



Belfast City Council

<b>Report to:</b>	Development Committee
<b>Subject:</b>	Draft Gilpins Feasibility Study
<b>Date:</b>	23 April 2013
<b>Reporting Officer:</b>	John McGrillen, Director of Development, ext 3470
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<b>1</b>	<b>Relevant Background Information</b>
1.1	In May 2012 The Development Committee agreed to support a review the viability of any future redevelopment, technical constraints and potential options for the Gilpins site, Sandy Row. The key component was to identify the needs and aspirations for the site through a comprehensive and inclusive consultation process.
1.2	The study was intended to determine the strengths and weaknesses of the identified options, the resources required to carry through and ultimately the prospects for success. The Committee agreed the format of a steering group for the project and the approach which recognised the view of members as central in the development of the feasibility study and any final draft report.
1.3	The Terms of Reference for Copius were refined through meetings with the Steering Group and the feasibility study was completed in two conjoined parts. The first part was a detailed technical appraisal of the site to establish land value, and whether or not the building could be redeveloped. The second part was community based consultation and research exercise to establish what local and city wide needs could be supported through the redevelopment of the building.
1.4	The study was intended to determine the strengths and weaknesses of the identified options, the resources required to carry through and ultimately the prospects for success. The Committee agreed the format of a steering group for the project and the approach, which recognised the view of members as being central in the development of the feasibility study and any final draft report.

2	Key Issues
2.1	The final public meeting for the feasibility study was held on the 28 November 2012 and the draft Report completed in December (Appendix 2).
2.2	The scale of the building and wide-ranging nature of need suggested a multi-stranded solution, in terms of uses and potential configurations, within a structured holistic concept. The report contained three options for the site which had a number of common elements identified as the “Spine” for the feasible development options – the summary of the composition for the proposed spine are set out in Appendix 1.
2.3	<p>Incorporating the common Spine elements was considered to contribute to the creation of a scheme that satisfies the core requirements of the consultation, the building and the wider area. The spine is therefore consistent through the three shortlisted, with the only significant change being that on floor two, which will then provide either of the following;</p> <ul style="list-style-type: none"> <li>Option 1: an open plan 2nd Floor for a large user (suitable for a Gallery)</li> <li>Option 2: a 2nd floor that is spilt up into smaller units (Micro Business)</li> <li>Option 3: an additional floor of ‘community owned’ for rent apartments</li> </ul>
2.4	The options were the subject of financial analysis as part of the feasibility. However, it is highlighted that the simplified financial forecasts that may be subject to change based on a number of potential issues. The uncertainty around borrowing and other costs associated with different ownership structures are emphasised necessitating consideration and agreements on the future governance structures. It is recommended that this should be clarified in advance of developing fundraising strategies and a completed business case.
2.5	The report concluded that at even at this early stage, each of the 3 options are considered to be sustainable, viable and feasible in terms of the running costs and management of any facility option mix agreed. It should be recognised that this viability excludes the consideration of the acquisition or build costs and any borrowing or repayment obligations in respect of the up to £6m required to deliver the proposed options.
2.6	The report concludes with a series of suggested “Critical Path, Recommendations and Next Steps” in relation to Land Acquisition, Management & Governance and Technical Assistance. The critical steps are identified, in order to ensure clarity and manage expectations, these steps are also applied to an illustrative timeline. The timeline suggests a likely period of 5 years before any facility is operational.
2.7	<p>In summary the report identifies that:</p> <ul style="list-style-type: none"> <li>- there is a clear and robust evidence of need for investment in Sandy Row</li> <li>- the redevelopment of Gilpins would be widely supported by the community</li> <li>- in financial and practical terms, the redevelopment of Gilpins is feasible and sustainable (on the basis of substantial support for the initial capital investment).</li> </ul>
2.8	The report suggests the positive result of the Feasibility Study necessitates that further work to be undertaken. The justification of the capital resources needed for the development – considered in the Feasibility Study to be in the region of £6m – would require a Business Plan encompassing a full Economic Appraisal.
2.9	There are a number of issues raised by the “positive” feasibility report in terms of the completion of the commission and any next steps that may be considered appropriate. In recognition of the feasibility study development and the necessity for any proposal

	<p>or priorities to be assessed within the context of the ongoing work in the local area it is suggested that the draft Final Report is considered in the first instance by the South Area Working Group. This would ensure that any recommendations in respect of the feasibility recommendations take account of the local priorities and proposals arising from the Local and Social Investment Funds.</p>
2.10	<p>This consideration at the Area Working Group also provides the opportunity for the prioritisation of further project development taking account of current a future funding opportunities that may be available in respect of both developmental work and final delivery. The Area Working Group report should consider the options for further work that may be required in relation to: the identification of the significant capital resources required; development of a Business Plan / Economic Appraisal; potential ownership / management structures; local community capacity building and emphasise that this work would also have to be a pre-cursor to any proposals for acquisition.</p>
2.11	<p>Following confirmation of support from the Area Working Group the final Draft report could, if appropriate, be further considered by Council in respect of any recommendations as to the proposed approach to the potential further development or continuation of the project support.</p>

<b>3</b>	<b>Equality and Good Relations Considerations</b>
3.1	There are no equality and good relations considerations attached to this report.

<b>4</b>	<b>Recommendations</b>
4.1	Members are asked to approve the submission of a report on the Feasibility Study findings to the South Area Working Group prior to the consideration of the final Draft and any recommended actions, if appropriate, by the relevant Committee.

<b>5</b>	<b>Documents Attached</b>
<p>Appendix 1 - Summary of Spine Appendix 2 - Draft Feasibility Report</p>	

## Appendix 1

The core elements identified within the Spine concept as part of the Feasibility Study included:

**Village Square-** the current yard offered the potential to be much more than just a car-park or service yard to a new uses. The space was recognised as being almost important as the building as it can directly address some of the needs identified in the consultation

**Community Hub-** the extension of the community centre, within the footprint of the Gilpins site offered the potential for a larger, greener, enhanced, and rationalised, community centre, one which benefits from a new aspect onto the redeveloped courtyard. This was considered to offer the opportunity for improved community provision through an addition to, and strengthening of, the existing community infrastructure rather than a rival to it or the creation of a disjointed offering, where some services were separated off into the main Gilpins building. (Proposal being for all the Community Centre space to be retained within BCC ownership and management)

**Retail and Activity edge-** this included the following elements for the spine: a large 'destination' shop, that pulls in shoppers from a considerable catchment; a Café / event catering, to sell both to the street and the courtyard or other parts of the development; and a first floor fitness based activity – such as a boxing club

**Heritage and Culture-** the prominence of the building, coupled with its history which is entwined with that of Sandy Row calls for uses which are supportive of local and wider culture and heritage, uses

**Employment-** The suggested elements were a set of training rooms; ICT suite; interview rooms and small meeting rooms; supporting offices and business units

**Housing-** the housing element that were considered to be viable for the 'spine' were apartments for rent