

Development Committee

Tuesday, 19th August, 2014

MEETING OF DEVELOPMENT COMMITTEE

Members present: Councillor Hargey (Chairman);
Aldermen Campbell, Ekin, Kingston,
Stalford, Stoker, and Webb;
Councillors Beattie, Convery, Keenan,
Kelly, Kennedy, Kyle, Magee, Mac Giolla Mhúin,
Ó Donnghaile, Ó Muilleoir, Spence and Verner.

In attendance: Mr. J. McGrillen, Director of Development;
Mrs. L. Toland, Head of Economic Initiatives
and International Development; and
Mr. B. Flynn, Democratic Services Officer.

Apology

An apology was reported on behalf of Councillor Reynolds.

Minutes

The minutes of the meeting of 17th June 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 July, subject to the omission of the minutes under the headings, "Belfast City Centre Management - Additional Funding Requests" and "Cinemagic – Request for Funding" which had been referred back to the Committee by the Council for further consideration.

Declarations of Interest

- In respect of item 5, viz., 'The Role of Cities in Attracting Direct Foreign Investment', Alderman Webb declared an interest in that he was employed by OCO Global; and
- In respect of item 10, viz., 'Belfast Homecoming – One City Conference', Councillor Ó Muilleoir declared an interest in that he was the Managing Director of the Belfast Media Group.

Deputation - St. George's Market Traders' Association

The Committee agreed to receive, at its meeting on 16th September, a deputation from the St. George's Market Traders' Association to discuss a range of issues relating to the Market.

Belfast City Centre Management - Funding Request

(Alderman Rodgers attended in connection with this item.)

The Committee considered further the undernoted minute of the meeting of 17th June, which, at the request of Alderman Rodgers and with the permission of the Council, had been taken back to the Committee for further consideration:

"The Committee was reminded that, at its meeting on 14th January, it had agreed to provide funding in the sum of £190,000 to Belfast City Centre Management (BCCM) as the Council's contribution towards its running costs for 2014/2015. It was reported that the Board of BCCM had since undertaken a review of the salaries of its staff and had adopted the NJC scales, a measure which had resulted in a shortfall of £30,000 in salary costs for £2014/2015. Accordingly, the Director reported that a request for financial assistance for 50% of the shortfall, that is, £15,000, had been received from BCCM.

In addition to the aforementioned request, the Director reminded the Committee that BCCM had been one of six successful applicants selected by the Department for Social Development to oversee a pilot Business Improvement District (BID) project. He reported that BCCM had requested also that the Council consider making a contribution towards the employment of a Development Manager to oversee the implementation of that project. The total cost of employing the Development Manager, over an 18 month period, would be £90,000 and the Council had been requested to consider providing 50% of that cost.

In respect of the request by BCCM for a contribution towards meeting the re-evaluated staff salary costs, Members expressed concern that the Council, should it accede to the request, would be creating a precedent which could encourage further organisations to submit one-off requests for funding. The point was made that employees within the public sector had been subject to pay freezes in recent years and BCCM should have anticipated the extra costs and incorporated them within their original request for annual funding. Therefore, it would be inappropriate for the Council to meet the request as submitted.

Regarding the request for funding for to employ a Business Manager for the BID pilot project, the Committee noted that the Department for Social Development had agreed to contribute a sum of £45,000 towards the post. Accordingly, the Council would be required to provide funding of £15,000 in 2014/2015, with a further amount of £30,000 being allocated within the Council's 2015/2016 budget to support the project.

After discussion, it was

Moved by Alderman Ekin,

Seconded by Alderman Webb and

Resolved - That the Committee agrees not to accede to the request for £15,000 from BCCM to meet the increase in costs of staff salaries; but agrees to provide funding in the sum of £45,000, over a two-year period, to meet the costs associated with the employment of a Business Manager to oversee that organisation's BID pilot project."

At the request of Alderman Rodgers, the Committee agreed to defer consideration of the matter to enable a deputation from Belfast City Centre Management to attend the meeting scheduled for 16th September.

Cinemagic - Request for Funding

The Committee considered further the undernoted minute of the meeting of 17th June, which, at the request of Councillor Spence and with the permission of the Council, had been taken back to the Committee for further consideration:

"The Director advised the Committee that a request had been received from Cinemagic seeking a donation from the Council to assist it to meet a £200,000 funding shortfall which it had encountered in the making of a Belfast-themed feature film entitled: 'The Christmas Star'. The Director reported that no provision existed within the Tourism, Culture and Arts Unit's budget for 2014/2015, but pointed out that officers from within that Unit would continue to provide guidance and assistance to Cinemagic in exploring alternative sources of funding.

The Committee agreed not to accede to the request and noted the comments of the Director."

The Committee affirmed its decision of 17th June.

Role of Cities in Attracting Foreign Direct Investment

(Alderman Webb left the meeting whilst the item was under discussion.)

The Committee considered the undernoted report:

"1 Background Information

- 1.1 Belfast is consistently among the best performing UK cities in terms of attracting investment from overseas. The statutory responsibility for attracting inward investment to Northern Ireland rests with Invest NI and the organisation has recently expanded its international network of offices. It now has 17 offices across the world covering Europe, North America, Asia Pacific, India, Middle East and Africa.**

2 **Key Issues**

- 2.1** OCO is a local company that provides foreign investment consultancy advice and support to a range of economic development agencies across the world including UK Trade and Investment (UKTI), Invest in Sweden Agency, Invest Hong Kong, Invest in France and the Jordan Investment Board.
- 2.2** At the request of the Director, the company prepared an overview report to illustrate urban approaches to FDI attraction as a means of informing the future discussion on this issue. The report profiles a number of UK cities as well as one French city (Lyon) as comparators and outlines the structures that exist in each of the cities to support FDI.
- 2.3** While the examples outlined differ in their scale, approach and structures, each of the cities has developed an investment approach in parallel to the national/regional investment structures. This illustrates the importance that each of the locations attaches to attracting FDI to their city as well as the potential for complementary approaches involving a range of partners.
- 2.4** The report notes that FDI is increasingly becoming focused on service sectors – four out of the top five sectors for FDI into the UK in 2012-2013 were services (software and IT services, business services, financial services and communication). These sectors tend to be located in urban areas. It also references a recent research report which suggests that around 3 in 4 of all highly skilled jobs are located in cities. This leads to the understanding that cities are magnets for FDI and the associated benefits that this can bring. However, it also outlines the importance of cities taking a clear and practical role in attracting and supporting FDI in order to maximise the benefits that can be generated from the investment.
- 2.5** Case studies of approaches to investment promotion in a number of cities are outlined. While there are significant variations in terms of both structure and resources, there are a number of interesting points of note:
- The examples illustrate the strong precedent that exists for local authorities to pro-actively develop approaches to inward investment attraction, in tandem with and alongside national and regional agencies
 - While some of the agencies have overseas offices, others operate from local offices only

- There are close similarities in the target sectors for each of the agencies, namely digital and creative, science and health/life sciences, business and financial services and advanced engineering. This reinforces the competition and the need to develop a distinct and competitive offer
- Many of the cities use the breadth of services that they support (economic development, planning, training and city marketing) to create a wrap-around offer to prospective investors, streamlining the investment process for them
- A number of cities combine their destination and business marketing approaches – there is consistency of message and branding
- All of the agencies focus on job creation as an output – targets are set and are measured annually.

2.6 While Local Government Reform will provide councils with additional powers, it is clear that Northern Ireland will still lag significantly behind local authorities in England who are responsible for 27% of all public expenditure and have a broader set of responsibilities.

3 Recommendations

3.1 That the Committee consider the contents of the attached report and presentation by OCO.”

The Chairman, on behalf of the Committee, welcomed Mr. M. O’Connell, Chief Executive Officer of OCO Global, to the meeting and he provided an overview of the work which that company undertook on behalf of the public and private sector. He outlined the key and developing world markets where the Council might wish to promote itself and indicated that it would be prudent for Belfast to enhance its linkages with cities such as New York, Chicago and London. He outlined the role which OCO played in establishing links and in acting as a catalyst to deliver direct investment. He then provided a number of examples of how OCO had enjoyed success in the world market in this regard.

During discussion, it was suggested that the future role of the Council in attracting direct foreign investment needed to be identified clearly. It was pointed out that the Council’s remit in this regard would need to be distinctive and separate from the role as undertaken by Invest NI. It would, therefore, be imperative that there would be no duplication of responsibility between both bodies. Discussion ensued also regarding the resources which the Council might make available to attract foreign investment and whether such a function could be performed on an in-house basis or contracted out. In addition, it was suggested that the Council should seek to learn from cities such as Liverpool, Dublin and Glasgow as a first step in that process.

After discussion, the Committee noted the information which had been provided and agreed that an invitation be extended to Invest NI to attend a future meeting to discuss the Council's future role in attracting direct foreign investment to Belfast.

Quarterly Financial Report

The Committee considered the Department's quarterly finance report for the first quarter of the financial year 2014/2015.

Noted.

Belfast Waterfront and Ulster Halls - Performance Report

The Director provided an overview of the performance figures for both the Waterfront and Ulster Halls for the period from 1st April till 30th June, 2014. The Committee was informed that future performance reports for the Waterfront Hall would, given the development of a conference and convention centre at the venue, be revised to provide the Committee with an enhanced strategic overview on the number of longer-term bookings which had been made.

The Committee noted the information which had been provided.

Creative and Cultural Belfast Fund

The Committee considered the undernoted report:

"1 Background Information

- 1.1 In August 2013 the Committee agreed to open the Creative and Cultural Belfast Fund.**
- 1.3 £150,000 per annum was ring-fenced in the 2013/14 and 2014/15 budgets, with the same level of support projected for 2015/16 subject to approval of draft budget estimates. The Arts Council of Northern Ireland (ACNI) agreed to provide match funding of £450,000, bringing the programme budget to £900,000. £10,000 per year is ring-fenced for administrative costs. This means the total funding budget is £870,000.**
- 1.4 Tranche 1 of Creative and Cultural Belfast opened in September 2013, and in February 2014, Members agreed to award a total of £585,000, comprising one exceptional grant of £300,000 and three standard grants of £95,000.**
- 1.5 It was anticipated that the second round of funding for Creative and Cultural Belfast would open in April 2015. Three standard grants of £95,000 would be made available.**

2 Key Issues

- 2.1 £585,000 of funding was allocated in tranche 1, including £445,000 of ACNI funding. The balance available for tranche 2 is therefore £285,000, including £5,000 of ACNI's funding. However, ACNI funding cannot be used to part-fund a contract at this level.
- 2.2 It is therefore recommended that the value of grant is reduced from three grants at £95,000 to three grants at £90,000. The surplus of £15,000 will be used for programme support, such as training, marketing and evaluation.

Timescales

- 2.3 The Council's budget must be substantially spent within the current financial year. It is therefore recommended that the call for applications is brought forward and opens in September 2014. Recommendations for funding will then be presented to Committee in January 2015.

3 Resource Implications

3.1 Financial

Funding is included in the TCA Unit's draft budget estimates for 2014/15. ACNI has agreed to provide match funding of £450,000.

4 Recommendation

- 4.1 That the Committee agree to open the second round of the Creative and Cultural Belfast Fund in September 2014 to award three grants of £90,000."

The Committee adopted the recommendation.

Update on Capital Schemes

The Committee noted the contents of a report which provided an overview of the progress which had been achieved regarding a number of capital schemes which had been established as part of the Investment Programme. The Director answered a range of Members' questions in relation thereto and indicated that further updates would be submitted in due course.

Belfast Homecoming – One City Conference

(Councillor Ó Muilleoir left the room while this item was under consideration.)

“1 Relevant Background Information

- 1.1 Members will be aware that one of the key commitments of the Council’s Investment Programme 2012-2015 is that the Council will work with city partners to promote Belfast proactively on the international stage to attract trade and investment, increase visitor and student numbers and build the networks necessary to support growth.
- 1.2 As part of the International Relations Framework, BCC has entered into three cooperation agreements to work with the cities of Boston, Shenyang and Dublin on the targeted areas of trade, education and tourism/leisure.
- 1.3 BCC has received a request to support the Belfast Homecoming – One City Conference on 25-26 September 2014. This conference brings together key stakeholders from a range of sectors from two of our new formal partner cities outlined above, namely Dublin and Boston.
- 1.4 The conference programme involves a number of sessions and initiatives which complement the Councils’ economic development and regeneration objectives and align to the objectives of the Councils’ International Relations Framework and associated city agreements.

2 Key Issues

- 2.1 The Mayor of Boston, Martin Walsh, will be a key note speaker at the Homecoming event and will take the opportunity to engage with BCC’s Lord Mayor and officials to explore potential actions for mutual benefit for both cities.
- 2.2 Members will be aware that the Lord Mayor will make a return visit to Boston during the EU-USA eHealth Conference in October 2014. During this visit, the Mayors will meet again to promote the Sister City Partnership between Belfast and Boston.
- 2.3 During the Homecoming – One City Conference, Mayor Walsh and the Lord Mayor of Belfast will share a speaking platform to outline the potential benefits of this Sister City Agreement and inform other Belfast stakeholders of this recently signed collaboration.
- 2.4 There will be other panels involving the Chair of the Development Committee and a panel specifically to discuss and promote the Belfast-Dublin Economic Corridor Agreement.

- 2.5 Members will be aware that a formal cooperation between both cities and stakeholders along the corridor was explored during an event led by the former Lord Mayor of Belfast, Cllr Máirtín Ó Muilleoir and the former Mayor of Dublin, Cllr Oisín Quinn on 28 March 2014. Subsequently, both cities signed a Memorandum of Understanding (MOU) for cooperation.
- 2.6 The conference session will involve speakers from Dublin and Belfast councils and will pick up on the range of ideas for cooperation generated at the inaugural corridor event on 28 March 2014.
- 2.7 A further opportunity for BCC to promote the priorities of the Councils' Investment Programme is the main plenary planned event in Titanic Belfast on the recent Berridge report on Belfast City Centre Regeneration and Investment.
- 2.8 An additional opportunity for Belfast to feature its investment work is to showcase the £30m Belfast Waterfront Hall Conference and Exhibition development and to appeal to the NI diaspora to promote the facility for new business and leisure conferences.
- 2.10 Sponsors secured to date for the conference include, Ulster Bank, Titanic Quarter Ltd., and United Airlines.
- 2.11 BCC has been asked to co-sponsor the event given the strong promotion of the Councils' investment priorities and its strong leadership for the city.

3 Resource Implications

- 3.1 The cost of sponsoring the Homecoming – One city Conference will not exceed £4,500.

4 Recommendations

- 4.1 It is recommended that Members agree to support the Homecoming – One City Conference on 25-26 September 2014, through participation in the various panels outlined above, and provide a financial contribution of £4,500 from within the International Relations budget.”

The Committee adopted the recommendation.

Belfast Future City Conference

The Committee considered a report which provided an overview of the Belfast Future City Conference 2014 which the Council had hosted on 20th June in the Waterfront Hall. The Director outlined the key messages which had emerged from that conference and gave an overview of the themes which had been discussed.

Noted.

Super Connected Business Growth Initiative

The Committee considered the undernoted report:

“1 Relevant Background Information

- 1.1 **Members will recall that the Council previously agreed to make a funding application to the European Regional Development Fund (ERDF) to secure up to 75% of the costs of a demand stimulation programme that would complement the Super Connected Cities Voucher Scheme funded by DCMS. This would both raise awareness of the infrastructure investment and provide targeted mentoring support to help businesses get online or use the technologies to help them work more efficiently**
- 1.2 **The Council has been awarded £218,445 of grant funding from Invest NI and the NI ERDF Competitiveness Programme to support the Super Connected Cities – Demand Stimulation Programme. The demand stimulation programme will supplement and support the investment in telecoms infrastructure through the £13.7 Super Connected Cities Initiative funded by DCMS, helping local businesses to improve their productivity and competitiveness.**
- 1.3 **The need for a complimentary support programme for the Super Connected Cities Initiative has been identified from experience elsewhere as well as feedback from early engagement with local companies which suggested that businesses require support to help them maximise the potential of the infrastructure.**
- 1.4 **Aim Of The Programme
The aim of the demand stimulation programme is to assist in the creation of a vibrant, digitally enabled economy across Belfast, by helping local SMEs to understand the transformation of traditional business models which effective exploitation of the digital platform will bring about. The initiative will seek to grow the capabilities of Belfast based SMEs through a tailored and structured programme of**

support to assist them to adopt, utilise and fully exploit the opportunities presented by ultrafast and superfast connectivity.

- 1.5 The Super Connected Cities Business Growth Initiative has a number of elements, some of which will be delivered directly by Belfast City Council with the remaining support activity to be delivered as part of a tender process.
- 1.6 Belfast City Council will directly deliver a number of Super Connected Cities awareness raising Seminars. The seminars, delivered by the BCC Super Connected Team will include:
 - General overview of the Super Connected Programme
 - Case-studies of business efficiency and growth potentially demonstrated by local business benefactors
- 1.7 The total cost for this element is £13,350.
- 1.8 It is intended that an external organisation will be procured to deliver the remaining elements of the programme which include:
 - Mentoring support to 300 Belfast based businesses to assist them in implementing business improvement techniques aligned to investment in new technologies
 - Workshops/Master Classes, 18 half day sessions in total targeting 20 participating businesses per session. The focus of these sessions will be informed by the needs of the client businesses
 - Participant Engagement and Recruitment for both Mentoring and Workshops/Master Classes
- 1.9 Objectives Of The Programme
 - To provide an accessible, needs-led business improvement programme;
 - To support participating businesses to become more competitive and sustainable by implementing emerging digital technologies;
 - To develop the knowledge and skills of participating businesses;
 - To provide businesses with opportunities for peer learning;
 - To work in partnership with Invest Northern Ireland to provide a pipeline of support for those businesses with high growth potential.

- To deliver measurable business growth/ improvements for participating businesses

1.10 It is intended that the demand stimulation support will be available to all companies in the Council area, focusing on those availing of connection vouchers. Support will be tailored to meet the demands of the individual businesses.

2 Key Issues

2.1 The letter of Offer for the demand stimulation programme from Invest NI has been received.

2.2 Following discussions with Belfast City Council's Digital Services Team who are responsible for the delivery of the Super Connected Cities Connection Vouchers scheme, it became apparent that they would be best placed to deliver the Connection Voucher Seminar's element of the demand stimulation programme. This is based on their forward work plan and the timescale for roll out of the Connection Voucher Scheme which will create a pipeline of participants for the Connection Voucher Seminars element of the Demand Stimulation programme. A draft tender specification has been prepared for providing the elements detailed in paragraph 1.8.

2.3 The total value of the proposed procurement elements is £255,300. The current timescale for achievement of the project is June 2015.

2.4 Approval for tender award was previously granted by Committee in line with standing orders. Due to the timeframe for delivery extending beyond Local Government Reform Members consideration is requested with the resolution requiring consideration by the Shadow SP&R committee.

3 Resource Implications

3.1 Financial

The cost of this element of the demand stimulation programme is £255,300 with ERDF/INI to support 75% of total cost of the workshops/master classes element and 56% of the total cost of the mentoring element (refer to paragraph 1.8). The net cost to Council will be £108,825.

5 Recommendations

5.1 Members are asked to:

- In line with Standing Orders, due to the timeframe for delivery beyond Local Government Reform, Members consideration is requested to commence public procurement of the Super-Connected Cities Demand Stimulation Programme at a budget of £255,300 with the recommendations requiring referral to shadow SP&R Committee for consideration.”

The Committee adopted the recommendation.

Future of Comet Economic and INTERREG Partnerships

The Committee considered the undernoted report:

“1 Relevant Background Information

- 1.1 Members will be aware that Belfast City Council has worked with partners across the metropolitan area for more than a decade. That work has principally been focused through two partnership structures, namely the Comet Economic Partnership and the Comet INTERREG Partnership.
- 1.2 The Comet Economic Partnership involves economic development staff from each of the six council areas. Collaborative activity includes lobbying with regards to EU funding and policies, delivery of joint projects to support SME development and engagement in best practice sharing EU funded projects.
- 1.3 In 2005, the councils were approached by the Special EU Programmes Body (SEUPB) to form a shadow Comet INTERREG IIIA Partnership to prepare the Greater Belfast area for pursuing INTERREG IVA funding. At this time, a shadow Comet INTERREG Partnership was set up consisting of 12 elected members, 2 from each of the council areas. The Partnership became fully operational in 2007, and is coordinated by a secretariat based within Belfast City Council’s EU Unit.
- 1.4 SEUPB currently provides all funding for running costs of the secretariat (currently around £85,000 annually). This covers staff and overhead costs for the INTERREG Partnership Manager whose role is to support the Board as well as managing all claims and compliance issues between the project partners and the SEUPB.

2 Key Issues

2.1 Comet Economic Partnership

Members will be aware that the Comet area as currently defined (i.e. council areas of Belfast, North Down, Newtownabbey, Castlereagh, Lisburn and Carrickfergus) will no longer exist in its current format following the reform of local government in April 2015. At the April 2013 AGM of the Comet Economic Partnership, the six councils agreed to continue the partnership in its current format until March 2015 and to see out a number of operational commitments agreed through the annual action plan and service level agreement arrangement. Traditionally, councils had set aside a nominal amount to support small-scale collaborative project activity, focused on business development and growth as well as shared learning and collaboration on EU issues.

2.2 Given the boundary changes that will come about as a result of local government reform, as well as the changing priorities and areas of focus of the new councils, there is an opportunity to consider whether these arrangements should continue as is or whether there is a need to change the way of working.

2.3 While the current partnership arrangements provide an opportunity for officers to share information and engage in collaborative working, the majority of the engagement occurs at an operational level, with limited opportunity for strategic input.

2.4 The EU institutions and other international governance structures and partnerships such as OECD are increasingly focusing on the importance of working at the functional urban area level, namely the travel to work area or the area beyond the administrative boundaries within which the majority of movement and activity takes place. Given the changing dynamics within the new council areas, there may be an opportunity to consider how greater strategic collaboration across the adjacent council areas can be achieved, focusing on those issues that lend themselves to joint planning and delivery.

2.5 In the interim, the options for collaborative working at operational level include:

1. Enter into a new and extended service level agreement (SLA) with those councils who make up the new/expanded metropolitan area, develop a new agreed action plan and agree an annual budget for collaborative activities

2. Councils to work together on an informal project by project basis. This would not require any formal structure and would be sufficiently flexible to accommodate a broad range of activities, beyond the current areas of focus.
- 2.6 While there is some value in the collaborative engagement, it is considered that the current structures no longer lend themselves to the priorities of individual and collective councils. Moreover, there is a considerable staffing requirement on the part of Belfast City Council's EU team to resource the partnership and, given the increasing commitments on EU and international activity, it may be more appropriate to re-focus the activities towards this new area of work.
- 2.7 **Comet INTERREG Partnership**
The Comet INTERREG Partnership along with the other cross border local authority partnerships (namely the North West Cross Border Group, the East Border Region, the Irish Central and Border Region and the North East Partnership), have lobbied extensively to maximise the role of local authorities in the design and delivery of the future INTERREG V programme.
- 2.8 SEUPB have, however, indicated that they will not be willing to financially support the INTERREG Partnerships under the new INTERREG V programme. Equally, the partnerships will not have a formal status in the new programme structure. Therefore, if councils wish to retain the partnership structure, they will have to resource them fully from their own budgets.
- 2.9 In the case of the partnership for the new Belfast metropolitan area – depending on how this was defined – it would require the councils to meet all overheads associated with the operation of the partnership – currently £85,000 per annum.
- 3 **Resources Implications**
- 3.1 **Comet Economic Partnership**
Under the current structure, the six COMET local authorities make an annual financial contribution of £5,000 towards a service level agreement under which a range of planned activities are undertaken. The partnership is supported by officers from the council's EU unit.

3.2 Comet INTERREG Partnership

The current INTERREG partnership costs £85,000 per annum and costs are currently fully met from SEUPB funds. Should council wish to maintain a structure of this type, it is likely that the annual running costs would be similar to this.

4 Recommendations

4.1 It is recommended that Members:

- Agree to end the current SLA structure between the COMET councils but commit to exploring ongoing strategic and operational engagement on issues that lend themselves to joint planning and delivery
- Agree to abolish the current Comet INTERREG Partnership when it ends in 2015.”

The Committee adopted the recommendations.

Future Support for European Social Fund Projects

The Committee considered the undernoted report:

“1 Relevant Background Information

1.1 Members will be aware that the European Social Fund (ESF) is an EU fund to address economic inactivity and increase workforce skills. In Northern Ireland, the programme is administered by the Department for Employment and Learning (DEL). Funding is allocated by means of an open call for projects. Successful projects attract funding of up to 65% of the total project cost and project promoters are expected to find the remaining 35% funding from other sources.

1.2 At present, Belfast City Council is providing match funding support to 5 externally-managed projects and one project that the council runs itself (but which it has commissioned an external partnership to operate on its behalf).

1.3 The new ESF programme is expected to open for applications in November 2014. Successful projects are likely to be operational from April 2015 (current projects will end in March 2015).

2 Key Issues

2.1 Members will be aware of ongoing challenges around the administration of ESF and the implications for the council

presented by the open call process. Previous reports have provided updates on officer engagement with DEL staff to identify a way in which the match funding provided by the council and other public sector bodies can be used to contribute to targeted delivery, as opposed to on a case-by-case basis as is currently the way of working. While many of the individual projects produce positive outputs in their own right, it is almost impossible to measure the overall impact of the investment in terms of skills development or employment outcomes within the city. At present, there are over 50 ESF schemes operating in the Belfast City Council area.

- 2.2 The transfer to councils of responsibility for community development and regeneration powers from Department for Social Development (DSD) means that there is likely to be a much more significant and diverse demand on council resources to match fund projects in the coming financial year as well as in future years (the open call is for projects with a three year duration). Officers have identified that, in the current financial year, DSD is providing match funding totalling £703,000 to ESF projects based in the Belfast City Council area. Members will be aware of the challenges around the resource allocation model and the significant shortfall in resources being transferred from DSD to Belfast City Council. This will have an impact on the council's ability to meet the expectations of organisations who are seeking match funding from the council, including those that were successful in receiving ESF match funding from DSD in previous years.
- 2.3 While DEL has signalled that there are a number of ESF measures that will be 100% funded this time – namely Family Support Programme and measures to target young people aged 16-24 not in education, training or employment – the other measures (e.g. support for economically inactive, lone parents, those with health issues etc.) will still require match funding at a level of 35% of overall project costs.
- 2.4 While the ESF budget is only a small part of the funding available from DEL to address inactivity and improve skills levels, it involves significant levels of funding nonetheless. Over the six year programme period, funding of around €300m will be made available to successful projects. Based on previous programme, it is likely that a significant proportion of this budget will be allocated to projects located in the Belfast City Council area. Given that two of the four measures will require 35% match funding, there is likely to be a significant expectation that local authorities – including Belfast City Council – will be able to provide the match funding resources. Council officers have made it clear to DEL officials that local

authorities are unlikely to have access to the required levels of match funding for ESF projects so this is likely to lead to significant challenges in the coming months.

- 2.5 In addition to ESF, there are a range of additional initiatives to support employability and skills development that are being rolled out in specific parts of the city or will become available in the coming year. These include the Social Investment Fund (SIF) and the upcoming Peace IV programme as well as the United Youth programme.
- 2.6 With regard to the SIF projects on employability, the following projects have already been approved:
- Belfast North Zone: employment fuel poverty project – aims to improve employability and reduce fuel poverty in the area – budget £2million
 - Belfast South Zone: employment programme – project targeting 375 local people to train in catering, hospitality, retail and IT – budget £2.2million
 - Belfast West Zone: integrated employment programme – an intermediate labour market (ILM) programme to support 300 people to get back to mainstream employment – budget £3.3million.
- 2.7 There is also an employability project in Belfast East Zone which is awaiting approval and there are a number of other projects across the zones that will have an impact on employability support including childcare and family support and early year's interventions.
- 2.8 The Peace IV programme is currently out for consultation but it incorporates a number of themes that will contribute to employability initiatives such as support for children and young people. This measure has a budget of €50million available, including €20million ring-fenced for measures within council-led Peace plans.
- 2.9 DEL's mainstream employment support programme – Steps to Success – will roll out across Northern Ireland from September 2014. This contract is divided into three areas, one of which covers the whole of the Belfast City Council area. Ingeus have been appointed to deliver this contract in Belfast. Officers are in the process of engaging with Ingeus to understand how they plan to roll out the programme across the city and to understand how pre-employment support could help improve employment outcomes for a number of hard-to-reach groups.

- 2.10 The council is currently in the process of updating its research on employment, inactivity and unemployment by target group and by area. This will generate a more informed baseline and will help build a picture of need within the key target groups and locations. It will also help inform our optimal level engagement in the European Social Fund programme.
- 2.11 Given the level of interest from partner organisations, it is proposed that a meeting is organised in early September to which interested organisations will be invited. This will include those organisations currently receiving match funding from Belfast City Council and Department for Social Development (DSD) for their ESF projects. The aim of the event will be to understand the scale and nature of existing and planned employability support activities across the city with a view to informing how the council can best use its resources to support those projects requiring match funding, while ensuring that a strategic approach is taken to the employability and skills challenges across the city.
- 2.12 Given the limited budget available, the assumption is that council resources should be used to meet identified gaps or target specific activities that are not already planned or underway, or that will complement planned activity, with a view to improving sustainable employment outcomes and building skills levels to meet employer needs. Equally, it will be important to consider how this activity can sit within an overall strategic plan to address economic inactivity and improve skills levels across the city. Consecutive reports have identified the inactivity levels in some communities as the largest drag on the city competitiveness. In addition, the changing skills requirement of the new growth sectors in the city mean that there is a need to ensure that residents have access to the skills that they need to access future employment opportunities.
- 2.13 If Members agree this approach, a paper will be brought to the next meeting of the Development Committee to outline the proposed next steps for the council in terms of match funding support for ESF and strategic employability and skills alignment across the city.

3 Recommendations

- 3.1 It is recommended that Members:

- Note the current position with regard to the European Social Fund and other externally-funded employability and skills development support
- Agree to support a workshop involving interested organisations across the city to inform the council's approach to match funding and engagement in collaborative employability support initiatives from 2015
- Agree to receive an update report and presentation at the next meeting of the Committee, outlining the proposed council approach."

The Committee adopted the recommendations.

Women in Business Annual Awards

The Committee was advised that the fourth Women in Business Awards ceremony would take place in the Culloden Estate and Spa on 20th November. He outlined the benefits which the Council would accrue should it agree to sponsor the event, which included significant publicity and the promotion of the Council's role as a supporter of women in business in the City. He added that the sponsorship package would entitle the Council to avail also of a number of free places and he recommended that the Committee authorise a sum of £1,500 towards the event.

The Committee agreed to provide sponsorship in the sum of £1,500.

St George's Market Stall Allocation Process

The Committee considered a report which outlined a number of difficulties which had been experienced at the St. George's Market in the allocation of stalls to traders currently on the waiting list at the market.

The Committee noted the information which had been provided and endorsed the establishment of a panel which could exercise its discretion to arbitrate on any issues which might arise regarding the allocation of stalls.

World Title Boxing Fight in Belfast

The Committee noted the contents of a report which provided an overview of the events which had been organised to coincide with the hosting in Belfast of the International Boxing Federation super-bantamweight world title fight between Carl Frampton and Kiko Martinez on 5th September.

External Markets Application - Taste of Northern Ireland Festival

The Committee was advised that Denvir Marketing had, on behalf of Tesco Northern Ireland, applied to the Council for permission to host a market entitled 'Taste of Northern Ireland' in the Custom House Square on 12th, 13th and 14th September.

The Committee acceded to the request subject to the drafting of an appropriate legal agreement.

Christmas Continental Market - Three Day Extension

The Committee acceded to a request from the organisers of the Belfast Christmas Market to extend its operation in 2014 for a further 3 days, viz, 17th till 20th December.

Update on Transport Issues

The Committee noted the contents of the report which provided an update on a range of transport measures which would be introduced across the City.

Renewing the Routes Programme - Update

The Committee considered the undernoted report:

“1 Relevant Background Information

- 1.1 The ongoing Renewing the Routes (RTR) Programme has delivered local regeneration projects at targeted locations across the arterial routes of Belfast since 2004. The Programme has facilitated the investment of approximately £7,210,000 across these key routes and neighbourhoods with the completion of 692 commercial units and 124 environmental improvement schemes.**
- 1.2 The Committee agreed a four year rolling programme for the continuation of local regeneration across the target areas of the city in February 2012.**
- 1.3 The purpose of this report is to seek approval for additional works using the underspend to maximise Council’s investment on Stewartstown Road and Oldpark Road.**

2 Key Issues

- 2.1 Integrated Regeneration Plans for Stewartstown Road and Oldpark Road were approved by Committee in August 2013.**
- 2.2 The initial priority initiatives in the agreed Action Plans have been achieved within the agreed allocations and underspends have been identified on both Stewartstown Road (£29,000) and Oldpark Road (£24,000) allowing the consideration of additional projects.**
- 2.3 The new project opportunities being presented for Stewartstown Road and Oldpark Road include commercial and environmental improvements such as painting of frontages,**

strip lighting, new signage and landscaping. These are outlined in Table 1.

2.4 Table 1: Additional Project Opportunities

<i>Stewartstown Road</i>		<i>£29,000</i>
<i>Area</i>	<i>Works</i>	<i>Cost</i>
<i>Woodbourne Shops</i>	<i>Additional Commercial improvement units</i>	<i>£18,000</i>
<i>Woodbourne Crescent</i>	<i>Environmental improvements to adjacent residential properties</i>	<i>£6,000</i>
<i>Woodbourne</i>	<i>Environmental improvements/ landscaping</i>	<i>£5,000</i>

2.5 *Oldpark Road*
£24,000

<i>Area</i>	<i>Works</i>	<i>Cost</i>
<i>Rosapenna St/ Oldpark Rd</i>	<i>Additional commercial improvement units</i>	<i>£24,000</i>

2.6 *Stewartstown Road*

The current programme of work involves enhancement of 15 commercial units as well as a number of environmental and heritage improvements, along the 1km node from Hillhead Crescent to Suffolk Road.

2.7 All of the shortlisted projects have been incorporated into the current scheme of works with the exception of a proposed environmental project at Hillhead Crescent and improvements to the railings on Stewartstown Road which are no longer viable due to proposals for the Belfast Rapid Transit (BRT) Scheme.

2.8 To utilise the projected underspend, it is proposed to include the adjacent Woodbourne Crescent area as a commercial/environmental improvement scheme. Despite being well used, the commercial units at Woodbourne Crescent are in poor condition. There is a pedestrian link from Woodbourne Crescent to the existing units on Stewartstown Road which have been enhanced as part of the current programme. It is considered that to include the commercial units at Woodbourne Crescent would create a wider environmental impact in the locale.

2.9 *Oldpark Road*

Members will recall that the Oldpark Road node boundary was extended from Torrens Avenue to Oldpark Avenue in order to address adjacent commercial units. The current programme of

work involves improvements to 26 businesses as well as environmental and heritage enhancements.

- 2.10 During the consultation for the Oldpark Road Integrated Regeneration Plan the cluster of businesses at the junction of Oldpark Road and Rosapenna Street were highlighted as in need of improvement but it was anticipated they would have been addressed by another project.
- 2.11 With the programme underway it is now clear that there will be an element of underspend. The shops located at the junction of Oldpark Road and Rosapenna Street still need improvement and there is no short term scheme to address this.
- 2.12 The underspend of approximately £24,000 presents an opportunity to further maximise the overall environmental improvements by prioritising properties that would benefit most from investment within the commercial node between Oldpark Avenue and Rosapenna Street. The project estimates indicate that the additional work would be accommodated within the current budget.

3 Recommendations

- 3.1 Committee are requested to endorse the proposals for additional projects at Stewartstown Road and Oldpark Road utilising projected underspend from the current programme as detailed in paragraphs 2.4 and 2.5.”

The Committee adopted the recommendations.

Outward Visit to Boston

The Committee considered the undernoted report:

“1 Relevant Background Information

- 1.1 Members will be aware that, at the Development Committee meeting of 17 June 2014, a budget of £10,000 was approved for a visit to Boston by the Lord Mayor along with the Chair and Deputy Chair of Development Committee or nominees, plus one officer.
- 1.2 The focus of the visit was intended to be the EU/US e-health marketplace and conference which takes place in the city on 21-22 October. A number of local businesses will be taking part in the event and there are likely to be opportunities for both civic and business engagements.

- 1.3 The wider visit programme is currently being developed and there is an opportunity to incorporate a number of additional programme elements and to build on the Belfast delegation.

2 Key Issues

- 2.1 The Belfast–Boston Sister Cities agreement approved by the Development Committee in April 2014 provides a framework for action focusing on a number of key themes including:

- Economic development, trade and investment
- Tourism
- Cultural exchange
- Faith based exchange and educational linkages.

- 2.2 Early engagement with the Mayor's Office in Boston has identified the opportunity for a number of community-based visits which may lead to longer term reciprocal exchanges. In Boston, much of this work is led by faith leaders and it is therefore considered that there is an opportunity for a number of the Lord Mayor's chaplains to accompany her on this visit and to develop the linkages directly.

- 2.3 Given the resource challenges, it is proposed that up to four chaplains be invited to participate in the visit and that Belfast City Council agrees to cover up to 50% towards their participation costs. These costs would be met within the budget previously agreed at the June Development Committee, i.e. £10,000.

- 2.4 The visit to Belfast in September 2014 of the Mayor of Boston and some of his key staff will allow officers to plan the visit programme directly with the Mayor and his team in order to maximise the value of the chaplains' participation, if approved.

3 Resource Implications

- 3.1 A budget of £10,000 was approved at the 17 June 2014 meeting of the Development Committee. The contribution towards the chaplains' costs will be met from within this budget.

4 Equality and Good Relations Considerations

- 4.1 No specific equality and good relations considerations.

5 Recommendations

5.1 It is recommended that the Committee agree to:

- Invite up to four of the Lord Mayor's chaplains to accompany her on the October 2014 visit to Boston
- Provide up to 50% of the travel and subsistence costs for the chaplains to take part in this visit, up to a maximum of £2,500 in total. The costs will be met within the budget previously agreed by the Development Committee in June 2014."

The Committee adopted the recommendations.

Chairman