



## Belfast City Council

Report to:	Development Committee
Subject:	Titanic Quarter Memorandum of Understanding
Date:	11 August 2010
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### Relevant Background Information

Members will be aware that Belfast City Council has made a significant financial investment in the Titanic Signature Project (TSP), contributing £10million towards the realisation of the £97million iconic project. Construction work is now in the fifteenth month and the works are progressing well and are on schedule.

As part of the financial investment, Council entered into a memorandum of understanding (MoU) with Titanic Quarter Ltd (TQL). The MoU commits TQL to work in partnership with Council and other statutory bodies to “optimise the city and community benefits of the TQ development” and recognises the need to “ensure that everyone within the city has fair access to the opportunities which emerge...and that investors have direct access to the human resources and skills base available in the city”. The duration of the MoU is five years; subject to annual review.

### Key Issues

#### Governance arrangements

A three tier governance structure is in place to take forward the work programme agreed under the MoU. This structure involves a Strategic Advisory Board, a Co-ordinating Steering Group and six TQ Thematic Action Groups (see Appendix 1).

#### Strategic Advisory Board

A key function of the Strategic Advisory Board is to allow for broad discussion on the issues affecting and arising from the Titanic Quarter development and to develop collaborative solutions as appropriate. A first meeting of the Board took place on 29 March 2010 and was attended by senior representatives (Deputy Secretary/Permanent Secretary level) from DEL, DOE, DETI, DCAL, DRD and DSD. Each representative agreed to attend bi-annual meetings and to commit appropriate resources to “champion” or participate in the six Thematic Action Groups. This Board will reconvene on 14 September 2010.

### Thematic Action Groups

The six thematic groups will comprise a range of relevant public, private and statutory partners, as appropriate. Government Departments have now forwarded their nominees to either “champion” (i.e. lead) the relevant Thematic Action Groups or to be represented on the groups. The names of those put forward are outlined in Appendix 2.

A response is still awaited from DETI with regard to an appropriate lead/nominee for TQ Tourism, and a champion has yet to be appointed for TQ Space (DCAL declined the request to champion this group although they have appointed a nominee to participate on the group).

Community representation from across the city will be coordinated through the Area Partnership Boards (APBs). The Partnership Boards have agreed there will be one nominee on each group and that person will feed back to the other partnership boards, through the Belfast Area Partnerships (BAPs) Forum. In addition to community representation through the APBs, additional east Belfast representation on the Thematic Action Groups has been confirmed with the Inner East Forum. The names of those put forward by both the APBs and Forum are also outlined in Appendix 2.

### Role of the Council

At a meeting of Strategic Policy and Resources (SP&R) Committee on 5 March 2010, it was agreed that Development Committee would take the primary role in relation to the implementation of the MoU while the SP&R Committee would exercise oversight of the construction and funding elements. It was also agreed that joint meetings of both Committees (to which all Councillors would be invited) would take place twice a year. Plans are underway to host a special meeting in September.

On 18 June 2010 SP&R Committee also agreed to the establishment of an all Party Group to meet informally regarding TSP progress. Plans are in place to convene this meeting shortly.

Party briefings with all groupings have recently been undertaken. Members generally welcomed the MoU and saw it as a major opportunity to connect and provide access for local communities to the potential employment opportunities to emerge within TQ. Members also recognised the role of Elected Members in engaging and communicating with communities and citizens and noted the importance of identifying and profiling the types of job opportunities which are likely to emerge within TQ and the associated qualifications and skills needed to access them.

However some concerns were raised with regards to the adequacy of the current arrangements for community engagement i.e. through the BAPs. Members therefore recommended that additional/complementary means of communication and engagement should be explored e.g. utilising Council resources and other existing mechanisms to disseminate information and tapping into existing communication channels such as City Matters. Members also expressed disappointment at the apparent reticence of some departments – particularly DRD – to take seriously their responsibility in relation to the delivery of this project. DRD has indicated that it is willing to participate in TQ Access but is unwilling to champion this group. Furthermore, Members noted concerns regarding the lack of challenge presented by the social clauses in the construction element of the TSP. Each of these issues will be raised and addressed through the Strategic Advisory Board, Thematic Action Groups and the all Party Group.

At an operational level, Economic Development Unit has appointed a lead officer (Lisa

McCartney) to oversee the implementation of the MoU. Whilst only one of the groups is fully operational (TQ Work), officers have been actively working to secure government departmental representatives to 'champion' or participate in the five remaining groups. To date 'champions' have been confirmed for four groups – TQ Work (DEL); TQ Access (DOE); TQ Housing (DSD) and TQ Outreach (DSD). Preliminary meetings with all appointed Champions have taken place and it is the intention that all Thematic Action Groups will be fully operational by September.

In addition to the lead officer engagement from Belfast City Council, it will be important to ensure appropriate officer-level representation on the relevant Thematic Action Groups. Nominees are currently being finalised and will involve officers from the following units/sections.

TQ Work	Economic Development Unit
TQ Access	Planning and Transport Unit/Estates Management Unit (link to Connswater Greenway work)
TQ Outreach	Community Services
TQ Housing	Planning and Transport Unit
TQ Tourism	Tourism, Culture and Arts Unit
TQ Space	Parks and Leisure Services/Tourism, Culture and Arts Unit

Other officers may need to become involved, as appropriate, when specific issues arise.

Draft terms of reference for each of the groups are attached as Appendix 3.

#### TQ Work update

Following the appointment of a secondee from DEL (Roisin Sloan), a plan is in place around the employment, education and skills thematic action plan. The existing social clauses in the construction element of the TSP require that Harcourt Construction NI Ltd (or their suppliers/subcontractors) employ 1 long-term unemployed person for every £5million of public money and recruit 1 apprentice for every £2million. With a contract value of £60million, this equates to 12 long term unemployed (LTU) and 30 apprentices.

To date, 13 LTU (mainly from within Belfast City Council boundaries) and 15 apprentices (mainly out with Council boundaries) have been recruited in occupations such as electricians, plumbers, joiners, bricklayers and plasterers.

Through collaborative inter agency planning and intervention, TQ Work has given a commitment to design, implement and manage pre-recruitment training schemes which provide a bespoke response to the needs of current/prospective employers in TQ and the long-term unemployed and economically inactive people in the Belfast City Council area.

Premier Inn is opening new premises within Titanic Quarter in November, creating over 50 jobs. Accordingly, work has been underway by TQ Work to design a combined Bridge to Employment and HARTE (Hospitality and Retail Training for Employment) programme for this employer, designed to help unemployed people find work by providing training that is relevant to the employment opportunities offered by Premier Inn. DEL has also funded the Job Assist Centres (JACs) – the community-based employment service based in the west of the city – to undertake a pre-employment programme for those furthest removed from the labour market, helping them develop

the skills required by Premier Inn. Equally, the Jobs and Benefits Offices all across the city have been made aware of the types of vacancies and are promoting those to interested parties. Interviews for these vacancies will be held in September.

#### Construction Supply Chain Model

As a means of addressing the potential under-representation of Belfast-based sub-contractors – and subsequently improving the number of local apprentices benefiting from the development – Belfast City Council has developed a Construction Supply Model to work within the TQ. This project will provide an opportunity for 50 sub-contractors from the local area to take part in a development programme which will improve their chances of gaining work on the build. We have just received a Letter of Offer from DETI in relation to this project, indicating that they will match-fund the expenditure on this scheme with us. Programme delivery time shall be twenty months in total with the start date of the programme anticipated to be September 2010. Once operational, consideration will be given to how this model could apply to other construction activity including the council's capital programme and other private development taking place across the city, as a means of helping more local contractors to win business.

#### Marketing and Communications

A strategic approach to communications for the MoU is vital to ensure that appropriate messages are communicated in a timely manner and that the central role of the council is highlighted. Officers are presently working in partnership with key players to develop and agree a marketing and communications plan for TQ activity.

#### Service Level Agreement (SLA) with East Belfast Partnership

In December 2009, a service level agreement (SLA) was put in place with East Belfast Partnership to act as a managing agent on behalf of the BAPs in order to facilitate city-wide community engagement. TQL agreed to fund the total £30,000 support cost for the SLA in addition to its other funding commitments as part of the MoU. This agreement was for a 12 month period and is subject to review prior to 30 November 2010. Feedback at the recent party briefings indicated varied levels of support for this mechanism and there has been a suggestion that other engagement mechanisms should be considered, including further involvement by the Council's Community Services section. Discussions are currently underway as to how this might be managed.

Several activities have taken place as part of the current community engagement process. Each Area Partnership Board hosted a community information session in May, the purpose of which was to inform community representatives of the plans for TQ, the rationale for developing the MoU, and future methods of communication. 130 individuals across the city attended this series of initial events. A further series of community sessions themed around the six Thematic Action Groups are planned for November. 140 members of the public also attended a number of TQ Community Open Days that took place in June.

An evaluation of the SLA with East Belfast Partnership will be carried out in the coming months, and proposals for the way forward will be presented to Members for consideration.

#### Review of MoU

The MoU with TQL was signed in June 2009 and shall remain in effect for a maximum of five years – although the official sign-off on the contract did not happen until late November 2009. Similar to the abovementioned SLA, the MoU provides for annual review. An evaluation of this agreement will be brought back to Members for

consideration in the coming months.

### **Resource Implications**

#### **Financial and Human Resources**

Through the realignment of existing resources, a lead officer has been nominated within the Economic Development Unit. She will oversee the established governance arrangements for the MoU and ensure that Council, relevant stakeholder groups, government departments and the community are kept fully informed and engaged in the process. Other officers will have to become engaged in the work of the thematic groups, as appropriate.

Supporting the project will also have additional resource implications mainly in terms of support from Members in attending bi-annual special meetings of Development and SP&R Committees and participating in an all Party Group on TSP.

### **Recommendations**

The Committee is asked to:

- Note the contents of the report
- Note the recent agreement for an all Party Group to be established to discuss TSP progress
- Note the upcoming reviews of both the MoU and SLA with East Belfast Partnership
- Note that a special meeting, to which all Members of the Council will be invited, will be held in September to allow for an update regarding developments taking place at Titanic Quarter and progress in relation to the MoU.

### **Key to Abbreviations**

APBs – Area Partnership Boards  
BAPs – Belfast Area Partnerships  
HARTE – Hospitality and Retail Training for Employment programme  
LEMIS – Local Employment Intermediary Service  
LTU – Long-Term Unemployed  
MoU – Memorandum of Understanding  
SLA – Service Level Agreement  
TSP - Titanic Signature Project  
TQ – Titanic Quarter  
TQL – Titanic Quarter Limited

### **Documents Attached**

Appendix 1 - Governance arrangements for MoU  
Appendix 2 - Representatives on the Thematic Action Groups  
Appendix 3 - Draft terms of reference for Thematic Action groups.