

Development Committee

Tuesday, 13th December, 2011

MEETING OF DEVELOPMENT COMMITTEE

Members present: Alderman Stalford (Chairman);
Aldermen Ekin, Humphrey and Stoker;
Councillors Austin, Hartley, Hendron, Kelly,
Kingston, Kyle, Mallon, Maskey, McVeigh,
Ó Muilleoir, Reynolds, Robinson, Spence and Webb.

In attendance: Mr. J. McGrillen, Director of Development;
Ms. S. McCay, Head of Economic Initiatives; and
Mr. B. Flynn, Democratic Services Officer.

Apologies

Apologies for inability to attend were reported from Councillors Keenan and Mac Giolla Mhín.

Minutes

The minutes of the meetings of 8th and 22nd November were taken as read and signed as correct. It was reported that those minutes had been adopted by the Council at its meeting on 1st December, subject to:

- (i) the amendment of the minute of the meeting of 8th November to note that Councillor Ó Muilleoir was in attendance;
- (ii) the amendment of the minute of the meeting of 22nd November under the heading "Future Renewing the Routes Programme 2011/2016" to reflect that the Committee had agreed to grant authority for officers to invite tenders for construction-related design services and measured-term agreements for work associated with the future Renewing the Routes Programme and to award contracts on the basis of cost and quality for work for which funding had already been committed;
- (iii) the amendment of the minute of the meeting of 22nd November under the heading "City Hall Christmas Lights" to reflect that a lighted sign with the words "Merry Christmas" would be erected as soon as possible in 2011, and every year thereafter, over the East Entrance to the City Hall; and
- (iv) the further amendment of the minute of the meeting on 22nd November under the heading "City Hall Christmas Lights" to note that the Council agreed to explore with An Cultúrlann the possibility of donating, pro gratis, a "Nollaig Shona" (Merry Christmas) sign to be erected within the City Hall grounds.

Councillor Mallon

The Chairman, on behalf of the Committee, welcomed Councillor Mallon to the meeting following her recent absence due to a road traffic accident.

Requests for Deputations

The Democratic Services Officer informed the Committee that correspondence had been received from the Northern Ireland Hotels' Federation requesting that the Committee receive a deputation from that organisation to discuss how it could work with the Council in respect of the development of conference facilities within the City.

The Committee agreed to receive at its meeting on 10th January a deputation from the Northern Ireland Hotels' Federation.

Presentation from Belfast City Centre Management

The Committee was reminded that, at its meeting on 8th November, it had agreed to invite representatives of Belfast City Centre Management to attend a future meeting to provide an update on the progress achieved in respect of a range of targets which had been set out within a service level agreement between the Council and that organisation. The Committee was advised that Messrs. A. Irvine, B. McGivern and J. Jordan, representing Belfast City Centre Management, were in attendance and they were admitted to the meeting and welcomed by the Chairman.

Mr. Irvine provided an overview of Belfast City Centre Management's achievements during the financial year and outlined how the organisation had met its targets in delivering additional services which contributed to a cleaner, safer, vibrant and accessible City centre. He outlined how the organisation had implemented a range of cost efficiencies and how it had provided a valuable link between the private and public sectors in the City. He then reviewed the areas for future development which had been identified and indicated that the organisation would wish to work in partnership with the Council in delivering a valued service which would enhance further the image of Belfast.

A number of Members raised issues regarding the future role of Belfast City Centre Management within the context of the promotion of the City. Concern was expressed that, given the number of agencies involved currently in this regard, there was a need to ensure that maximum financial benefit was realised by the ratepayers and that there was no duplication of roles and responsibilities. The point was made that there existed an onus on the private sector to provide additional funding towards the work of the organisation and it was suggested that Belfast City Centre Management was over-reliant on public sector support. In response, Mr. Irvine clarified for Members the extent of public and private sector funding which the organisation received, together with an indication regarding its future plans for the North Street/Castle Street areas of the City.

The Committee noted the information which had been provided and noted further that a report in respect of the level of Council financial support for the organisation in 2012/2013 and beyond would be considered in due course. In addition, the Director undertook to submit to a future meeting a report which would outline a number of options which could be considered for securing additional private sector support for the work of organisations such as Belfast City Centre Management.

Quarterly Update on Departmental Plan

The Committee considered the quarterly update on the Departmental Plan for the period ending 30th September, 2011. The Director clarified a number of issues in respect of the Plan and undertook to update Members in respect of various aspects therein.

Noted.

Outstanding Accounts

In accordance with the Council's Financial Regulations, the Director sought the Committee's authority to have a number of outstanding accounts amounting to £23,759.81 written off, a schedule of which had been submitted for the Committee's information. He pointed out that all reasonable measures had been undertaken to recover the debts.

After discussion, during which the Director undertook to submit to a future meeting a report outlining the Council's debt management procedures, the Committee granted the authority sought.

Review of Community Development/ Infrastructure Services in Belfast

The Committee considered the undernoted report:

"1 Relevant Background Information

- 1.1 In early 2011 the Chief Executive chaired a series of meetings with senior officials from both DOE Planning Service and DSD in an effort to develop work streams which would help prepare for the transfer of planning and regeneration functions as set out in the Review of Public Administration proposals.**
- 1.2 Subsequent to those discussions it was agreed that a Steering Group comprising of senior representatives from Belfast City Council, DSD Belfast Regeneration Office (BRO) and DSD Voluntary and Community Unit (VCU) would be established to oversee a review into the way in which community development and infrastructure support services were supported across Belfast.**
- 1.3 The purpose of this work was to consider how these services could be better integrated and improved to ensure that maximum benefit is obtained from the funds administered in this area.**
- 1.4 The project was taken forward by a joint Working Group consisting of BCC, BRO and VCU officials. The Working Group has now produced a detailed report based on the research and analysis undertaken.**

- 1.5 The report includes an analysis of:
- (i) the current levels of funding allocated to the sector from existing BCC And DSD resources by District Electoral Area
 - (ii) Physical community assets
 - (iii) The DSD and BCC administrative resources employed in supporting community development and infrastructure interventions.
- 1.6 The collective notional administrative overhead costs are estimated to be at least £350k. The total funding allocated in 2011/12 was approximately £10m.
- 1.7 Some 121 organisations are in receipt of funding from BCC Community Services and DSD, 56 of which are in receipt of multiple funding streams which produce similar outputs and outcomes.
- 1.8 Currently there are 8 main funding streams in place, each supported by its own administrative processes. This leads to limited coordination, duplication and an unnecessary administrative burden on the recipient groups.
- 1.9 In order to address this issue the report proposed the development of a Single Funding Stream with 3 distinct strands as set out in Appendix 1.
- 1.10 The report considers six options for the delivery of such a programme and ultimately concludes that the preferred option is the transfer of DSD funds to BCC with an interim joint management / governance structure being put in place for one year, followed by full transfer to BCC. It is envisaged that the initial transfer would take place in the financial year commencing 1 April 2013.
- 1.11 Before committing to the options set out in Appendix 1, the Council will wish to consider the ability of the Community Services Resource Team and the Central Grants Team within the Development Department to absorb the administration of these grants, not least the monitoring and evaluation processes which will be required by DSD.
- 1.12 The Council will also have to carry out the necessary due diligence with regard to the potential transfer. Issues to be considered include: public consultation; political engagement and potential conflicts of interest; framework to manage; implications of NR Action Plan; equality impact; reserves policy; legal and audit.

2 Key Issues

2.1 Central Grants Team

The Central Grants Team was set up within the Development Department as a result of recommendations from the FGS McClure Watters review in 2009 and the BCC Strategic Finance Group project which was approved by COMT in May 2010. The aim of the corporate project was to consolidate all our grant streams into 3 simple, accessible funding streams based on size of grant (small, medium and large).

2.2 Almost 1200 applications were funded by BCC, totalling £5m, via 600 organisations in 2009/2010. Only 30% (340) of the organisations were funded once with the other 70% in receipt of multiple funding streams potentially producing similar outputs and outcomes. One group availed of funding from 10 separate grant funding pots in 2009/2010.

2.3 Currently there are 23 main funding streams in place, each supported by its own administrative processes. This leads to limited coordination, duplication and an unnecessary administrative burden on the recipient groups.

2.4 The project was planned to be implemented in April 2013.

2.5 Community Development /Infrastructure Services in Belfast and BCC Grant Funding Projects

Both projects are of equal merit and both meet the following principles:

- The maximisation of community benefit;
- The simplification of the model to assist those seeking funding;
- Ensuring value for money, especially in relation to administration;
- Creating clear linkage between resourcing and need;
- Putting in place strong frameworks for review and evaluation

2.6 There are significant risks associated with attempting to transfer the grant administration from other areas of the Council whilst at the same time seeking to implement the recommendations within this report regarding the transfer of DSD programmes. It is recommended therefore that the Council proceed with both projects in parallel.

- 2.7 The Central Grants Team will proceed with the Corporate project which will amalgamate all small grants within the Council into 1 stream and will review and implement a single separate funding stream for Tourism Culture and Arts. The Community Support Programme grants will be removed from this project as it is part of the Community Development/Infrastructure Services transfer from DSD.
- 2.8 Should the Council agree to the proposed transfer of resources from DSD, a full project plan will need to be developed and a joint working team put in place to deliver the plan. The Community Services Resource Team will initially provide the resource and in order to assist the smooth transition it would be beneficial to have one or two members of staff seconded from DSD until the project is successfully completed.
- 2.9 Whilst working in parallel there will be areas of mutually benefitting joint working i.e.
- Grant management system;
 - Processes – promotion, application, assessment, monitoring
- 2.10 This work will bring the consistency, in approach and in process, which will allow the 2 project teams to come together, possibly in 2015, following a transitional transfer period of funding from DSD.
- 2.11 A Grant Management System is a fundamental part of both projects and if this approach is approved a business case will be presented to the Corporate Governance Panel in December 2011. It is anticipated that the system will cost less than £30k.
- 2.12 The Central Grants Team and the Resources Team have limited resources and given the significant risk of progressing, as detailed above, the structures would have to be revisited urgently to establish the resources required to deliver these programmes of work recommended in this report along with the Development Department Business Support Team.
- 2.13 With regard to the Community Development / Infrastructure Services project it is proposed that the current Steering Group would oversee the project and provide the necessary governance. It is recommended that the Director of Finance and Resources becomes a member of this Group.
- 2.14 The Central Grants Team will continue to report to the Strategic Finance Group.

3 Recommendations

3.1 Members are asked to:

- **Note the content of the report**
- **Give approval to officers to continue to work on this project.”**

A prolonged discussion ensued, during which Members pointed out that the Steering Group which had been established to review community development and infrastructure services in Belfast had no political representatives serving on it. It was suggested that input from Elected Members would be essential to ensure that any proposals forthcoming had been subjected to prior political scrutiny.

After discussion, it was

Moved by Alderman Stoker,
Seconded by Councillor Maskey and

Resolved - That the Committee agrees to note the contents of the report and agrees further that the Chairman and the Deputy Chairman, or their nominees, be nominated to serve as the Council's representatives on the Steering Group established to review community development and infrastructure services in Belfast.

Ormeau Baths Gallery

The Committee was informed that the Ormeau Baths Gallery had ceased trading on 31st October, 2011. In May, as part of the Council's Culture and Arts Development and Outreach Initiative, the organisation had been awarded £9,523 to enable it to fund a project for an 'Artist in Residence' for the Markets and Donegall Pass areas. That project had been lead by the Ormeau Baths Gallery, in conjunction with the Crescent Arts Centre and the Markets and Donegall Pass Community Centres. In June, the first instalment of £4,761.50 for the project had been released, which had enabled the organisers to engage a range of artists and to procure equipment and materials. However, with the closure of the gallery, work on the project had ceased. It was reported that the artists involved had expressed their willingness to continue with the project and that the Crescent Arts Centre had expressed an interest in acting as the lead partner in this regard. Accordingly, the Head of Economic Initiatives outlined a number of options for the future of the project for the Committee's consideration.

The Committee agreed that responsibility for the delivery of the remainder of the project would be transferred to the Crescent Arts Centre and that the outstanding grant instalment would be payable to that organisation.

Cathedral Quarter Trust - Development Plan

The Committee was reminded that the Cathedral Quarter Trust had, in December, 2010, issued for consultation a five-year development plan which had been presented to the Committee at its meeting on 12th January. Accordingly, the Committee considered the contents of a report which outlined the results of a public consultation exercise on the Plan, together with a revised executive summary of the document. The Director provided an overview of the main aspects of the revised Plan and referred to the amendments therein which had been made to incorporate the Council's comments in respect of the original document.

The Committee endorsed the contents of the revised Development Plan.

Belfast Rapid Transit - Consultation Response

The Committee endorsed the undernoted response to the Department for Regional Development's consultation on the route options for the Belfast Rapid Transit Project:

"Draft Response

The Council welcomes the proposals to develop a pilot rapid transit system in Titanic Quarter, east and west Belfast linking to city centre as the first step towards the introduction of rapid transit in Belfast. However the omission of pilot route proposals for north and south Belfast is of concern. The Council would request commitment from DRD to take forward the planning and design for the extension of the rapid transit network to ensure an equitable high quality public transport system is implemented throughout the city.

The consultation report states that BRT will be '*a key driver for the regeneration of Belfast, providing high quality access and connectivity between the different parts of the city. It will link communities to key employment locations, shopping facilities, leisure, health and education services*'. The Council would emphasise that North Belfast contains some of the most socially deprived areas in the city and it is unlikely they will directly benefit from the pilot proposals. The Mater Hospital is a large trip generator which could benefit from improvements in public transport provision along with a number of regeneration opportunities such as the proposed new University of Ulster campus on York Street and the development of the Girdwood site. In the longer term opportunities could be developed to link Belfast Rapid Transit through North Belfast to the wider region and the International Airport as part of any roll out of the system.

The Council would also request consideration is given to a bus rapid transit network serving the south of the city where large volumes of commuters use the southern approach. In addition Queens University and the large student population living in the Ormeau Road area would benefit from improvements in public transport and connectivity.

There is a need to ensure rapid transit is a driver for regeneration throughout Belfast, providing high quality access to and linkages between jobs, hospitals, schools and colleges in different parts of the city and where possible supporting the regeneration of areas along the proposed alignments.

The Council supports the rapid transit proposal for Titanic Quarter as a crucial element to developing a sustainable transport system serving the city. The Council would request consideration is given to extending the CITI route to serve the George Best City Airport.

In relation to Westway, the Council supports the route serving the Royal Victoria Hospital which is a large trip generator in the city. The Council would emphasise the need to link with and maximise potential regeneration opportunities along the route alignment. Integration with land use planning along the route alignment is essential to allow higher density development and identification of regeneration opportunities.

The Council would recommend a sustainable corridor approach to ensure Bus Rapid Transit proposals fit into the existing public transport network. In particular further clarification on how the Metro corridors on the Upper Newtownards Road and the Falls Road could change to integrate with the proposed system. This should also ensure integration with Black taxis services to align with the proposed BRT routes. The Council would also request additional marketing of the existing rail network, highlighting the integration of the services to promote increased use of all public transport options.

To support integration and journey planning the Council would welcome an integrated ticketing system across different public transport operators which are affordable.

The Council recommends close engagement with local businesses along the proposed routes to ensure that servicing and parking requirements are addressed.

The Council would request commitment from DRD that resources will be made available to implement a high quality, effective bus rapid transit system in Belfast. Consideration should be given to the use of developer's contributions to fund the rapid transit infrastructure in recognition of the potential for new transport infrastructure to increase the value of development and land along the route.

The Council would request clarification on the future role of the Council in developing Local Transport Plans. The Council would like to support local people and communities by ensuring a community planning approach that integrates transportation and enhances connectivity for local neighbourhoods by making them safer, healthier and more inclusive.

Open Space

EWAY

The following Council maintained open spaces are located adjacent to the proposed EWAY preferred route: Dundonald Cemetery; Manderson Street Walkway and Short Strand Walkway & Ravenhill Rest Garden. Under draft BMAP these sites are designated as Areas of Existing Open Space and are protected under Planning Policy Statement 8 – Open Space, Sport & Recreation. Proposals for the transport corridor should take account of planning protections for these sites and ensure that the amenity is protected.

The Council would request consideration given to the potential to enhance public accessibility to Dundonald Cemetery with the inclusion of a stop. In general, the Council would encourage the retention and enhancement of pedestrian crossing points close to Council maintained open space.

The EWAY route proposal will also cross the proposed Connswater Community Greenway at Manderson Street/Newtownards Rd. As the greenway has been designed to increase public access along the Connswater River it is recommended that EWAY proposals for this intersection take into account the increased numbers of pedestrians and cyclists in the location.

WWAY

Council maintained open spaces adjacent to the WWAY preferred route are Dunville Park, Grosvenor Recreation Centre, City Cemetery and Falls Park. Under draft BMAP these sites are designated as Areas of Existing Open Space and protected under Planning Policy Statement 8 – Open Space, Sport & Recreation.

The rapid transit proposals should take account of the key public spaces and amenities along the alignment to protect the amenity value of the parks and further enhance access where possible.

Air Quality

The Council has reviewed both the Belfast Rapid Transit 'Integrated Impact Assessment' and 'Routes Options' public consultation documents and wish to submit the following comments in relation to air quality.

Integrated Impact Assessment:

With regard to the Integrated Impact Assessment document, it is noted that the assessment process has been informed by the principles of sustainable development, which require an optimum balance to be achieved between the social, economic and environmental aspects of a proposal. In addition, the Department for Regional Development has acknowledged that a fundamental component of good policy development involves ensuring that emerging policies comply with all statutory obligations.

Referring to the 2010 Sustainable Development Strategy for Northern Ireland, it is noted that strategic objective four of the Strategy includes a commitment to deliver statutory environmental standards with regard to air and other environmental pollution. Moreover, the supporting Sustainable Development Implementation Plan 2011-2014 includes a metric of achieving the health-based objectives for seven key air pollutants by relevant dates as prescribed within the Air Quality Strategy for England, Scotland, Wales and Northern Ireland.

The Department will be aware that Part III of the Environment (Northern Ireland) Order 2002 places a statutory duty upon district councils to periodically review and assess air quality within their districts against the above-mentioned seven key air pollutants. Where the outcome of the assessment process indicates that an air quality strategy objective is unlikely to be achieved by the relevant compliance date, then the district council is required to declare an Air Quality Management Area which, at the least, covers the spatial extent of the exceedence. The Council must then work with other competent authorities, as prescribed latterly within the Air Quality Standards Regulations (Northern Ireland) 2010, including the Department for Regional Development, in order to develop and implement an Air Quality Action Plan in pursuit of the air quality standards.

Belfast City Council published its initial review and assessment of air quality across the city in 2004 which identified exceedences of particulate matter (PM₁₀) and nitrogen dioxide (NO₂) air quality objectives along a number of arterial road routes. As a result, the Council subsequently declared four Air Quality Management Areas (AQMAs) to include the M1 Motorway / A12 Westlink corridor, the Ormeau Road, the Upper Newtownards Road and from Cromac Street towards Short Strand and the Albertbridge Road. A source apportionment study confirmed the principal source of air pollution within the AQMAs to be road vehicles. It is anticipated that the proposed emerging preferred Rapid Transit routes will impact directly upon the Upper Newtownards Road and Cromac Street towards Short Strand and the Albertbridge Road Air Quality Management Areas and may also have an effect on air quality across the city as a whole due to the redistribution of arterial traffic.

In 2006, the Council published an Air Quality Action Plan for Belfast in collaboration with the Department for Regional Development and its Agencies, which made mention of the introduction of a bus-based Rapid Transit network. This Action Plan has delivered welcome improvements in air quality within the Ormeau Road Air Quality Management Area however, during 2010, levels of nitrogen dioxide continued to significantly exceed both national and European health-based air quality standards in the other three Air Quality Management Areas. As a result, the Department for Environment, Food and Rural Affairs (DEFRA) and Northern Ireland Department of Environment (DoENI) have recently jointly consulted upon an application to the European Commission for a time extension to 1 January 2015 for achieving nitrogen dioxide air quality standards. In its consultation response to the Departments, the Council highlighted that government assumptions regarding future air quality improvements across the city are conservative in nature and on that basis, it is unlikely that limit values for nitrogen dioxide will be achieved in all locations by the proposed time extension deadline. In addition, Elected Members raised concerns regarding the health impacts of road transport based air pollution upon residents living in the vicinity of Air Quality Management Areas.

Failure to achieve air quality standards for nitrogen dioxide by the revised deadline could leave Northern Ireland open to infraction proceedings by the European Commission. In order to try to safeguard against this situation, and in accordance with the provisions of Article 13 of the Environment (Northern Ireland) Order 2002, the Council has given an undertaking to DoENI and to the Northern Ireland Assembly Environment Committee that it will convene meetings with representatives from Department of the Environment, Department for Regional Development and other relevant authorities in order to consider what additional air quality control measures may be required for the city. It is considered that the Rapid Transit system will form a key component of these additional measures.

Given the above-mentioned issues relating to air quality, the Council is concerned that the Department has concluded that the environmental impacts of the Rapid Transit proposals are not considered significant enough to warrant a full assessment as part of the Integrated Impact Assessment process. The Council recommends that air quality should be considered as a distinct issue within the Integrated Impact Assessment process in order that statutory, environmental and health-based impacts can be afforded due consideration.

Route Options

With regard to the route options, it is acknowledged that the proposed bus-based rapid transit system has the capacity to deliver a wide range of social, economic and environmental benefits for the city. From an air quality point of view, specific benefits could occur as commuters' reliance upon the private car is reduced, thereby helping to cut levels of road congestion and emissions of ambient pollution. For these reasons, the proposals for a Belfast Rapid Transit system are welcomed.

The Council is concerned, however, that in the short term, the Rapid Transit may actually result in deterioration of local air quality due to a reduction in road capacity for general traffic. The Department acknowledges that increased delays for general traffic are anticipated as part of the 'trade off' for providing an enhanced public transport system. However, it is these delays that typically can give rise to increased road congestion, displacement of traffic onto adjacent routes and localised poor air quality. This may be of particular concern within the Upper Newtownards Road and Cromac Street towards Short Strand and the Albertbridge Road Air Quality Management Areas, which are likely to be impacted upon directly by the emerging preferred E-Way and Citi routes. Unfortunately, by excluding air quality from the environment section of the Integrated Impact Assessment, it is unclear whether the Department has considered this issue in detail.

By way of mitigation, the Department has stated that a reduction in capacity of the Upper Newtownards Road, Albertbridge Road and East Bridge Street for private cars will be offset by the provision of park and ride facilities and the availability of other public transport services. It is noted, however, that the proposed Park and Ride facility at Quarry Corner has capacity for up to 500 vehicles. Allowing for a reasonable rate of parking churn, it is considered that a Park and Ride of this capacity is unlikely to have a significant impact upon daily traffic flows along the Upper Newtownards and Albertbridge Roads.

In the case of the W-Way, the Department has suggested that the emerging preferred route option will commence with a 400 space Park and Ride facility at McKinstry Road and then make use of the Stewartstown, Andersonstown and Falls Roads before finally entering the city centre via the Grosvenor Road. As previously, the Department acknowledges that there will be a reduction in road capacity and parking provision along the route for private cars but, in addition, the W-Way will have to integrate with an existing Metro Quality Bus Corridor, regional Ulsterbus services and local taxis. Air quality monitoring has revealed ambient pollution levels to be reasonably low in West Belfast and consequently, the Council has

not yet had to declare Air Quality Management Areas in this part of the city. The Department is advised that Article 9 of European Council Directive 2008/50/EC on ambient air quality and cleaner air for Europe, which has informed development of the UK Air Quality Strategy, requires member states to maintain or improve air quality where it is already good. For this reason, the Council is concerned that introduction of the Rapid Transit system could lead to a displacement of traffic onto adjacent routes and a deterioration in local air quality along the emerging preferred W-Way route and adjacent roads.

In order to understand these issues more completely, the Department is encouraged to undertake a quantitative assessment of the predicted environmental impact of the Rapid Transit along its emerging preferred routes as part of the Integrated Impact Assessment process. As part of this process, the Department may wish to evaluate the cumulative environmental impact of the Rapid Transit system and other supporting sustainable transport enabling measures such as 'Belfast on the Move'. The Council is prepared to assist the Department in this regard. By completing such an assessment, it is anticipated that air quality impacts of the Rapid Transit proposals can be better understood and, as a consequence, a system introduced that delivers a truly sustainable outcome for the city. Finally, the Department may wish to reflect upon the experiences of other cities that have successfully introduced Rapid Transit systems."

Irish Technology Leaders' Group Visit

The Committee was reminded that the Irish Technology Leaders' Group had undertaken a visit to the City in early November and the Director provided an overview of the range of issues which had been discussed between the Council and the Group. He indicated that the Group had suggested that the Council could, as part of its overall international relations strategy, seek to develop a strategic partnership with a key technological location in the United States, such as San Jose, which could assist in the promotion of Belfast as a viable economic and technological centre. In addition, the Group had indicated that it would wish to formalise its relationship with the City through a formal Memorandum of Understanding and that work was ongoing on the establishment of an internship programme for Belfast-based digital entrepreneurs, a report on which would be submitted for the Committee's consideration in due course.

The Committee noted the information which had been provided.

Northern Ireland Assembly Committee for Culture, Arts and Leisure - Inquiry on Creative Industries

The Committee endorsed the undernoted response to the above-mentioned Inquiry:

"Belfast City Council welcomes the opportunity to respond to the above inquiry.

In response to the question raised in the inquiry terms of reference document, the responses from Belfast City Council are attached for consideration.

(1) *Identify the potential of the creative industries in Northern Ireland, with particular emphasis on the economic benefits.*

On 20 October 2011, the Department of Culture, Arts and Leisure issued updated statistics for the Creative Industries in Northern Ireland, summarised below:

- Gross Value Added (GVA) for the creative industries was £737million in 2008. This was equivalent to 4.2% of the region's total GVA.
- The estimated number of businesses in the creative industries sector was 2,200 in 2010. This represented 3.2% of all business units.
- The number of people in creative employment in 2009 was estimated at 31,000. This represented 4.1% of total employment in the region.

Previous research undertaken on the creative industries in Belfast (2008) show the importance of the creative industries to Belfast's economic development, these are summarised as follows:

- Over 1,200 creative industries businesses based in Belfast.
- 55% of creative industries businesses in Northern Ireland are based in Belfast.
- 35% of creative enterprises in Belfast work in the Design related field (267 in total)
- 61% of creative enterprises in Belfast work in the Media related field. (486 in total)
- Average of 16,000 people employed in the creative sector (full-time, part-time & freelancers)
- 68% of the Belfast companies are micro-businesses with less than 10 employees.
- 10% of Belfast businesses have more than 50 employees.
- 97% of jobs are full-time.
- Turnover levels for Belfast companies ranged from between £30,000 to £14,300,000.

By creative industries, we mean 'those industries which have their origin in individual creativity, skill, and talent, and which have a potential for wealth and job creation through the generation and exploitation of intellectual property'.

Three key areas of intervention into the sector, under which the Council's programme of support is benchmarked are outlined as follows:

Business development and growth - 'Creative Economy.' Covering issues such as increased start-up and growth initiatives for target companies.

Capability development – 'Creative Talent.' Covering issues such as supply and demand, training services and facilities, increased liaison between university and industry, mentoring approaches, and attracting indigenous talent.

Infrastructure development – 'Creative Space.' Covering issues such as incubation and all aspects of physical and cyber networking and clustering.

Since June 2004, Belfast City Council has made significant progress in developing and supporting this high growth industry in Belfast through a number of initiatives and actions.

Key results to date of that work include:

1. 35 Creative Industries Projects designed and developed.
2. 836 companies assisted.
3. 36 new positions created.
4. Estimated over £3,000,000 in sales generated by private sector.

Alongside, the above, numerous partnerships have been developed to help drive the creative agenda for Belfast forward and to ensure a collaborative and joined up approach to the development and support of this innovative sector.

Over the past 3 years, Belfast's creative industries have experienced unprecedented growth. From large scale Hollywood productions to innovative new company start-ups, from animation to comic book design, video games to documentaries, our creative sector is now considered key in relation to economic development, providing new jobs and spreading greater wealth around the city.

Our primary focus is on film and television, digital media, music and design. As well as providing a range of structured programmes of support, we play a key role in acting as a broker between the sector and other business support organisations at home and abroad.

The key benefit for Belfast from an expanding and developing creative industries sector is clearly an economic one. By playing a key role in the strategic support and development of Belfast based creative industries, local companies, providing jobs and spreading new wealth around the City, will establish a stronger economic base for all of the citizens of Belfast.

Belfast City Council is committed to the support and development of the creative industries and the impact they can have on Belfast both economically and socially. As a result, we are in the process of developing a new creative industries strategy and action plan, with the view of providing bespoke and fit for purpose support to the sector in Belfast, taking account of the interventions of our partner organisations.

We have identified four priority sub-sectors within the creative industries sector in which to focus our support. These sectors have been identified as those which will offer the maximum return on investment and are key to driving the local economy:

Film and television:- Including feature film, short films, television production and visual effects

Digital media:- Including animation, web development, media technologies, mobile content and games design

Music:- Including singers and songwriters, bands, music business, distribution and promotion

Design:- Including graphic design, fashion design and branding

This research and action plan is scheduled to be complete by March 2012. We are keen to work with DCAL and other partners in both its development and implementation.

(2) Identify the key challenges currently facing the sector

The most recent research carried out by Belfast City Council highlighted the challenges and barriers to growth for the sector such as access to funding, bespoke export initiatives, access to product development opportunities and specialist mentoring from business leaders in the creative sector. This is largely due to the nature of the sector and the fact that their needs and business

structures are different to that of more traditional industries. While some support is available, such as through NI Screen and existing Invest NI programmes, the sector has issues in accessing this support given that it is still relatively new and given that it is still relatively new and under developed and companies tend to be micro businesses or sole traders.

Key interventions and support required by the sector are as follows; Business Start; Sales and Marketing; Research & Development; Product / content development; Recruitment; Export development; Collaboration and networking; Business infrastructure; Funding.

It is also important to note that 'generic' projects did not provide the support required and that focused and bespoke programmes relevant to the Film, TV, Digital Media, Music and Design sectors were essential.

At present, the sector – like all business sectors – is finding it particularly difficult to access finance – given the often risky nature of the support and the fact that many companies are young and do not have a track record of business.

While the Venture Capital support may be relevant, this too is reduced in the current financial climate.

Skills is another key challenge for the sector particularly in some key sub-sectors such as gaming. There is a need for greater synergy between academia and industry on this challenge.

(3) Investigate whether particular gaps exist in current policies, strategies and delivery mechanisms, in areas such as: financial and business support; tax credits; education, training and skills development; leverage into international markets; the protection of intellectual property; and legislative developments.

Research undertaken by Belfast City Council in 2008 identifies areas where specific support is required and identifies some potential support mechanisms. These include:

Marketing

- Need to provide support for accessing industry specific contacts in export markets;
- Need to organise networking events with other businesses and areas outside Northern Ireland;
- Need to bring new buyers to Northern Ireland to meet the industry and outline their purchasing criteria.
- Need to provide support for product Marketing, since businesses lack specific in-house skills.

Recruitment

- Need to develop an apprenticeship model to give employers more confidence about making long term investments in new, inexperienced recruits;
- Need to provide better incentives to retain the best talent within Northern Ireland e.g. competitions; awards.

Skills Development

- Skills development should include input from industry experts outside of Northern Ireland – this needs to happen on an ongoing basis, rather than ad-hoc interventions.

Funding

- Need to focus funding on R&D activity, as the ultimate growth and success of the sector will flow from its investment;
- Need to improve private sector understanding of the creative industries to make investors less wary of the sector and promote more informed decision-making for both investors and business owners;
- Need to help the industry to move away from its grant driven culture – to date there has been too much emphasis on finding a project to fit the fund, rather than a flexible funding arrangement where the fund can fit around the project.

Partnerships/Clusters

- Need to encourage collaboration as a way of reducing the individual business investment in R&D and creating a stronger proposition for both investors and clients;

Infrastructure

- Need to continue to invest in fibre optic network – rollout of Project Kelvin;
- Need to create more shared resources for creative industries businesses e.g. shared working spaces;

Communication

Need to develop specific channels to communicate to undergraduates and graduates – to excite them about the sector and stimulate increased interest from the best talent available;

While there is some provision on these issues, support remains ad-hoc, patchy, inconsistent and subject to calls for application. The framework is reactive as opposed to having a forward-looking, developmental focus.

With budgets to support the growth of the creative industries spread out across a number of government departments, we would advocate strongly for an integrated strategy to promote the sector, supported by ringfenced budgets at an enhanced level compared to the current provision.

(4) Analyse and compare policies, strategies and delivery mechanisms in Northern Ireland with other UK regions and countries, in terms of their effectiveness in supporting the creative industries.

Global Context

The Lisbon European Council 2000 set out a ten-year plan of economic reform for the EU, which focused on developing a competitive, knowledge led economy. In 2005 the strategy was re-launched with increased focus on knowledge, innovation and human capital as the drivers for sustainable economic growth. In relation to knowledge and innovation, the Council called for development of innovation policies by member states.

The rationale for this focus on knowledge-led economic policy was to encourage the generation of increased demand for well-designed products and services. The 2005 plan encouraged member states to consider how to establish support mechanisms for innovative SMEs, promote better collaboration between the private sector and universities and promote better access to risk capital.

This document also refers to Finland as an example of a member state having developed innovation structures to encourage the development of collaboration within the creative industries, ultimately to contribute to stronger innovation performance at a national level.

Creative industries therefore must be recognised as an important driver for economic reform towards a knowledge-led economy; few other sectors embody all three of its characteristics – knowledge, innovation and human capital.

National Strategic Context

In **Staying Ahead: the Economic Performance of the UK's Creative Industries** - undertaken by The Work Foundation in 2007 – it is noted that the UK has the largest creative sector in the EU and probably in the world. This position is attributed at least partly to the positioning of London as a creative hub, as well as the undeniable advantage of English as the universal international language.

The creative and cultural industries in the UK employ circa 1 million people; a further 800,000 are employed in creative occupations. The report comments on the changes in the structure of consumer and commercial demand, contributing to the growth of the knowledge economy, which is closely linked with creativity.

The report goes on to identify 8 potential drivers of growth within the Creative Industries sector:

- (i) **Demand - Greater emphasis on distributing creative and cultural activity across the regions; the report also suggests that higher education levels also drives demand for more creatively discerning services**
- (ii) **Greater Diversity – This will result in greater interdisciplinary innovation, but requires more systematic thinking about the internal processes that foster creativity**
- (iii) **A Level Playing Field – if distribution channels are too narrow or too few, the creative potential of SMEs is likely to be inhibited**
- (iv) **Educational Skills Ensuring Balance and the Appropriate Supply - there is a shortage of industry specific creative skills and of knowledge about how to commercialise creative ideas**
- (v) **Networks for Harnessing Capacity – the report points to unexploited market opportunities resulting from a lack of critical mass within individual creative industries businesses. This can only be overcome by joining forces with others to fill gaps in the knowledge and skills sets of creative industries SMEs**
- (vi) **Public Sector – Cox called for more encouragement of creativity in public procurement. The Work Foundation identifies the need for better developed public support and reform of some public support. It also calls for more strategically organized support to maximize the impact of grants**

- (vii) **Intellectual Property** – The Staying Ahead report argues that a successful creative industries business model depends on capacity to copyright expressive value. At policy level decision-makers need to focus on implementation of existing copyright recommendations (e.g. Gowers report) and to continually review the copyright implications as new technologies emerge.
- (viii) **Building Greater Business Capacity** – There are many creative industries businesses with potential to grow, but which cannot overcome blockages such as lack of management skills, lack of funding, limited resources.

Scotland is of interest because of the establishment of Creative Scotland. This is an umbrella initiative involving artists, cultural producers, the education sector, broadcasters, local authorities and Investment Agencies. In Wales a very technological sectoral definition of the creative industries is used, based on music, film & TV and digital content, but Wales has created a £7 million Creative IP Fund and the support to the creative industries in Wales has been brought together in a single 'Creative Industries Support Service', called 'The Hub'.

Ireland does not have a creative industries policy, as such, but gives extensive support to key sectors such as the crafts, film and TV, music and design related industries.

Best Practice Models for Creative Industries
Creative London

In London alone, creative industries generate some £21 billion each year and employ over half a million people. Not only is London the acknowledged leader in creative industries in the UK, and the major draw for creative industries talent, it is also recognized as (arguably) the global leader in stimulating economic performance from within the creative industries.

A good example of how support for the creative industries can be co-ordinated successfully is the Creative London strategy.

Creative London was launched in 2004 by then Mayor of London Ken Livingstone. Creative London was led by the London Development Agency and was established in recognition of the sector's importance to the city. The sector was and continues to be the third largest employment sector and growing in terms of employment numbers, sales and output in London.

Creative London was established to act as the strategic agency for creative industries. It was established to address some of the barriers identified for creative industries businesses:

- access to property on reasonable terms and negotiating those terms;
- access to markets, people and industry information;
- lack of showcasing and international promotional opportunities;
- lack of start-up and Intellectual Property advice; and
- lack of seed capital and mentoring to guide businesses and help them become investment ready.

The role of the agency was to:

- Support Creative Industries businesses;
- Promote and showcase the sector nationally and internationally
- Strategically plan for the sector and represent the sector to training and education bodies.

Its key services involved introducing creative talent to business mentors, investors, providing affordable studio space and free temporary venues to exhibit work and perform live.

In June 2010 the Government announced that Regional Development Agencies (RDAs) were to be abolished, including the London Development Agency (LDA) by 31 March 2012.

In response to the Mayor of London's proposals on devolution, the Government agreed that the functions of the LDA should be folded into the Greater London Authority (GLA) along with its assets and liabilities.

The Economic Development strategy of the GLA has identified the creative industries as a key sector for the economy and states that 'over the span of this strategy, new global markets, and new opportunities and threats will emerge. A key aim of London's promotion efforts will be to ensure that business decision-makers around the world are fully aware of the breadth and depth of London's advantages as a business location.'

Should Belfast begin to brand itself as a creative city – Creative Belfast – and raise the profile of creative industries here on a national and international basis? The Council has already committed significant resources and support to the sector. Should it follow in London Development Agency's footsteps and develop a separate brand for the sector, which would have its own website and separate resources for the sector e.g. a free recruitment / matching service similar to that provided by Creative Ireland?

(5) Examine the extent and effectiveness of the collaboration and co-ordination between industry, government departments and academia, in maximising and harnessing the full potential of the creative industries in Northern Ireland

The creative industries has been identified as one of the key sectors for growth over the coming years and as a key sector to help tackle the issues surrounding the current economic climate by many organisations in Northern Ireland. Belfast City Council see the creative industries key to the development of not only the City but to the wider region.

In light of the current economic climate, it is now more crucial that future support is designed to address the common needs of the creative sector on a collaborative and cross cutting basis. The overall aim – to provide an integrated support programme from SME's and graduates, through the provision of a unique and highly innovative programme to ensure economic growth and sustainability within the creative industries.

Belfast City Council has been successful in developing and running effective collaborative projects ranging from film and television projects with Northern Ireland Screen, Music projects with Invest Northern Ireland, DCAL, Arts Council and FFWDNI and digital media projects with Digital Circle, Queens University, University of Ulster, Belfast Metropolitan College and Skillset.

The key element of the above collaborations is that of integrated development and delivery, not only in the management and implementation of the project, but between the participants on the various programmes, creating new networks, product ideas, companies and collaborative working infrastructures, which will lead to a highly innovative, creative and lucrative private sector,

With the economy still very much in recovery, it has become vitally important that local regions work together to assist with the development of their key sectors in terms of economic growth.

While the creative sector has been identified as key to economic growth by Government departments locally, nationally and internationally, for it to grow, measures need to be put in place to ensure that the right support is given at a time when they require it.

(6) Consider the creative industries at sub-sector level in respect of any funding and support available; and assess the validity of prioritising particular industries within the sector for this support

As stated earlier, Belfast City Council has been supporting the creative industries since 2004 and is identified as a priority action area for the Council.

Three key areas of intervention into the sector, under which the Council's programme of support is benchmarked are outlined as follows:

Business development and growth - 'Creative Economy.' Covering issues such as increased start-up and growth initiatives for target companies.

Capability development – 'Creative Talent.' Covering issues such as supply and demand, training services and facilities, increased liaison between university and industry, mentoring approaches, retraining and attracting indigenous talent.

Infrastructure development – 'Creative Space.' Covering issues such as incubation and all aspects of physical and cyber networking and clustering.

Since June 2004, Belfast City Council has made significant progress in developing and supporting this high growth industry in Belfast through a number of initiatives and actions reinforcing Belfast City Council's role in the Creative Industries.

Initially, Council support focussed on all areas of the creative industries, ranging from art and crafts to film and e-learning products. At the end of the first three year period of interventions, an evaluation was carried out in relation to the impact of these interventions and in turn highlighting the sectors which benefited most and offered the best return on our investment.

Coupled with the emphasis and changes in digital platforms and technologies and the investments made by HBO, Playtone and MTV, it has become clear that for the sector to fully develop and be in a position to compete with the likes of London, San Francisco, LA, New Zealand and Scotland, bespoke support should be targeted at the following key sectors:

- **Digital media**
Includes: animation, web development, media technologies, mobile content and games design
- **Music**
Includes: singers and songwriters, bands, music business, distribution and promotion
- **Design**
Includes: graphic design, fashion design and branding

These sectors are considered to present greatest opportunity for return on investment and are also those which demonstrate the greatest potential for growth."

Support for Independent Traders

“1. Relevant Background Information

1.1 Members will be aware that, at the 23rd August meeting of Development Committee, a retail action plan was endorsed. This included six programmes to support the independent retail sector in the city.

1.2 The individual programme elements have been progressing since that time. An update report on progress is attached

2. Key Issues

2.1 The retail sector, and in particular the independent retailers, are under considerable pressure in the current economic climate. Retailers have been trying to develop a range of initiatives to increase footfall and spend in their areas and have, increasingly, been working collaboratively under the guise of traders' forums to carry out this work.

2.2 At the 23 August 2011 Development Committee, a budget of up to £200,000 was committed to promote the development of the sector through a range of activities including trader group development, local area campaigns, the bespoke Retail Therapy business development programme, market start up programme and Independent Retail week (proposed to take place in March 2012).

2.3 Retail Therapy Programme

This tailored support programme helps independent traders to assess their business and provides one-to-one mentoring, mystery shops, business planning and financial assistance to move their business forward. A total of 27 retailers are currently on the programme.

2.4 Previous participants on the Retail Therapy Programme have had noted successes in recent times:

2010-2011 Programme:

- For every £1 spent by BCC generated £10 for business
- Shankey's Male Grooming have opened a new concession in the House of Fraser, Victoria Square creating two new jobs.
- Ground Coffee Shop are in the process of opening another coffee shop in Belfast creating 16 jobs
- Arcadia Deli - Regional Winner UK's Best Deli
- Honey nominated for a UK Stars: Underlines' Award.

2.5 Retail Masterclasses

The Retail Masterclasses series runs from October 2011-March 2012. These free masterclasses provide retailers with the opportunity to improve business skills, attract new customers and make their business more profitable.

Dates of Retail Masterclass series:

- 11 October 2011 - Dynamic management for retailers in difficult times
- 22 November 2011 - Managing suppliers and sourcing locally
- 10 January 2012 - The customer is always right vs the customer is always first
- 31 January 2012 - Branding for retailers - a journey, not a destination
- 21 February 2012 - Why retailers should be trading online and using social networking
- 27 March 2012 - Loyalty schemes - their place in today's environment.

These events attract, on average, 25 traders. Feedback has been very positive to date.

2.6 Area campaigns

Under the previous retail support plan, provision had been made for local campaigns to enhance the profile of designated shopping areas through a range of targeted support initiatives. This enabled groups to undertake activities such as producing local trader maps and business directories, creating a website for promotion and online trading and organising local events to increase footfall and trading in specific areas.

2.7 At the 23 August 2011 Committee it was agreed that an amount of up to £20,000 be available to constituted traders groups for expenditure against a range of agreed promotional activities, similar to those identified above, within the current financial year.

2.8 It is accepted that a number of the traders groups are more advanced than others and that some may be able to bring resources to supplement the Council contribution. In recognition of this, it was also agreed that, beyond the £20,000 support provided, Belfast City Council can match the trader contribution £ for £, up to a total maximum contribution from Council of £40,000. Consideration should be given to the sustainability of the proposed intervention, given that funding levels cannot be guaranteed in future years.

2.9 To date the following groups have received support to implement their area campaigns:

- **Lisburn Road Business Association - £40,000 for retail focused events to promote the Lisburn Road, development of a customer management system, website development, PR and marketing for the area and engagement with all retailers on the Lisburn Road. One 'I love Saturdays' event has been held to date with the customer management systems currently being installed. LRBA have liaised with all businesses on the Lisburn Road and will feature these on the new website to be developed in January 2012.**
- **Ballyhackamore Business Association - £9277.50 for marketing and promotion, retail focused events, development of a brand and customer e-zine. Ballyhackamore Business Association held their first Christmas event on 1 December with approximately 700 attendees. Initial feedback has noted a significant increase in sales on the day of the event and in the follow up period.**
- **Strandtown Traders Association - £11,428.00 for marketing and promotion of the Belmont Road and two retail focused events. The first event a Victorian Christmas Fair will take place on Saturday 10 December 2011.**

2.10 Work continues with other existing traders/business organisations to develop action plans to promote independent retail in their area. These include Sandy Row, Shankill and West Belfast.

2.11 Trader group development support

Some initial discussions have taken place with a range of new and fledgling traders groups, all of which are at varying stages of development. It is proposed that work should continue in helping these and other groups link into existing support; identify their priorities for action to address the challenges and help deliver on these. It will be important for the groups to consider becoming constituted if they are to draw down resources or to consider a management structure which might allow them to access and manage funding.

2.12 It was agreed that some seed funding of up to £3,000 per group should be made available to work on issues such as collaborative promotion and marketing campaigns, events to increase footfall and customer loyalty initiatives. Initial discussions with traders have highlighted a wider range of issues including business rates; street cleansing; car parking and environmental improvements. We are working with colleagues from relevant departments and agencies as well as local Elected Members to see if these can be addressed. However for some of these groups, it may be some time before they can begin to work on the types of initiatives for which our support is intended.

2.13 Potential Groups with whom some initial discussions have taken place:

- Oldpark/Cliftonville Circus - Officers have liaised with retailers in the area regarding the formation of a constituted traders group. Discussions with the retailers have shown a consensus in establishing such a group and have also highlighted other issues e.g. cleansing, litter bins etc. These issues have been passed on to the relevant Council department via the neighbourhood working groups. The traders have agreed to meet in January to discuss the formation of a constituted group and identify an action plan.
- Antrim Road - Officers have liaised with retailers on the Antrim Road regarding the re-formation of a traders group. There is a good level of interest and an initial meeting will be held in January.

While a number of groups have made contact directly with officers, members are asked to consider additional groups and areas that may benefit from this type of support.

2.14 Market start up programme

This pilot programme will support six new-start entrepreneurs to explore market trading as a possible business model, in advance of progression to a retail outlet. They will be receive a package of support to include workshops, one-to-one mentoring, best practice visits, assistance with product development, business plan support and undertake a test-trading period at St. George's Market. This programme will be launched in December 2012, in conjunction with a number of initiatives supported by the National Market Traders' Federation (NMTF).

2.15 Independent Retail Week

Independent Retail Week will take place from 5-11 March 2012 and will include a range of events, workshops and activities to promote the range and quality of our independent traders and the services they offer. Traders have signed up to be included in the marketing materials, offer promotions and traders groups have agreed to organise local events to increase footfall within their area.”

The Committee noted the information which had been provided.

Visit by the Lord Mayor of the City of London

The Committee was informed that the Lord Mayor of the City of London, Alderman David Wootton, would be undertaking a visit to Belfast on 27th January, 2012. It was reported that one of the principal roles of the Lord Mayor was to act as an ambassador for United Kingdom-based financial and professional services and, as part of the itinerary for the visit, an opportunity would be afforded for representatives of the Committee to meet with him. The Director pointed out that such a meeting would enable Members to raise matters relating to the strengthening of financial linkages between Belfast and London and to promote the Council's investment package.

After discussion, during which it was agreed that Members would seek to raise the matter of the economic importance of direct air routes between Belfast and London, the Committee noted the information provided.

The Black Box

The Committee considered the undernoted report:

“1. Relevant Background Information

- 1.1 Members will be aware that at a meeting of the Development Committee on the 10 February 2010, Committee agreed to offer a two year funding package comprising £25,000 in 2010/11 and 2011/12.**
- 1.2 At the same meeting, Committee further agreed to provide no further funding after the 2011/12 period to the Black Box even if the Metropolitan Arts Centre (MAC) was not operational in 2012.**
- 1.3 Members should note that the Black Box was treated as a special case and did not apply through the Annual or Multi Annual Culture and Arts funding programmes.**
- 1.4 Committee recognised there was a major gap in the physical infrastructure pending the completion of the major capital development of the MAC which is due to open in early 2012.**

- 1.5 To date, the Black Box's public funders are Belfast City Council, Arts Council NI and Department for Social Development. The Black Box as an arts and culture performance space has achieved its objectives set out by its funders.
- It has contributed to/built the existing arts infrastructure in the Cathedral Quarter
 - expanded the range of opportunities for people to enjoy and participate in the arts
 - played a role in tourism
 - improved social cohesion.
- 1.6 It has provided the focus for Belfast City Council's Sunday's Programme, Late Night Art, Music Tourism and Culture Night. It also plays a vital role for Creative Industries with most local unsigned musicians choosing it as the venue to launch and profile new albums.
- 1.7 Since it's opening in 2006 the Black Box has won the Fate Award for Best Newcomer in 2007 and has attracted 193,000 people to the variety of events and activities it offers throughout the year. Audience numbers have increased between 2007 and 2010 rising from 31,150 to 43,000 which is a 38% growth in a period of recession.
- 1.8 1,800 events have been held in the Black box since April 2006 to July 2011 which 55% fall within the music event category.
- 1.9 Music growth alone has increased from 47% to 63% in 2011. Demand to watch and listen to local artists in an intimate setting has defined the Black Box's speciality/USP. Consultations with businesses have stated that the Black Box has played a key role in economic development and its closure would be missed.
2. Key Issues
- 2.1 Oxford Economics were commissioned by the Black Box Trust in September 2011 to undertake a feasibility study into the future operation of the venue as a cultural and artistic events space in co-existence with the opening of the MAC. A copy of this report is attached as Appendix 1 for Members consideration.

2.2 In conclusion, Oxford Economics demonstrates that

- even with the opening of the MAC, there is a need and demand for the future operation of the Black Box;
- the venue brings a niche product to the arts and culture sector and offers performances and events that will not be in direct competition with the MAC;
- the Black Box has operated on a minimum amount of public sector funding and has become 82% self generating since opening in 2006. However its ongoing net deficit needs to be addressed for it to continue to exist and move towards greater sustainability.

2.3 The consultants considered a range of options from do nothing, closing or becoming more commercial. In conclusion, they recommended that the Black Box should continue however should broaden their funding base and recommended a range of potential funding schemes such as the Paul Hamlyn Foundation and Heritage Lottery Fund.

2.4 The consultants recognised that there is a need to secure funding for 2012/2013. Belfast City Council, Arts Council of Northern Ireland and DSD remain listed as potential funders. BCC Officers explained during the consultation process that the Black Box would be eligible to apply for culture and arts funding as part of any competitive funding programme in the future.

2.5 The overall financial support which the Black Box is seeking from its existing funders is £61,000. An application has been made to the Arts Council NI to their Annual Funding Programme for £26,000 and a decision will be made February 2012. DSD are considering their position as co-funders of both the MAC and Black Box, to continue funding would require a cohesive decision from all potential funders and ministerial approval. No formal funding application has been made to DSD.

2.6 ACNI and DSD are supportive that the Black Box can co-exist with the MAC following the need for an approved business plan focusing on sustainability and capacity building. All potential funders would need to contribute.

- 2.7 Members will be aware however the culture and arts annual and multi annual funding was extended for 2012 / 13 without an open call due to the ongoing work on the Integrated Cultural Strategy and review of funding programmes. Members will also be aware that officers have been asked to look at establishing a flagship fund for 2012/2013; however this has yet to be agreed. Therefore in summary there is no funding programme currently available for the Black Box to apply to.
- 2.8 Black Box are investigating the option of building purchase and may approach Council through the City Investment Fund at a future date.
- 2.9 Having reviewed the report and considered the current operating context of the Black Box, Members should note that the Black Box is a viable venue and can co-exist with the MAC. The options for providing financial support in 2012/13 are as follows:
1. Decline funding the Black Box post 31 March 2012 as per the committee decision on 10 February 2010, however invite them to apply for future culture and arts funding through the competitive process. Should the competitive flagship fund be agreed and opened for 2012/2013, the Black Box would be eligible to apply. However, due to time lag waiting for the fund scheme to open, there is a risk that Black Box will close by the end of March with a decision needing to be made by the Black Box Board in February 2012.
 2. Extend the Black Box's funding for a further year, at the same rate of £25,000, on the basis that this is the same approach taken for all culture and arts organizations funded via the annual fund and multi annual fund.
 3. Similar to option 2 above, however invite the Black Box to make a formal request for support based on the actual shortfall required within the context of the Oxford Economics Study and their advice to secure other additional sources of funding. Maximum available would be £25,000.
3. **Resource Implications**
- 3.1 One year funding with a maximum limit of £25,000 to come from within the Tourism, Culture and Arts budget 2012/2013.

4. Equality and Good Relations Considerations

4.1 There are no specific equality or good relations considerations attached to this report.

5. Recommendations

5.1 Members are requested to consider the one options outlined in 2.9 (above)."

During discussion, the point was made that, in agreeing to extend funding on a somewhat subjective basis to the Black Box for a further year, the Council could leave itself open to similar requests from other organisations. However, further Members pointed out that the Black Box was an important asset in the development of the Cathedral Quarter and, as such, was worthy of additional support.

After discussion, the Committee agreed to adopt Option 2 as set out within 2.9 of the report and award £25,000 funding to the Black Box for the financial year 2012/2013, subject to the Department's estimates of expenditure being agreed by the Strategic Policy and Resources Committee at its meeting on 6th January.

Enterprise Support Initiatives Funded by the European Regional Development Fund

(Mrs. L. Toland, Economic Development Manager, attended in connection with this item.)

The Committee considered the undernoted report:

"1 Relevant Background Information

1.1 Members will be aware that the Council's business and economic development support activities may be match funded by the European Regional Development Fund (ERDF). This requires an application for funding to be submitted and, if successful, a letter of offer is issued containing range of conditions which must be met before the funding can be drawn down.

Funding of up to 75% of overall project cost can be drawn down from Invest NI and Department for Enterprise, Trade and Investment (DETI) to support eligible activity, which complements other programmes and activities. The funding is provided under a measure which is ring-fenced for local council-led applications.

At the 10 October meeting of the Development Committee, Members were reminded of the opportunities offered by the support and were informed that a number of locally-based enterprise proposals had been presented to Council officers for consideration. Members agreed to officers working with local partners to develop appropriate enterprise development initiatives and submitting feasible projects for ERDF funding by the end of October 2011.

There is a rolling deadline for the submission of projects under this measure and the turnaround time from application to approval is generally up to 6 months.

2 Key Issues

- 2.1 As agreed by the October Committee, officers have engaged with some local partners to consider appropriate locally-based enterprise support initiatives and have also engaged in discussion with Invest NI to confirm that the proposed activities are potentially eligible for support and complement existing provision, subject to further assessment.**
- 2.2 Invest NI have confirmed that, while some of the proposed activity may be eligible, the application – if successful – would be subject to relevant public procurement stipulations. This would mean that all activities and programmes would have to be tendered (as is currently the case for all Council-led activity in this field).**
- 2.3 The implication for the locally-based schemes is that any funding being sought for local consortium-building or for establishing a local resource to manage the scheme would also have to be open to procurement or public advert. This is because the measure is a ring-fenced Council measure and any other delivery agent must be recruited through a public procurement exercise.**
- 2.4 Much of the discussion with local partners to date has focused on the potential to establish a local resource to develop and manage a coordinated programme of delivery over a 2-3 year period.**
- 2.5 At present, we have received an application from a Shankill-based enterprise consortium to support a range of enterprise development and social economy initiatives. We are also aware that an application is being prepared by a consortium group in west Belfast.**

- 2.6 In order to progress these locally-based approaches, it is proposed that a joint application for local enterprise development activities be developed for the west Belfast and greater Shankill Task Force area. The content of this proposal will be developed by Council staff, in conjunction with relevant local partners in the respective areas – including Elected Members. This can then be submitted to Invest NI for funding. Members should be aware that this application process is currently taking around six months. The decision as to whether or not support can be granted is made by a panel consisting of Invest NI personnel. If approved, the programme elements would still be subject to public procurement.
- 2.7 This process is contrived because the ERDF measure is for Council-led projects only. There may be other funding sources that would be explored e.g. Social Investment Fund, Neighbourhood Renewal Funding, where the organisations or consortia can apply directly for funding. If relevant, Belfast City Council could consider providing match funding to these initiatives, instead of making the ERDF application.
- 2.8 In the current climate, it is clear that there is a need for focusing of resources in the areas of most need. The government departments – including Invest NI – have refocused their offering and the Council is planning to do the same through the proposed Stimulus Investment Package. However the administrative stipulations of some programmes often mean that a package of resources from a range of sources is required to address a specific challenge.
- 2.9 In the interim, there is still a programme of enterprise development activity under way by Council and other partners and there is always an opportunity to consider how this can be better targeted to get results and contribute to addressing the current challenges, including area-specific issues. However consideration does have to be given to the available resources for this work – both revenue and human resources – given that there are significant administrative and monitoring requirements involved in these programmes.

3 Resource Implications

3.1 Financial

Financial implications for Council dependent on scale of activity proposed and agreed. Up to 75% of project costs potentially available from Invest NI and DETI – for ERDF applications.

4 Equality and Good Relations Considerations

4.1 There are no specific equality and good relations considerations.

5 Recommendations

5.1 Members are asked to:

- Note the update on the locally-based enterprise development activity
- Note and agree proposed way forward to progress this issue.”

After discussion, during which the officers clarified a number of issues relating to the possible extension of the programme to other areas of the City and the projected timescale for the delivery of the projects outlined, the Committee adopted the recommendations.

City Dressing Plan 2012/2013

The Committee considered the undernoted report:

“1. Relevant Background Information

1.1 The Development Committee on 11 August 2010 approved the development of the Belfast City Dressing plan which would animate the city from 2011 through to 2013. The plan was the outcome of a review undertaken by TTC International on City Dressing and was overseen by a City Dressing Steering Group which includes stakeholder representatives from Council, Belfast Visitor and Convention Bureau (BVCB), Belfast City Centre Management (BCCM), the Department for Regional Development (DRD) and the Department for Social Development (DSD). The final recommendations were based on best practice in competitor cities, past activity, city branding, events potential and the city’s Integrated Strategic Tourism Framework – Gateway to the Future.

1.2 The main objectives for the Belfast City Dressing Plan are:

- Offer a warm Belfast welcome to our visitors
- Create an atmosphere of special occasion across the city
- Create interest about different parts of the city
- Instil pride in our citizens and communities

- Increase visitor footfall and spend across the city
 - Reinforce the Belfast Brand
 - Maximise opportunities presented by Titanic 2012, large scale city events, large scale conferences to the city, capital investment programme, cruise ship arrivals
 - Agree a co-ordinated approach to city-wide dressing with all key stakeholders
 - Leverage support and buy-in from stakeholders and where possible drive efficiencies
- 1.3 For phase 1, lamp post banners were agreed at key locations (primarily in the city centre) and the Development Committee on Wednesday 13 April 2011 endorsed the “*Patterns of the city*” designs. It was noted that, should any additional funding become available, the Committee would be consulted with a view to identifying additional locations for the erection of further banners. An additional project to dress empty units with Belfast literary quotes was also undertaken with support from NITB’s Tourism Innovation fund.
- 1.4 Phase 1 of the City Dressing campaign was launched in July 2011 and has received largely positive media coverage and support from stakeholders across the city. There has been extensive community interest from the city centre focused campaign and a desire that the campaign is extended to other areas.
- 1.5 To date approximately 472 banners have been manufactured and erected with designs and patterns being inspired through community workshops and open calls to the public through the City Matters magazine. Eleven to 18 year old participants from Glencairn Youth Initiative, Falls Youth Providers and the Reach Project took photographs of their own areas and the city centre to showcase to visitors and locals what captivates them about Belfast. They worked together to suggest ideas and to talk through what Belfast means to them and what people may overlook about the city. Their ideas were translated into patterns and displayed on banners across the city. For the Christmas inspired patterns a call was issued via City Matters and attracted submissions from private individuals and Beechall Day Centre.

- 1.6 The patterns have been inspired by locations and objects unique to Belfast and the banners have been interspersed with the City 'B' Brand with a call to action via the visitor website site www.gotobelfast.com. A dedicated section is on the website to explain the patterns and visitor information on how to visit the buildings and themes they represent. Attached are examples of Christmas banners, proposed new 2012 banners and literary Belfast vacant shop dressing.
- 1.7 The *Patterns of the city* approach has driven efficiencies. Whereby in previous years, the banners have been changed on a seasonal basis (at a cost of approximately £120,000 per annum) the Patterns of the City can now be updated and refreshed by adding to the themes during the year as opposed to incurring significant costs to produce and erect a new set of banners every 3 months. To date 472 banners have been manufactured, at a cost of £61,669 working out at £131 per banner and £4 per month over 3 year's life span (the estimated life of the current city dressing initiative).
- 1.8 Based on the budget allocation in previous years, £120,000 has been ring fenced for 2011/2012 and included in the budget estimates for 2012/2013 for city dressing. Members have already agreed to contribute £35,000 towards the Cow Parade in 2012 from the current 2011/2012 budget.
- 1.9 Obviously there has been a saving with the current approach, however due to the merits of City Dressing for the city it is recommended that Members continue investing in city dressing under the following areas:
- Extend the *Patterns of the city* to arterial routes/local tourism destinations;
 - Reinforce branding at key Events/Festivals including Tier 1 (audience over 30,000) and 2 (under 30,000) events as part of the 2012 and London Olympics programme;
 - Explore opportunities to dress Empty Shop Units;
 - Support physical animation in shared spaces to complement larger events e.g. busking and street theatre.
2. **Key Issues**
- 2.1 City Dressing is a key output of the Belfast Integrated Strategic Framework and BCC has made significant investment and taken the lead in developing a robust city dressing plan.

- 2.2 It is critical that all agree to a clear and transparent criteria for City Dressing and Members are asked to support the following guidelines for 2011- 2013:
- City dressing is integral to the City Brand and the building of that Brand
 - All new city dressing plans are based on the *Patterns of the city* concept and should carry the Belfast B
 - Where possible opportunities are provided for the citizens and communities of Belfast to participate in the development of new Patterns
 - Locations will be based on the Council's local tourism destinations and arterial routes
 - Messaging/wording must be kept to a minimum and adhere to Department of Regional Development's guidelines
 - New city dressing will comply with equality and good relations guidelines
- 2.3 The City Dressing Steering group has a strong representation among city stakeholders, however we have identified the need to include new members and would recommend extending membership to PLACE, who have undertaken work on empty retail units and NITB who currently have a budget for city dressing in 2012.
- 2.4 The roll out of city dressing to arterial routes and local tourism destinations will have to be on a phased basis. Officers recommend that the areas prioritised are aligned to priority areas already agreed under renewing the routes and local tourism destinations, in particular the city quarters i.e. Cathedral, Gaeltacht, Queen's, Shankill and Titanic.
- 2.5 Officers have been liaising with NITB, who also have a budget for city dressing in 2012. Their proposals are attached as Appendix 3 and where possible we will be seeking NITB support to fulfil Council's City Dressing plans through co-operative projects. Where possible, due to the level of investment from NITB into Tier 1 events, the City Centre banners will seek to carry the Our time, Our Place – Belfast 2012 branding.

2.6 Measuring success of the city dressing campaign will be important to show the return that investing in city branding at a localised level can bring. Officers will measure the impact through local survey's, the Belfast Tourism Monitor and via www.gotobelfast.com.

3. **Resource Implications**

3.1 The budget allocation for 2011/2012 is 85,000 and 2012/2013 is £120,000. It is recommended that it is split into the following areas:

- Extend the *Patterns of the city* to arterial routes/local tourism destinations - £90,000;
- Reinforce branding at key Events/Festivals including Tier 1 (audience over 30,000) and 2 (under 30,000) events as part of the 2012 and London Olympics programme - £10,000
- Explore opportunities to dress Empty Shop Units - £10,000
- Support physical animation in shared spaces to complement larger events e.g. busking and street theatre - £10,000
- Ongoing maintenance, storage and installation for 2 year period - £85,000

4. **Equality and Good Relations Considerations**

4.1 There are no specific equality or good relations considerations attached to this report.

5. **Recommendations**

5.1 Members are asked to:

- Agree to extend the city dressing initiative as outlined in paragraph 1.9 and
- Agree that membership of the City Dressing Steering Group is extended to PLACE and NITB.”

The Director outlined the principal aspects of the report and clarified a number of issues raised by the Members.

After discussion, it was

Moved by Councillor Ó Muilleoir,
Seconded by Councillor Mallon,

That the Committee agrees to adopt the recommendations as set out within the report, subject to the amendment that the banners to be displayed in the Gaeltacht Quarter would be in both Irish and English.

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

Chairman