



## Belfast City Council

Report to:	Development Committee
Subject:	Update on OECD economic study of Belfast
Date:	7 March 2008
Reporting Officer:	Marie-Thérèse McGivern Director of Development ext. 3470
Contact Officer:	Anne-Marie Campbell Policy & Research Manager ext 3620 Jelena Buick Policy and Research Officer ext 3229

### Relevant Background Information

Members will be aware that on 8 August 2007 a report went to Development Committee informing members of a visit the Organisation for Economic Co-operation and Development (OECD) team had planned for September as part of the study that they have been performing on behalf of Belfast City Council.

The team is led by Debra Mountford, a manager of the Cities and Regions in Local Economic and Employment Directorate of OECD and the team also comprises some world experts on regional policies.

The study on Belfast aims to provide the Council with recommendations on how to move forward the economic and regional development agenda. It particularly focuses on economic inclusion, quality of place/life and, leadership and delivery arrangements.

Two main stages of the project have been OECD team study visits to Belfast in September 07 and February 08 which involved meetings with the key decision-makers in the city, namely Councillors, MLAs, senior civil servants and practitioners.

In February 2008, the OECD team visit to Belfast included meetings with the key decision makers for a feedback session to discuss the preliminary findings. Some of the stakeholders the OECD team met during their two visits to Belfast were:

- Minister Peter Robinson
- Junior Minister Gerry Kelly
- Minister Reg Empey
- Fiona Hepper, Head of Strategic Policy division at DETI
- Jackie Johnston Director BCCRD, Department for Social Development
- Elaine Wilkinson, Director of Belfast Regeneration Office, Department for Social Development
- Ian Maye, Director of Local Government Reform Division, Department of the

#### Environment

- Mike Thompson, Director of Regional Planning and Transportation Division, Department for Regional Development
- David Gavaghan, Chief Executive of Strategic Investment Board.

They have also met with representatives from the:

- Business sector;
- Community and voluntary sector;
- Development companies and agencies;
- University Chancellors and Vice Chancellors;
- Belfast City Council Members, Chief Officers and Officers

#### **Key Issues**

The first results of this study will be provided to the Council by the end of March 2008. However one of the emerging recommendations revolves around the case for establishing a city-wide development agency or some version of the Urban Regeneration Company. According to OECD, a fit for purpose delivery vehicle for Belfast would have to deliver:

- Strategic direction
- Operational management
- Coordination and delivery
- A strong and well resourced Secretariat

**Appendix 1** contains the OECD brief describing the emerging findings that was sent to Ministers prior to their February 2008 visit. A full report on the findings from the study, when available, will be presented to Committee at a later date.

#### **Resource Implications**

##### Financial

Already approved grant of £47,000.

#### **Recommendations**

The Committee members are asked to note the content of this report.

#### **Documents Attached**

**Appendix 1** - OECD brief that was sent to Ministers

# APPENDIX 1

## **OECD LEED PROGRAMME ECONOMIC STRATEGY REVIEW OF BELFAST - MINISTERIAL MEETINGS FEBRUARY 2008.**

**PARTICIPANTS: Debra Mountford (OECD), Greg Clark (Chair of the OECD LEED Forum on Development Agencies and Investment Strategies) and Professor Pete Tyler (Cambridge University).**

**Purpose of the meeting: to discuss preliminary recommendations from the OECD Expert Team and invite Ministerial input and discussion.**

### **Context**

Since the Expert Study Mission in September 2007 the OECD team has sought to address the following issues:

- How the competitiveness of Belfast as a leading World Class City can be enhanced by coordinating the actions of all the relevant agents of change across the private, public, voluntary and community based sectors in the Belfast and ensure that its scarce resources of land, property including housing, capital and labour are used to the best advantage;
- How the development of the Belfast economy can be managed to ensure that all of its residents share in the benefits of its economic growth. Many of those who are amongst the most excluded live in the inner city areas of Belfast and around Belfast's main arterial routes. Tackling this requires a coherent programme of urban regeneration.
- How can the development of Belfast City Centre including the Laganside area be managed to secure the maximum benefits for the Greater Belfast Metropolitan Area and Northern Ireland as a whole
- How might the linkages between the Belfast Metropolitan area and its wider region be managed to ensure benefits across the region's settlement pattern (including interfaces with other cities (Londonderry), smaller towns and more rural areas).
- How might key interfaces with the Republic of Ireland be developed to the benefit of both areas, in particular, the Belfast-Dublin corridor?

We have concluded that if Belfast is to secure its objectives in relation to economic growth then it requires a concerted strategy that will enhance its underlying relative economic competitiveness so that it can attract the investment that underpins economic growth. This strategy must recognise the particular role played by cities in enhancing regional competitiveness. The strategy has to ensure that Belfast enhances the quality of its workforce, ensures that there is a good supply of accessible land and premises to accommodate growth and that particular attention is given to upgrading the key infrastructure that provides good quality access, communication, service delivery and the quality of the public realm. The strategy has to be delivered in such a way that it brings together the relevant agents of change from across the sectors of government, business, and the community and voluntary sector to effect the changes required. Creating a successful economic strategy to deliver growth and inclusion is dependant upon an appropriate delivery mechanism that is fit for purpose.

## A delivery vehicle for Belfast

Much has been written about how the economic development of Belfast as a city should proceed in the years ahead and what sort of delivery vehicle might be put in place to manage the process of change required. Very few cities had been able to reverse their economic fortunes without a coordinated partnership led model and the advantage to this approach includes-greater leverage of resources, economies of scale, attainment of synergy and the avoidance of duplication of endeavour. A number of possible models exist including establishing a City wide Development Agency or some version of the Urban Regeneration Companies that have found favour elsewhere in the UK.

To enhance the growth of the Belfast economy, whilst protecting its environment and securing the best quality of life for its residents, requires the input of the private, public and voluntary and community sectors. One central issue is thus how best to manage the **breadth** of expertise required across the physical, economic and social. The agencies and departments of government alone encompass a very large number of organisations who have a role to play. Another concerns the **capacity** of the organisations concerned to deliver what is required recognising that there is to be a transfer of powers under the Reform of Public Administration and that the capacity of local government is to be progressively enhanced and the role of central government gradually diminished. And a further factor is to reconcile the **geographical** boundaries of the organisations concerned and thus their spheres of influence and **representation** of key constituencies of interest. A fit for purpose delivery vehicle for Belfast would have to deliver:

- **Strategic direction** through the commitment and leadership of the statutory, private and voluntary sectors at Chief Executive level as necessary. This provides legitimacy and power to those in middle management who will be tasked with delivery.
- **Operational management** that follows on once clear priorities have been decided and organisational buy-in secured that delivers the detailed project development and implementation. This requires the engagement of individuals with the appropriate skills, professional capability and technical expertise and will involve all the relevant organisations.
- **Coordination and delivery** of endeavour across strategic theme and appropriate level of geography.
- **A strong and well resourced Secretariat** to oversee the process including securing monitoring, evaluation and research and *benchmarking* progress.

During this meeting the OECD will discuss its early thoughts as to the shape and form of a possible delivery vehicle and debate the feasibility of its implementation. Ministerial input at this stage of the process is of the greatest value for the OECD to fulfil its objective to provide meaningful recommendations to all tiers of government.

BLANK PAGE