



Subject:	Economic Impact of City Centre Projects
Date:	11 th November 2015
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Is this report restricted?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

1.0	Purpose of Report
1.1	The Committee has highlighted the importance of ensuring that the city centre connects to surrounding communities and that the entire city benefits from investment in the city centre.
1.2	Council officers have been working with officials from the Department for Employment and Learning, Department for Social Development and Ulster University to articulate the benefits arising from the expansion of the Ulster University campus in the city and to help establish a credible baseline from which action plans can be developed.
1.3	To assist with this process, the UU Economic Policy Centre (UUEPC) has mapped the opportunities arising from the University's campus development in the city centre. The mapping exercise considers not only the campus itself but also the "catalyst" role that it plays in attracting in other investment from the public and private sectors. It articulates the scale and scope of the opportunity and sets the starting point for the development of an action plan to look at how local communities can benefit from the developments.
1.4	The purpose of this report is to: <ul style="list-style-type: none">– Outline the methodology used and look at some of the key findings arising– Consider whether it may be appropriate to replicate this methodology to other parts of the city centre, in order to identify the regeneration potential and identify the actions required to help communities capitalise on this growth.

	Recommendations
2.1	<p>Members are asked to:</p> <ul style="list-style-type: none"> – Note the draft report, including the key findings around the implications of the investment – Consider whether the methodology used in the report development should be extended to identify the economic opportunities arising from key physical projects across the wider city centre area, with a view to developing a coherent action plan as to how communities can benefit from the opportunities arising.
3.0	Main report
3.1	<p>Members will be aware of the significant level of development planned for the city centre and the north of the city. As a key project in the City Centre Regeneration and Investment Strategy, the Ulster University city centre campus represents a capital £250 million investment. The development is due to open in 2018 with 15,000 students and staff attending. As well as the physical development of the campus, this will bring social, economic and cultural benefits to this part of the city and beyond.</p>
3.2	<p>The university is not the only development that will take place in this part of the city. Other developments are also planned for the surrounding area, including Queen's Quay, Northside, North Foreshore, Girdwood etc. Collectively, these developments represent a significant opportunity for the city in terms of employment creation, city animation and opportunities to grow the residential population in the city centre. For those communities that live closest to the development, while the scale of the opportunity may be apparent to some, for others, there is a view that they will never be able to access any of the opportunities arising or that the development will have a detrimental impact on their neighbourhood. In the area of north Belfast adjacent to the university, 60% of residents live in the 30% most deprived areas of Northern Ireland.</p>
3.3	<p>The Ulster University Economic Policy Centre have worked with representatives from DEL, DSD, Belfast City Council, Ulster University and the North Belfast Economic Forum (representatives from the Neighbourhood Renewal Forums in north Belfast) to map the direct and indirect opportunities arising from the University and other developments including City Quays, Northside, Streets Ahead Phase 3, North Foreshore, Crumlin Road Gaol and Courthouse and Girdwood.</p>

3.4 It is important to note that, already, around 15% of jobs in Belfast are located within half a mile radius of the University campus and 4 out of 10 existing jobs in Belfast are within a mile of the campus. The vast majority of these jobs are professional services, retail and finance and this is also the case in the surrounding north Belfast area.

3.5 While the physical capital build is expected to have a total GVA impact of £160 million there will also be a more sustainable economic and employment impact through the university's purchase of goods and services. This expenditure will be recurring annually. The challenge identified is how to ensure that the impact of this expenditure is maximised in the local area – while ensuring that there is a focus on social cohesion, given the significant influx of the student population and other employees. Details of key economic impacts are set out below:

Construction Impact

Total capital expenditure	£254m
GVA impact	
Direct	£80m
Indirect	£80m
Total GVA impact	£160m
Employment Impact (job years)	
Direct	1,892
Indirect	1,892
Total employment impact	3,784

Source: EPC

Annual Purchase of goods and services

	£'000
Purchases	54,352
GVA impact	16,920
Jobs impact	497

Source: UU Financial statements EPC

3.6 Opportunities will also be created through student purchasing power. UUEPC economists estimate that student expenditure based at the campus could total £94m per annum which in turn could support over 500 jobs in local businesses – particularly in groceries, leisure and clothing. The report also identifies the cluster of planning applications around the

3.7	<p>campus which could result in an estimated 5,002 jobs principally jobs in the hotel, office, retail, hospitality sectors. The key will be to ensure that the local community is skilled up and in a position to avail of the opportunities emerging in the area. This information will therefore be important in shaping future support for the area.</p>
3.8	<p>These developments will significantly transform the city and the opportunities available to local communities. This report demonstrates the scale of opportunity, not just in terms of the direct opportunities through the physical development but the importance of the indirect and perhaps more sustainable opportunities that such physical projects can catalyse.</p>
3.9	<p>This mapping exercise is currently being considered by the North Belfast Economic Forum and the Ulster University Greater Belfast Development Strategic Advisory Forum (SAF). Actions will be developed to maximise the benefits of the developments for the local community. However, there is potential for this methodology to be rolled out for other key city centre projects to ensure that the benefits are captured and used to plan future programmes and support for communities, given the synergies that will apply.</p>
3.10	<p>Financial and Resource Implications</p> <p>Members will be aware that the Council is represented on the Board of the UU Economic Policy Centre and agreed to contribute £25,000 per annum for a 2 year period which would enable Council to access support for pieces of work such as this. There is the opportunity for Council to take forward this work as part of this relationship.</p>
3.10	<p>Equality or Good Relations Implications</p> <p>Equality and good relations issues will be considered as part of any action planning process to take forward this research.</p>
4.0	Appendices – Documents Attached
	Appendix 1: Draft Report: Ulster University Campus Relocation and north city regeneration: mapping the opportunities