

# Development Committee

Monday, 16th November, 2009

## SPECIAL MEETING OF DEVELOPMENT COMMITTEE

Members present: Councillor Humphrey (Chairman); and  
Councillors Campbell, Convery, Ekin, N. Kelly,  
Kirkpatrick, C. Maskey, Mac Giolla Mhín, Mullaghan,  
Rodgers, Rodway and Stoker.

In attendance: Ms. S. McCay, Head of Economic Initiatives and  
Interim Co-Director of Development;  
Mrs. P. Davison, Estates Surveyor; and  
Mr. N. Malcolm, Committee Administrator.

### Apologies

Apologies for inability to attend were reported from Councillors Kyle, Mhic Giolla Mhín and O'Reilly.

### Department for Social Development's Area Advice Centre Locations Consultation

(Mr. T. Husbands, Head of City Events and Venues and Interim Co-Director of Development, and Ms. C. Taggart, Community Services Manager, attended in connection with this item.)

The Community Services Manager reminded the Committee that, at its meeting on 11th November, it had considered a report regarding the Department for Social Development's plan had for the future of modern advice services in Northern Ireland, based on a model of local commissioning arrangements led by the Council and supported by the Department which operated within an agreed framework of quality standards. Members had been concerned that the proposal had not been sufficiently thought through, would adversely affect the successful consortia arrangement which was operating currently in Belfast and would result in large gaps in provision in parts of the City. Accordingly, having been advised that responses were required to be submitted by 27th November, the Committee had requested officers to ascertain whether the Department for Social Development would be prepared to extend the deadline for submissions and that the matter be discussed further at today's special meeting.

The Community Services Manager informed the Committee that the Department for Social Development had agreed to extend the date for the submission of responses until 18th December. Accordingly, she recommended that briefings be held for those Political Parties which requested them, which would enable a further report and draft response to be submitted to the Committee at its meeting on 9th December.

The Committee adopted the recommendation.

### **Royal Exchange and Castlecourt Schemes**

The Committee was reminded that, at its meeting on 16th September, it had agreed to invite representatives from Westfield Shoppingtowns Limited and William Ewart Properties Limited to a special meeting in order to receive updates from both companies regarding their proposals to respectively extend Castlecourt and to construct Royal Exchange. The Committee was informed that deputations from both companies were in attendance and agreed to receive in the first instance the representatives from Westfield, followed by those from Ewarts.

The Committee was reminded further that, at its meeting on 16th September, it had also agreed to seek a meeting with the Minister for Social Development to discuss the Royal Exchange scheme and to request information regarding the engagement which officials within her Department had had with Ewarts since 27th October, 2008 when the Committee had agreed to oppose to the Department's Retail Sequencing Policy and had requested that the Department adopt a position whereby, if Ewarts failed to submit its planning application for the Royal Exchange Scheme within nine months, Westfield would be permitted to commence its scheme at Castlecourt.

The Chairman informed the Committee that, to date, only a holding letter had been received from the Minister indicating that she was due to take decisions on a related matter within the next few weeks and that no date for the meeting had been set.

### **Castlecourt Scheme**

Messrs. Robin Guthrie, Paul McMahon and Billy Pinkerton, representing Westfield Shoppingtowns Limited, were admitted to the meeting and welcomed by the Chairman.

Mr. McMahon informed the Committee that Westfield Shoppingtowns Limited, having acquired Castlecourt in 2000, had undertaken a refurbishment in 2004 at a cost of £9 million and was in the process of undertaking a further £500,000 investment within the shopping mall.

He stated that, as Westfield was keen to develop in the North West Quarter of the City when the time was right, it was unable currently to do so due to the Department for Social Development's Retail Sequencing Policy for Belfast. The Company found this frustrating since that area of the City required development.

In response to Members' questions, Mr. McMahon indicated that:

- (i) the Retail Sequencing Policy was slowing down Belfast's development and that the removal of the Policy would not result in a free-for-all, but rather provide for an open market situation;
- (ii) Westfield had withdrawn its planning application for the extension of Castlecourt and intended to submit new plans for a mixed-use scheme. However, the retail and residential mix to be proposed would depend on what the market could bear at the time the application was submitted;

- (iii) retailers which did not operate in Belfast at the moment were keen to open shops in Castlecourt but Westfield was not in a position to offer them any units and a number of existing retailers wishing to expand were unable to do so due to the lack of space; and
- (iv) it would take several years to secure the land for, and the construction of, the extension to Castlecourt.

The representatives from Westfield Shoppingtowns Limited thanked the Committee for the opportunity of addressing it and retired from the meeting.

### **Royal Exchange Scheme**

The representatives from William Ewart Properties Limited, namely Mrs. Nicola Kelly and Messrs. Andrew Creighton, Adrian Griffith, Sam Harris, Nick Reid and Brian Snoddon, were admitted to the meeting and welcomed by the Chairman.

Mr. Reid informed the Committee that the deputation represented a number of companies who had joined together to form a company called Leaside Developments Limited, which was a special purpose vehicle designed to undertake the Royal Exchange scheme.

He reported that Leaside had brought together a world class professional team using both local companies and an international firm of architects, Chapman Taylor. The latter had fifty years of experience at the leading edge of retail design and were currently designing over two hundred schemes in thirty countries and led the way in mixed-use, retail-led regeneration schemes.

Mr. Reid pointed out that:

- (i) 78% of the properties within the site for the Royal Exchange scheme were owned by Leaside, having been purchased at a cost of £43 million;
- (ii) buildings within the scheme area had been offered to businesses on flexible terms to encourage traders to remain in or set-up in the locality in an attempt to stop the area becoming run-down;
- (iii) the former Northern Bank building had been made available for community purposes; and
- (iv) Royal Exchange would be a mixed-use scheme which would regenerate a dilapidated area of the City centre, strengthen the integration of the area within the City centre and provide improvements to areas of public realm and historic buildings;

He stated that he understood that an announcement regarding the Development Agreement between the Department for Social Development and Leaside would be made within the next few days. He pointed out that this Agreement required Leaside to meet a number of deadlines, including the submission of a planning application for the scheme within one year.

With the assistance of visual aids, Mr. Griffith of Chapman Taylor outlined the design proposals of the scheme. He pointed out that a large number of the buildings which existed currently within the area would be incorporated into the scheme, which would be connected to Castlecourt, Cathedral Quarter and Victoria Square. He assured the Members that the Listed Buildings within the scheme area would be retained and that many other existing buildings, although not Listed, were of architectural merit and would be incorporated also into the project. The scheme would result in the creation of additional streets and squares which would provide high quality areas of public realm and would seem to integrate sensitive retail development which would bring people into the City centre both day and night. He was confident that Royal Exchange would strengthen the integration of the North East Quarter into the City centre and result in a strong retail circuit between Victoria Square and Castlecourt. He outlined to the Members similar developments with which Chapman Taylor had been involved in Exeter, Bristol and Bath. At the conclusion of the presentation the Committee viewed a model of the proposed scheme.

The representatives from the deputation, in answer to Members' questions, made the following points:

- (i) the Development Agreement would permit Leaside Developments Limited to enter into a contractual agreement with an anchor tenant which, in turn, would draw in smaller tenants;
- (ii) given the time which it would take for planning permission to be obtained and construction work to start, the Company was hopeful that the current economic situation would have improved sufficiently to encourage businesses to operate within Royal Exchange;
- (iii) the considerable sum of money which the Company had already invested to purchase property within the project area provided a form of guarantee that the scheme would be complete;
- (iv) the Development Agreement would set out specific tasks which Leaside would be required to complete within a specific timeframe and, although not complacent, the Company was confident that it could meet these deadlines;
- (v) the recession and credit crunch had resulted in the original Development Agreement having to be amended. This had taken a considerable period of time and had caused a delay in any announcement regarding the Royal Exchange scheme being made; and
- (vi) the scheme would include 200 residential units, mostly on the upper floors, and the Department for Social Development had indicated that 20% of these units should be for social/affordable housing;

The representatives for Leaside Developments Limited undertook to provide to the Committee a copy of the presentation and then retired from the meeting.

During discussion in the matter, Members pointed out that it was the view of the Committee that the Department for Social Development's Retail Sequencing Policy now made no sense and the Committee should lobby to have it removed and, to that end, a meeting with the Minister for Social Development should be sought.

In response to Members' questions regarding the Retail Sequencing Policy, the Head of Economic Initiatives indicated that she believed that the Department for Social Development would wish to continue with the Sequencing Policy in order to ensure that the Royal Exchange scheme, similar to Victoria Square, would have a period of four or five years to become established and would probably require the same condition to be in place for any future development in the North West Quarter of the City centre. She reminded the Committee that, since Westfield Shoppingtowns Limited had withdrawn its planning application, the Department for Social Development did not have any scheme to consider in relation to the future development of the North West Quarter.

Following further discussion, the Committee agreed that, when the announcement concerning the Royal Exchange scheme was made, the Minister for Social Development be requested to meet urgently with the Committee to provide assurances that the Development Agreement was robust and contained substantial penalties should Leaside fail to meet deadlines. In addition, the Committee would seek the Minister's assent to end the Retail Sequencing Policy as it inhibited development within Belfast.

Chairman