

Shadow Strategic Policy and Resources Committee

Friday, 19th December, 2014

MEETING OF SHADOW STRATEGIC POLICY AND RESOURCES COMMITTEE

Members present: Councillor Stalford (Chairman); and
Councillors Attwood, Beattie, Boyle, Carson,
B. Groves, Haire, Hargey, Hutchinson,
Jones, Kingston, Long, McAleer, McCabe,
McNamee, McVeigh, Robinson, Rodgers
and Spence.

In attendance: Mrs. S. Wylie, Chief Executive;
Mr. R. Cregan, Director of Finance and Resources/
Deputy Chief Executive;
Mr. G. Millar, Director of Property and Projects;
Mr. J. McGrillen, Director of Development;
Mr. J. Hanna, Senior Democratic Services Officer; and
Mr. B. Flynn, Democratic Services Officer.

Apology

An apology was reported on behalf of Councillor D. Browne.

Minutes

The minutes of the meeting of 28th November were taken as read and signed as correct. It was reported that those minutes had been adopted by the Shadow Council at its meeting on 8th December.

Declarations of Interest

- In respect of Item 7a, 'Update on Airport Public Inquiry and Statement of Case', Councillor Haire declared an interest in that he was a member of the George Best Belfast City Airport Forum; and
- In respect of item 4d, 'Funding Request – Belfast Conflict Resolution Consortium', Councillor Hargey reported that she had had been employed by that organisation.

**Belfast Strategic Partnership –
Key Health Issues Facing Belfast**

Pursuant to its decision of 24th October, the Chairman, on behalf of the Committee, welcomed Dr. E. Rooney, Chief Executive of the Public Health Agency (PHA), who was in attendance to provide a presentation on the key strategic health issues which would face Belfast over the coming years.

Dr. Rooney outlined the role of the PHA and the Belfast Strategic Partnership and explained that it sought to work with a range of health and social care professionals, education, local government, community and voluntary organisations, to explore opportunities to improve health and address, in particular, health inequalities. He stressed that the Council played a crucial role as a key partner in setting such an agenda. He indicated that inequalities in health and wellbeing across Belfast were due to many factors, particularly the social and economic environment, educational attainment, employment status and living conditions, which varied greatly. He stressed the need for collaborative working to address such inequalities.

The Committee noted the contents of Dr. Rooney's presentation and noted further that the Council would continue to work with the Public Health Agency, the Belfast Strategic Partnership and other bodies in the establishment of a common agenda to address health inequalities across Belfast.

Democratic Services and Governance

Motion - Commonwealth Youth Games

The Members were reminded that the Shadow Council, at its meeting on 8th December, had referred the following motion, which had been moved by Councillor Kingston and seconded by Councillor Spence, to the Committee for its consideration.

“Belfast District Council notes the success of the Olympic Games in London in 2012 and the Commonwealth Games in Glasgow in 2014 and the positive impact that hosting these games has had on those cities; this Council confirms our support for a bid for Belfast and Northern Ireland to host the Commonwealth Youth Games in 2021, with a view to mounting a future bid to host the Commonwealth Games; and affirms our commitment to working with the Northern Ireland Executive, the Northern Ireland Commonwealth Games Association and other interested parties to achieve these goals.”

Councillor Kingston reminded the Committee that the Council's Development Committee, at its meeting on 16th December, had considered a report which had provided an overview of the major events which the City might wish to bid for over the coming years, one of which was the Commonwealth Youth Games. It was noted that, as a first step in the bidding process, the Council would need to express an interest in hosting the Games and that, if successful, it would be necessary to identify financial resources within future budgets to oversee the hosting of that event.

After discussion, it was agreed that the hosting of future major events – such as the 2021 Commonwealth Youth Games – would be considered as part of an overall international events strategy, the scope of which would be considered in due course. It was noted that the extent of such a strategy would be subject to the level of financial resources which the Council would be able to make available to support it.

Motion - Shared Future

The Members were reminded that the Shadow Council, at its meeting on 8th December, had referred the following motion, which had been moved by Councillor McAllister and seconded by Councillor McDonough-Brown, to the Committee for its consideration.

“Belfast District Council stresses its commitment to the creation of a shared future; notes that with the new powers of community planning there is an enhanced opportunity to deliver this, in particular through the future Belfast Agenda Plan; agrees that all major Council decisions should be ‘shared future’ proofed in order to assess their impact on sharing by people from different sections of the community and to ensure that there is no unnecessary duplication of services.”

During discussion, Members suggested that, should the Council agree to adopt the ‘shared future’ principles, it would be necessary that a clear and agreed definition of the concept should be ascertained. As such, the Council should seek to liaise specifically with the Department of Justice and the Department of Education and Learning in this regard, together with other relevant departments at the Northern Ireland Assembly. In addition, it was noted that the Council would need to determine the potential implications of agreeing to ‘shared future’ proof its decisions, both in terms of staffing and financial resources.

The Committee noted that a report in this regard would be submitted for its consideration in due course.

Motion - Black Minority Ethnic Steering Group

The Members were reminded that the Shadow Council, at its meeting on 8th December, had referred the following motion, which had been moved by Councillor McNamee and seconded by Councillor Keenan, to the Committee for its consideration.

“This Council, cognisant of its responsibility as an equal opportunities employer and civic leader, seeks to establish a BME (Black Minority Ethnic) steering group to encourage and promote ethnic representation within the Council’s workforce and seeks to address the issue of under-representation of people from the BME community in political life, supplementing and strengthening the work already undertaken as part of the Workforce Race Action Plan 2012-2015.”

Councillor McNamee outlined the principle aspects of the motion and suggested that, as an initial step, it could be referred to the Council’s Good Relations Partnership

for comment. A Member pointed out that a review was ongoing on the future extent and remit of the Council's Good Relations Strategy and, in addition, it was suggested that the establishment of a steering group could be considered also within the context of the review of the Council's future governance structures and working groups.

The Committee agreed that the motion be forwarded to the Good Relations Partnership for comment and would be considered further within the context of the Council's Good Relations Strategy and future governance arrangements.

Future Work Plan of the Committee

The Committee noted the contents of a future work plan, which related to the key decisions which would be required to be taken between January and the end of March, 2015, a copy of which was available on the Council's Mod.gov portal. In addition, it was noted that a one-year Corporate Plan, which would oversee the work of the new Council during its initial year, would be submitted for the Committee's consideration in February, 2015.

Reconstitution of Northern Ireland Local Government Association

The Committee considered the undernoted report:

"1 Background Information

1.1 In-line with the local government reform process and the creation of 11 new councils, the Northern Ireland Local Government Association (NILGA) are seeking to reconstitute itself from 1 April 2015, and has issued a consultation document on this basis. Responses are sought by 31st December. Members will appreciate that this is a significant consultation document as it seeks to redefine the future role of a local government association within NI and its relationship with constituent councils.

2 Key Issues

2.1 The consultation document outlines proposals in relation to:

- a) The strategic themes which will underpin the future activities of NILGA;**
- b) Proposals in relation to the types of products and services to be provided by NILGA to member councils;**
- c) Proposals in relation to a revised constitution for NILGA which will come in affect from April 15;**
- d) Proposals for new financial arrangements (including subscription fees)**
- e) The detailed proposals covering each of the aforementioned are set out below for Members**

consideration. A number of specific questions are posed by NILGA as part of the consultation.

Strategic Themes

- NILGA is proposing to retain the following three corporate themes, previously agreed by 26 Councils:
- Building and Sustaining a Strong Local Government Sector in Northern Ireland
- Supporting the Delivery of Strong and effective Local Government
- Bringing investment and innovation into Councils, so they can deliver high quality services at an affordable cost.

Future Products and Services

Set out below is a summary of the products and services which NILGA propose to provide to member councils.

- *Policy Support* – provide relevant policy information, support and guidance to councils; formulating local government responses on key policy issues and engages with central government (i.e. Ministers, government departments and the NI Assembly). Establishment of member led working groups on specific policy issues (i.e. Reform and Modernisation; Planning; Waste, Health and Environment; EU Policy and Practice; Agriculture and Rural Development).
- *Elected Member development and peer mentoring* – supporting the development and implementation of a regional capacity building programme for elected Members which will take account of their continually evolving role. Peer mentoring will be a key element of this support.
- *Investing in Local Government* – enhancing the sector and sharing good practice – provision of advice and support in relation to investment and improvement including the establishment of some form of partnership arrangement with involvement of members and local government Chief Officers.
- *Workforce, Employment and People Development* – NILGA to continue to provide the regional governance, oversight and coordination of future regional negotiating arrangements e.g. the Northern Ireland Joint Council for Local Government Services (NIJC)

and the Joint Negotiating Committee for Chief Executives (JNC) or any replacements which may be brought forward.

- *Providing Effective and Innovative Communications and Engagement* – Provision of regional European programme support and services to elected Members sitting on committees of EU Structural Funds programmes and who have been appointed seats on EU Programme and institutional bodies.

Provision of secretariat support to the recently establishment Regional Political Partnership which is a central-local government forum comprising of Assembly Ministers and local government elected Members. Enable discussions to take place on key issues that may affect local government.

- *Conferences, Awards and Promotional Events* – facilitating the organisation of regional conferences and award events for local government.
- *Strategic Migration Partnership* – Provision of secretariat and development support to the Northern Ireland Strategic Migration Partnership which supports local government planning and data sharing on migration.

(c) Proposals for a revised Constitution

The following changes are being proposed to the NILGA Constitution

- *Full Membership* (90- elected Members proposed) – membership will be open to all councils who will nominate members on the Association. Eight members will be sought from each Council with the exception of Belfast whereby ten members will be sought. It should be noted that Belfast CC currently has 17 Members on NILGA.
- *Executive Committee* (23 Members proposed) – will comprise of NILGA Office Bearers plus 23 elected Members derived from the full member nominations from member councils. The Executive Committee will comprise of two members from each council and three from Belfast (NB. Belfast currently has three members on NILGA Executive.). It should be noted that these

positions will be appointed by Party Nominations Officers and not councils.

- Local government representatives on the Partnership Panel will also be invited to attend Executive meetings. It is proposed that two Chief Executives drawn from the 11 councils would attend as advisors (NB – this is similar to current practice).
- *Working Groups* – method for formation of working groups is not proposed to change; however, it is proposed that working groups should formally report back to councils on a monthly or quarterly basis as appropriate and that all substantive decisions should be brought forward as recommendations for council's consideration.

(C.2) Proposals for new financial arrangements

NILGA propose to introduce a new financial model (i.e. banded system) for how council subscription fees are to be calculated linked to population size as set out below:-

- Band A population greater than 300,000 (£85,950)
- Band B population greater than 145,000 (£47,950)
- Band C population greater than 110,000 (£42,750)

On this basis, NILGA are proposing that the Council's future subscription would be £85,950. Whilst the paper suggests that this would represent a £29.8% reduction from the 2014/15 subscription (i.e. £104,191 originally requested by NILGA), it should be noted that the Council only agreed to pay £82,990 for the 2014/15 period based on population size.

Based on the current NILGA proposals which are linked to the populations of the new 11 councils, Belfast would be the only council in Band A; with five Councils in Band B (Armagh, Banbridge & Craigavon; Lisburn and Castlereagh; Newry, Mourne Down; North Down & Ards, and Derry & Strabane), with the remaining five councils in Band C (i.e. Causeway Coast & Glens; Mid-Ulster; Antrim & Newtownabbey; Mid and East Ulster; and Fermanagh and Omagh).

Dissolution Policy

NILGA are proposing to introduce a new dissolution clause within its constitution which in summary would mean that a process is followed to make arrangements whereby the member councils shall distribute/discharge the Association's new assets/liabilities in the event of its cessation.

3.0 Belfast City Council Response

- 3.1** Whilst the Council has continuously advocated the need for a strong Local Government Association (LGA) which is focused on its core business of advocating on behalf of local government on regionally significant policy issues and facilitating engagement between central and local government, it is clear that the Council does not currently require or avail of the support provided by NILGA to the same extent as the other councils.
- 3.2** Members will be aware that Council has successfully developed its own internal expertise, capacity and support mechanisms and has a strong in-house policy and communication capacity. It has successfully implemented Members' support and development programmes, developed and coalesced around corporate positions on emerging policy issues and has gained direct access to Ministers and Central Government officials as required.
- 3.3** In considering a response to NILGA's consultation, Members may wish to include specific comments in relation to the following:

General Comments

- Recognise the need to reconfigure the Northern Ireland Local Government Association within the context of the new 11 Council model and accept, in principle, that there may be a need for regional support and coordination around many of the areas set out by NILGA. This may be even more important during the early stages of the operation and bedding in of the new councils.
- It is important however that the scope of support proposed (i.e. future products and services) is not so broad that it is at risk of potentially diluting the overall impact of the Association. Commend that the added value and core focus of a reconfigured Local Government Association would be 'developing consensus positions and advocating on behalf of local government, and facilitating engagement with the NI Executive and central government departments on regionally significant policy issues and related local government matters.
- Over recent years, Belfast City Council has established a good working relationship with NILGA, at both an Elected Member and Officer level, and would seek to

reinforce and build upon this in moving forward; continuing to provide assistance and support where possible and within resource limits.

Investing in Local Government

- Securing investment and stimulating the economic, social and physical regeneration of cities, towns and neighbourhoods will be a core focus of each of the 11 larger councils in moving forward; further reinforced by the new transferring powers of spatial planning, regeneration and community planning.
- Whilst recognising the potential role of a local government association in providing regional support and more so awareness around potential investment opportunities which may exist, it is the council(s) who must be the foci for taking forward local government investment and improvement.
- Members will be aware that the Council has already proven track record in securing substantive investment into the city and has co-designed, funded and delivered, in partnership with central government and the NI Executive, significant physical projects including e.g. £100m Titanic Signature Project.
- The Council has also successfully drawn down significant European funding for key capital schemes including the extension to the £30m Belfast Waterfront Hall and £11.7m stated of the art shared community hub at Girdwood. In fact the Council is delivering in excess of £360m as part of its Investment Programme for the city and has already secured in the region of £80m external funding to support the delivery of key physical and infrastructure project within Belfast.

Elected member development and peer mentoring

- The Elected Member Development Charter is provided by South East Employers (SEE) and is currently delivered via NILGA. Belfast City Council was the first council in Northern Ireland to achieve this accreditation and will be the first council in Northern Ireland to seek re-accreditation- by March 2015. In planning for the re-accreditation process in March 2015 BCC has been liaising directly with SEE. However, the Council would highlight that it may be beneficial if an organisation in Northern Ireland had the capacity to

provide the Elected Member Development Charter at a regional level and be the awarding body for the associated NI Charter accreditation process in the future.

- The Council also recognise that the delivery of regional Member capacity developmental activities and programmes is a useful mechanism for networking and sharing of ideas and knowledge. They can also provide value for money and seek to ensure economies of scale. It is, however, essential that the facilitators/training deliverers have the necessary knowledge, expertise and experience of the subject matter being discussed. A blended training approach is desirable e.g. use of peer mentoring; action learning; development programmes etc in addition to the normal presentations or seminars.
- There is no doubt that Councils in Northern Ireland would benefit from the ability to access elected member development and support activities. As highlighted previously however the activities must be able to add value to councils and members at an individual level. Councils need best practice activities delivered by high calibre providers with the relevant expertise and experience.
- It is also important that any emerging Political Skills framework reflects the governance arrangements in Northern Ireland.
- The Council would be supportive of the proposal put forward in regards to putting in place a learning and development call-off framework of expert providers to design and deliver elected member capacity building activities and programmes. Each council should be able to access the framework to deliver bespoke activities and programmes in-house if it so wishes to.
- Individual councils will have mechanisms in place for recording elected member training attendance. Attendance and learning from regional activities or programmes should be discussed (and recorded appropriately) via elected member personal development meetings and documentation at individual council level- we would wish to avoid duplication of effort at all times.

Workforce, Employment and People Development

- NILGA, in the past through NIJC has provided advice and guidance to BCC on the application of national terms and conditions and has been a useful source of advice in respect of the industrial relations temperature at across the region.
- There is a need for careful, independent consideration to be given to the industrial relations framework for NI local government within a post local government reform environment.
- Serious thought needs to be given to the constitution, remit and governance of any such body given NI councils' new powers; the direction of travel for local government; the financial context within which we are working; the ambitions, priorities and needs of individual councils; and the in-house Human Resources and Organisational Development capacity of the eleven new councils.

Finance Model – Subscriptions

- Given the current financial pressures and growing scrutiny on budgets and spend, all services within the Council are subject to value for money and efficiency challenges. Similarly, any subscription paid by the Council to a third party is under review in context of value for money and affordability.
- Whilst welcoming the steps taken by NILGA to reduce its operating cost base and the intention to introduce a new financial model for calculating member subscription fees, the Council would have concerns in relation to the current proposals put forward i.e. banned system whereby subscriptions are linked solely to population size and arbitrary bands.
- As a result Belfast would be the only council designated as Band A (i.e. paying a subscription of £85,950), which is almost 45% greater than Band B (i.e. £47,950) which applies to 5 councils and around 50% greater than Band C (i.e. £42,750) which applies to 5 councils.
- In examining which alternative options may exist for a more equitable basis for calculating subscriptions, the Council would recommend that future subscription charges should be based on the number of elected

Members in each council rather than a 'banned' based on population.

- Based on this model the Belfast CC would be required to pay a subscription of around £70,058 (approx), if agreed, which is a £15,892 reduction in the current proposed subscription. A summary of the estimated breakdown of subscriptions per council has been circulated.

4 Resources

4.1 If agreed, NILGA subscription of £70,058.

5 Equality and Good Relations Implications

5.1 There are no equality implications contained within this report.

6 Recommendations

6.1 The Committee is asked to note the contents of this report and the appendices which have been circulated, and;

- agree that a response is submitted to the NILGA consultation based on the comments set out at section 3.0 above and taking into account any feedback from Members; and
- consider and agree that the Council will pay a subscription fee of £70,058 based on number of elected Members and that a response is submitted to NILGA on this basis."

The Committee adopted the recommendations.

Finance/Value-for-Money

Update on Rate Setting

The Committee considered the undernoted report:

"1.0 Relevant Background Information

1.1 This report provides an update for Members on the validation of the new Belfast City Council rate base as part the rate setting process for 2015/16.

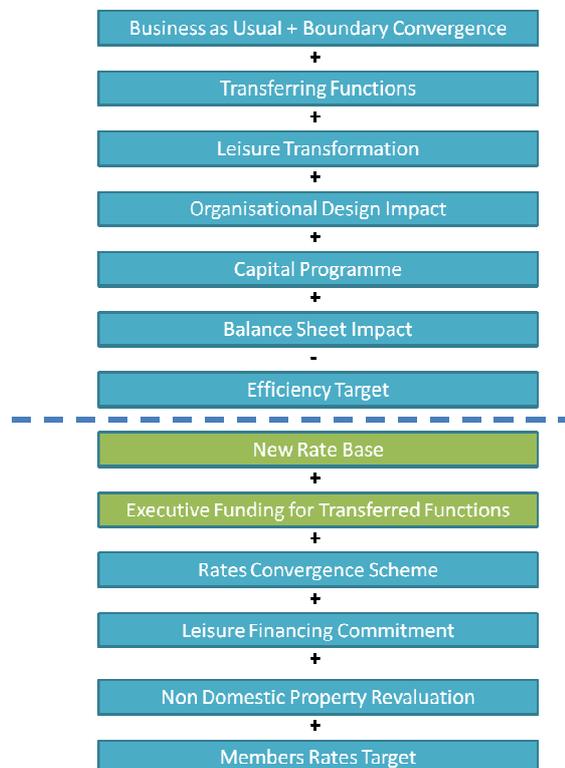
2.0 Key Issues

2.1 Figure 1 below outlines the key factors in the rate setting process for 2015/16.

2.2 The two main income streams which require validation before the district rate for 2015/16, are highlighted in Figure 1.

- The level of funding which will be provided by the Executive at the point of transfer of functions to the Council from the relevant Government Departments.
- The level of income which it is estimated will be generated from the rate base of the new Belfast City Council area as compared to the 2014/15 rate base.

2.3 Departmental officials have indicated that the decision of the NI Executive on the financial settlement for Councils in relation to transferring functions is unlikely to be made until around the third week in January 2015. At this stage it is estimated that there will be a shortfall in what is needed to efficiently run the new and what will be transferred. If this is the case, Members will not be in a position to agree the departmental cash limits and the district rate in January and a special meeting of the Shadow Strategic Policy and Resources Committee will be required in February 2015 ahead of the statutory deadline of the 15 February 2015 by which the district rate must be struck.



New Rate Base

- 2.5 As part of the rate setting process the Land and Property Service (LPS) provide an Estimated Penny Product (EPP) to the Council which forecasts the amount of money that would be collected if the rate poundage was set at 1 penny.
- 2.6 This is used by the Council, as part of its financial planning to calculate the likely impact of the district rate on the level of income which will be generated through the rate base.
- 2.7 The final EPP is arrived at after review and engagement with the Council finance officers who challenge and validate the assumptions used by the LPS in arriving at the EPP.
- 2.8 The EPP for 2015/16 includes the expected income arising from the new Council boundary area and given the complexity and importance of this assessment the Council has used the Institute of Revenue Rating and Valuation (IRRV) to provide additional validation of the EPP which will be used to set the district rate.

Estimated Penny Product (EPP)

- 2.9 The EPP for the new rate base for 2015/16 is £5,616,420. The impact of the EPP in terms of the income generated through the rate base is shown in Table 1 below.

Table 1

**Estimated Income from Belfast City Council Rate Base
(Based on a Zero District Rate Increase)**

2014/15 BCC Rate Base	£129,716,358
2015/16 BCC Rate Base	£141,957,663
Increase in Rates Income	£12,241,305

- 2.10 The additional income from the rate base of £12,241,305 is due to the rates income from the new boundary areas and general growth in the value of the overall rate base. It should be noted that as part of the rate setting process for 2013/14 and 2014/15 Members agreed that there should be no allowance for growth in the EPP to safeguard against the risks arising from the continuing difficult economic conditions and local government reform. The estimated growth in the rate base, not related to the boundary changes, therefore covers a three-year period.
- 2.11 An analysis of the increase in estimated rate income for the city is shown in Table 2 below.

Table 2

**Estimated Income from Belfast City Council Rate Base
(Based on a Zero District Rate Increase)**

New Areas	£11,126,637
General Rate Base Growth	£1,114,668
Increase	£12,241,305

2.12 Members should note that the EPP is based on the new non-domestic values arising from the recent non-domestic rating revaluation. It is expected that a number of businesses will submit a valuation appeal. If an appeal is successful this will impact on the level of rates income received by the Council in the future. Appeals cannot be submitted until April 2015 and at this stage it is not possible to estimate the potential loss of rates income. For this reason, it is recommended that rather than adjusting the EPP to take account of the risk of non domestic revaluation appeals, the position should be considered at the year end with the potential ring fencing of an element of existing reserves to allow for this risk.

3.0 Resource Implications

3.1 The rate base currently provides 75% of the Council's Income.

4.0 Equality and Good Relations Implications

4.1 There are no equality and good relations implications associated with the report.

5.0 Recommendations

- Note that the financial settlement for the transfer of functions to local government is unlikely to be agreed until late January 2015;
- Agree that an EPP of £5,616,420 is used for 2015/16.
- Agree that the ring fencing of a portion of existing Council reserves to safeguard against the risk from non-domestic revaluation appeals will be considered at the year end.
- Note that further report on the revenue estimates and capital programme will be submitted to the meeting of the Shadow Strategic Policy and Resources Committee on the 16 January 2015."

The Committee adopted the recommendations.

Update on Non-Domestic Revaluation

The Committee considered the undernoted report:

“1.0 Background Information

1.1 At the meeting of the Shadow Strategic Policy and Resources on the 28 November 2014, Members received an update on the Non Domestic Property Revaluation referred to as ‘Reval 2015 NI’.

1.2 At this meeting, the Committee was advised that the Council had been provided with revaluation data for all of the non domestic properties (approximately 17,200) in the new Belfast City Council area and that finance officers were analysing the data and that a further report would be presented to the December meeting of the Committee.

2.0 Key Issues

Draft Schedule of New Values

2.1 The draft schedule of new values was published by LPS on the 17 November 2014. The following analysis is based on this draft schedule of new Net Annual Valuations (NAVs) and its comparison to existing NAVs.

2.2 Rate bills based on the published Valuation List will be issued in April 2015. However ratepayers will be able to calculate their new rates bill in February 2015, when the District rate is struck by the Council and the Regional rate is struck by the Executive.

2.3 Preliminary Outcomes of the Draft Schedule

In November it was highlighted that the preliminary outcomes of the revaluation by type were.

- **The total of Belfast NAV’s increased by 4.6% as a result of the revaluation.**
- **The total NAVs for Belfast Offices have reduced by 4%.**
- **The total NAVs of Belfast Retail have reduced by 13%.**
- **The total NAVs of Belfast Warehouses and Stores have reduced by 5%.**
- **The total NAVs of Belfast Industrials have reduced by 10%.**
- **The total NAVs for Supermarkets has increased by 24%.**
- **The Power transmission and distribution NAV (which is calculated at NI level) has increased by 40%.**

- 2.4 It should be noted that the above changes show the net position of properties within the property category. Within each type there can be major decreases and increases, especially depending on location of the property, which make up the overall percentage movement.
- 2.5 Some of the overall preliminary outcomes of the revaluation by location are highlighted below.
- Excluding large shops and department stores, the total NAVs for Victoria Square have reduced by 17%.
 - Excluding large shops and department stores, the total NAVs for Castle Court have reduced by 45%.
 - Excluding large shops department stores, the total NAVs for Donegall Place have reduced by 48%.
 - The total NAVs for the Kennedy Centre have increased by 22%.
 - The total NAVs for Boucher Crescent have increased 66%.
- 2.6 An analysis by District Electoral Area will be provided to Members at the meeting and this will then be distributed to all Council Members. The analysis will show:
- properties which may lose Small Business Rates Relief.
 - properties which may gain Small Business Rates Relief.
 - (The level of relief available is related to the NAV of the property for example the Small Business Rates Relief provides 50% relief for NAV's under £2,000, 25% relief for NAV's between £2,000 and £5,000 and 20% relief between £5,000 and £15,000.)
 - properties which may face an increase in amount of rates payable.
- 2.7 Tables 1 and 2 below show the top 10 wards with the largest overall percentage increase and the 10 with the lowest overall percentage increase.

Top 10 Wards with Largest Percentage Increase

Ward	Existing NAV	Revalued NAV	Var	% Var
Ballynafeigh	2,341,665	2,876,220	534,555	22.83%
Blackstaff	22,103,875	26,439,330	4,335,455	19.61%
Falls Park	7,415,910	8,786,880	1,370,970	18.49%
The Mount	3,442,600	4,056,370	613,770	17.83%
Ballyhackamore	3,409,995	3,915,020	505,025	14.81%
Lisnasharragh	7,869,615	8,620,300	750,685	9.54%

Stormont	7,990,020	8,637,530	647,510	8.10%
New Lodge	6,245,410	6,746,580	501,170	8.02%
Island	17,709,720	19,040,870	1,331,150	7.52%
Sydenham	21,565,345	22,233,140	667,795	3.10%
Total	100,094,155	111,352,240	11,258,085	

**Table 2
Top 10 Wards with Lowest Percentage Increase**

Ward	Existing NAV	Revalued NAV	Var	% Var
Falls	32,841,685	27,899,880	-4,941,805	-15.05%
Bloomfield	5,623,730	4,998,880	-624,850	-11.11%
Beechmount	4,263,120	3,917,640	-345,480	-8.10%
Musgrave	4,202,920	3,983,080	-219,840	-5.23%
Malone	3,485,235	3,316,880	-168,355	-4.83%
Shaftesbury	128,992,890	126,055,270	-2,937,620	-2.28%
Windsor	5,886,510	5,817,570	-68,940	-1.17%
Botanic	13,651,935	13,608,965	-42,970	-0.31%
Total	198,948,025	189,598,165	-9,349,860	

- 2.8 Given the significant increase which some businesses will phase as a result of the non domestic revaluation the Committee agreed, at its meeting on the 28 November 2014, that the Council should write to the Finance Minister asking him to consider providing a separate relief scheme for those businesses who face significant increases in their rate bills as a result of the non domestic revaluation.**

Engagement Businesses

- 2.10 The purpose of the publication of the draft valuation list by the Land and Property Service in November 2014 is to allow time for any major errors in the list to be addressed and to give ratepayers the opportunity to contact LPS for explanation of the revaluation and draft values prior to the final list being published in April 2015.**
- 2.11 From 1st April 2015, ratepayers who are not satisfied with the revaluation of their non domestic property can take the following action:**
- **Make an application to the District Valuer to have their NAV reviewed.**
 - **If not resolved, then submit a subsequent appeal to the Commissioner of valuation.**
 - **Finally if still not satisfied, then submit a subsequent appeal to the Lands Tribunal for Northern Ireland.**

2.12 It was originally agreed that the Council would host a number of briefing sessions for businesses which have been adversely impacted by the revaluation. LPS, however, has informed the Council that officials have been conducting briefing sessions through representative bodies such as Retail Trade Associations, Pubs of Ulster and with the major retailers and utility providers. It is therefore recommended, in order to avoid duplication, that the Council does not provide briefing sessions on this matter.

3.0 Resource Implications

3.1 The Council received approximately 66% of its rate income from non-domestic properties. The total amount of money to be raised through the rates will not change as a result of revaluation; however individual ratepayers may see an increase or decrease in their rates bills as a result of the revaluation.

4.0 Equality and Good Relations Implications

4.1 None.

5.1 Recommendations

5.1 The Committee is asked to note the report on the non domestic revaluation and approve the draft letter to the Finance Minister.

The Committee adopted the recommendations and agreed to hold a briefing session in the City Hall in the New Year.

Central Government Budget - Consultation Response

The Committee considered the undernoted report:

“1 Relevant Background Information

1.1 On 3rd November 2014, the NI Executive announced its draft budget proposals for 2015-16 period. A copy budget proposal is available at <http://www.northernireland.gov.uk/draft-budget-2015-2016.pdf> a summary of which has been circulated.

Departmental Budget Proposals

1.2 Table 1 below sets out the proposed non-ring fenced departmental budget allocations to each of the Government Departments. It shows that most departments (with the exception of DETI and DHSSPS) will face cuts in their budgets, with DCAL, DEL, DoE and DSD each facing budget cuts of at least 10%.

Table1 Non Ring Fenced Departmental Resources

Department	2015-16 Baseline Position		2015-16 Draft Budget		%Change
Agriculture and Rural Development	£m	197.6	£m	187.3	-5.2%
Culture, Arts and Leisure	£m	99.9	£m	89.9	-10.0%
Education	£m	1,943.7	£m	1,849.3	-4.9%
Employment and Learning	£m	756.2	£m	674.4	-10.8%
Enterprise, Trade and Investment	£m	184.2	£m	194.0	5.3%
Finance and Personnel	£m	155.9	£m	139.0	-10.9%
Health, Social Services and Public Safety	£m	4,542.7	£m	4,693.1	3.3%
Environment	£m	116.6	£m	103.7	-11.1%
Justice	£m	1,089.0	£m	1,024.0	-6.0%
Regional Development	£m	335.5	£m	322.0	-4.0%
Social Development	£m	653.9	£m	589.1	-9.9%
OFMDFM	£m	65.8	£m	65.4	-0.6%
Non-ministerial Departments (total of those below)	£m	91.7	£m	88.4	-
<i>Assembly Ombudsman / Commissioner for Complaints</i>	£m	1.8	£m	1.8	0.0%
<i>Food Standards Agency</i>	£m	8.5	£m	7.4	-12.8%
<i>NI Assembly</i>	£m	40.7	£m	40.7	0.0%
<i>NI Audit Office</i>	£m	7.9	£m	7.9	0.0%
<i>NI Authority for Utility Regulation</i>	£m	0.1	£m	0.1	-14.3%
<i>Public Prosecution Service</i>	£m	32.7	£m	30.5	-6.7%
Total Planned Spend	£m	10,232.7	£m	10,019.6	-2.1%

2 Key Issues

2.1 Clearly the NI Executive's and many of the individual departmental draft budget proposals will have a potential direct impact on both Belfast and Belfast City Council in terms of both the continuation and new funding made available for e.g. Capital/physical investment schemes within the City, supporting revenue programmes and initiatives including a number of direct grant schemes administered by the Council (directly or indirectly). It is also important to recognise the risks of further budgetary cuts which impact directly upon Belfast based recipients; who may in turn seek funding from the Council to subsidise any funding gaps which may emerge.

Departmental Budget Proposals Consultation

2.2 Within the context of the overall NI Executive Draft Budget proposals, each Minister has recently released a breakdown of individual departmental budgets proposals for 2015/16, including information in relation to measures required to enable the department to live within their budget allocation. Each department is also conducting its own consultation process to

run concurrently with the NI Executive's process – with comments sought by 29th December 2014.

The Executive is due to consider and agree the budget proposals in January.

- 2.3 Whilst not intending to go into the specific details of each of the departmental budget proposals, specific focus has been given to assessing those departmental budget allocation proposals which may have a potential direct impact upon Belfast/Belfast City Council. Members should note that all of the Departmental budget proposals identify potential broad areas of where cuts will be applied; however, the lack any detail available means that it is not possible to assess the direct consequences for the Council. Notwithstanding, set out below is some of the high-level observations and comments on specific departmental budget proposals.

2.4 Department for Social Development

Revenue

The Council would have major concerns in relation to the significant cuts (i.e. £64.8m or 12.3% reduction on the previous year) in relation to the Departmental revenue budget.

Such cuts will have a direct and significant effect on a number of funded programmes across the city, most significantly neighbourhood renewal based programmes and initiatives. The scale and impact is specifically heightened in Belfast if this cut in revenue budget is carried through to the allocation model in 2016 when the responsibility transfers to the Council – the previous DSD departmental transfer of functions budget allocation proposals for Belfast saw a short fall in over £6 million (based on recent spending levels) – which would have a direct impact on the future sustainability of core programmes within the City.

Belfast City Council would urge the department and NI Executive to consider the further impact on urban regeneration and community development in Belfast if the same allocation model is placed on a reduced regional budget.

Capital

Whilst the Council welcomes the protection of urban regeneration projects with contractual commitments, it would be concerned in relation to the significant cuts (i.e. £17.1m or £12.5% reduction on the previous year) proposed in relation to the Departmental capital budget.

Again the Council believes that such cuts will have a direct and significant impact upon Belfast and the ability to undertake

much needed urban regeneration projects in the city. Belfast as the region's economic driver, should in our view, be prioritised for physical regeneration as it will give the highest return on investment. The Council proposes that the significance of this cut is reconsidered and, looking ahead, urges the department to rethink the allocation model used for the transfer of urban regeneration and community development in 2016.

Transfer of functions budget to local government

The Council would seek further clarification and detail from the Department on the cumulative impact of the recent departmental budget proposals on the budget allocation (capital, revenue and staff) which will be attached to the regeneration and community development functions to transfer on 1 April 2016.

Laganside

The Council is concerned with the proposal that funding for the Laganside functions will also reduce and would commend that this budget must be protected. The Council has previously stated that it does not believe that the current budget proposals for Laganside is sufficient to ensure the continued operation and maintenance of this significant regional infrastructure.

2.5 Department of Environment

Rate Support Grant and De-rating Grant – the Council would support the departmental recommendation that key local government grants programmes should be ring-fenced from any reductions. The Council received £4.6m in the form of derating grant for 2014/15.

Waste Management – the Council welcomes proposed continued support for local government grant schemes, and would highlight in particular, the need to protect the Rethink Waste grant fund which is aimed at increasing recycling and landfill diversion. The Council is, however, concerned at the proposal to provide future financial support at a reduced level.

In 2014/15, the Council was allocated £860,000 of Rethink Waste capital funding to deliver a variety of projects which will contribute an additional 3% to the city's recycling rate. Without this funding these projects would not have progressed and the improvement in the recycling rate would not be achieved.

The Council believes that the level of support provided should be at least maintained if not increased so as to support the

delivery against some of the key objectives set the Department namely:

50% recycling rate by 2020. NI currently sits at 40.6% (Local Authority Collected Municipal Waste – NIEA published data Nov 14); Proposed legislation to introduce separate food waste collections – Commercial operators 1 April 2016 and at householder level 1 April 2017; Drive to move waste up the waste hierarchy and in particular boost the re-use sector

Emergency Financial Assistance (Flooding) – the Council would be concerned in relation to the proposal to remove the £1k payments available to households which had been affected by flooding without a more appropriate scheme such as individual flood protection measures being put in place.

In addition to this direct financial support for householders, the scheme has enabled the Council to provide emergency works such as house clean ups, provision of dehumidifiers and sandbags as well as the co-ordination of the emergency response. Since 2012/13 the scheme has provided £828k of direct financial support to householders and further support of £314k to the council for the co-ordination and delivery of response services to residents severely affected in Belfast. Assistance to help those most severely affected to get back to normal as quickly as possible is essential in such times. Given the significance of this the council believe that the Department and Executive should ensure that the scheme is ring-fenced protected, otherwise it is likely that these services will be reduced or lost.

Road Safety – whilst there is an absence of detail, the council would suggest that all necessary steps are taken to prevent any significant cuts to the budget available for road safety advertising and education.

Core Council funding streams – the Council note that it is proposed to terminate a wide range of grant and other support programmes. Termination of current grants would mean the loss of £284k of income for the Council in 2015/16 which relates directly to high impact initiatives such as emergency planning (£93k), air quality management (£92k), construction products regulation (£34k), Belfast resilience (£50k) and disability action (£15k). We would strongly recommend that all steps are taken to protect the current level of funding to local councils in respect of these funding streams.

2.6 Department of Culture, Arts and Leisure

The Council welcomes the commitment of the Arts Council Northern Ireland (ACNI) and DCAL to develop a new Arts and Culture Strategy. As a key partner in that activity, we would be keen to work with both organisations in order to develop a strategic approach to the new ways of working, given that our cultural framework is to be reviewed in the coming financial year, with a view to a new cultural framework in 2016. Greater alignment and joint working between the work of ACNI, DCAL and BCC would further assist in maximising impact on the ground and where possible realising further efficiencies.

The Council is concerned about:

- The proposal for libraries to reduce opening hours and spending on books as this has the potential to have a direct adverse impact upon local communities and hard to reach groups who may avail of these facilities.
- The proposal for museums also to cut opening hours as well as reducing the number of events and exhibitions - adverse impact upon the tourism and cultural offering within the city.
- The proposal that grants for arts groups, distributed by Arts Council will be significantly cut and that some organisations involved in the promotion and delivery of arts will cease to receive funding – putting their viability into question.

The proposal that grants for sporting organisations in the areas of performance sport, coaching and club/governing body development will be reduced. The Council would note, in particular, that the main programme which DCAL delivers through Sport NI to Belfast City Council is the Active Communities programme which is a high impact programme in the city. As the Council already provides significant revenue funding to this programme, it would seek assurances from the department that there are no further cuts to this programme budget from Sport NI as this would render delivery unviable under current expenditure eligibility.

2.7 Department of Education

Whilst recognising the identified funding gap of £160m in the departmental budget, the Council would have concerns in regard to the proposed reductions in spending on, in particular, pre-school education and Sure Start, school maintenance and community relations schemes. We are also aware that small

grants support schemes such as the healthy eating programme (that costs around £5m per year) could be ended entirely. Such cuts are likely to have an adverse impact on the educational needs, attainment levels and well-being of children and young people across this city.

2.8 Department for Employment and Learning

The Council would have specific concerns in relation to the proposed reductions to revenue and capital in Further Education (FE) and Higher Education (HE) Sectors. The Council would highlight that the Programme for Government and NI Economic Strategy identifies the need to improve regional productivity and competitiveness. FE and HE are key drivers in supporting these objectives and any cuts to budgets in this area will have significant implications e.g. in Belfast, it is estimated that this would result in 3,000 less undergraduate places annually.

A potential knock-on impact of any reduction in FE places would be the loss of students to GB, with less chance that they will return. This could have a very significant detrimental impact on:

1. The range and availability of high level which are the reason that FDI companies locate here.
2. A focus on addressing the serious skills shortages we have in many of the deprived areas of the city.

Employment Services – potential changes to welfare and focus on making work pay will mean an increase in the number of people seeking helps from JBOs and other employment services provision – need to ensure that this is available.

European Social Fund – the Council would be concerned at how the programme is structured and the inability to find match funding may mean that funding is not drawn down. We also acknowledge that this challenge will be exacerbated by a range of additional cuts to the voluntary and community sector through other funds

In moving forward, the Council would welcome the opportunity to work with DEL to consider potential joint projects and initiatives. The Council is currently developing an employability and skills strategy for the city which is not predicated on new resources but, rather, on doing things better and working more efficiently. To this end, the Council would also be keen to engage with DEL around the proposed Change Fund bids,

particularly in the areas of economic activity and youth employment – both major challenges for the city.

2.9 Department of Enterprise, Trade and Investment

ONS statistics from December 2014 show that, at 09.%, economic output grew at a lower rate in Northern Ireland than in all other UK regions. This demonstrates that the economic recovery in the region remains fragile. The removal of any support measures could place any future growth in jeopardy and lead to the region falling further behind the others.

Invest NI - The Council would be concerned at the potential impact on indigenous businesses – these represent over 90% of the business stock in the city. In order to ensure that there is some continuity of service, we would encourage greater collaboration with BCC which, from 1 April 2015, will be responsible for enterprise support activity. This collaboration will have the added value of being able to lever EU resources to support agreed activities – we would encourage Invest NI to work with councils to provide match funding to SME support projects. In the context of reduced resources, this could mean that for every £1 invested by Invest NI, it will be possible to lever a further £4 from councils and ERDF combined. This could support activities such as export development, sales and marketing support.

Tourism – the Council would be concerned regarding the current proposals to reduce the funding to NITB as we believe that this will have a direct impact upon key tourism projects within Belfast and harm the projects return to the local economy. This is further exacerbated with the recent removal of the National (Events) Sponsorship Scheme. Both these outcomes will see Belfast based organisations looking to the Council to fill funding gaps. There is also a significant risk that this will have a direct impact upon BCC delivered events such as the annual Belfast Titanic Maritime Festival, which is supported by NITB funding. Any cuts of this nature are likely to result in a slowdown in the growth in Belfast's tourism sector and have a negative knock-on effect to the wider regional economy.

2.10 Department of Regional Development

The Council welcomes the continued commitment by the Department to deliver the Belfast Rapid Transit and notes the reference to the potential of managing delivery over a longer

timeframe. The Council would seek further engagement with the Department on this project.

The Council would be concerned about the proposed cuts to core emergency response services, including flooding response services, gritting and snow ploughing roads, and believe that these should be protected.

The Council notes the intention to increase fares and removal of some bus services, including the withdrawal of town services from a number of towns and a reduction in the frequency of other bus and rail services. The Council would seek further detail on such proposals and assurances that they would not have a disproportionate impact on the connectivity to and across the city.

2.11 Office of the First Minister and Deputy First Minister

The Council welcomes the proposed capital budget allocation to take forward further regeneration projects, and in particular the development of Crumlin Road Gaol.

The Council also welcomes the proposed £15m commitment for the Social Investment Fund and £14m towards the delivery of the Executive's delivering social change agenda. This reflects the funding commitment in 2014/15; supporting the ongoing rollout of the Social Investment Fund, Childcare Strategy and Social Change signature projects in the city.

Good Relations - Whilst recognising the need to cutback budgets in line with affordability limits, the Council would seek assurances that this would not significantly impact upon key council programmes and initiatives which obtain funding from the Department such as Council's Good Relations Programme. Clarification is required on what are the likely impacts on the Councils Good Relations Action Plan for 2015/16 and beyond in terms of (i) staffing and administration and; (ii) programme costs which includes grant aid.

PEACE IV Programme –European funding requires a match funding contribution of 15% for the proposed new Programmes. The Council would seek clarification is required on whether the proposed budget reductions will impact upon funding available under the proposed PEACE IV Programme.

2.12 Department of Justice

The Council also notes the recent Criminal Justice Inspectorate Report on PCSPs which includes a recommendation for Belfast

to have a single PCSP, with the requirement for 4 DPCSPs in Belfast being removed. The Council would seek early clarification if this measure would form part of the DOJ proposed administration savings in respect of PCSPs, as recruitment will shortly take place for all 5 partnerships

2.13 DARD

The Council welcomes the continued investment in flood alleviation – including the progression of major flood alleviation works in East Belfast which will provide enhanced protection to some 1,700 properties.

The Council also welcomes the commitment to retain match funding allocations for the Rural Development programme. This will also help the drawdown of funding and allocation of match funding resources from councils and other partners.

3 Resources

The departmental consultations do not provide sufficient detail to determine the direct and indirect financial implications of the proposed budget reductions on the Council. It is however clear that proposed reductions across the departments represents a significant financial risk to the Council in setting the district rate for 2015/16, not only in relation to the Council's existing functions but also to the funding which will transfer to the Council to support those functions transferring to local government on the 1 April 2015 and 2016.

It is likely that the impact on the Council's budgets will not be known until the end of January. If this is the case then a special Shadow Strategic Policy and Resources Committee may be required at the start of February.

4 Recommendations

4.1 The Committee is asked to consider the contents of this report and appendices which had been circulated and agreed that submissions are made to the relevant departments based on comments as set out and taking into account Members feedback at the Committee."

The Committee endorsed the contents of the Council's submission, subject to it being amended to reflect the following points:

- that any proposed cut to the Department for Regional Development's budget would impact particularly on projects aimed at neighbourhood renewal and, as such, the impact of any suggested reduction to those budgets should be reassessed; and

- that central government should seek not to make any cuts to budgets aimed at alleviating problems experienced by individuals living in areas which had been affected by flooding.

The Committee noted further that a report would be submitted in due course regarding the proposal which had been outlined by the Criminal Justice Inspectorate suggesting a reduction of the number of Policing and Community Safety Partnerships in Belfast to one.

Belfast Conflict Resolution Consortium

(Councillor Hargey left the room whilst the item was under consideration.)

The Committee considered the following report:

"1 Background Information.

1.1 This purpose of this paper is for the Committee to consider a request for funding from the Belfast Conflict Resolution Consortium (BCRC).

2 Key Issues.

2.1 The Belfast Conflict Resolution Consortium (BCRC) is a city wide cross community partnership working to assist conflict transformation at Belfast interfaces. Previous phases of projects undertaken by BCRC were supported by the Peace III Programme, managed for the Special EU Programmes Body by the Community Relations Council/ Pobal Consortium.

2.2 BCRC currently provides practical support and assistance to 53 grassroots groups and networks across Belfast and is represented on the boards/committees of 34 organisations across the city.

2.3 BCRC is seeking the funding support of £81,441.68 from Belfast City Council to sustain its current staff level of 5 for the period January 2015 to June 2015 which will cover the shortfall in funding for the costs associated with the delivery of BCRC's work plan for the period as well as lead agency overhead and administration costs.

2.4 The funding request and supporting documentation has been circulated as appendix 1.

3 Resource Implications

- 3.1 No provision has been made for this funding in the revenue estimates. If funding is agreed then financing will need to be provided from the 2014/15 year end reallocation.

4 Equality and Good Relations Considerations

- 4.1 There are no equality and good relations implications associated with the report.

5 Recommendations

- 6.1 Members are asked to consider the funding request from the Belfast Conflict and Resolution Consortium (BCRC)."

After discussion, the Committee agreed to accede to the request for funding with a further report to be brought to the Committee as part of the rate setting process.

Asset Management

Strategic Policy and Resources Committee

The Committee noted the contents of a report which outlined the range of decisions, particularly in relation to the disposal of land adjacent to the former site of the Maysfield Leisure Centre and an update on the Council's Capital Programme and Investment Programme, which had been taken by the Strategic Policy and Resources Committee at its meeting on 12th December.

Human Resources

Head of Audit, Governance and Risk Services

The Committee was reminded that, at its meeting on 24th October, it had granted approval for the commencement of a recruitment exercise for the post of Head of Audit, Governance and Risk Services and delegated authority to the interviewing panel to appoint a suitable candidate at the end of that process. It was reported that one application had been received for the position and the selection panel had recommended unanimously the appointment of Mr. Andrew Harrison on the appropriate point of the salary band.

Noted.

Cross-Cutting Issues

Airport Public Inquiry and Statement of Case

(Councillor Haire left the room whilst the item was under consideration.)

The Committee considered the following report:

“1 Background Information.

- 1.1 In March 2012, GBBCA submitted a request to the Department of the Environment (DoENI) to vary the terms of its 1997 Planning Agreement established under Article 40(A) of the Planning (NI) Order 1991 and modified during 2008. Operating restrictions applied under the 2008 agreement mean that the Airport cannot accept more than 48,000 air traffic movements or offer more than 2 million departing ‘seats for sale’ in any 12 month period.**
- 1.2 The Airport has requested that its ‘seats for sale’ restriction be removed and replaced with a noise control contour and noise control measures. Members considered this application and a Committee response was forwarded to the Department in June 2012.**
- 1.3 Following completion of this public consultation exercise, the Department wrote to the Planning Appeals Commission asking it to hold a Public Local Inquiry into the proposals and the consultation responses to them. In addition, the Department requested further information from the Airport in respect of the impact of the proposed modification on noise, habitats and road transport.**
- 1.4 A revised proposal and supporting information were submitted to the Department in December 2013 and the Airport submitted further supporting information in May 2014. Additional technical information relating to road transport, drainage and land contamination was received by the Department in July 2014.**
- 1.5 It should be noted that the Department is required to consider the Planning Appeals Commission’s report before it decides upon its final response to the Airport’s modification request, but it is not obliged to accept the Commission’s recommendations**

2 Key Issues.

2.1 The Planning Appeals Commission has now written to the council to advise formally that a Public Local Inquiry into the proposed modification of the planning agreement between the George Best Belfast City Airport and the Department of the Environment.

2.2 Accordingly, the key dates for the Public Local Inquiry are as follows:

- Statement of case to be submitted – 19/02/15
- Rebuttal statements to be submitted – 09/04/15
- Public Inquiry – May 2015

2.3 Members will recall that the Committee considered in detail the Airport's proposals and additionally submitted information, to modify its planning agreement at the Committee meeting of 6 March 2014. A consultation response was provided subsequently to the Department affirming council support for the Airport's aspirations for passenger growth but recognising the need to ensure that effective noise management arrangements are in place to safeguard local communities in line with Industry best practice.

2.4 Members are advised that the Council now needs to prepare and submit its statement of case for the first phase of the Public Inquiry. Officers from the Development and Health and Environmental Services Departments under the direction of the Town Solicitor are preparing the statements supported by industry Experts. Subject to member approval the Council's case will centre on supporting the abolition of the seats for sale restriction and will

- highlight how its removal compliments the Regional Development Strategy and our own Belfast City Centre Regeneration and City Investment Plan aim(s) of strengthening Belfast as the regional economic driver,
- focus on how it's removal will help sustain job growth in the city,
- provide information on the cumulative number of recent Foreign Direct Investments (FDI) and highlight improved connectivity as one of the key decision making factors for potential FDI projects,
- Highlight the importance of better connectivity in delivering the significant growth in tourist numbers identified in our new Tourism Strategy,

- Highlight GBBCA as an important employer in the city and contributes significantly to the economy.
- Input regarding the noise management proposals and other environmental considerations.

3 Resource Implications.

3.1 The costs associated with the preparation for the statement case and attendance of senior counsel and industry experts at the enquiry has been included in the revenue estimates.

4 Equality and Good Relations Considerations

4.1 None.

5 Call In

5.1 This is subject to call-in.

6 Recommendations

6.1 Members are invited to

- Consider the content of this report and agree that the statement of case follow the guidelines outlined in paragraph 2.6 above;
- Agree that Officers from the Environmental Health Service, Development Department and Town Solicitors office will attend the Public Local Inquiry in order to present the council's Statement of Case and to participate in the Inquiry."

The Committee adopted the recommendations and noted that further reports would be submitted for its consideration on the outcome of the Inquiry.

Consultation on Secondary Planning Legislation

The Committee endorsed the contents of a Council response to the Department of the Environment's consultation exercise in respect of Planning Reform and Transfer to Local Government: Proposals for Subordinate Legislation - The Planning Act (NI) 2011, a full copy of which was published on the Mod.gov website.

European Social Fund - Support for Employability

The Committee considered the undernoted report:

“1 Relevant Background Information

- 1.1 Members will be aware that the overall strategic aim of the European Social Fund (ESF) is to help reduce economic inactivity and increase workforce skills by promoting access to employment, social inclusion and skills for growth.
- 1.2 In Northern Ireland, the programme is administered by the Department for Employment and Learning (DEL). Funding is allocated by means of an open call for projects. Successful projects attract funding of up to 65% of the total project cost and project promoters are expected to find the remaining 35% funding from other sources. Projects run for three years and current projects are due to complete on 31 March 2015.
- 1.3 A call for projects under the new ESF programme was launched by DEL at the end of November 2014, with a closing date of 9 January 2015. Successful projects will be operational from 1 April 2015 to 31 March 2018.
- 1.4 The requirement to find match funding presents problems for potential project promoters. Given the previous experience of the council in receiving many requests for match funding, the Shadow SP&R Committee at its October meeting agreed that the council should make its own application for funding and commission local providers to undertake the delivery against a set of agreed targets. The committee also agreed to draw together council funds and resources transferred from the Department for Social Development (DSD) to provide the necessary match funding required for a bid.
- 1.5 However, since that decision, DSD has confirmed that the regeneration powers and associated resources will not transfer to the council until 1 April 2016. The £703,000 which is currently used by DSD to match-fund ESF projects in the city and which the council had agreed to allocate towards the bid is therefore no longer available. The resources now available to the council to support employability activity are around £240,000 per year.

2 Key Issues

2.1 Key challenges

Members will be aware that, during the recent engagement process with Bernard Marr to look at key outcomes and priorities in a future Belfast Agenda, inclusive economic growth was identified as a key pillar of a future Belfast. One of the underpinning elements of this was investment in employability and skills – both for those people with no or low skills levels and ongoing investment in our further and higher education institutions in order to continue to attract investment to the city. In addition, creating jobs was identified as the top priority for residents in the council's 2014 household survey.

2.2 The October report to this Committee identified the scale of the challenge in Belfast: a recent Centre for Cities report ranked Belfast as 64th out of 64 cities in terms of skills levels. This means that we have a higher proportion of low skilled people than any other UK city. While job forecasts indicate that only 1 in 7 jobs will require no or low skills in the future, around 40% of our population are currently in this position. This suggests that future jobs will be filled by those residing outside the city or that future investment opportunities will be in jeopardy due to a lack of skilled labour.

2.3 Priority focus

The report also identified a series of ten 'guiding principles' which, it was agreed, should focus any future council engagement in ESF. These include:

- Need for a citywide approach
- Need to consider targeted interventions and differentiated approaches
- Partnership between Belfast City Council, DEL and others
- Support is needed for older males, lone parents, persons with disabilities and minority ethnic communities
- The role of the private sector is critical
- Need to avoid duplication/local competition
- Need to improve data sources and information sharing
- Need to focus on outcomes and tracking progress
- Employability and skills cannot be considered as stand-alone interventions

- Need for transparency in decision-making around funding.

2.4 The European Social Fund is used to develop the skills and employment chances for those furthest from the labour market in order to help them source real jobs. The October report identified that if the council wanted to have a real impact on getting long-term unemployed people into work it would need to:

- Take a strategic approach to the challenge
- Make an application of scale allowing the council to work with a significant number of people
- Provide services on a city-wide basis
- Be linked to real employment opportunities.

2.5 The focus of any Belfast City Council application therefore must be on helping people find sustainable employment opportunities, as opposed to simply counting those taking part in training programmes. The outcomes of previous programmes have been measured in terms of participant numbers as opposed to the number of people securing employment.

2.6 Funding challenges

The delay in the transfer of Neighbourhood Renewal Funds has left the Council with a budget of only £240,000 to support ESF activity. This resource in itself will not achieve the significant impact that would have been the case had the resources from DSD also been available. Council officers have, therefore, been exploring alternative approaches as to how the organisation might positively influence a project of scale across the city which, in turn, will present real opportunities for those furthest from the labour market to secure permanent employment.

2.7 Given the large-scale budget cuts facing public sector agencies, those organisations seeking to deliver ESF projects will find it difficult to source match funding. There is a real risk, therefore, that the EU funds may not be drawn down and that activity on the ground will be reduced.

2.8 Council officers have already received approaches from at least 16 organisations all looking match funding over a three year period. The requests range from £50,000 to £300,000 per annum. If the council were to accede to these requests, it would present the following challenges:

- Only a limited number of requests could be met
- The Council has no basis on which to differentiate between projects or to decide which project(s) it would support
- As a match funder, the Council would have little influence on defining the outcomes or identifying priority target groups/locations
- The Council would not be able to play a strategic role in addressing employability and skills issues across the city
- There would be significant management and administration requirements in terms of confirming and agreeing funding.

2.9 Potential solution

Steps 2 Success is the main DEL-funded employment programme delivered on a city-wide basis. As an alternative approach to the council making its own submission, and as opposed to becoming involved in a range of match-funded schemes, there is an opportunity to build an ESF proposal around this funding stream given that:

- The programme is not already matched with EU funding
- It is the principal DEL mainstream initiative focusing on employability for many of our priority residents
- Collaboration with the existing programme allows us to develop a solution that avoids duplication and competition
- There are systems and processes in place for issues such as employer engagement and participant monitoring and this generates economies of scale and means that there is no need to establish and resource new structures
- The programme is focused on employment outcomes and there is already an established data measurement and tracking system that have been agreed by DEL and which would enable us to measure the outcomes of our investment, in terms of both skills development and jobs outcomes for this new client group.

2.10 In considering how the council might address the shortfall in match funding resulting from the delay in transfer of the DSD funds, council officers held an exploratory meeting with Ingeus, who are currently contracted by DEL to deliver the Steps 2 Success programme across Belfast. At this meeting, officers explored the opportunity of a partnership arrangement whereby DEL funding for Steps 2 Success could be used as match

funding for a city-wide bid to address the economic inactivity challenges.

2.11 Programme content and delivery

The delivery model would be based on the following broad approach:

- Referrals from targeting marketing campaigns/ agreed referral routes from community and Council partners as well as a number of specific engagement activities that act as a 'hook' to engage potential participants on the programme
- Targeted programme of back to work support: working with an advisor to create and deliver an action plan of activity to break down barriers to work and improve employability in a measurable way. Access will be provided to a range of support resources, based on the individual's needs
- Additional wrap-around courses, services and interventions from community-level employment and skills organisations (primarily third sector) will be delivered on a demand-led basis to meet the needs of local businesses and specific customer groups. This would represent an integrated community investment fund.
- Focused employer engagement: a structured approach to employer engagement will be undertaken, ranging from SMEs to inward investors. This engagement will enable the council to build a picture of the needs of its businesses and will ensure that the resident population has an increased opportunity to access employment opportunities in the city.

2.12 Council resources would be primarily used to 'buy in' specialist or localised support services, such as community engagement and recruitment and specialist training for new growth areas. This would help deliver many of the Committee's original objectives and ensure that activity is targeted at a local level but within a wider, integrated delivery framework. A call for service providers would be issued and organisations would be invited to submit bids for the delivery of key services.

- 2.13 Ingeus have offered to undertake project management and administration support services. This would reduce burden of risk to the council.

In terms of project governance, a Programme Management Committee would comprise representatives from Council and Ingeus. This Committee would oversee the delivery of the whole programme. Additional representation would be sought from key partners (e.g. DEL, employers etc.), in order to ensure alignment with other delivery activity and to confirm that the services were meeting employer needs. This structure would enable much more data sharing and performance information scrutiny than was the case under the previous programmes. Regular reviews would ensure that the project continued to focus on areas of most need and that progress against baselines (both and city and local level) was tracked.

- 2.14 In addition to the Council and Ingeus, the delivery partnership would include organisations such as Springvale Learning, Armstrong Learning and a wide range of community-sector and specialist delivery partners. Given the short timescales for developing this proposal, further partners will be identified before and after the proposal's submission.

2.15 Project outcomes

While the project is still being finalised and definitive budgets and participant numbers/outcomes have not yet been agreed, it is likely that the overall three year budget will be around £12-15million. The council contribution to this would be in the range of £720,000 overall. Based on DEL estimates, this would attract 7,000-8,000 participants in the course of the three year programme, delivering at least 1,400 jobs. This equates to a cost per job for Belfast City Council of around £500.

2.16 Other employability initiatives in Belfast

Members are reminded that ESF is a relatively small programme and represents only 7% of DEL's overall programme budget. In addition, there are commitments to a range of other schemes across the city through mainstream DEL provision (apprenticeships, further and higher education, Training for Success, Steps 2 Success) as well as employability projects supported through the Social Investment Fund (SIF). These include:

- **Belfast North Zone: employment fuel poverty project (£2m)**
- **Belfast South Zone: employment programme training in catering, hospitality, retail and IT (£2.2m)**
- **Belfast West Zone: integrated employment programme supporting people back to mainstream employment (£3.3m).**

2.17 There is also an employability project in Belfast East Zone which is awaiting approval and there are a number of other projects across the zones that will have an impact on employability support including childcare and family support and early years interventions.

3 Resource Implications

3.1 At present, there is an indicative allocation of around £240,000 in the 2015/2016 Development Department budget which has been set aside for employability and skills development activities. It is proposed that this budget would contribute to an overall funding bid of around £12-15million over three years, to be led by Ingeus. Council match funding will have to be confirmed to DEL on an annual basis.

4 Equality and Good Relations Considerations

4.1 Equality and Good Relations considerations will also be factored into the project application and will be monitored as part of the application process (in line with DEL requirements).

5 Recommendations

5.1 It is recommended that members:

- **Note the live call for projects under the European Social Fund**
- **Note that DSD has confirmed that this will not be in a position to provide match funding to the council or other bidders**
- **Consider and endorse the proposal to work in partnership with Ingeus on a city-wide bid, with an overall value of around £12-15million. Council resources would be used to support a range of targeted support services for programme participants, to be commissioned from local specialist providers.”**

After discussion, the Committee agreed to proceed to Stage 1 of the application process as described above, with more detail on the operation of the Partnership to be presented to the Committee at Stage 2.

Good Relations

Shadow Council Equality Scheme and Disability Action Plan

The Committee was advised that the Shadow Council, under Section 75 of the Northern Ireland Act 1998, was required to formulate an Equality Scheme and Disability Action Plan which would oversee the work of the Council until the period ending on 31st March, 2015. Accordingly, the Committee considered the contents of a revised Equality Scheme and Disability Action Plan, which had been drawn up in accordance with a model template that had been issued by the Equality Commission. The Committee was provided with an overview of the responses which had been received at the public consultation stage of that process, together with the Council's proposed responses to those comments.

A Member made the point that CAJ and the Equality Coalition were different organisations.

After discussion, the Committee endorsed the contents of the Equality Scheme and Disability Action Plan, together with the proposed responses to the comments as submitted at the consultation stage, but that they wished to review the definition of Good Relations at the appropriate time.

It was noted that the Equality Scheme and Disability Action Plan had been published on the Council's Mod.gov portal for information.

Chairman