

Development Committee

Tuesday, 20th March, 2012

MEETING OF DEVELOPMENT COMMITTEE

Members present: Councillor Maskey (Deputy Chairman) ;
Aldermen Ekin and Stoker; and
Councillors Austin, Hartley, Hendron, Keenan,
Kingston, Mallon, McVeigh, Mac Giolla Mhín,
Ó Muilleoir, Reynolds, Spence and Webb.

In attendance: Ms. S. McCay, Head of Economic Initiatives;
Ms. C. Taggart, Community Services Manager; and
Mr. B. Flynn, Democratic Services Officer.

Apologies

Apologies for inability to attend were reported from the Chairman (Alderman Stalford) and Councillors Kelly, Kyle and Robinson.

Declarations of Interest

In respect of item 4c viz., "Lagan Canal Restoration Trust", Councillor Webb indicated that he was a shareholder in Ulster Garden Villages Limited which had provided funding towards the re-development of the Lagan Canal.

Requests for Deputations

It was reported that no requests had been received.

Routine Correspondence - Minister for Social Development

The Democratic Services Officer reminded the Committee that, at its meeting on 2nd February, it had agreed that a letter be forwarded to the Minister for Social Development, Mr. Nelson McCausland, M.L.A, requesting that he consider including Belfast within any pilot project formulated by his department arising from the publication of the Portas Review of High Streets in United Kingdom. He reported that a response had since been received from the Minister which indicated that he would indeed consider including the city centre within any pilot initiative formulated and that his officials would be willing to attend a future meeting of the Committee to discuss issues in this regard.

A Member pointed out that the terms of any pilot initiative formulated by the Department for Social Development should not be limited solely to city or town centres. He indicated that the principles embedded within the Portas review could be applied equally to the range of commercial thoroughfares across the City which had suffered due to the economic recession.

He suggested that the Council should seek to formulate its own report which would consider how the findings of the Portas review could be implemented through various initiatives, together with identifying a range of options on how the Council could work with the Department for Social Development to deliver meaningful regeneration across the City.

After discussion, the Committee agreed to note the receipt of the Minister's letter and agreed that report be submitted to a future meeting which would address the issues outlined above. In addition, it was agreed that an invitation to attend a future meeting be extended to representatives from the Department for Social Development to discuss matters related to the Portas Review of High Streets in the United Kingdom.

**Northern Ireland Tourist Board
Conference: 'Our Time to Shine'**

The Democratic Services Officer reported that correspondence had been received in respect of the above-mentioned conference which would be hosted by the Northern Ireland Tourist Board in the Stormont Hotel on 22nd March. He outlined the main themes of the conference which, he explained, would examine the range of local visitor attractions and consider the challenges which existed in attracting additional visitors to Northern Ireland. He pointed out that the cost, per delegate, in attending the event would be £60.00, and he recommended that the Committee authorise the attendance at the conference, together with associated travelling costs, of any Member who so wished.

The Committee adopted the recommendation.

Belfast Welcome Centre Relocation

(Mr. G. Millar, Director of Property and Projects, attended in connection with this item.)

The Committee considered the undernoted report, together with an associated business plan in respect of the proposed relocation of the Belfast Welcome Centre:

"1 Relevant Background Information

1.1 Committee Decisions

Members have previously been briefed on the possibility of relocating Belfast Visitor and Convention Bureau/Belfast Welcome Centre. Tourism and Travel Consult International and Allan Balnaves produced an initial report (Rationale for relocating Belfast Welcome Centre) demonstrating the potential of the BWC relocation to ground floor premises which was presented to Development Committee on 13 January 2010.

- 1.2 ASM Howarth was appointed in October 2010 to undertake an economic appraisal and presented initial recommendations to the Development Committee on 10 November 2010.

Following a special meeting of the Development Committee on 22 February 2011 the Committee agreed to note the information provided within the report and agreed further to allocate £15,000 towards the development of a full business case for each of the options, subject to the Strategic Policy and Resources Committee agreeing that the project be included within the Capital Programme.

- 1.3 This minute was subsequently amended at Council on 2 March 2011 for further sites within the city to be included as options for the relocation of BVCB/BWC.

- 1.4 The Strategic Policy and Resources Committee at its meeting on 18 March 2011 approved the development of a full business case for the relocation of BVCB/BWC for a generic city centre location with the outcome of the full business case to be presented to the Strategic Policy and Resources Committee when available to permit the committee to consider the proposal further. The selection of a site would follow from available options at the appropriate time following further decisions on availability of grant and capital funding.

- 1.5 The Strategic Policy and Resources Committee, at their meeting on 23 September 2011 and the Development Committee, at their meeting of 27th September 2011, agreed to support a funding application to NITB Tourism Development Scheme (TDS) for capital funding associated with the Belfast Welcome Centre.

- 1.6 BCVB presented their business plan for 2012/13 to Development Committee on 24 January 2012.

2 Key Issues

2.1 Council Draft Investment Programme 2012-2015

The relocation of the BWC is included as an emerging Council-led investment project in the draft Investment Programme 2012-2015. The Strategic Policy and Resources Committee is currently considering the governance arrangements to support the Investment Programme. However, due to the timing issues around the TDS funding, the end date of the lease for the current premises and the

desire by BVCB to relocate in time to maximise on the World Police and Fire Games, the Development Committee are being requested to make a recommendation to the Strategic Policy and Resources Committee in advance of the governance arrangements being agreed.

The need for ground floor premises for the BWC has been again evidenced in the recent work of Dr John Heeley who prepared the visioning paper for BVCB. It reiterates that to relocate BWC to ground floor premises will provide better more accessible services and facilities for visitors to Belfast.

2.2 Lease of Existing Premises

Belfast City Council's lease on the current premises in Donegall Place terminates on 31 July 2013. In order to be in a position to relocate at the end of the tenancy and to secure funding and approvals within the timescale Members will need to agree new premises as soon as possible. BVCB hope to relocate by April 2013 to maximise on the potential from the World Police and Fire Games and summer 2013 tourism. Assuming an April 2013 relocation date this gives 12 months to conclude on negotiating final lease terms, secure funding, completion of legal documentation, planning, tender process, and award of tender for design and fit out, fit out and completion of works.

If a decision on relocation is not made imminently then the chances of relocation before the current lease end date are extremely unlikely. In this scenario there is little likelihood of the landlord in the current premises agreeing to a further short term lease extension.

2.3 Tourism Development Scheme (TDS Funding)

An application for funding for capital works for a generic site was submitted to the Northern Ireland Tourist Board Tourism Development Scheme on 6 January 2012. The application was for 50% of estimated capital costs of £1.62m to cover the cost of fit out for potential new premises. The TDS monies if secured are required to be spent by June 2013. In order to be able to use any grant offered a decision on relocation is required as soon as possible.

2.4 Business Case

The full business case has been prepared in response to the Development and Strategic Policy and Resources Committee decisions of March 2011. The business case concludes that a relocated BWC can deliver

- A 20% growth in footfall by moving to ground floor Premises
- By 2015/16 receive 459,000 visitor enquiries per annum generating a wider economic of £10.93m per annum
- Operate with an average annual surplus of £30,000

2.5 Remaining at the current premises is unlikely to be viable. Despite the expected uplift in visitors to the city in the short to medium term, it has already been identified that the current premises have some degree of difficulty in dealing with the present volume of throughput. Therefore the opportunity to maximise income from additional visitors is likely to be compromised at this location, the result being that the proposed reduction in subvention from NITB will have a profound effect on the viability of the BWC.

2.6 The business plan has been prepared on the premise that NITB decreases its revenue support by 50% whilst the level of support from BCC would not increase remaining at £479,000 per annum for the next five years.

2.7 The projections have also been subject to sensitivity analysis and the relocation remains viable even when a 10% increase in rent is applied. However if income is decreased through lack of footfall and a decrease in income via advertising occurs a worst case scenario has suggested that there would be an average deficit of £30,000 per annum. BVCB has provided assurance that should this be the case, they could manage this deficit through other cut backs without additional support required from BCC.

2.8 New Premises

The Estates Management Unit in Property and Projects has for some time been undertaking property searches for a relocated Welcome Centre. The visioning paper prepared for BVCB by Dr John Heeley identified that the modern Tourist Information Centre should have five key building blocks

- i) **Look and feel - modern premises for experiences and encounters**
 - ii) **Commerciality - the ability to create additional revenue**
 - iii) **Customer Handling - space to meet and greet. Personal service**
 - iv) **Technology - High specification and speed information technology**
 - v) **Adaptability – Wider visitor servicing requirements across the region**
- 2.9 BVCB have provided the Property and Projects department with their specific spatial and locational requirements which have been clarified and defined by the visioning paper and business plan.**
- 2.10 It should be pointed out that whilst in the current market rents have been driven downwards, if there is a future upturn in the market the largest increases will occur in the prime retail space in the city centre. Any assessment of the available properties has to therefore reflect the impact of future operational costs with ground floor retail space attracting the highest value. BCC has looked at premises in secondary locations and significant savings on premises costs can be achieved if the location of the Welcome Centre is moved away from the retail core, however this would be at the expense of footfall and visibility which have been highlighted as necessities by BVCB/BWC and the vision and business plans.**
- 2.11 An extensive review of available properties, based on the requirements of BVCB, has been undertaken by the Estates Unit, and four properties were subsequently identified as being closest in matching the requirements of BVCB/BWC.**
- 2.12 One of the properties in Royal Avenue lies outside the high footfall requirement of both the visioning paper and business plan. A property in Donegall Place whilst having suitable ground floor accommodation has restricted upper floor space to accommodate BVCB and of significant importance requires major refurbishment work to bring it up to a satisfactory standard. An opportunity exists for a new build premises in Chichester Street however it is unlikely to be available in time to meet the tourist opportunity from April 2013 onwards or to**

be delivered prior to lease end on the existing Welcome Centre premises. A further option includes an amalgamation of premises in Chichester Street; however with lease surrender negotiations to be completed with the existing tenant this option is unlikely to meet the timescale for BVCB and the TDS funding.

- 2.13 On the basis of the information the property that provides the 'best fit' and opportunity for a modern Tourist Information Centre are the premises in 8-10 Donegall Square North. It is being recommended therefore that Members request that Strategic Policy and Resources Committee complete lease negotiations on the most favourable terms for these premises at 8-10 Donegall Square North.

3 Resource Implications

3.1 Financial

The ongoing revenue support towards the Belfast Welcome Centre would remain at current levels - £479,000 per annum to be covered by the Development Department. Capital Programme commitment required to fund fit out and capital works on top of Tourism Development Scheme funding if secured. Estimated total capital cost for fit out at £1.62M. The Development Committee is being asked to commend to the Strategic Policy and Resources Committee that this project is moved to the committed Capital Programme and that 50% of the £1.62m is allocated accordingly.

Human Resources

Property and Projects and Legal Services staff to complete new lease negotiations, manage project within capital programme and vacate existing premises subject to all terms of existing lease.

Asset and Other Implications

Finalisation of lease negotiations for new premises to be taken forward by the Property and Projects Department, subject to approval from the Strategic Policy and Resources Committee.

4 Recommendations

1. Approve the business plan prepared by ASM Howarth.

2. **Recommend to Strategic Policy and Resources Committee that officers can complete lease negotiations on 8-10 Donegall Square North, Belfast.**
3. **Request that Strategic Policy and Resources Committee move the relocation of a Welcome Centre to a committed Capital Project in the Capital Programme and Investment Programme 2012 - 2015 and that 50% of the £1.62m is allocated accordingly."**

After discussion, it was

Moved by Alderman Ekin,
Seconded by Councillor Hartley and

Resolved – That the Committee agrees to adopt the recommendations.

MTV Europe Music Awards and Belfast Music Week

The Committee considered the undernoted report:

"1 Relevant Background Information

- 1.1 **Members will be aware that approval was given in August 2010 to bid for the MTV Europe Music Awards (EMAs). The proposed staging of this major event was in-line with the Council's Integrated Strategic Framework for Belfast Tourism (2010-2015) as the document identifies high profile events as a development opportunity that will allow the city to continue to build a strong reputation as a vibrant location with unique and exciting experiences that encourage new and repeat tourism visits. The strategy's new product development highlights that music tourism should be developed, packaged and promoted as an authentic experience to ensure that Belfast has a competitive edge.**
- 1.2 **In addition at the Development Committee in December 2008, Members noted that Visit Britain's research showed that 21% of potential visitors were inspired to choose a destination because of the music or bands of that country, and approved a Music Tourism Action Plan in order to celebrate Belfast's rich musical heritage. Due to the work of the Council and partners over the last number of years Belfast's music has received international praise and the latest generation of Belfast musicians are playing a crucial role in revitalising the city.**

- 1.3 At a Committee Meeting held on 13 April 2011, approval was given to run Belfast Music Week in order to achieve a legacy from the EMA Awards, give a concentrated focus on the promotion of indigenous musicians to show Belfast's rich musical heritage, thriving contemporary musical scene and promote and highlight the city's distinctiveness.
- 1.4 The Committee was also reminded that Council's current Local Economic Development Plan includes the following key themes: Business Competitiveness, Talent and Community Economic Regeneration. The new local economic development plan states that in order for Belfast to stay competitive it must nurture those sectors which can create high value-added products and bring new wealth to the city. The Music sector in Belfast has grown significantly over the past three years and now plays a key role in the overall economic development of the city. With a rise in musicians and bands making headlines in the international marketplace and new and innovative music businesses based in Belfast, BCC is playing a significant role for this industry.
- 1.5 The event offered the opportunity to leverage an internationally recognized brand through MTV and meant that Belfast local scene could target demographics both internationally and locally that we have not had the opportunity to reach before. This was key to developing the youth market, especially in terms of Europe and easily reaching an international market with an event of international stand out appeal.

2 Key Issues

- 2.1 Belfast played host to the 18th annual MTV Europe Music Awards (EMA) on 6 November 2011 alongside its indigenous Belfast Music Week. Disney Princess Selena Gomez hosted the EMA event, which saw international acts including Coldplay, Lady Gaga, Bruno Mars, and Justin Bieber take to the stage at the city's Odyssey Arena. Meanwhile, local heroes Snow Patrol played a free open-air gig in front of Belfast City Hall to over 15,000 fans and Red Hot Chilli Peppers rocked a packed Ulster Hall.
- 2.2 For Belfast Music Week (30 October – 6 November) over 170 live performances took place in 45 venues across the city, and bands, creative entrepreneurs and music fans took part in a packed programme of industry workshops, seminars and networking events.

2.3 Results

- The MTV Europe Music Awards generated over £10 million in additional tourism revenue for the city, with Belfast Music Week bringing in a further £1.86 million.
- The total economic impact of Belfast Music Week and MTV EMA is estimated at over £22 million when we include the PR value of media coverage, hotel sales, and expenditure of MTV in the city.
- The show was broadcast live to a global audience of over 1.2 billion people.
- In the UK, the Belfast EMA achieved the event's highest viewing figures in 8 years and the red carpet show before the main event saw a 400% increase in ratings and online coverage was up 530% on 2010 figures.
- The Europe Music Awards was the grand finale of Belfast Music Week 2011.
- Belfast Music Week was attended by over 33,500 people, 73% of whom would not have come to Belfast that day had the events not been staged. When surveyed, 96% of visitors rated the event positively, with 100% saying they would recommend attending Belfast Music Week events – a resounding endorsement from our audiences.
- In the region of 130 national and international press attended the EMA 2011, with journalists travelling from as far afield as China and the United Arab Emirates to experience all that Belfast has to offer.
- The British Council dedicated a 2 hour radio show on Belfast Music Week which goes out to an audience of over 3 million people in more than 30 countries.
- MTV Canada broadcast a 30 minute programme on Belfast Music Week in December 2011, which was viewed by an audience of over 6 million.
- Over 1000 working crew travelled from outside Northern Ireland and stayed a minimum of 5 nights. An additional 4,200 visitors stayed a minimum of 3 nights. MTV alone booked more than 8000 room nights for crew, artists, and VIP guests across a total of 40 hotels.

This translated to an average additional net profit of £393 over the 3 day period for each available hotel room, equating to an estimated £1.21 million in additional sales at hotels across the city.

- The hospitality trade also benefited from the event, reporting an overall average increase of 300% on normal trading for the same period in previous years. One bar reported an approximate increase in trade of over 430%.
- Belfast Music Week contributed significantly to increasing trade in this area, with £188,169 spent by attendees on eating out.
- MTV estimates that the total equivalent PR value of this combined coverage is £10.9 million. The MTV EMA created a media spotlight which shone brightly on Belfast and Northern Ireland in the run-up to the event. National and local radio and television coverage amounted to 9.8 hours on-air, with almost three quarters of that on radio.

The television coverage alone had an equivalent value of almost £3 million across all the main channels, including BBC 1, ITV1, Channel 5, UTV, Sky News, and CNN. 90 print media titles contributed 455 mentions of the event.

- Taking into account the online coverage, print mentions, and on-air minutes across TV and radio, it is estimated that there were 669 million opportunities to see or hear a comment, news story, or broadcast about MTV in Belfast.
- Over 550 people attended the music industry panels, which included sessions on recording, making a living from music writing, music synchronisation, production, management, marketing, and licensing from some of the leading figures in the industry. Speakers included Grammy and Recording Academy member, Jonathan McHugh, who was Senior Vice President of Film and TV at Island Def Jam Music Group and founding member of the Guild of Music Supervisors, and leading music supervisor Amine Ramer who works with film and television heavyweights Lions Gate, HBO, Showtime, MTV, The Style Network, Comedy Central and NBC.

- The Belfast Urban Affinity Community Festival enabled 190 young people aged 12 and over from all across the city to experience the music industry for a day. Endorsed by urban star Tinchy Stryder, the festival allowed the young people to participate in a series of workshops which were run by key figures from the Belfast music scene.

2.4 Belfast Music Week 2012

To capitalize on what has been achieved and to ensure a legacy from 2011 activity and following feedback from Belfast's Music Sector (including venues, promoters, managers, industry professionals), approval is now sought to deliver Belfast Music Week 2012. The aims are:

- To increase the profile of Belfast as an exciting weekend break destination to actively travelling young adults across UK, ROI and Europe and maximise the economic return from music tourism.
- To showcase and strengthen Belfast's position on the world stage as a primary destination for music, entertainment and culture.
- To increase the number of musicians doing business internationally
- To promote and enhance a confident, positive, –exciting image of Belfast through delivering world-class events
- To bring together all sectors of the community from Belfast and across the region whilst improving community cohesion

2.5 Partners and the music sector desire Belfast Music Week to take place again because:

- There is nothing equivalent in the city and it fills a product gap i.e. a festival of completely indigenous music. It is hence easier to promote internationally as it is distinctive to Belfast.
- It was the first time the music sector has worked in partnership rather than in competition with each other, due to Council taking a neutral co-ordination role.

- Knowing that there would be international attention, music promoters had gone the extra mile to deliver events which had not taken place before.
- The showcases not only attracted visitors but gave local bands the opportunity to perform in front of national and international music industry

2.6 A neutral co-ordination role is required to ensure Belfast Music Week is open to all live music providers and to ensure clarity of vision, aims and objectives. It will also ensure there are no programme clashes and that the sector work in partnership rather than in competition. Headline events need to be profiled to maximise exposure, the venues and hospitality sector should be encouraged to programme live music and representation of genres such as classical, traditional, jazz, folk is required. It requires liaison with managers and labels to ensure schedules of bands tours and album launches coincide with Belfast Music Week. Partnerships would to be identified and the sourcing of commercial funding.

2.7 NITB is committed to developing the music offering and tourism access to music both live music and additional music products.

To this end, NITB is supportive of the Belfast Music Week and will seek to work with Belfast City Council to maximize the tourism opportunities and to work with the industry to ensure they are visitor ready.

Belfast Music Week is in line with the NITB brand in delivering an event that is 'uniquely NI' and promotes the best of indigenous music. Belfast Music Week will add to NI's burgeoning international reputation as a place to discover great music and has the potential to provide legacy to the exciting music events that NI and Belfast will be hosting.

3 Resource Implications

3.1 Finance

£60,000 to deliver Belfast Music Week 2012 and Belfast Music Tourism Product Development which has been provided within the Departmental Budget 2012/13 action plan.

4 Recommendations

4.1 It is recommended that Members:

- 1. Approve a sum of £60,000 to deliver Belfast Music Week in November 2012 which has been provided within the Departmental Budget 2011/12 action plan**
- 2. Agree that officers work in partnership with Tourism Ireland, NITB, DCAL, Invest NI, commercial sponsors and the music sector to leverage further funding for Belfast Music Week**
- 3. Members are also asked to note that the Council has received substantial interest from major international music promoters to come to Belfast. Proposals will be developed and further details brought to Committee.”**

The Committee adopted the recommendations.

Belfast on the Move - Update

The Committee was reminded that, at its meeting on 24th January, it had agreed to receive an update from representatives from the Department for Regional Development's Roads Service in respect of the 'Belfast on the Move Programme' which had commenced in October, 2011. Accordingly, the Deputy Chairman welcomed Mr. C. de Burca and Mr. R. Pollock and they provided an overview of the work carried out thus far within the city centre to address the issue of traffic management, together with an outline of the schemes which would be implemented through to the end of March, 2013. Mr. de Burca and Mr. Pollock then answered a number of questions which were put to them by the Members and retired from the meeting.

The Committee noted the information provided and agreed that a further update in respect of the Programme would be considered in due course.

Lagan Canal Restoration Trust

(Councillor Webb left the meeting whilst this item was under consideration.)

The Committee considered the undernoted report:

“1. Relevant Background Information

1.1 Lagan Canal Restoration Trust

In November 2006 Members approved the establishment of the Lagan Canal Restoration Trust and in 2008 the core funding bodies appointed a manager whose remit was to set

up the Trust. The Trust is a not for profit company limited by guarantee with charitable status.

- 1.2 The Trust currently represents core funding bodies and key interest groups including; Belfast City Council, Lisburn City Council, Castlereagh Borough Council, Craigavon Borough Council, Department of Culture Arts and Leisure (DCAL). Other Trust stakeholders include; Northern Ireland Environment Agency (NIEA), Department of Social Development (DSD), Inland Waterways Association of Ireland (IWAI), Countryside Access and Activities Network (CAAN), Ulster Waterways Group (UWG) , Lagan Valley Regional Park and a number of public stakeholders.
- 1.3 In August 2009 Development Committee funded the Trust until March 2011 and the Chair and Deputy Chair of the Development Committee were appointed as Belfast City Council representatives on the Trust Board.
- 1.4 For the three year period 2009-2011 all of the key partners contributed funding to the Trust, and for the three year period from April 2011 until March 2014, the following key partners further committed funding. This included; Lisburn City Council £112,200, DCAL £56,100, Craigavon Borough Council £22,500, and Castlereagh £11,200.
- 1.5 In April 2011 Members agree one year funding of £16,800 for the Lagan Canal Restoration Trust until March 2012 with a review of future funding. The Trust is now seeking funding from Council for the next two year period.
- 1.6 For the period 2012-2013 the Council's financial commitment would be £16,827 and in period 2013-2014 it would be £17,341. A total funding contribution of £34,178.
- 1.7 A number of key impact reports are currently being undertaken by the Trust, namely; a Business Case and Funding Strategy, a Strategic Environmental Assessment (SEA) and a Technical Assessment of the canal and locks of the Lagan Corridor from Belfast to Lough Neagh. These reports are considered fundamental to the possible future capital development of the project and will be completed in summer 2012.
- 1.8 Belfast City Council in conjunction with Castlereagh Borough Council and Lisburn City Council has submitted an Expression of Interest for funding to the Department of Agriculture and Rural Development (DARD) AXIS 3, Rural Development Programme, for the Lagan Strategic Rural

Project. This submission is based on partnership support and includes the Stranmillis Gateway project as a key element of the project.

- 1.9 Following a meeting on the future of the Lagan Gateway with DCAL Minister Ni Chuilin in November 2011, a business breakfast will be planned for key stakeholders during April in the City Hall. With the city's draft Investment Programme 2012-2015 recently launched, the business breakfast is being used as an opportunity to feed into the consultation process.

2. **Key Issues**

2.1 **The Lagan Canal Restoration Trust**

Members will be aware that in 2006 an offer of £1million funding was made available to Council by Ulster Garden Villages Limited (UGV) towards the reopening of the Lagan gateway Lock 1 at Stranmillis, on the bases that match funding would be available.

- 2.2 UGV initially supported the Council by providing funding of £50,000 from the £1 million offer, to establish the Lagan Corridor Officer post within the Development Department.

- 2.3 As an emerging partnership project, the Lagan Canal corridor project is included in Belfast City Council's Investment Programme 2012-2015.

- 2.4 In the Investment Programme, it is recognised that the Council cannot realise objectives on its own, and therefore needs to work in partnership other key partners from the public, private, voluntary and community sectors.

- 2.5 Funding commitments have been agreed by the following key core funders up to 2014; Lisburn City Council, Castlereagh Borough Council, Craigavon Borough Council and DCAL.

- 2.6 The Lagan Canal Restoration Trust is seeking funding of £34,178 from Council for the two year period from 2012-2014.

3. **Resource Implications**

- 3.1 The Lagan Canal Restoration Trust is seeking funding of £34,178 from Council for the two year period from 2012-2014. The cost to Council for year one is £16,827 and is included within the current 2012-2013 budget.

4. **Equality and Good Relations Considerations**

4.1 No adverse impact on section 75 groupings.

5. **Recommendations**

5.1 Members are requested to agree a two year extension of funding for the Lagan Canal Restoration Trust until March 2014. Following this period a review of future funding for this organisation is undertaken in light of the economic climate, future prioritisation by Council, potential external funding and partner commitment. The cost to Council is £34,178.”

The Committee adopted the recommendation and authorised the expenditure as set out.

Eurocities Update

The Committee considered the undernoted report:

“1. **Key Issues**

1.1 Each year Belfast City Council experiences very positive gains from participation in the Eurocities network and importantly the council contributes to policy influencing at the EU Commission and Parliament and is currently engaging actively to ensure maximum EU funding for cities and an enhanced delivery role with respect to structural fund spend post 2013.

The Council engages in European projects within the network and sources best practice that can be transferable to the city of Belfast.

Critically the Council works with other cities to track EU legislation and lobby heavily to influence this and ultimately create savings for the city eg EU Services Directive.

Appendix 1 outlines the key work areas and outputs achieved through Belfast City Council’s engagement in the network in 2011. It also outlines the intended work plans specifically for Belfast City Council in 2012. Each area has been discussed and deemed appropriate at relevant directorate levels within council departments.

Highlights of the 2012 work plan may be summarised as follows:

1.2 Economic Development Forum

In 2012 Belfast City Council will continue the high level lobby with Eurocities regarding EU funding post 2013. This work will be critical to influence and guide intensive work planned for 2012 to lobby Whitehall, the Northern Ireland Assembly and government departments to maximise the role of local government post 2013 and to secure a strong urban European plan for Belfast. BCC will engage in the Integrated Urban Development, Cohesion Policy and Metropolitan Areas Working Groups.

1.3 Social Affairs Forum

Belfast City Council will continue to contribute to the EU policy process in the following ways by strengthening the relationships with DG Employment through maximising the links between member cities and key officials in DG Employment and responding to the encouragement of DG Employment to show how cities can bring together researchers and practitioners to pilot new initiatives and test methods of evaluation.

BCC will develop closer links with EU institutions and stakeholders on the European Year for Active Ageing.

Continue to work on influencing the final shape of the future ESF regulations. Identify early, and take advantage of funding calls which could facilitate joint city working on projects which support the aims and objectives of SAF e.g. calls under the PROGRESS and FP7 Social Science and Humanities Programmes.

1.4 Environment Forum

Belfast City Council will continue to engage in the Reference Framework for Sustainable Cities. The launch of the full framework will be in Aalborg in May.

BCC will engage in the S Cube project, 100% funding project designing city energy plans. We hope to hear if it is successful in March 2012.

BCC will continue to work to address the challenges associated with global climate change, including reducing greenhouse gas emissions and anticipating the potential consequences and developing effective adaptation measures.

We will provide input to the review of EU air quality policy, in particular with regards to the specific needs of cities.

BCC is a selected city in the 7 European Environmental Action Programme and will follow-up to the European Union's Sixth Environmental Action Programme (with the likely development of a 7th Environmental Action Programme), including the development of strategies on urban environment, including issues such as urban transport, reduction of toxic substances in the environment, air quality, and the prevention and recycling of waste.

BCC will promote the use of sustainable energy in cities (raising awareness and energy efficiency, while decreasing the production of CO₂) and promote and foster green growth as economic engine for city development.

1.5 Knowledge Society Forum

In 2012 the final report of the road map for Smart Cities will be produced by the working group. This draws together learning from other EU cities leading in this area. The report will provide valuable insights and learning for Belfast and other cities who have yet to develop a smart city strategy. Future opportunities for funding will also be explored.

BCC will engage in the e-inclusion working group.

BCC will produce a guide book with the Open Data Working Group to provide technical and legal guidance on the publication of data sets.

1.6 Culture Forum

BCC will continue its contribution to the European policy process through participation in relevant consultations.

BCC will use the Culture Forum to identify best practice and benchmarking to assist in the delivery of the Council's Integrated Tourism Strategy. The areas to be included in learning, benchmarking and sharing knowledge include cultural infrastructure, use of new technology, heritage issues, development of Belfast Story, maximising Titanic and maritime heritage particularly for 2012, extending benefits of tourism across the city.

BCC will use the Forum to identify funding opportunities to support corporate plan objectives and in particular tourism, culture and arts.

1.7 Additional Activity

Members should note that all Eurocities work engaged in by Belfast City Council staff is coordinated by the European unit. On a bi-monthly basis an officers meeting is held to track and appraise the level of activity and related outputs with respect to Eurocities participation, ensuring that all work is aligned to the council's corporate objectives.

1.8 Members should also note that Belfast City Council attended the 2011 Eurocities Annual General Meeting and submitted priority council projects for the Eurocities awards under the categories of: Innovation, Participation and cooperation. The theme of the 2011 AGM was "Social Dimension of Urban Planning". Belfast City Council ran a photographic competition offering Belfast youth the opportunity to submit a photograph of Belfast which was profiled in the Eurocities 25 year anniversary publication. Unfortunately we were unsuccessful in securing an award. The conference looked at the challenges of cities addressing issues of aging populations, integrating young, new communities and creating sustainable connected cities. The AGM was attended by Councillor Bob Stoker and Councillor Caoimhin Mac Giolla Mhin on behalf of the Chair and Deputy Chair of the Development Committee. One of the key messages was that more EU resources need to be dedicated to urban issues given that more than 70% of Europe's population resides in urban areas yet 50% of the EU budget is dedicated to rural issues. BCC via the EU Unit is planning to lobby the NI Government with regard to this.

1.9 Members are asked to note the contents of this report, approve the proposed 2012 Belfast City Council work plan with Eurocities and agree to the payment of the 2012/2013 subscription fee of £15,820 euros.

1.10 Members should note that due to austerity resources across Europe, the annual fee has been frozen for 2012/2013 and Eurocities will increase the level of virtual online working to reduce travel and to ensure as wide engagement of cities as possible.

2. Recommendations

- 1. Approve the 2012 Eurocities work plan; and**
- 2. Approve payment of the 2012 Eurocities subscription of £15,820 euros."**

After discussion, during which a number of Members paid tribute to the work of the European Unit, the Committee adopted the recommendations and it was agreed that a report be submitted to a future meeting which would outline how the Council's Investment Programme might be enhanced through the various European projects, together with an outline of the specific role which Elected Members could play in promoting further the City on a Europe-wide basis.

Revised Management Structure for EU Funds 2014/2020

The Committee considered the undernoted report:

“1 Relevant Background Information

1.1 In the current (2007-2013) funding round, Northern Ireland will receive approximately €1.1billion of support through the EU Structural Funds under EU Cohesion Policy. Northern Ireland is currently benefiting from five EU Programmes:

- European Sustainable Competitiveness Programme
- European Social Fund Programme
- Peace III Programme
- Rural Development Programme
- Cross Border Territorial Co-operation Programme (Interreg IVA)

1.2 The current round of programmes was designed in 2004 at a time when regional and community economic needs were very different and the implementation of these programmes has been problematic with justifiable criticism from Local Government (and others) regarding the role in and management of the Structural Funds by intermediate funding bodies.

1.3 Whilst increased administrative and management can be partly attributed to increased involvement from the European Commission and the European Court of Auditors as the programmes progress, regional and local interpretation of EU regulations plays a large role in contributing to the administrative burden often to the detriment of efficiency and targeted results.

1.4 The EU has started its preparations for the next funding period 2014-2020 and stakeholders across Europe are seeking to influence the shape of funding in the new Programming round.

1.5 NILGA, in conjunction with relevant stakeholder bodies, are proposing the development of revised management and governance structures for the new round of EU Structural

Funds for the period 2014 - 2020 with an enhanced role for Local Authorities in identifying needs and setting priorities and utilising the funds to respond to local needs.

- 1.6 In order to start this process, NILGA convened a workshop involving elected members, Officers and Officials from DFP to identify problems with the current programmes and to propose alternative arrangements for the new programming round.
- 1.7 At the workshop DFP Officials provided a useful overview of the new EU legislative package and regulations which provide greater scope for involvement at the local level in the design and delivery of EU funding. DFP welcomed experiences and input of the Local Government representatives and encouraged NILGA to put forward a position paper on the experiences of Local Government under the current programming round as well as recommendations for improvements to the administrative and management arrangements for the 2014 - 2020 programming period.
- 1.8 NILGA has subsequently issued a questionnaire to capture the range of Local Government experiences under the current programme to enable the preparation of a comprehensive position paper for submission to DFP and other relevant departments and stakeholder bodies. Officers will develop a response to this questionnaire and provide an update to Committee in due course.

2 Key Issues

- 2.1 With the adoption of the draft legislative package which will frame the new Programmes over the period 2014 - 2020, the European Commission have proposed a number of important changes to the way Cohesion Policy is designed and implemented, namely:
 - Concentrating on Europe 2020 Strategy's priorities of smart, sustainable and inclusive growth;
 - Supporting integrated programming;
 - Focusing on results;
 - Reinforcing territorial cohesion – ensuring balanced distribution of economic and social resources; and
 - Simplifying delivery.
- 2.2 These emerging EU Regulations which will govern the Regional Policy and Structural Funds 2014 - 2020 contain a

number of important implications for Belfast and for Northern Ireland as a whole. Key aspects of these are:

- Northern Ireland will have the status of a “more developed region”, thus ensuring that there will be less budget allocated to the local Structural Fund Programmes;
- The Operational Programme which is developed at a regional level must be aligned to the European 2020 strategy and to a set of thematic objectives with investment actions for each theme;
- Member states will have an overall Common Strategic Framework and a Partnership Contract with the European Commission combining all funds (ERDF, ESF, RDP, Peace & Interreg) with the option for multi fund programmes;
- Provision is made for multi level governance involving Local Authorities and other stakeholders from design through to implementation and evaluation stage of the Operational Programme;
- The European Commission has proposed that ‘local action groups’ will have the responsibility for the design and implementation of local development strategies. Individual Member States will have responsibility for defining the respective roles of the local action groups and the authorities responsible for the implementation of the relevant programmes;
- There will be greater use of alternative financial instruments such as JEREMIE (funding for small and medium-sized enterprises (SMEs) by means of equity, loans or guarantees) AND JESSICA (supports sustainable urban development and regeneration through financial engineering mechanisms); and
- At least 52% of the budget will be allocated to ESF activity to tackle poverty, education and joblessness.

2.3 NILGA have recommended that the proposed revisions to the management and delivery arrangements for the new Programmes must reflect the need for subsidiarity and the devolution of control and decision making to Local Authorities.

- 2.4 Their proposal is to develop a local government strand to the EU Operational Programme from 2014 - 2020. This will ensure that the parts of the new NI EU Programmes, which have a local sub-regional or sectoral character could be largely realised by Local Government. In essence, Northern Ireland Local Government would manage its own EU Funds resulting in an autonomous Local Government section of EU Programmes for delivery by Councils over the period 2014 - 2020.
- 2.5 The Operational Programme would align investment through the new programmes to address local need where it will have the greatest impact and remove economic and administrative barriers which are currently stifling the implementation of the current round of programmes and have the potential of affecting optimum drawdown of the current allocation for Northern Ireland.
- 2.6 NILGA suggest that one of the fundamental improvements in the proposed new arrangements will be the achievement of operational efficiencies through the restructuring of the number of the existing sub-regional funding clusters and their associated administrative structures such as the Peace III Clusters, cross border networks and Rural Development Clusters. These savings and the potential reduction in technical assistance can be redirected through to local projects. It is considered that Councils, through the recently revived RPA process and the ongoing Improvement, Collaboration & Efficiency (ICE) agenda can establish collaborative partnerships in order to address mutual needs.
- 2.7 In addition to this ongoing lobbying work undertaken by NILGA, Belfast City and Derry City Councils have agreed to jointly develop and promote an urban lobby to maximise resources and promote streamlined delivery of EU funding for the period 2014 - 2020. A lobby action plan has been agreed and a case developed for an enhanced role for both regional drivers in the design and delivery of structural funds over the 2014 - 2020 period. The EU unit will continue to engage with DFP and to monitor developments as they emerge.
- 2.8 The development of the draft proposal now enables practical consultation with the sector, to develop a workable improvement to the present system, and one which creates tangible benefits for Councils in its design and implementation.

- 2.9 The target for the Commission is to secure agreement on the budget and the adoption of the new legislative package by the end of 2012.
- 2.10 The deadline for return of completed questionnaires to NILGA is Tuesday 13th March and following this, NILGA will prepare a comprehensive report detailing the findings of the surveys and outlining a proposed action plan going forward. Further to this NILGA are proposing to convene a workshop in May 2012 to update Members and Officers on progress made under the lobbying campaign.

3 Recommendations

1. To note the lobby activity being undertaken by both the Council's EU Unit and NILGA and
2. To endorse the proposal for a Local Government managed strand to the EU Operational Programme 2014/2020.

The Committee adopted the recommendations.

Active Travel Proposals

The Committee was reminded that the Department for Regional Development had invited applications from Councils to bid for funding in order to formulate active travel projects within their areas. It was reported that the Department had allocated a budget of £3 million for this purpose and it would be made available over a three-year period to support between three and six projects. To be eligible, the proposed projects should demonstrate innovation in sustainable travel through the implementation of a viable programme. Accordingly, it was reported that two proposals, as set out hereunder, had been formulated by officers on behalf of the Council:

Community Active Travel Green Routes

This project would seek to develop further the cycle and walking infrastructure in North and West Belfast utilising the Council's parks, existing cycle infrastructure and residential streets. The aim of the project would be to focus on the areas of the City where cycling provision was considered to be poor and to develop new and continuous routes linking such areas with the city centre.

The first route which would be developed would link the Falls Park to the Bog Meadows, then utilise the existing cycle path along the Westlink to the city centre using the proposed dedicated cycleway on the Grosvenor Road. The second route proposed would be in North Belfast and would link the Waterworks Park to Alexandra Park and then onwards through inner north Belfast to the National Cycle Network at Clarendon Dock through the city centre to the Lagan Towpath.

It was reported that officers had undertaken site visits with representatives from 'Sustrans' to assess the potential of the proposed routes and initial feedback had been positive.

Belfast Public Bike Hire Scheme

The second proposed project would seek to establish a bike hire scheme within the City. The Committee was reminded that, the Council, at its meeting on 1st October, 2009, had passed a Notice of Motion in support of the introduction of a bike hire scheme and that Council officers had explored with the Department for Regional Development the feasibility of establishing such a scheme in the City. An outline business case, which had established the infrastructure arrangements and running costs for the scheme, had been completed and it had indicated that such a project would present a viable proposition. It was reported that the Council would be seeking funding to establish the scheme and the option existed to appoint a private company to oversee its operation.

The Committee agreed that the two proposals as outlined would be forwarded to the Department for Regional Development for consideration.

Proposed Local Area Regeneration Projects

The Committee considered the undernoted report:

“1 Relevant Background Information

- 1.1 As part of the budgetary process at the beginning of the financial year, the SNAP Unit was allocated a sum of £60k to match-fund up to six pilot projects which were anticipated to come forward from the Neighbourhood Renewal Partnerships via the Department for Social Development’s Belfast Regional Office.**
- 1.2 Due to the fact that the Neighbourhood Renewal plans have been subject to review, the projects have not materialised. However as a result of the work which the SNAP team and others in the department have been undertaking, a number of projects have been put forward by community organisations which could be funded from this budget.**
- 1.3 In addition to the projects identified above, DSD has written to the Council regarding a proposal from Walkway Community Association in Finvoy Street, Upper Newtownards Road.**
- 1.4 DSD currently provides the group with Neighbourhood Renewal revenue funding to deliver a range of projects in the Inner East Neighbourhood Renewal Area.**

- 1.5 The Association currently occupies three sites, all of which have issues relating to the lease arrangements. The Association recently requested funding from Neighbourhood Renewal to refurbish its community centre given its poor state of repair. Due to the land issues and the fact that the building is a prefabricated portacabin, this is unlikely to represent value for money.
- 1.6 The Department for Regional Development have indicated that they no longer require the lands in question and may be prepared to transfer should a sustainable long term proposal be developed.
- 1.7 BRO have indicated that they would be keen to work with the Council in assisting the group develop such a project and be prepared to part-fund an appraisal should the Council be willing to do likewise. It is anticipated that the cost to the Council of such an appraisal would not exceed £7,500.

2 Key Issues

- 2.1 The majority of the projects identified are local, small scale projects which will have an immediate impact at a community level.
- 2.2 Three of the projects i.e. the Ardoyne Crèche Facility Study, the Ligoniel Outdoor Hall Plan and the Walkway Community Centre proposal are initiatives to support future development.
- 2.3 Members of the Committee will be aware that the Budget & Transformation Panel have been considering how the £5m Local Investment Fund will be allocated and how projects across the city can be prioritised.
- 2.4 A report on the governance arrangements for the delivery of the Belfast Investment Programme will be considered by the Strategic Policy and Resources Committee on 25 March 2012. It is envisaged that decisions on the further allocation of resources for these three projects would be considered within any framework agreed through the Strategic Policy & Resources Committee.

4 Recommendations

- 4.1 It is recommended that the Committee approves the proposals below along with the proposal for funding an Economic Appraisal for Walkway Community Centre.

| <u>Proposed Project</u> | <u>Area</u> | <u>Amount</u> | <u>Description</u> |
|---|-------------|---------------|--|
| Healthy Choices Project | West | £3,000 | Healthy Choices is a health education programme for children within P6 and P7. This project is scheduled to be facilitated in the Half Moon Lake (Lenadoon) and will involve children from five local Primary schools. |
| Giant's Foot Olympic Art Project | West | £1,500 | This project is intended to complement the existing multi-agency themed art work that was created to address severe degradation within the Giant's Foot area. Presently, there is a planned Titanic art work project for the site, but this particular segment will target an adjacent site with a specific focus on the Olympics. |
| My Lady's Road Community Art Project | East | £6,000 | Availability of funding will enable the development of a community art hoarding project for a corner site between the My Lady's Road and the Woodstock Road. |
| Dee Street Art Project | East | £5,000 | This art project will involve the creation of a new mural at the junction of Dee Street and the Newtownards Road. Initially, the project will require construction work in order to ensure the safety of the premises. |
| Ardoyne Crèche Facility Study | North | £3,000 | Funding will allow the undertaking of a Feasibility Study for the creation of a new crèche facility in the Ardoyne area. |
| Ligoniel Outdoor Hall Plan | North | £2,500 | To provide financial assistance by way of Planning Fees as part of the development of a Ligoniel Hills and Dams Outdoor Centre. |
| Alliance Avenue site regeneration project | North | £3,000 | To support the physical regeneration of site in order to establish community use, including community art mural project in adjacent Park. |

| <u>Proposed Project</u> | <u>Area</u> | <u>Amount</u> | <u>Description</u> |
|----------------------------|-------------|---------------|--|
| Sandy Row Art Project | South | £3,000 | This project will support the creation of a new mural at a site behind TA Allen's furniture store (St George's Gardens) and linking in with a Titanic mural which will be on-site in late March. |
| Fairy Thorn Garden Project | South | £1,500 | Funding will assist this social economy project which will upgrade a garden area within the Sandy Row area. |

During discussion, a Member requested that a report be submitted to a future meeting which would provide an overview of the criteria and processes which had been used in selecting the projects for consideration. He indicated that, whilst the projects chosen were indeed worthy of Council support, there might have been more effective consultation undertaken with Members across the City in relation to the scheme and the availability of funds to support such community-based initiatives. In addition, a request was made seeking clarity on the specific role and remit of the Department's Strategic Neighbourhood Action Programme, together with an overview of the officers responsible for projects in each area of the City.

After further discussion, during which the Head of Economic Initiatives undertook to submit a report to a future meeting in respect of the Members' requests, the Committee adopted the recommendations as outlined.

Pride of Place Cities Awards - Update

The Committee was reminded that, at its meeting on 6th March, it had been agreed that a request be forwarded to the organisers of the annual Pride of Place Cities Awards to seek approval for the Council to nominate both the Greater Village Regeneration Trust and the Lower Ormeau Residents Action Group in the special category for previous winners which had been included to commemorate the tenth anniversary of the awards scheme. The Community Development Manager reported that the organisers had acceded to the Committee's request and she reminded the Members that it had, on 6th March, granted authority for a deputation from each group to attend the ceremony and authorised also the payment of the competition entrance fees, travelling and accommodation costs

Noted.

Chairman