out by the Council) which might suppress the open market value this could potentially result in the sale price not complying with disposal at best price as required in the LGA (NI) 1972. In such instances approval would be required from the DOE. In addition, if the Council are too prescriptive this

will limit the potential end uses which might be desirable from the Council's perspective. If the use is not restricted to merely social housing this would also allow for any other potential uses that might fall into the 'substantial community benefit' test. Social housing providers/housing associations would however be free to bid accordingly.

However, whilst the marketing particulars may not specifically provide for such a restriction, they could refer to the current planning policies and planning advice which would determine the end use. Any bids subsequently received will therefore reflect the planning position and likewise so too will the value.

2.4 Title Restrictions:

The subject land was acquired by the Council from DOE and is subject to a covenant that restricts use of the lands to landscaping and open space. At the time of the previous marketing exercise DSD (as successor to DOE) had agreed to a relaxation of this user covenant subject to certain conditions, including payment to them of 50% of the sale price. DSD have recently been contacted again to ascertain if a similar arrangement would apply in the event that the Council decides to remarket the land.

2.5 Value:

Members will be aware that there has been a marked downturn in the property market. Whilst previous marketing resulted (at the peak of the property market) in a high offer for the land based on a high density development, this was subject to obtaining planning, which, in light of current planning policy and the technical and physical constraints, now seems highly unlikely.

Given the current planning restrictions and the technical and physical constraints in developing this site (and this is assuming that planning might in fact be obtainable) as well as the marked downturn in the property market, it must be emphasised that the current open market value of the site will be significantly lower than the offers received back in 2006. These offers were based on high density apartment schemes and were subject to planning. In addition, if there is a similar arrangement as agreed previously with DSD in relation to the relaxation of the use covenant then the Council would only receive 50% of the proceeds.

2.6 **Council requirements:**

The Client Services Committee, at their meeting back in 17 August 2004, declared the land surplus to Council requirements (and agreed to place on the open market) although the land was obviously not subsequently sold and continues to be used as informal open space.

2.7 **Options:**

In light of the above comments, the following options can be considered:

Option 1: Retain the land in Council ownership: Certain benefits will be derived from continued use as informal open space. However, there is an area of better quality open space directly opposite and its value as open space is diminished somewhat in that it is located between a railway line and a road and is also subject to fly tipping.

Option 2: Offer for sale on the open market with use restricted to social housing: As outlined above, restricting the use to a non Council function, and to a use that may potentially suppress the open market value may potentially cause problems in terms of demonstrating that the best price (or best terms) has been obtained in accordance with the requirements of the LGA (NI) 1972. It also limits other potential end users that may in fact be desirable from the Council's perspective and which could potentially satisfy the 'substantial community benefit' exception test in terms of PPS 8. Given this planning policy issue, however, it is possible that the potential end use may well be social housing but this is essentially a matter for the market to determine in line with the planning restrictions.

Option 3: Council apply for planning approval for a housing scheme: Planning Service and the planning consultants have indicated that a full planning application as opposed to an outline planning application is likely to be required Whilst this might bring more certainty in terms of any future marketing of the site it nonetheless restricts the use and design to a particular scheme only. It may limit the market which again may have an impact on value. In addition any future end user is unlikely to use the same housing layout/design as per any application made by the Council. Individual Housing Associations, for e.g. have very specific requirements in terms of layout and design etc and would therefore still have to make a new planning application in due course to meet their own specific requirements.

Option 4: Advertise for sale on the open market, free of restrictions as to future use: This option would accord with the Council's requirements to obtain best price (or best terms) and may allow the Council to consider other potential end uses that might be desirable from a community or social perspective (subject to planning). The sales marketing particulars could highlight the planning policy restrictions, particularly in terms of PPS 8, and the exceptions test in terms of 'substantial community benefits to decisively outweigh the loss of open space' Any interested parties would need to have regard to this and in light of the current economic climate and depressed property market it is considered highly unlikely that developers will be as willing to simply take a chance in getting planning permission for a development that does not accord with the current planning policies. It is however also recommended that the Council makes any sale that is subject to planning time bound i.e. give the purchaser a specified time to obtain planning and complete the sale.

Option 4 above is recommended.

3. **Resource Implications**

3.1 **Financial**

Unknown at this stage until the land is marketed and planning approval obtained. DSD may seek 50% of sale proceeds for relaxation of the user covenant.

3.2 **Human Resources**

Staff Resource, primarily within Estates Management Unit to progress.

3.3 **Asset and Other Implications**

Whilst the land is currently used as open space there are problems of dumping and anti social behaviour at this location. There is an area of better quality open space directly opposite. Development of these lands at a suitable density appropriate for the locality and with good quality design should result in an improved asset for the benefit of the local area.

4. **Equality and Good Relations Implications**

None at this time.

5. **Recommendations**

Members are asked to indicate, in principle, if they wish to progress on the basis of Option 4, i.e. that the lands are to be re-marketed, free of restrictions as to future use and on the basis that any disposal would be time bound. If Members wish to progress on this basis, then a report will be brought back to advise on the marketing price and to advise of the requirements of DSD in releasing the covenant.

6. **Decision Tracking**

Director of Property and Projects to bring a report back to Committee within 2 months to advise re marketing.

7. **Key to Abbreviations**

VLA: Valuation & Lands Agency
LPA: Land & Property Services
LGA: Local Government Act
dBMAP: Draft Belfast Metropolitan Area Plan.”

After discussion, it was

Moved by Councillor Hartley,
Seconded by Councillor Lavery,

That the Committee agrees to adopt Option 1 as set out in the report, that is, to retain the land in Council ownership.

On a vote by show of hands four Members voted for the proposal and nine against and it was accordingly declared lost.

Further Proposal

Moved by Councillor McCarthy,
Seconded by Councillor Stoker,

That the Committee agrees to adopt Option 4, that is, to advertise the site for sale on the open market, free of restrictions as to future use.

On a vote by show of hands ten Members voted for the proposal and four against and it was accordingly declared carried.

Good Relations and Equality

(Mrs. H. Francey, Good Relations Manager, attended in connection with these items.)

Minutes of Meeting of Good relations Partnership

The Committee approved the minutes of the meeting of the Good Relations Partnership of 3rd December and adopted the recommendation in respect of the approval of the Progress Report for the period April till September, 2010.

Proposed Sculpture to Mark the Belfast Blitz

The Committee considered the undernoted report:

"1. Relevant Background Information

- 1.1 In August, the Chief Executive held a meeting with Colonel CT Hogg and Major Potter from the NI War Memorial organisation, to discuss their request that a major civic memorial should be erected in Belfast to mark the 70th anniversary of the Belfast Blitz, which will be in April 2011.**
- 1.2 Although there were a number of air-raids, the most serious were on the nights of 15-16 April and 4 May 1941. The Luftwaffe caused massive damage, both to the city's densely populated inner city housing stock and to its industrial heartland. Almost 1000 people were killed in the raids and thousands injured. More than half the city's housing stock was damaged, leaving thousands homeless. Outside London, no other city in the UK suffered as much loss of civilian life in a single night.**
- 1.3 To commemorate this tragic loss of life, the NI War Memorial representatives requested that the Council erect an appropriate civic memorial at the front of the City Hall, in the round flower bed, preferably in the style of the VC Magennis pillar. The Chief Executive advised them to submit their request in writing, with a description of their proposed memorial and associated costs etc. They were advised to do this as quickly as possible, since planning permission and approvals from the heritage authorities would be required.**
- 1.4 The NI War Memorial representatives submitted a formal request regarding a Blitz memorial in October. This outlined plans for a pillar-style memorial, 6 feet high, in front of the statue to Queen Victoria, where it could be in full public view. At this time, they recognised that it would not be possible to have the memorial completed by April 2011 and suggested that it should be ready for unveiling and dedication in April 2012, the 71st anniversary. The Association estimated that it should cost in the region of**

£20,000 and stated that they were prepared to contribute 50% of that cost.

2. Key Issues

- 2.1** The Council's Project Manager, Sam Graham, and the consultant architect for the City Hall, Dawson Stelfox, met to discuss this proposal and examine the proposed location. They were of the firm view that the Historic Buildings Branch would be unlikely to grant approval for any memorial in such a prominent location. They agreed that it might be possible to place a smaller statue on the low stone wall at the side of the porte cochère. The architect suggested that, rather than commissioning a new piece, a copy of the existing bronze piece by the distinguished artist John Sherlock (currently in the NI War Memorial headquarters building) might be appropriate for this site. This bronze, entitled "Blitz survivors" is half scale and depicts a woman guiding her child through the rubble of the city on the morning after the raids.
- 2.2** The City Hall already contains two artefacts that mark the Blitz. A plaque in the Great Hall marks its re-opening after the war and a portrait of a former Lord Mayor, damaged in the same raid, was deliberately left unrestored as a relic of the wartime damage.
- 2.3** Members are requested for their views as to whether another memorial to the Blitz should be erected and if so, should this be in the City Hall, its grounds or elsewhere in the city. The Committee is also asked to consider what form this memorial should take.
- 2.4** Members may be aware that the Director of Property and Projects has been in discussions with the University of Ulster regarding their new site in north Belfast and it is possible that development there at Cathedral Gardens/Buoys Park, could include a new piece of public art, subject to the approval of the Parks Committee and possibly in partnership with the University authorities. Members might consider this to be a more appropriate location for a Blitz memorial sculpture, since this was one of the neighbourhoods most severely devastated.

3. Resource Implications

- 3.1** The NI War Memorial representatives have agreed that a copy of their bronze Sherlock sculpture could be re-cast and installed in this prime location. As before, they are prepared to contribute 50% of the cost, which they estimate at £20,000.
- 3.2** Council staff estimate that the full cost of a duplicate of the bronze Sherlock sculpture would actually be in the region of £25,000, since it would have to include the necessary preparation of the base, lighting, fixing details and an appropriate plaque. Planning permission would still be required and it is unlikely that even the replica sculpture could be installed for April 2011. The Council's share of the costs are not included in current budgets.

4. Equality and Good Relations Implications

- 4.1** The Blitz affected every community in Belfast. A sculpture on this theme could provide an opportunity for communities to come together in joint remembrance of this tragic event as part of our shared history.

5. Decision required

5.1 It now appears unlikely that it will be possible for any memorial to be in place for April 2011 (70th anniversary). The Committee is requested to give its views as to:

- 1.** whether the Council wishes to support the proposal for a Blitz memorial as requested
- 2.** whether the Council should support the proposal for the replica bronze Sherlock as outlined above
- 3.** whether such a memorial would be best placed within the City Hall Grounds
- 4.** whether the Director of Property and Projects should investigate the possibility of commissioning a new memorial, possibly in partnership with another agency, to be placed in a locality of Belfast that was heavily bombed in 1941.

6. Decision Tracking

6.1 The Director of Property and Projects will be responsible for managing this project, if agreed."

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**Strategic Policy and Resources Committee
Friday, 10th December, 2010**

After discussion, the Committee agreed to support the proposal for a Blitz Memorial, that the Director of Property and Projects investigate the possibility of commissioning a new memorial, possibly in partnership with another agency, to be placed in a locality of Belfast which had been heavily bombed in 1941 and that discussions be undertaken with representatives of the Northern Ireland War Memorial to ascertain whether the site at Cathedral Gardens/Buoys Park would be an appropriate location.

Cross-Cutting Issues

**Corporate Community
Development Strategy**

The Committee agreed to the holding of an information session, to which all Members of the Council would be invited, on the development of a corporate strategy to strengthen the Council's contribution to Belfast's community development goals to be held at a lunch time during January, 2011.

Chairman