

Development Committee

Wednesday, 13th October, 2010

MEETING OF DEVELOPMENT COMMITTEE

Members present: Councillor C. Maskey (Chairman);
the Deputy Lord Mayor (Councillor Humphrey); and
Councillors Bostock, M. Browne, Campbell, Ekin,
B. Kelly, Kirkpatrick, Kyle, Lavery, Mallon,
Mac Giolla Mhín, Mullaghan and Stoker.

In attendance: Mr. J. McGrillen, Director of Development;
Mr. T. Husbands, Head of City Events and Venues;
Mr. G. Copeland, City Events Manager;
Mr. S. McCrory, Democratic Services Manager; and
Mr. H. Downey, Democratic Services Officer.

Apologies

Apologies for inability to attend were reported from Councillors Crozier and Mhic Giolla Mhín.

Minutes

The minutes of the meeting of 15th September were taken as read and signed as correct. It was reported that those minutes had been adopted by the Council at its meeting on 4th October.

Legacy Trust and Land of Giants Proposal

The Committee was reminded that, at its meeting on 15th September, it had agreed to defer consideration of a report in relation to the Legacy Trust and Land of Giants Project to enable a further detailed report in relation to the proposal to be submitted to its next meeting.

The Committee was informed that the City Events Manager had, following a meeting in February of the Council-managed Festivals' Forum, been approached to submit on behalf of a consortium comprised of groups within the Forum, an application to Legacy Trust UK. The Head of City Events and Venues reported that the Trust was inviting bids for projects, from which five would be selected, to mark the 2012 Cultural Olympiad year. The successful projects would link in with other cities, regions and festivals to create unique celebrations during 2012 and would have access of up to £750,000 from the Trust.

He outlined the nature of the consortium's project, which was centred around the theme "Land of the Giants" and explained that it would provide the City with an opportunity to participate in the world's biggest cultural programme and showcase what Belfast had to offer in an international context. It had the potential also to build the capacity and confidence of the creative industries in the City by harnessing indigenous talent for future work on a regional, national and international scale and presented a unique tourism opportunity by linking up with Northern Ireland's signature projects.

The Head of City Events and Venues informed the Members that the project had been submitted to Legacy Trust UK prior to the deadline of 5th March and had since progressed to the second stage, which had necessitated the submission by 27th May of a further application. He explained that the consortium's bid had competed successfully with almost 100 submissions from across the United Kingdom and was now one of five preferred bidders and the only one from Northern Ireland. He pointed out that the Belfast consortium was now in a position to access up to £750,000 from Legacy Trust UK and added that, since the writing of the Committee report, clarification had been obtained which had indicated that the receipt of match-funding was not now a prerequisite for obtaining approval for the project.

He reported further that, prior to the consortium's bid being submitted, Council officers had been advised by Legacy Trust UK that a bid by the individual organisations would not be successful, due to their limited capacity to undertake such a project. Therefore, in order to ensure the success of the bid, the consortium would be required to establish a not-for-profit company which would manage the project, with an overseeing body comprising representatives of the key funders involved. It had been suggested that Council officers would have input into this company, although the proposed limited entity would be separate and have no legal connection to the Council.

The Head of City Events and Venues explained that, in order to enable Legacy Trust UK to make a final decision on the project in January, 2011, a sum of £25,000 had been made available to the Council to facilitate the development between October and December of creative concepts and a business plan. He provided a breakdown of how this amount would be spent, which would include input from a development consultant and international artists, project development, graphic design and printing costs. The Council's City Events and Tourism, Culture and Arts Units had met a number of times in order to assist the consortium and had processed the application on its behalf. He stressed that at no time during the process had either Legacy Trust UK or the consortium been promised or guaranteed financial support and had been advised at all times that a full and detailed business case would be required to be presented to the Council in order to allow the Members to consider fully the merits of the project. He reported that the total proposed cost of the Land of the Giants project was £1.5 million and outlined the likely indicative costs to be met by each of the funders, should the bid be successful. The estimated amount which was likely to be requested from the Council would be £80,000. However, this would not be sought until the completion of an outline business plan, which officers anticipated would be presented in November.

During discussion, several Members commended the comprehensive nature of the submission. However, the point was made that the Committee should have been informed of the project at the earliest possible opportunity and been afforded an opportunity to view the document prior to its submission. In response, the Head of City Events and Venues accepted that the project should have been presented to the Members prior to its submission and undertook to ensure that, in future, the Committee would receive regular updates on the progress of the bid.

The Committee noted the information which had been provided, indicated its support for the project and agreed that the Council administer the £25,000 from Legacy Trust UK for business planning work.

Annual Titanic and Maritime Events for 2011

The Head of City Events and Venues reminded the Committee that the Council had, for fifteen years, organised an annual programme of events. In 2009, these events had in total attracted approximately 1.4 million people and had generated an economic impact of almost £18 million for Belfast, which represented a return of £6.80 for every £1 which the Council had invested. The events programme had attracted also an average of 7% of out-of-state visitors, who had added to the vibrancy and cultural activity of the City. He explained that it was intended to organise in 2011 two elements of the annual events programme, namely, the Titanic Made in Belfast Festival and the Belfast Titanic Maritime Festival, which in 2010 had attracted 49,513 and 65,000 visitors respectively.

He reported that feedback from visitors who had attended this year's Titanic Made in Belfast Festival had indicated that there was still a huge interest in the Titanic theme and that they wished to see more related events and information being made available in Belfast. The estimated economic impact of the 2010 event had been £600,000, with 69% of attendees coming from outside Belfast and Northern Ireland. He added that this underpinned the economic rationale for the event to be repeated in 2011 and enhanced in the lead up to the Centenary of the Titanic in 2012.

In relation to the Belfast Titanic Maritime Festival, he reported that it had over the four years in which it had been held become an established event and had attracted on average audiences in excess of 50,000 people. In 2010, the Festival had generated just under £1.2 million of additional economic activity for the local economy. He added that 47% of all attendees had originated from outside Belfast and stressed that the Festival provided a platform for Belfast to bid for and host future Tall Ships festivals and to celebrate and promote the City's maritime heritage, together with providing a valuable marketing tool for attracting visitors.

It had been estimated that the cost of the holding of the Titanic Made in Belfast event in 2011 would be £150,000 and that the Belfast Titanic Maritime Festival 2010 would cost £250,000. However, the total economic return on this investment would be in the region of £1.8 million, which would equate to £3.75 for every £1 invested by the Council. Accordingly, he recommended that the Committee approve the holding in the City in 2011 of the Titanic Made in Belfast Festival and the Belfast Titanic Maritime Festival.

During discussion, several Members highlighted an apparent lack of co-ordination and communication amongst those organisations involved in promoting the Titanic theme. In response, the Director of Development pointed out that a Steering Group comprising a number of organisations, including the Council, had been established to progress issues around the Titanic Centenary celebrations and added that a special meeting of the Committee was planned which would consider the most appropriate way in which to move the matter forward.

After further discussion, the Committee adopted the recommendation.

2015 All-Ireland and 2016 World Irish Dancing Championships

The Committee was reminded that Belfast had, in March, 2008, hosted the World Irish Dancing Championships. The Head of City Events and Venues reported that this had been the fourth occasion since the year 2000 that the Council had hosted the Championships and that 92% of all participants and supporters had attended from outside Northern Ireland. He informed the Members that the World Irish Dancing Championships and the All-Ireland Championships would be staged in Belfast in 2012 and 2013 respectively and that the total cost associated with these events was £400,000, which, in turn, would generate a projected economic return of £8 million.

He reported further that the Irish Dancing Commission had recently approached the Council in order to explore the possibility of the Council bidding for the All-Ireland Dancing Championships in October, 2015 and the World Irish Dancing Championships in April, 2016. The estimated cost associated with each event would be in the region of £250,000, which represented an increase of £50,000 on the events being held in 2012 and 2013. He explained that the increase was due to the fact that the bidding process now attracted significant competition from across the United Kingdom, Ireland and North America, which meant that the Irish Dancing Commission would require greater inducements, in addition to the use of the venues. Both events would now require the use of a third venue, which would increase overall costs. Officers had identified that St. George's Market would be most suitable for this purpose, however, it would need to be modified in advance. He added that provisional contact had been made with the Northern Ireland Tourist Board in relation to it assisting with any potential bid and to enquire about the possibility of obtaining financial assistance, should the bid be successful. Accordingly, he recommended that the Committee approve the Council's bids to hold the All-Ireland Dancing Championships and the World Irish Dancing Championships in 2015 and 2016 respectively.

The Committee adopted the recommendation.

Tenders for Annual Events

The Head of City Events and Venues sought and was granted authority to initiate a tendering exercise in relation to the provision of the following services which were required to enable the delivery of the Council's annual events programme:

- (i) production management, public address, stage and lighting (total cost currently £221,000 per annum);

- (ii) the supply and management of LED screens (total cost currently £52,000 per annum);
- (iii) professional stewarding of events (total cost approximately £75,000 per annum, with the tender being issued in conjunction with other Council Departments); and
- (iv) the supply of fireworks/stage pyrotechnics and lasers (total cost £30,000 per annum)

The Committee noted that, in accordance with the authority delegated to him, the Director would be accepting the most economically advantageous tenders submitted.

European Social Fund

The Committee was reminded that, at its meeting on 11th August, it had been provided with information in respect of a forthcoming call for projects under Priority 1 of the European Social Fund.

The Director of Development informed the Members that the call had now been issued, with the deadline for submissions being 5th November. He explained that the European Social Fund, which was administered locally by the Department for Employment and Learning, was one of the European Commission's Structural Funds and was used for training and employability projects. Priority 1 of the Northern Ireland European Social Fund sought to help people find sustainable employment and projects funded under this Priority should concentrate on activities to extend the employment opportunities of unemployed and inactive people by helping them to enter, remain and make progress in work. Projects should help to improve the employability of groups experiencing significant employment gaps, such as those with disabilities, lone parents, older workers, young people not in education and people with limited educational qualifications. Projects which were successful in receiving funding under the European Social Fund were required to obtain 35% in match-funding.

The Director reported that the Council was, presently, match-funding one project, namely, HARTE (Hospitality and Retail Training for Employment) and had in the current year provided £40,000 to assist with the project. He reminded the Committee that, at its meeting on 11th August, it had agreed a set of criteria to be used to guide the development of any potential application received under the European Social Fund and had agreed also that these would be used to assess any requests for match-funding from potential partners. He reviewed the criteria and reported that Members had suggested that, whilst projects should have city-wide impact, extra emphasis should be placed on areas with high levels of unemployment and low skills but within the context of an overall strategic outlook for the City. They had noted that the sectors which had been identified for prioritisation should not be mutually exclusive but should include other sectors such as manufacturing and entrepreneurship.

He reported further that, in anticipation of the call for projects, a meeting had been held with officers from across all Departments in order to identify potential areas of focus for any initiative in which the Council might become involved, in order to ensure the appropriate adherence to Council priorities. Officers had been contacted also by other partners who would be interested in developing projects for submission and had

been liaising closely with the Department for Education and Learning to ensure that project ideas did not replicate those being provided currently. He pointed out that, at this stage, no specific projects had been formalised. He added that the resource implications for the Council of the European Social Fund match-funding criteria were not clear but would not exceed current investment in employability initiatives and that, once projects were defined, a report would be submitted to the Committee in order to seek approval for the requisite amount of funding.

The Committee noted the information which had been provided.

Eurocities Annual General Meeting 2010

The Committee considered the undernoted report:

“Relevant Background Information

Members will be familiar that the European Unit makes regular progress reports to the Development Committee. This report provides details and seek approval regarding the Eurocities Annual General Meeting (AGM) 2010:

Eurocities AGM 2010

Eurocities is a network of over 140 of Europe’s major cities in over 30 countries. The organisation influences and works with the EU Institutions to respond to common issues that impact the day to day lives of Europeans. The network aims to share the opinions of stakeholders in Brussels to ultimately shift legislation in a way that helps city governments address the EU’s strategic challenges at the local level. Eurocities also aims to assist local authorities in maximising European funding, networking and project opportunities.

Currently based on Europe’s three key challenges the Eurocities policy priorities are:

- Climate**
- Economic Recovery**
- Inclusion**

Eurocities provides a platform for its member cities to share knowledge and ideas, to exchange experiences, to analyse common problems and develop innovative solutions, through a wide range of forums, working groups, projects, activities and events.

The Eurocities network is structured around six thematic fora chaired by elected cities, namely:

- Economic Development
- Social Affairs
- Environment
- Knowledge Society
- Culture
- Mobility

The secretariat for the network is based in Brussels with a staff and Executive Board of elected members from cities throughout Europe.

Fora meetings are held three times per year in rotated venues around Europe and each forum has a maximum of eight working groups or projects.

Belfast City Council has been an active member of the Eurocities network since the mid 1990's. Currently the city, through officers and elected members, is active in the following fora:

1. Economic development
2. Social Affairs
3. Environment
4. Knowledge Society (more recent)
5. Culture (tentative)

A workplan for 2010 has been circulated to Members which outlines where the Council is currently involved in leading or working on Eurocities led policy, funding or project issues.

Key Issues

AGM 2010

Each year the Council attends the Eurocities AGM represented by the Chair and Deputy Chair of Development or nominees the Director of Development, the Head of Economic Initiatives and the European Manager or their nominees.

The 2010 AGM will be held in the city of Zaragoza, Spain from 3–6 November. The event hosted by the city council is entitled 'Successful cities: Vision and Identity'. The theme chosen for Eurocities 2010 Zaragoza focuses on the analysis of *how cities develop innovative tools to create a strong identity and to promote themselves at different levels, both nationally and internationally.*

Cities are in competition to attract investments, art, culture, tourism and citizens. To become a strong city it is essential to create or consolidate a city brand within the framework of a comprehensive economic development strategy.

In Zaragoza, particularly aware of this, since, during the last months, it has gone through the creation and launching process of its own city brand and wishes to share its recent experience with others. As Members will be aware, BCC and its stakeholders have already undertaken this with the 'B brand'.

A programme for the AGM and conference has been circulated to Members. Members are asked to note that the role of the Council at the AGM is to participate in the Executive Bureau and Forum elections and also to help showcase the work that the city has been involved in during the past year.

Belfast City Council, along with the British Council, will host a speed networking event at the AGM to present the work of the Belfast led open cities project. This project involving nine European cities and the British Council is funded under the Urbact II European Programme. It looks at barriers to economic migration in cities. The project is not in its final year and has a special Fast Track commission label. This means that the European Commission is folding the project to consider potential policy influences and future funding programmes to continue to address the effect of economic migration in cities.

Members should note that Belfast City Council submitted two applications for Eurocities awards but unfortunately were not short-listed.

The Committee is asked to approve the attendance of the Chair and Deputy Chair of Development or nominee along with the Director of Development and the European Manager or nominees at the Eurocities AGM in Zaragoza from 3rd – 6th November 2010. Members should note that other Eurocities Members have also reduced the size of their city delegations due to the difficult economic climate.

Resource Implications

Financial Implications

It is estimated that the attendance of two elected Members and two officers at the Eurocities AGM 2010 will not exceed £4,096. This has been budgeted for within the European Unit annual budget. This may be broken down as follows:

Travel	4 x £365 = £1460
Accommodation	4 x 3 nights @ £389 = £1556
Subsistence	4 x £270 = £1080
TOTAL	£4096.00

Recommendation

The Committee is asked to approve the attendance of the Chair and Deputy Chair of Development, the Director of Development and the European Manager (or their nominees) at the 2010 Eurocities AGM, 3–6 November 2010 at a maximum cost of £4,096.”

The Committee granted the approval sought.

Draft Markets Policy

The Committee was reminded that, at its meeting on 9th June, it had, following requests from third parties to hold markets in Belfast, agreed to the formulation of a Council Markets Policy. The Director of Development explained that the requests had arisen due to the fact that the Council retained currently the sole right, under legislation dating back to 1845, to hold and operate markets in the City. He pointed out that this entitlement was exercised principally through St. George’s Market but also through externally contracted market-style events such as the Continental Market and events related to the Belfast Titanic Maritime Festival.

He reminded the Committee that, at its meeting on 15th September, it had been advised that officers from the Legal Services Section had been in consultation with other Council Departments and had formulated a draft Markets Policy which required further work prior to it being submitted to the Committee for its consideration. He outlined the key elements of the policy, which would set out general principles relating to locations, types and size of markets, procedural requirements for applicants, grounds for refusal, the granting or revoking of a licence, general conditions for specific types of markets and costs and fees. The Director stated that it was anticipated that the document would be completed in time for submission to the Committee in November and recommended that a briefing session be arranged in advance in order to apprise Members of the contents of the draft policy and the work which had been undertaken to date.

The Committee adopted the recommendation.

Update on Belfast Visitor and Convention Bureau

The Committee considered the undernoted report:

“Relevant Background Information

Belfast City Council supports the Belfast Visitor and Convention Bureau to implement an annual marketing and visitor servicing plan for Belfast. Belfast Visitor and Convention Bureau manage the

Belfast Welcome Centre at Donegall Place and Members are aware that location is being reviewed. This report provides Members with an update on key issues in relation to Belfast Visitor and Convention Bureau (BVCB) and the Belfast Welcome Centre (BWC).

Key Issues

Funding and Performance

Members agreed at the Development Committee meeting on 13th January to award £1,865,465 funding to Belfast Visitor and Convention Bureau for 2010/2011. To date, £1,060,732 has been paid and we are due to release the rest of the funding in October, 2010. It was agreed that the BVCB would provide quarterly reports against performance measure and indicators. The report documenting year to date progress (up to September 2010) has been circulated to Members.

Members should also note that BVCB has revised sales targets for the Belfast Welcome Centre in 2010/2011 due to a number of factors impacting on performance this year including the ash cloud, wider economic climate and the streets ahead programme of works. The board of BVCB, made up of both private sector representatives and Councillors, has agreed to these revisions and are currently delivering against these new targets as part of their 2010/11 Business Plan.

The revisions are as follows:

- Merchandise sales – reduce by 25% from £445,000 to £333,750
- Ticket sales – increase by 10% from £590,000 to £649,000
- Accommodation commissions – reduce by 40% from £12,000 to £7,200
- Other commissions – reduce by 35% from £33,000 to £21,450

Lease Agreement at Donegall Place/Fáilte Ireland

Belfast City Council's lease at Donegall Place ended on 31st July 2010. As no agreement was reached with the landlord prior to lease end (for an extension for a further year, whilst consideration by BCC was given to the possible relocation of BVCB), an application was made to the Lands Tribunal.

Fáilte Ireland entered into a Licence Agreement with Belfast City Council for the temporary use of a small area within the Belfast Welcome Centre for the period 1st June 2010 to 30th July 2010. Members agreed to the temporary occupation at the Development Committee meeting on 14th April, 2010.

The Landlord has offered BCC a new lease for ten years commencing 1st August, 2010 and currently discussions are ongoing with the landlord and the Tribunal to reach agreement on the term of the lease. BVCB and Fáilte Ireland continue to occupy the premises in Donegall Place.

Members are asked to confirm whether Fáilte Ireland may continue to occupy the premises alongside BVCB on a temporary basis. The BVCB board had indicated that a licence agreement for nine months to Fáilte Ireland was preferable however that was not possible due to BCC's own lease end date of 31st July, 2010.

Relocation of BWC - Economic Appraisal

Consultants, ASM Horwath, have been appointed to undertake the economic appraisal of the relocation of the Belfast Welcome Centre. The draft report is due at the end of October and there will be an opportunity for the consultancy team to present the draft report at the Development Committee in November before finalising.

Resource Implications

No further resource implications at present.

£1,865,465 was approved in 2010/2011 budget and agreed by the Committee on 13th January 2010.

Up to £11,500 has been included in Departmental Budgets to carry out the economic appraisal

Recommendations

Funding and Performance

Members note the performance of the Belfast Visitor and Convention Bureau during the last 6 months and agree that the final payments are released.

Lease and Fáilte Ireland

Members permit Fáilte Ireland to occupy the Belfast Welcome Centre on a temporary basis until 31st March, 2010 at the current licence fee of £25,000 per annum pro rata, subject to BCC continuing to have a lease for the premises.

Relocation of Belfast Welcome Centre

Members receive a presentation from ASM Horwath on the draft economic appraisal for the relocation of the BWC at the November Committee.”

After discussion, the Committee adopted the recommendations.

Consultation on Success through STEM Strategy

The Committee considered the undernoted report:

“Relevant Background Information

The Department for Employment and Learning (DELNI) recently issued its draft strategy for Success through STEM (Science, Technology, Engineering and Mathematics) for consultation. This strategy addresses the decline in the number of young people leaving school with qualifications in STEM subjects. This is seen as a threat to the future competitiveness of the Northern Ireland economy. The strategy addresses how to make STEM subjects more attractive to young people and their parents and also how to encourage demand and rewards for people with STEM qualifications. Hence, the strategy affects both the education and commercial sectors.

Key Issues

The Department for Employment and Learning, in conjunction with the Department for Education (DE) commissioned a review of STEM in June, 2007. This review concluded in September, 2009. The final report from the review identified 20 recommendations grouped under four key ‘imperatives’. These are:

- Imperative 1: Business must take the lead in promoting STEM;
- Imperative 2: Alleviate key constraints in the STEM ‘artery’;
- Imperative 3: Increased flexibility in the provision of STEM education; and
- Imperative 4: Government must coordinate its support for STEM.

The draft strategy produced for consultation in September, 2010 represents government’s response to the above review. Following the consultation period, the strategy will form part of the Northern Ireland Executive’s overarching strategy for the delivery of STEM skills. A copy of the draft strategy has been circulated to Members.

An increase in the uptake of STEM is seen as a central pillar of the Executive's commitment within the Programme for Government to create a dynamic, innovative economy.

In Northern Ireland, the percentage of young people studying STEM subjects at further and higher education level is higher than in England, Scotland and Wales. However, as with the rest of the UK, STEM enrolments at higher education level have fallen off slightly in recent years, although the figures for 2008-2009 do show some small uplift.

On a less positive note, over 8,000 people originally from Northern Ireland are registered on STEM-related courses in Great Britain and the Republic of Ireland. Research suggests that only one in three of this number will return to Northern Ireland on completion of their education. The report recognises that graduates are mobile and will be attracted by the offer of higher salaries elsewhere. This being the case, the point is made that the issue is not so much the potential supply of people with STEM qualifications, but rather the low employment returns on STEM educational investment in Northern Ireland compared to elsewhere.

The report suggests that there is a significant role for DETI to play in attracting new foreign direct investment and supporting indigenous business growth in new hi-tech sectors, in order to ensure an outlet for those with STEM skills. Anecdotally, we are aware of a major US IT company which had a recruitment drive recently and found it difficult to attract graduates with the appropriate software development skills. They widened the scope of their specification to include STEM graduates and were able to provide the necessary additional training once the employees were recruited.

Further anecdotal evidence suggests that the growing nucleus of IT and software development companies in the city is beginning to create a talent pool for skills and that there is significant competition between companies for skilled employees. This may help address the remuneration issues identified above.

The draft strategy identifies three priority actions which it considers to be central to the successful implementation of the review's recommendations in the short term. These are:

- Priority Action 1 – Coordinate Business Links: engaging with businesses – particularly SMEs – to ensure that there is more coordinated approach to articulating local demand;**

- Priority Action 2 – Manage STEM sector attractiveness: promoting STEM in primary and secondary education – including through the Careers Service – to encourage greater awareness of the employment opportunities available; and
- Priority Action 3 – Facilitate STEM CPD (continuing professional development): promoting better linkages between the education professionals and the business world to ensure better engagement and support.

The consultation summarises the work of the review and poses three specific questions to which consultees are asked to respond:

- Do you believe that the activities already taken and those articulated in this strategy will address these recommendations?
- If not, what else needs to be done?
- Given the pressures on public finances which actions do you believe will make the most difference and should be priority?

The Council's response, a copy of which is attached, is framed around these questions.

Recommendations

The Committee is asked to:

- (i) Approve the suggested response; or
- (ii) Suggest additional comments or changes that they feel need to be made.

BELFAST CITY COUNCIL RESPONSE

Do you believe that the activities already taken and those articulated in this strategy will address these recommendations? If not, what else needs to be done?

It is clear from the draft strategy that there is a significant volume of actions planned and under way to address the challenges identified as part of the STEM review. These actions apply across a range of government departments and bodies. It will be important that the implementation of these individual activities is clearly monitored and managed and that consideration is given to the cross-over between individual actions.

In response to the question as to whether these activities will address the recommendations, the current position suggests that a step change is required in order to move from the current position to the recommended levels. It is unclear from the documents whether specific targets have been set. In the absence of specific targets, it will be difficult to ensure that actions are implemented.

Given the pressures on public finances which actions do you believe will make the most difference and should be priority?

In terms of priority actions, it is suggested that focus should be placed on the supply-side measures over demand-side issues.

In line with Priority 2, it is considered that the most critical issues should be to manage STEM sector attractiveness. This should, in particular, address the careers guidance provision, making young people aware of the opportunities and benefits available to them should they choose to study STEM subjects. If this was addressed through the education system, it would prevent the need for re-training or conversion courses. Priority 3 i.e. the need to facilitate STEM CPD is critical in this regard: teachers need to be continually exposed to the business-side implementation of STEM in order to contextualise their teaching.

Dialogue with the private sector will be central to ensuring the relevance of the curriculum in STEM. In this respect, it is important to set in place a framework for structured discussion with the private sector. In recognition of the small business focus of the local economy, it is recommended that local government is engaged in this activity, given that it works closely with a significant volume of local companies that are not in receipt of support from other sources. Belfast City Council is happy to offer support in this regard within our District Council area.”

After discussion, the Committee approved the foregoing response and agreed that reference be made therein to the possible impact upon students studying STEM subjects arising from any increases in university tuition fees.

PLACE Design Centre

The Committee was reminded that, at its meeting on 19th November, 2003, it had agreed to support the creation of the PLACE Design Centre to promote awareness and understanding of quality urban design and architecture. The Committee, at its meeting on 17th November, 2007, had agreed to support the Centre for up to a further three years from March, 2008.

The Director of Development informed the Members that PLACE was operated in partnership between the Council and the Royal Society of Ulster Architects. He explained that the Society paid the management costs of the Centre and was responsible for the implementation of its business plan. The Centre was supported also

by contributions from organisations such as the Arts Council, the Department for Culture, Arts and Leisure and the Strategic Investment Board. The Council provided it, at no cost, with premises in Fountain Street, which formed part of the area leased to the Council for use by the Belfast Visitor and Convention Bureau and the Belfast Welcome Centre.

He reported that PLACE was now in the process of changing its status in order to ensure that it was well equipped to continue to deliver its activities. Henceforth, it would be a company limited by guarantee with charitable status and would operate independently from the Royal Society of Ulster Architects. He advised that the organisation wished to update Members on its restructuring plans and to outline the role to be played by the Council in its future operations.

Accordingly, the Committee agreed to receive at a future meeting a presentation from the Director of the PLACE Design Centre.

Department for Social Development reStore Initiative

The Committee agreed that a special meeting be held to receive from a representative of the Department for Social Development a presentation on the reStore Initiative in the Castle Street area and in relation to the ongoing work in the Smithfield and Union areas.

Royal Exchange Regeneration Project

The Committee was reminded that, at its meeting on 15th September, it had been advised that the Minister for Social Development had agreed to meet with an All-Party Deputation from the Council in order to discuss issues around the Royal Exchange Regeneration Project.

The Director of Development reported that the meeting had taken place on 30th September. He explained that the deputation had put to the Minister a number of questions relating to the Project, such as the need for a formal method of engagement between the Council, the Department for Social Development and the developers, the key points contained within the Development Agreement, the phasing of the development and its impact upon existing tenants and landowners, the Minister's position regarding the Department's retail sequencing policy and how cuts in the Department's budget would impact upon regeneration schemes overall within the City centre. The deputation had discussed with the Minister a number of other issues including the Streets Ahead Project, the opening up of Berry Street in order to facilitate the re-development of Bank Square and when the masterplans for the North West and the South West Quarters of the City were to be progressed.

The Director explained that the following key points had arisen from the meeting:

- the Northern Ireland Executive was, as part of the Budget 2010 process, working currently to develop spending plans for the years from 2011-2012 to 2014-2015. The Minister had submitted

- a bid for funding of £110 million for the scheme for year 3 of the next Northern Ireland Executive budget (2013-2014). The draft budget was scheduled to be announced at the end of October;
- the Minister had expressed his support for the Department's policy on retail sequencing and did not share the view of the Council that this should be abandoned and the development be led by market forces;
 - information contained within the Development Agreement was commercially sensitive and the Minister was of the view that it would be inappropriate to forward this to the Committee;
 - the owners of CastleCourt, namely, Westfield, had continually indicated to the Department for Social Development that it had evidence that the three major schemes for the City centre, namely, Victoria Square, the Royal Exchange and an extension to the Castlecourt Complex, could be progressed together but, despite a number of requests, it had failed to provide the Department with the requisite information;
 - significantly, the Minister had agreed to meet twice yearly with a deputation from the Development Committee in order to discuss issues of mutual interest. However, due to the holding in May, 2011 of elections, he could not provide a commitment beyond the current term of office but had suggested that the next meeting be scheduled for January/February, 2011 before the election purdah period; and
 - the planning application for the Royal Exchange Scheme was due to be submitted by 31st October and the Minister was not aware of any reason why the developer would not make the submission. The actual boundary of the development scheme and those whose properties would be involved, would be apparent when the next meeting with the Minister was held, as would the amount of funding to be committed by the Department for Social Development.

During discussion, several Members voiced concern at the apparent delay in the progression of the Royal Exchange Scheme. It was pointed out that approximately half of the buildings in that area were now unoccupied and beside a main thoroughfare and it was imperative that every effort be made to progress the scheme as a matter of urgency. The point was made also that an invitation to address the Committee should be extended to Westfield to enable it to provide clarification in relation to its plans.

After further discussion, the Committee noted the information which had been provided and agreed that a letter be forwarded to the Minister for Social Development stressing that, should market conditions lead to a delay in the current scheme, that the Department examine other options for the regeneration of the area. The Committee agreed also that Westfield be invited to attend a future meeting.

QUESTOR Centre Membership

The Committee considered the undernoted report:

“Relevant Background Information

At the meeting of the Development Committee on 15th September, Members requested that additional information on outcomes of QUESTOR membership be provided in order to support the request to extend that membership for a further year.

QUESTOR is a membership-based environmental research cooperative led by Queen’s University, Belfast (QUB). It has been operating since 1989 and provides member companies with world-class environmental research focused on their specific needs. It also provides a platform for the transfer of technology and knowledge to member organisations and for the commercial exploitation of research conducted.

The centre serves a select membership made up of environmental regulators and environmentally responsible companies, ranging in size from large multi-national corporations through to forward looking Small and Medium Sized Enterprises (SMEs). Members include BP, Exxon Mobil, Chevron North Sea Limited, Bombardier, Coca Cola Northern Ireland, Northern Ireland Water and the Northern Ireland Environment Agency.

QUESTOR’s research expertise is focused on four key areas:

- Waste management and remediation;
- Environmental monitoring;
- Water and wastewater treatment; and
- Renewable energy technologies.

Key Issues

As part of Belfast City Council’s work to develop the environmental industries sector in the city and to promote more sustainable business development activities, the Council has been an associate member of the centre for the last two years.

This membership has allowed us to participate on the Industrial Advisory Board (IAB) – the steering group which determines the strategic direction of the annual research programme. It also allows us to represent the interests of small businesses from within Belfast as the current level of SME membership (£5,000) has proven to be quite prohibitive for those companies.

We are currently working with 6 waste management and renewable energy companies to help them identify collaborative research needs and they will be able to use QUESTOR resources to undertake that research and identify possible commercial exploitation opportunities. Additional work has been undertaken with 12 businesses across Belfast on waste, water and energy management and we are seeking to establish linkages with QUESTOR in order to pilot some research work within those businesses.

The sector is relatively under developed in Belfast at present but it is considered that there is a significant opportunity to build on the recent commercial success such as Harland and Wolff's contract to build two substations for offshore wind farms in Wales.

To set this work in context, it is envisaged that the world market for low carbon and environmental goods and services will be in the region of £3,000billion this year and growing by an estimated 5% year on year, despite the impacts of the recession. In Northern Ireland, the sector is worth £3.3billion with 1,620 businesses employing 30,600 people. It is further anticipated that the promotion of environmental technologies and the development of renewable energy will assist with addressing the impacts of the economic downturn.

At present only 1% of Northern Ireland's energy usage is provided for by indigenous renewable sources with the other 99% being imported. By 2020 at least 15% of the total UK energy consumption must come from renewable sources. More pressing locally is the target recently set by the Northern Ireland Assembly to generate 40% of our total energy consumption from renewables by 2020.

QUESTOR has been successful in the early stages of a competitive process to establish a competence centre for sustainable energy. This will provide a focal point for commercially-focused research and technological development in this field. Invest NI, who administer the programme, has awarded QUESTOR early stage funding to develop a business plan and further define the scope of the centre. The full proposal, if funded, could lead to an investment of up to £10million over a 5 year period into research into renewable energy technologies. It is understood that QUESTOR is keen to have the centre in Belfast, and has expressed a particular interest in the North Foreshore site. This would be hugely significant in terms of the potential to create and sustain high value employment opportunities in emerging technologies in Belfast. Further, the centre will be firmly focused on research with proposals requiring a compelling commercialisation plan which in turn could create new business ventures.

In order to build on the progress made to date, it is proposed that an additional one year's membership should be undertaken. In this year, the following activities would occur:

- Completion of a research and development (R&D) needs analysis of the local environmental business sector;
- Convene and run one R&D Funding Seminar for the environmental business sector;
- Engage 5 first time environmental innovators through assistance to secure funding for innovation and R&D to enhance their business competitiveness;
- Champion one project at the Industrial Advisory Board for commercial exploitation by local businesses; and
- Continue discussions with the QUESTOR Team for the development of the Competence Centre for Renewable Energies to involve industry, QUB, University of Ulster and the Agri-food & Biosciences Institute which will address critical renewable energy priorities for the Council and the city.

Resource Implications

Membership would cost £10,000 for a further year.

Recommendations

It is recommended that the Committee approves a further year's membership for the QUESTOR centre and that officers continue to sit on QUESTOR's Industrial Advisory Board."

After discussion, the Committee adopted the recommendations and agreed that a report be submitted by March, 2011 providing an update on the companies involved in QUESTOR programme, together with any benefits derived by firms from the City participating therein.

Consultation Response – Policy to Support Owner – Occupiers in Redevelopment Areas

The Committee considered the undernoted report:

“Relevant Background Information

The Council has been asked to respond to DSD's new policy to support owner occupiers living in areas undergoing major redevelopment. This policy addresses the problem that 'whilst there

are a range of interventions already available to allow social or private tenants displaced by regeneration activity to remain in their community post regeneration, there is no similar support available for owner occupiers displaced by this activity.' 'Whilst compensation is paid [to owner occupiers], it can often fall short of allowing those displaced owner occupiers from buying back into the new housing put back in their old community. These proposals provide opportunities for owner occupiers to remain in their community through the provision of two new options.'

Summary of the proposed options

Option 1: Social Housing House Sales Scheme (HSS) Early Buy Out

Owner occupiers already have the opportunity to be re-housed as social tenants in the community post regeneration. However they would need to rent the property for five years before becoming eligible to buy their home and become an owner occupier once again. This option simply removes the five year rule; effectively allowing owner occupiers to be re-housed in a social house within the area under redevelopment and to immediately avail of the House Sales Scheme under similar right to buy arrangements as already exist.

Option 2: Shared Equity

Whilst compensation equating to the full market value of their property is paid to owner occupiers displaced for regeneration activity, it may fall short of the value for a new home put back in the redevelopment or regeneration area. Many owner occupiers have little or no means of making up the shortfall between the valuation of the old and new property. The introduction of Shared Equity gives owner occupiers the opportunity to purchase a new home in the community post regeneration, with any difference in the value of their old and new home held by the Housing Association putting back the new housing.

When availing of this option, the owner occupier must invest the full amount of the compensation from their original property into the new property. The equity share held by the Housing Association will not attract a rental charge provided the ownership of the property remains unchanged.

There are no specific questions for the consultation.

The full proposal is available at:

[http://www.dsdni.gov.uk/consultation document july 2010.doc](http://www.dsdni.gov.uk/consultation_document_july_2010.doc)

A report was presented to Committee on the 15th September noting a nil response to the consultation as no responses had been received from council staff. It was agreed that Committee, however, that Councillors thought that it was important for Council to respond on this policy question and that several Councillors had specific comments they wished to make.

Democratic Services, on behalf of the Policy & Business Development Unit, re-circulated the consultation document and received the comments described below.

Key Issues

Option 1: Social Housing House Sales Scheme (HSS) Early Buy Out

1. Discount – is the purchaser entitled to a discount? It would appear from the consultation document that the purchaser is not as it states that the discount has already been given under the House Sales Schemes. How could this be the case when the house is to be sold at ‘current market value’ (page 14)? Why would the purchaser purchase this house when it is proposed that there are going to be houses built specifically for private ownership? Why would we encourage the purchase of social houses when private houses are to be built as part of the overall redevelopment plan, if there is not any incentive for doing so?
2. Page 6 refers to the ‘Renewing Communities’. This scheme proposed Home Purchase Assistance – a subsidy of up to £24,000 to enable the purchase of a new private sector home in an area following urban regeneration. Has this proposal been abolished?
3. The document refers on several occasions to ‘current market value’. Who sets this? Land & Property Services, the Housing Association, NIHE or an estate agent? When this issue was first discussed with DSD, it was mentioned that the proposal would be that the purchaser would acquire the house at either the ‘historic value’ (i.e. the build cost) or the current market value plus a discount based on the number of years they have lived in the redevelopment area, i.e. ‘under similar right to buy arrangements as already exist’ (page 4). What happened to these scenarios?

4. **Disability Adaptations** – if the occupants request disability / mobility adaptations before moving in, will they be required to recompense the housing associations for installing them?
5. **Legal Costs** – on page 10 it states: ‘Legal Costs in connection to the purchase of the new home can be claimed as part of the Disturbance Payment’ and that the amount payable would be determined by Land & Property Services – how is this to be calculated? Can it be guaranteed that the full costs incurred by the home-owner will be recompensed as part of this overall Disturbance Payment?
6. The consultation period runs until 13th October 2010. What if an owner occupier in the re-development area needs to move into their new home prior to this (e.g. if they move into the new Roden Street development)? Will they have to move with the uncertainty as to whether or not they are able to remain an owner occupier or have to become a social tenant?

Option 2: Shared Equity

7. What happens if an owner occupier takes advantage of the scheme, but later faces financial hardship? For example, if the owner loses their job, is there an option to sell back to the Housing Association and become a tenant in the family home?
8. **Negative Equity** – are provisions being made for those home-owners in the redevelopment area who have found themselves in negative equity as a result of the vesting? How could they be supported to continue to live in the community when they have found themselves in difficulties with their current mortgage lender?
9. **Insurance** – on page 16 it states that the Housing Association ‘may insist on insuring the property through their own agents and will pass this charge directly to the new owner’. Can the new home-owner in turn charge the Housing Association for a percentage of the house insurance that they take out from the Housing Association? It seems nonsense for a property to have two insurance policies out against it.

10. Rent – on page 17 it states that ‘the Housing Association will be entitled to charge rent on the portion of their equity share from the date the ownership is transferred. How will such transactions be monitored? I.e. will it be incumbent upon the deceased-owner notifying the Housing Association of the change of ownership through some sort of covenant? What if the new owners refuse to pay the rent, will they be evicted or compelled through the courts?

Also in this section it refers to a scenario where the house is bequeathed to someone other than the spouse. How does this sit with the reference on page 18 to situations of joint ownership/single eligibility (i.e. mother and son)? Does he automatically continue with the existing Shared Equity arrangement, i.e. no rent payable or does he have to pay rent? Further, what age does the son, in this example, have to be to benefit from this arrangement? Does he have to be of adult age (18 years) to be able to be named as a joint-owner?

11. There needs to be clarification as to whether or not the Housing Association retains a figure against the property rather than a percentage. For example if the property is worth £100,000, the owner pays £80,000 and the Housing Association retains £20,000 – and later the property becomes more valuable. Does the owner pay the Housing Association £20,000 or will there be interest on this amount?
12. Advance Purchase – on page 18 it states that ‘those who apply for advance purchase are, by definition opting to move away from the area and, as such, once they accept advance purchase they can not avail of these proposals’. There should be an option for these people to return to the area if they so wish.
13. Housing Need – on page 19 it states that this policy cannot be used by a former owner occupier to acquire a larger home in an area post-regeneration than their housing need supports. This contradicts the scenario in the Village Urban Renewal Area where it is accepted that to clear some of the zones for demolition it may be necessary to move couples into family dwellings; and, indeed, DSD’s Lifetime Homes Policy, which accepts that people should be encouraged to move into family houses and remain as long as possible, through adaptations like showers on the ground floor, etc. It is unfair to ask, for example, a couple who live in a 3 bedroom house to downsize if they do not want to.

SOCIAL TENANCY 'PROPOSALS'

14. Social Tenant – in section 5.2 (page 14) it stated that former owner occupiers can 'apply and be assessed for re-housing in the normal way and if successful can be allocated a social home in the area as a social tenant without the need to buy any stake in that home'. We would request clarification as to whether or not, under the terms of the proposal, all residents in the redevelopment zones will be defined as 'social tenants' and therefore will be entitled to be re-housed in this status in the new houses.

Resource Implications

There are no resource costs associated with this consultation response.

Recommendations

The Committee is asked to:

- (i) Approve the revised response; or
- (ii) To suggest additional comments or changes that they feel need to be made, prior to submission to DSD."

After discussion, the Committee approved the foregoing response and agreed that a copy be submitted to the Housing Forum for information.

Chairman