



Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	Delivering the Belfast Investment Package
Date:	23 March 2012
Reporting Officer:	Ronan Cregan, Director of Finance and Resources Gerry Millar, Director of Property and Projects
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1.0	<u>Relevant Background Information</u>
1.1	<p>At its meeting (03 February 12), the Strategic Policy and Resources Committee received a presentation on the delivery of the Investment Programme. They were asked to consider a number of questions in relation to the delivery of the Investment Programme, under the following headings:</p> <ul style="list-style-type: none"> - Overarching policy framework - City Investment Fund - Local Investment Fund - Non recurrent capital spend - Governance - Capacity to deliver - Monitoring and review <p>Following initial comments, the Committee agreed that further discussion was needed in party group briefings.</p>

2.0	<u>Key Issues</u>		
2.1	In the briefings, all Members have emphasised the need to move swiftly to implementation of the Investment Programme, delivering quick wins across the city as well as laying the groundwork for the larger investments. All parties have stressed the need to test robustly the future sustainability of investments and any future revenue implications, as well as their capacity to deliver 'quality of life' outcomes as described in the Council's corporate objectives.		
2.2	Over the next 3 months, the key milestones for the Investment Programme are: <table border="1" style="width: 100%; margin-top: 10px;"> <tr> <td style="width: 15%;">2 April</td> <td>Council authority for: <ul style="list-style-type: none"> - Policy framework for use of non-recurrent capital programme projects - Policy framework for City Investment Fund - Policy framework for Local Investment Fund </td> </tr> </table>	2 April	Council authority for: <ul style="list-style-type: none"> - Policy framework for use of non-recurrent capital programme projects - Policy framework for City Investment Fund - Policy framework for Local Investment Fund
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	<ul style="list-style-type: none"> - Strategic governance framework
20 April	<p>Presentation to SP&R:</p> <ul style="list-style-type: none"> - Design of political governance framework inc. Area Working Groups; Party Group Leaders' Forum; and Standing Committees - Prioritisation matrices - Non recurrent capital spend
May	Establishment of Area Working Groups
22 June	<p>Presentation to SP&R:</p> <ul style="list-style-type: none"> - First prioritisation of projects from Area Working Groups - Final Investment Programme (inc. consultation responses) - Partnership principles for supported projects (inc. claw-back clauses; social return on investment; secured community access; revenue implications)

2.3 **Overarching policy framework – principles**

All party groups support an over-arching framework which guides all the Council's investment decisions. **It is recommended that the four principles are used as the basis of any capital investment prioritisation matrix:**

- affordability inc. consideration of available match funding;
- deliverability;
- feasibility; and
- sustainability inc. consideration of complementarity, deprivation and need.

Further work will be undertaken on this basis, if agreed, to develop detailed prioritisation matrices, and brought back to Committee for approval in April.

2.4 **City Investment Fund**

The existing objectives for the City Investment Fund (CIF), agreed in December 2007, are:

- To create a focal point for the Council to play a leading role in the development of the city; create a "can do" attitude amongst its citizens and create a sense of place and pride in Belfast;
- To encourage investment from and engagement of public, private and voluntary sectors, in the achievement of that aim;
- To contribute to the Council's priorities and vision for the city.

CIF enables us to take a lead role and work in partnership to deliver key investment projects which:

- Promote the image of Belfast as a place to visit
- Enable and/or promote the city as a place in which to do business
- Bring financial or other economic returns to the city which help to build the city's rate base.
- Promote Belfast as a city in which its citizens have pride and belief in a brighter future.
- Enhance the city's strategic, social, cultural and environmental infrastructure.
- Provide a lasting legacy for future generations.

Having reviewed this with all party groups, it is recommended that these objectives remain in place for the next phase of CIF. However, given both the changed needs of the city as well as the broader economic context, **it is recommended that CIF support is extended to include programmes of capital investment (or clusters) as well as individual projects, which can demonstrate a cumulative iconic or transformational impact.**

In order to ensure a balanced investment across the city, given the scale of investments, it is suggested that the time horizon for CIF is over three terms of Council, from 2007 when CIF was initiated through to 2019/20.

2.5 Local Investment Fund

In discussion with party groups, there appears to be an emerging consensus on the following issues, in relation to the implementation of the Local Investment Fund (LIF):

- This is a one-off fund and there should be an even split of investment across the city within this Council term;
- It is a pot for smaller-scale projects not owned by the Council. There will not be an open call for projects; projects will be identified by the proposed Area Working Groups;
- The overarching principles – outlined above at 2.1 – will be used by the proposed Member Area Working Groups to determine priorities within their local area;
- There should be a minimum level of investment – projects should be no less than £15,000;
- There should be a maximum level of investment – support for one project is unlikely to exceed £250,000, to ensure a spread of investment across the city.

In terms of allocating the £5 million across the proposed Member Area Working Groups, there are a number of options for Members' consideration:

Option	Area	% split	Fund Allocation (£)	Comment
1.	4 areas – North, South, East and West – based on Westminster constituency boundaries	25% of total LIF allocated to each area	North - 1,250,000 South - 1,250,000 East - 1,250,000 West - 1,250,000	Even distribution across the city, which is a core principle for the Investment Programme.
2.	5 areas – North, South, East, West and Central. (Recently agreed at the Development Committee in its review of the allocation of funding for advice services.)	It uses the latest deprivation data (MDM 2010) and the most recent population estimates to determine proportional allocation. It is weighted towards those SOAs that are in the 10% to 30% most deprived in the city. The 10% 'Central' allocation	North – 32.07% South – 18.14% East – 14.89% West – 34.90%	Does not distribute evenly across the city, which is a core principle for the Investment Programme. Also, need measured and weighted at SOA level rather than at NSEW area level.

		has been proportionally reallocated to NSEW.		
3.	4 areas + Shankill based on Parliamentary electoral boundaries and Shankill area defined as Court District Electoral Area	A proportionate allocation based on number of elected Members in Court DEA to Shankill top-sliced from total LIF. Remainder allocated as 25% to each area.	North – 1,127,500 South - 1,127,500 East - 1,127,500 West - 1,127,500 Shankill – 490,000	Participation of Councillors for Court in North and West area working groups would need to be determined.
4.	4 areas + Shankill based on Parliamentary electoral boundaries and Shankill area defined as Court District Electoral Area	25% of total LIF allocated to each area and a proportionate allocation to Shankill top-sliced from West and North allocations.	North – 1,054,000 South - 1,250,000 East - 1,250,000 West - 956,000 Shankill – 490,000	As above. Proportion deducted from North and West based on Crumlin and Woodvale in the North and Glencairn, Highfield and Shankill in the West.

It is suggested that money is allocated to the Area Working Groups on an annual basis and they prioritise accordingly.

Further work will be undertaken to develop detail of partnership arrangements e.g. claw-back clauses; social return on investment; secured community access; revenue implications, etc. and brought back to Committee for approval.

2.5 **Non recurrent capital spend**

Members support the need for a neighbourhood improvement scheme as part of the Investment programme, to improve attractiveness in local areas. They also agreed on the need to support planned maintenance and IT investment. The neighbourhood improvement package is likely to include:

- Cleansing initiatives such as graffiti removal, land clearance, community clean-ups, etc.
- Renewing the Routes
- Community safety programmes such as alley-gating, anti-dog fouling projects, etc.
- Environmental improvement budgets including Belfast in Bloom, Neighbourhood Renewal, etc.
- Parks outreach programmes such as community gardens, multi-use games areas, meanwhile projects, etc.

Further work is needed on this and a developed proposal will be brought to Committee for

consideration in April.

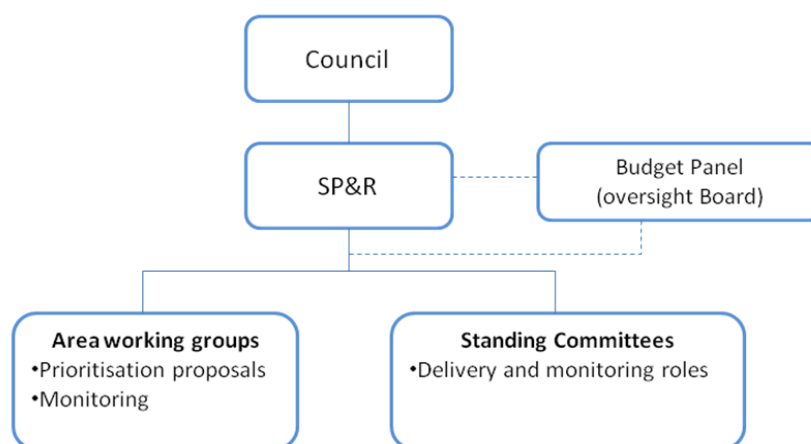
2.6 Governance arrangements

All party groups agreed that the Strategic Policy & Resources Committee retains full responsibility for the Investment Programme and has a key role to play in challenging, improving and prioritising capital projects.

In relation to the proposed Member Area Working groups, all parties have expressed support for a role in prioritising and monitoring capital projects on a local basis, and to enable wider Member participation in the Investment programme.

It is suggested that the governance framework is:

Investment Programme Governance



In the project management cycle, it is recommended the key points of involvement for the Member Area Working groups would be:

- Project identification (including consideration of those additional projects which have been identified as part of the public consultation and party group briefings)
- Prioritising short-list, on the basis of deliverability and affordability, for design and concept development
- Making recommendation on the investment decision to SP&R Committee, on the basis of feasibility and sustainability,
- Monitoring progress and supporting community engagement, where appropriate
- Official launch and communicating success.

This was broadly welcomed in the Member briefings. Further work will be undertaken on this basis to finalise the terms of reference and officer support required for these working groups. If agreed, it is anticipated these groups would convene in May.

2.7 Internal capacity to deliver

Members reinforced the need to ensure that the Council is 'fit for delivery'. Work is ongoing in relation to the internal capacity to deliver and officers are examining the potential for the re-allocation of human resource within the organisation to facilitate its delivery. It is therefore recommended that Committee delegates authority to the Chief Executive to ensure that the appropriate resources are aligned to meet the demands of the Investment Programme at no

	<p>additional cost to the ratepayer.</p> <p>Members have also expressed interest in receiving training in project management as well as awareness sessions on potential external funding and other topics relevant to the successful implementation of the Investment Programme.</p>
2.8	<p>Partners' capacity to deliver</p> <p>As previously agreed by Members, work is underway to establish an inter-agency, politically-led Belfast Implementation Forum. It will oversee the development of a prioritised and resourced delivery plan for key investment projects within the city.</p> <p>When the structure of the Belfast Implementation Forum becomes more developed, further information will be brought to Committee for consideration.</p>

3.0	Resource Implications
	<p>Human – to be determined</p> <p>Financial – to be determined</p> <p>Asset – to be determined</p>

4.0	Equality Implications
	The overall Investment Programme will be equality screened.

5.0	Recommendations
	<p>Members are asked for their feedback on the issues raised above, in particular:</p> <ul style="list-style-type: none"> – Extension of City Investment Fund to support transformational/iconic <u>programmes</u> (or clusters) of capital investment as well as single iconic projects; – the upper and lower thresholds for the Local Investment Fund; – the preferred model for the allocation of the Local Investment Fund across the city; – proposed role of proposed Area Working Groups; and – delegated authority to the Chief Executive to ensure that the appropriate resources are in place to meet the demands of the Investment Programme at no additional cost to the ratepayer. Subject to regular reports being brought to Committee to update them on progress.

6.0	Officers to contact
	<p>Ronan Cregan, Director of Finance and Resources</p> <p>Gerry Millar, Director of Property and Projects</p> <p>Caroline Wilson, Chief Executive's Department</p> <p>Kevin Heaney, Chief Executive's Department</p>