

City Growth and Regeneration Committee

Wednesday, 8th March, 2017

MEETING OF CITY GROWTH AND REGENERATION COMMITTEE

Members present: Councillor Graham (Chairperson);
Aldermen McGimpsey and Spence; and
Councillors Beattie, Boyle, Dorrian, Dudgeon,
Hargey, Howard, Johnston, Kyle, Magee,
McAteer, McDonough-Brown, Mullan,
O'Hara and Walsh.

In attendance: Mrs. S. Wylie, Chief Executive;
Mr. D. Durkan, Director of Development;
Ms. N. Gallagher, Director of City Centre Development;
Mr. N. Grimshaw, Director of City and Neighbourhood
Services; and
Mrs. L. McLornan, Democratic Services Officer.

Apologies

Apologies for inability to attend were reported from the High Sheriff (Alderman Haire) and Alderman L. Patterson.

Minutes

The minutes of the meeting of 8th February were taken as read and signed as correct. It was reported that those minutes had been adopted by the Council at its meeting on 1st March.

Declarations of Interest

Councillor O'Hara declared an interest in the Rural Development Programme, in that she was a Council nominee on the Local Action Group for Hannahstown, which drew down funding for the regeneration projects. Councillor O'Hara left the room for the duration of the Item.

Presentation

Belfast City Centre Management

The Chairperson welcomed Mr. A. Webb, Chair of Belfast City Centre Management (BCCM), and Mrs. G. Duggan, City Centre Manager, to the meeting.

The City Centre Manager outlined to the Members that BCCM was a not-for-profit organisation and that businesses did not pay for the services which they received from it. She advised the Committee that BCCM was an enabler and a facilitator for all businesses which operated in the city centre. She reported that, through its funding from Belfast City

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Council, it had been able to fund important projects such as a vacant units audit, Healthy High Streets, the development of Business Improvement Districts (BIDs), a Retail Steering Group, crime reduction initiatives and city dressing projects.

The Committee was advised that, in 2016/2017, for every £1 of core funding received from Belfast City Council, BCCM had levered a further £8.70.

The Chair of BCCM outlined the draft Business Plan for 2017/2018 and assured the Committee that it would seek to continue to deliver core projects which would have a real impact on, and create value for, the city centre. He advised the Members that, for the upcoming year, for every £1 of funding received from Belfast City Council, BCCM would lever a further £10.70.

After discussion, the Committee:

1. noted the review of BCCM which was currently underway;
2. agreed to provide up to £190,000 to BCCM, with the potential to reassess on the outcome of the review; and
3. noted the draft BCCM business plan and the areas where BCC funds would be applied and that the overall funding agreement with BCCM was included in the revenue estimates.

Restricted Reports

The Information contained in the following three reports is restricted in accordance with Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014

Presentation – Visit Belfast

The Chairperson welcomed Mr. G. Lennon, Chief Executive, and Mr. H. Hastings OBE, Chair, of Visit Belfast, to the meeting.

The Chair of Visit Belfast reported that Visit Belfast was the principal Destination Management and marketing organisation for the city of Belfast. He advised the Committee that tourism was key to the city and to the Belfast Agenda. He pointed out that Visit Belfast was a successful public/private partnership whereby the funding from the public sector had decreased steadily as private sector investment had increased. He highlighted that the partnership business model was one which was envied by other cities.

He advised the Committee that Visit Belfast had dealt with 800,000 enquiries over the past year, which was up 33% over the past two years. He reported that Visit Belfast had made a 54:1 return for every £1 which was invested.

The Chief Executive of Visit Belfast advised the Committee that image and access were the original issues which faced the tourism sector in Belfast, but that this was no longer the case. He reported that, through two of the key priorities of the Belfast Agenda, City Development and Growing the Economy, it would seek to strike a balance between targeting business and social tourists.

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In response to a Member's question regarding the fact that tourism was a significant driver for the economy and how schools were responding to that, the Chair of Visit Belfast advised that 15% of the new jobs in the city over the next decade would be in hospitality and that it was important to get that message out to schools and colleges. The Chief Executive also added that the Belfast Works programme and the new Skills Academy for hospitality would seek to address the significant surge in the hospitality sector.

After discussion, the Committee:

1. approved the creation of a new Sharing Agreement between Belfast City Council, Translink and Visit Belfast for a three year period, with an annual value of £125,000 for agreed marketing and promotion of visitor products, subject to agreement by the Council and Tourism NI;
2. agreed to provide up to £1,827,465 to Visit Belfast, subject to a funding agreement being drawn up between the parties; and
3. noted the draft Visit Belfast business plan and the areas where Council funds would be applied, noting that the overall funding agreement with Visit Belfast was included in the revenue estimates.

Capital of Culture

(Mr. G. Copeland, City Events Manager, attended in connection with this item.)

The Director of Development provided the Committee with an update on the exploratory work which had taken place on the Council-agreed proposal for a joint bid for the 2023 European Capital of Culture with Derry City and Strabane District Council (DCSDC).

He reminded the Members that the Strategic Policy and Resources Committee had agreed that the budget for the Phase 1 bid would be split equally between Belfast City Council and DCSDC.

He outlined to the Committee that, as to whether a special company should be established, lessons learned from previous bids would be considered and that this would be a Council decision. The Members were advised that that could be discussed in more detail at a Members workshop, along with the issue of costs.

After discussion, the Committee:

1. agreed to hold a workshop, to which all Members would be invited, to outline the benefits of hosting the Capital of Culture. The workshop would be facilitated by representatives from Liverpool City Council;
2. noted the potential benefits of BCC and DCSDC hosting the 2023 European Capital of Culture;
3. noted the proposal to create a dedicated bid team to work on the development phase of the bid; and

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4. noted that further update reports would be submitted to the Committee throughout the next number of months.

Grade A Office Market – Update

The Director of City Centre Development provided the Members with an overview of demand, supply, rents and investment in Belfast's Office Market and highlighted the role which the City Centre Investment Fund could provide in supporting further development of Grade A office space within the City Centre.

She outlined to the Committee that demand for Grade A offices was being driven by the strong growth in the Belfast jobs market, and a need for new space being generated by firms looking to upgrade or increase the size of their current occupation in Belfast. The Members were also advised that the Belfast Agenda predicted that 50,000 new jobs would be created by 2035.

After discussion, the Committee:

1. noted the contents of the report, which provided further evidential support for the orientation of the City Centre Investment Fund to support the development of the Grade A office market, as approved by the Strategic Policy and Resources Committee at its meeting on 17th February; and
2. noted that additional expertise was being commissioned in relation to the CCIF evaluation process, and that the process would be presented to the Committee in due course, setting out in detail how proposals which the Council might wish to support would be properly evaluated on a value for money basis.

Positioning Belfast to Compete

Routes Conference - Programme update

The Director of Development reminded the Committee that, at its meeting on 12th October 2016, it had agreed to commit £100,000 to support the costs of hosting the Routes Europe event at the Belfast Waterfront from 23rd-25th April, 2017. He reported that Routes Europe had indicated that the benefits to the host city, in terms of positive PR coverage, potential new airline route announcements and additional leisure/business tourism visitors, could be in the region of more than £50million.

The Director provided the Committee with an update on the programme for the Conference, as well as a number of welcome and lead-in events for delegates. He outlined to the Members that, while the main Conference and showcase would take place in the Belfast Waterfront, a welcome reception would be held in the City Hall and a gala networking event would take place in Titanic Belfast. He explained that the Council had been granted 10 delegate passes which could be used for the full duration of the Conference or could be shared between individuals for specific days or events during the week. He explained to the Committee that, at this stage, the priority events for which the Members needed to register were the City Hall Welcome reception and the Titanic Belfast

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evening. The Committee was advised that once further details were received in relation to the actual Conference programme, they would be circulated to the Members and, at that point, they could confirm which other elements of the programme that they wished to attend.

He advised the Committee that the Conference organisers and the local team had been working together on a programme of supporting events across the city and that the 'Team Belfast' approach had ensured joined up working between all key partners.

The Committee:

1. noted the update on the Routes Europe Conference which would take place in Belfast for the first time on 23-25 April, 2017;
2. agreed that one Member from each party, in addition to the Chairperson and Deputy Chairperson of the Committee, or their nominees, would attend the City Hall welcome reception on 23rd April 2017 and the Titanic Belfast reception on 24th April 2017, with party nominations to be provided to the Strategic Programme Manager in the Development Department; and
3. noted that a report would be submitted to the Committee in April, providing a more detailed programme outline.

**International Relations Update
and Programme 2017-18**

The Committee considered the undernoted report:

“1.0 Purpose of Report

1.1 The purpose of the report is to update Members on the delivery and actions of the International Relations Framework for the period 2016-2017, and to seek approval for the 2017/18 Action Plan.

2.0 Recommendations

2.1 The Committee is asked to:

- **Note the range of activities and actions outlined in Appendix 1 for delivery of the Council’s International Relations Framework for the period 2016-17.**
- **Agree to support the attendance of the Lord Mayor and an Officer at the 2017 St Patrick’s White House Celebration from 14-17 March 2017 at a maximum cost of £3,000.**
- **Agree to the attendance of the Lord Mayor, the Chair and Deputy Chair of the City Growth and Regeneration Committee, or their nominees along with the Director of Development and the International Relations**

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Manager on the China outward mission from 6-13 May 2017. This visit will not exceed £20,000.

- Agree to the attendance of the Lord Mayor, the Chair and Deputy Chair of the City Growth and Regeneration Committee or nominees and an Officer on the Nashville outward mission from 17-22 May 2017. The cost of this visit will not exceed £10,000.**
- Agree to Members participation in the programme for the Boston inward delegation on 5-7 June 2017.**
- Agree to provide £5,000 towards the New York New Belfast Conference from 8-9 June 2017 and the attendance of the Chair of the City Growth and Regeneration Committee or their nominee along with an officer. The cost of attendance will not exceed £3,000.**
- Agree to provide £5,000 towards the Belfast International Homecoming Conference form 4-6 October 2017 and to Members' participation in this event.**
- Agree in principle to further international activity later in the year, as outlined in Appendix 1 as 2017-18 International Relations Action Plan, pending further details and costs.**

3.0 Main report

- 3.1 Members will recall the November 2016 approval of a new International Relations Framework for Council for the period 2016-2021.**
- 3.2 The aim of this second Framework is to continue to promote Belfast on the international stage with other stakeholders as a place to visit, study, work and do business. The Framework will deliver primarily on the formal relationships already in existence through the Sister City Agreements with Shenyang, Boston and Nashville, the Memorandum of Understanding with Dublin, and developing relationships with London. New areas of opportunity will be considered on their merits and relevance to Belfast.**
- 3.3 Members will be aware of the increasing activity delivered around the International Relations Framework during the last year. The highlights of these and the outcomes generated from our international linkages are outlined in Appendix 1 of this report by geographical area. These activities have, in the most part, been led by Belfast City Council at Councillor and Officer level and in full partnership with stakeholders in government, education, tourism, business, culture and sport.**

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Members are asked to note this delivery and the progress made in these areas.

3.4 In terms of 2017-18 activity, there are a number of activities in the immediate to short term pipeline that align to the International Relations Framework and require Committee approval if they are to progress. The emerging priority activities include:

- St Patrick’s Day invitation to the White House 14-17 March 2017
- Belfast in China Week 6-13 May 2017
- New York New Belfast 8-9 June 2017
- Belfast International Homecoming 4-6 October 2017

3.5 Other activities have already been planned within the International Relations Calendar which are outlined in Appendix 1 as the 2017/18 International Relations Action Plan.

3.6 St Patrick’s Day White House Invitation, 14-17 March 2017

Members will be aware that the former Lord Mayor of Belfast, Councillor Arder Carson, and an officer, travelled to the White House St Patrick’s Day celebrations in 2016. The current Lord Mayor has received an invitation through the office of the US Consul General in Belfast, to the 2017 celebrations from 14-17 March. This visit can coincide with a programme of side meetings with government and business associates of the Council in order to explore business, academic and tourism collaborations in line with the International Relations Framework.

3.7 Members are asked to approve the participation of the Lord Mayor and an Officer at the White House programme and associated meetings. The cost of travel, accommodation and expenses will not exceed £3,000 and will be met within the 2017/18 International Relations Unit budget.

3.8 Belfast in China Week, 6-13 May 2017

Members will recall their decision on 9 November 2016, to approve a second Council visit to Beijing and Sister City Shenyang in May 2017. The purpose of this event is to further develop relations and agree concrete collaboration activity going forward on the fields of Smart Cities, sustainable technologies, health, education and investment. Planning is underway for the visit with city stakeholders including Invest NI, Queen’s University Belfast, Ulster University, Belfast Metropolitan College, British Council, and the NI Bureau, who

are facilitating the programme for Belfast City Council as they did in 2016. A final programme will be presented to Members in due course. This will establish a series of agreed outcomes for the visit, in line with the outcomes established for the International Relations Framework.

- 3.9** Members are asked to approve the attendance of the Lord Mayor, the Chair and Deputy Chair of the City Growth and Regeneration Committee or their nominees, along with the Director of Development and the International Relations Unit Manager and Confucius accompanying interpreter. The anticipated cost of this visit will not exceed £20,000, and this is contained within the 2017-18 budget of the International Relations Unit. Members should note that Invest NI, Queen's University Belfast, Ulster University and Belfast Metropolitan College have confirmed their participation in the mission to create a second 'Team Belfast' approach, and collective message during the mission.

3.10 **Nashville Mission, 17-20 May 2017**

Again, Members will recall their decision on 9 November 2016 to approve a further Sister City visit to Nashville in 2017 to build on the relationships that had been re-established and developed in the course of that visit. Following close working with the Nashville Mayor and Sister City Board, the proposed dates are now 17-20 May. Ulster University and Queen's University Belfast have already committed to the visit, and discussions are underway with other stakeholders including Invest NI, Belfast Metropolitan College and the Innovation Factory. Members will be presented with a detailed plan of activity in due course. The focus of the visit is likely to be on following upon business and education linkages to tie down actions for the coming year, as well as sharing plans for our respective activities as part of the Rockefeller 100 Resilient Cities Network.

- 3.11** Members should note that an invitation was received for the Lord Mayor of Belfast from Mayor Barry of Nashville to lead a delegation to Nashville. The proposed timeframe has been arranged to fit in with the diary of Mayor Barry.
- 3.12** Members should note that, given the Nashville and Shenyang visits are taking place in close proximity to one another, there may be logistical challenges for Members taking part in both visits.
- 3.13** In the meantime, Members are asked to approve the participation of the Lord Mayor, the Chair and Deputy Chair of

the City Growth and Regeneration Committee or their nominees and an Officer at a maximum cost of £10,000. This cost is contained within the 2017-18 budget of the International Relations Unit.

3.14 Boston Inward Mission, 5-7 June 2017

Members are asked to note that a further inward mission from Boston is scheduled to take place from 5-7 June. This will include Senators, Senior Judiciary, business and economic development officials, as well as Harvard and arts representatives. Plans are underway to develop a targeted programme of meetings and visit with key stakeholders. Members will be invited to join the programme and any costs of the visit will be contained within the International Relations 2017-18 budget.

- 3.15** Members should also note that Boston will lead a focussed business and government mission from Worcester (just outside Boston) in December 2017 to coincide with the inaugural Basketball Hall of Fame tournament in Belfast. Details will be presented to Members in due course.

3.16 New York New Belfast, 8-9 June 2017

Belfast City Council has been asked to contribute financial support of £5,000 to the annual New York New Belfast Conference. As in previous years, this will offer Council an opportunity to send an Elected Member to speak at the Conference and promote the city to a high level audience of US government, education, tourism and business delegates. It will also be an opportunity to begin to use the emerging new City Place Positioning Branding and narrative, and to add a civic leadership element to the outward going Belfast delegation.

- 3.17** Members are asked to approve the request for £5,000 sponsorship and to approve the attendance of the Chair and Deputy Chair of the City Growth and Regeneration Committee or their nominees, and an Officer. The cost for the event and trip will not exceed £3,000 and can be identified within the International Relations Unit Budget.

3.18 Belfast International Homecoming, 4-6 October 2017

Members are asked to consider a financial request of £5,000 to support the annual International Homecoming Conference in Belfast. Belfast City Council will have the opportunity to promote the city to 100 international visitors from

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government, business and academics. Belfast City Council will also have the opportunity for Members and Officers to attend the Conference and lead plenary workshops and panel discussions on areas pertinent to the Belfast Agenda.

3.19 Members should note that Nashville has committed to return to Belfast annually for the Homecoming as they found it a valuable event in 2016. Boston is also considering sending a delegation to the event. Members are also being asked to approve £5,000 towards the Homecoming 2017 event. This amount can be identified within the International Relations Unit budget.

3.20 Members should note that, if approved, this action plan – along with already approved activities – will mean that the International Relations budget is almost fully committed.

3.21 Financial and Resource Implications

International Relations activity cost has been taken account of within the new financial estimates 2017/18. Members have been asked to approve:

- St Patrick’s Day White House Celebrations - £3,000**
- China outward mission - £20,000**
- Nashville outward mission - £10,000**
- New York New Belfast sponsorship and attendance - £8,000**
- Belfast International Homecoming - £5,000**

3.22 Equality and Good Relations Implications

The new International Relations Framework 2016-2021 has been equality screened and signed off.”

The Committee adopted the recommendations within the report with the following two amendments, namely, that:

- regarding the China outward mission from 6th-13th May, 2017, the Committee agreed to the attendance of the Lord Mayor and the Deputy Chairperson of the City Growth and Regeneration Committee, or nominees, along with the Director of Development and the international Relations Manager; and
- regarding the Nashville outward mission from 17th-22nd May, 2017, the Committee agreed to the attendance of the Lord Mayor, the Chairperson and Councillor Howard as the Deputy Chairperson’s nominee, and one officer.

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In response to a request from a Member, the Committee also agreed that regular update reports would be submitted to the Committee on the outcomes from those conferences and events which the Committee had funded.

EU World Cities

(Mrs C. McKeown, Sustainable Development Manager, attended in connection with this Item)

The Chief Executive explained that Belfast City Council had been invited to participate in the fully-funded European Union World Cities project for 2017 and had been selected to partner with Durban, South Africa, and three other EU cities namely, Birmingham, Bilbao and Gratz.

The Committee was advised that the project supported the exchange of information, experience and best practice on sustainability issues such as developing the green economy, energy security, mobility, circular economy and smart city solutions, innovation and new business starts. She reminded the Members that those topics were also at the heart of the Belfast Agenda, the Local Development Plan and the City Centre Regeneration plan.

The Committee was advised that the project was piloted in 2016 when Dublin, Lazio and West Midland regions were twinned with cities in China and India, and the evaluation of the project had shown very successful outcomes.

The Sustainable Development Manager explained to the Members that Belfast had been pre-selected by the World Cities project and had been invited to submit an application in February, 2017. She reported that there had been significant interest in the project from the Council's partners in the Department for the Economy, Invest NI, the NI Digital Catapult INNOVATE UK, both Universities, the Centre for Advanced Sustainable Energy (CASE) and the NI Office in Brussels.

The Committee was advised that, this year, the World Cities project offered EU cities an opportunity to develop partnerships with either South Korea, South Africa, Indonesia, Australia or Vietnam and, in order to be successful, the participating EU city would have to have established and demonstrable links to the non-EU country with which it was paired.

A Member expressed concern that an opportunity had perhaps been missed in not having been paired with Australia, given the number of people who had left Northern Ireland to live in Australia over the last number of years.

In response, the Sustainable Development Manager advised the Committee that the EU World Cities organisers made the decision as to which cities were paired. She outlined to the Members that Belfast had long established links with South Africa, with Universities in both cities uniquely recognised as international centres for the study of conflict resolution and, more recently, the cities of Belfast, Durban and Cape Town were now linked together through engagement in the global Rockefeller 100 Resilient Cities programme.

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The Members were advised that both Belfast and Durban faced similar economic, social and cultural challenges. The Sustainable Development Manager explained that Invest NI also planned to open its first permanent office in Johannesburg in late 2017 and that, during the time of the proposed study visit in March, 2017, Invest NI would host an outward mission to South Africa with Northern Ireland companies involved in the mining industry. The Members were also advised that trade with South Africa was in the region of £35million per annum and that it was increasing.

In response to a further Member's question, the Director of Development agreed to provide the Committee with the trade figures for the other countries named in the report at a future date.

The Committee was advised that the European Commission's Directorate General for Regional and Urban Policy (DG REGIO) would cover the full cost and content support for the programme over the forthcoming year, including:

- a delegation of up to 5 people from Belfast City to visit Durban 27th-31st March, 2017, for the first meeting of the network;
- a further World Cities seminar in Brussels in October 2017, where one representative from Belfast would be funded to attend;
- a delegation of 4 representatives from Durban to travel to Belfast for reciprocal meetings with networks in October 2017; and
- one final meeting with the pairing city in the first quarter of 2018.

After discussion, the Committee:

1. noted the successful application to EU World Cities and agreed to take part in the project;
2. agreed to the attendance of the Chairperson, or her nominee, and one officer, on the Durban visit on 27th-31st March, noting that all costs would be met by the EU;
3. noted the proposal to invite up to three representatives from Invest NI, Department for the Economy (DfE) or relevant collaborative networks;
4. agreed that the trade figures for the other countries named in the report be submitted to the Committee for its information; and
5. agreed to keep the International Relations Framework under review in light of changing circumstances.

Belfast Facts and Figures Booklet

The Director of Development reminded the Committee that it had previously noted the work which was underway to develop a booklet on Belfast's economy, its growth sectors, accolades and the opportunities which the city presented to potential investors.

He advised the Members that the Belfast Agenda had set a challenging ambition for the city to be home to an additional 70,000 new residents and an economy that supported 50,000 more jobs by 2035. The Committee was advised also that the

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development of a concise, infographic-style publication outlining the key facts and figures on Belfast would help ensure that Members and officers had instant access to consistent, succinct, up-to-date and compelling information when engaging with potential stakeholders about the city, to enhance Belfast's image and reputation as a successful and dynamic city and as a place to invest, study and visit.

The Committee noted the draft Belfast Facts and Figures publication which was tabled and agreed to provide any feedback to officers.

Growing Businesses and the Economy

Rural Development Programme

(Councillor O'Hara declared an interest in this Item and left the room for the duration of the discussion).

The Committee considered the undernoted report:

"1.0 Purpose of Report

1.1 The purpose of the report is to seek Members' approval for the submission of a bid under the 'Village Renewal' theme of the Rural Development Programme for the development of renewal schemes in Hannahstown and Edenderry following the completion of the villages plans and to recommend that the capital match funding element which is required to support the submission is referred to the Strategic Policy & Resources Committee for consideration.

2.0 Recommendations

2.1 The Committee is asked to:

- authorise the submission of a bid under the Village Renewal theme of the Rural Development Programme for village renewal schemes in Hannahstown and Edenderry**
- note that, in order to secure the maximum allocation of £150,000 for the schemes, match funding of £70,000 from the Council is required. As this money is capital this needs to be considered by the Strategic Policy & Resources Committee as the Council's investment decision maker and Members are asked to agree that this scheme is referred to the SP&R Committee for its consideration**
- approve £7,500 for the current financial year and £7,500 in the coming financial year to support programme overheads to be met from within existing Departmental budgets**

3.0 Main report

3.1 Members will recall that at its meeting on the 13 January 2016 the City & Growth Committee agreed to enter into an SLA with Lisburn and Castlereagh City Council to support the development and delivery of activities within the eligible area for the Northern Ireland Rural Development Programme 2014-2020 (NIRDP).

3.2 At this time Members also agreed to provide development costs of £10,000 towards the production of village plans for the Hannahstown and Edenderry village areas. These completed plans are a pre-requisite for drawing down NIRDP funding under the Village Renewal Theme. This is one of five priority areas under the programme. Given the limited eligible area within the Belfast City Council boundary, the Village Renewal Theme is one of the key opportunities for attracting NIRDP funding and the only two eligible village areas are Hannahstown and Edenderry.

3.3 At the 13 January 2016 meeting, Members were advised that, once the village plans were developed, information would be brought back to the Council to indicate the level of match funding required to support delivery.

3.4 The completed plans set out a series of potential improvement works, aimed at delivering physical and environmental improvements in the respective areas –

- Hannahstown - the capital works include planting, environmental improvements and boundary improvements in line with NIRDP eligibility criteria.**
- Edenderry – environmental improvements works including paths upgrades and new marquee**

3.5 The maximum budget available under the Village Renewal Programme is £150,000. The funding is subject to securing match funding from Belfast City Council. In order to secure the full £150,000, £50,000 of capital funding is required from the Council (to be allocated equally across the two village areas). In addition the Council will be required to contribute towards external professional services such as Landscape Architect, Quantity Surveying and Construction Design Management Co-ordination. This should be a minimum of 10% (£20,000) of the overall capital cost of the works. The overall commitment from the Council is therefore £70,000. Given that this is for capital works this needs to be considered by the Strategic Policy & Resources Committee as the Council's

investment decision maker and Members are asked to agree that this scheme is referred to the SP&R Committee for their consideration. It is also proposed that the projects are delivered by the Property and Projects Department - subject to approval by the Strategic Policy and Resources Committee.

- 3.6 As part of the Service Level Agreement with Lisburn and Castlereagh City Council, Belfast City Council is also required to make a contribution towards programme staff overheads. This is based on the proportion of the district that sits within the eligible area and the available funding. This contribution covers programme overheads such as staffing and office accommodation. The rest of the funding is provided by NIRDP and Lisburn and Castlereagh City Council. The amount required is likely to be in the region of £7,500 each year over the first two years of the programme. Overheads will reduce in year 3 as programme expenditure decreases so a revised overhead will be calculated at that point and Committee approval will be sought for any Belfast City Council contribution. Members are asked to approve the allocation of £15,000 for the first two years of the programme from the Development Department's budget.

3.7 Financial and Resource Implications

Financial

Match funding - The RDP is subject to securing match funding from the Council. In order to secure the £150k £70k of match funding is required from the Council – as this money is for capital works this needs to be agreed by the SP&R Committee as the Council's investment decision maker and it is proposed that this is referred to the SP&R Committee for their consideration

Programme support - £15k required over the first two years of the programme - this funding has been set aside in departmental budgets for the 2016/17 and 2017/18 financial years

Resource

Officer time in continuing to work up the proposals

Equality & Good Relations Implications

All activity will be subject to equality screening.”

The Committee adopted the recommendations.

Innovation Factory - Annual Business Plan

The Committee considered the undernoted report:

“1.0 Purpose of Report

1.1 The purpose of this report is to update Members on performance of the Innovation Factory since opening at the end of September 2016 and to summarise Key Performance Indicators (KPIs) and areas of work for the coming financial year, as detailed in the Year 2 Business Plan for the Centre.

1.2 The Year 2 Business Plan, covering the period 1 April 2017 to end of March 2018, has been approved by the joint Project Board. This Board consists of senior-level Officer representation from both Oxford Innovation (the centre operator) and Belfast City Council. It has responsibility for the strategic oversight of the Innovation Factory, including both the capital and business support activities.

2.0 Recommendations

2.1 The Committee is asked to:

- Note the achievements of the Centre to date, as set out in Appendix 1; and
- Endorse the Year 2 Business Plan for the period 1 April 2017 to 31 March 2018, as approved by the Project Board.

3.0 Main report

3.1 About Innovation Factory

Innovation Factory is located at Forthriver Business Park and offers Grade A-standard workspace for small businesses. The building is 55,000 sq. ft. in total; this includes 32,240 sq. ft. lettable space and 5,133 sq. ft. innovation space. It is the first development on the wider 14 acre business park site which was previously the site of James Mackie and Sons Engineering Works.

3.2 The Centre will accommodate 382 workstations across 111 business units when at full capacity. It will support at least 145 jobs by December 2018 and 187 by December 2020. It will provide support annually to over 100 businesses and create 5 collaborative networks. It will promote and encourage social and economic regeneration, encourage local and foreign

direct investment and act as a catalyst for further development of Forthriver Business Park.

- 3.3** Belfast City Council accepted hand-over of the Centre from the contractor on 18th April 2016. It was completed two weeks ahead of the scheduled capital completion date and was on budget. Oxford Innovation Limited was appointed as the operator of the centre via a competitive dialogue procurement process. The Service Contract with Oxford Innovation came into effect on 1 June 2016. The contract is for an initial term of 5 years with the possibility of extension for a further three periods of three years subject to performance.
- 3.4** In accordance with the contract the performance of Oxford Innovation for the period to end of March 2017 will be formally assessed in April 2017. The contract contains a detailed methodology on how performance will be measured across a series of metrics including:
- Extent to which services have been delivered in accordance with the Year 1 Service Commencement Plan and Business Plan;
 - Revenue generated;
 - Financial outturn (net profit/loss);
 - Customer satisfaction across tenants and users of the support services;
 - Complaints; and
 - Compliance with the Council’s requirements
- 3.5** Summary performance indicators to date are detailed in Appendix 1 for Members’ information. A final dashboard of performance at the end of the financial year will be tabled to a future meeting of Committee upon completion. Some of the key performance results to date are that the centre is at 11.1% occupancy supporting 46 jobs across 14 tenant businesses. The buy local policy adopted by the centre has generated 90% local supplier spend (£165,000 – excluding Oxford Innovation’s centralised contracts). In excess of 50 community and stakeholder groups have been engaged and centre tenants are actively contributing to community benefit. A recruitment company tenant has committed to delivering recruitment training to circa 160 unemployed persons. The Community Engagement Officer is actively building positive relationships with local schools. A very successful Christmas good will event was hosted at the centre, attended by 55 P2 children from Springfield Primary and St Clare’s Primary School, their parents and friends.

3.6 Year 2 Annual Service Plan

The Year 2 Annual Service Plan and Business Plan for the Centre is a comprehensive document, in line with the contract requirements. It covers a range of areas including:

- Business support, innovation and growth services on offer;
- Marketing Plan and Proposed Target Markets;
- Business tenancy products, services and commercial terms (including business coaching delivered by the in-house Innovation Director);
- Benchmarking and comparison with other Oxford Innovation managed centres;
- Financial model;
- Community Engagement, Social Regeneration and Good Relations Plans;
- Continuous Improvement Plans;
- Displacement Mitigation;
- Management and organisation structure;
- Staffing (including placements);
- Facilities Management; and
- Summary of key policies.

3.7 An Innovation Director located at the centre full-time provides tenants with coaching to accelerate business growth and innovation. Alongside the Innovation Director a team of specialist business consultants offer a tailored menu of support including 1:1 coaching, business diagnostics, programmes and support. The workspace products available at Innovation Factory include:

- Dedicated business space
- Dedicated desks in shared offices
- Hot-desks in co-working areas
- Virtual office services
- Membership
- Conference, meeting and business lounge facilities
- Café
- Additional call and data packages.

3.8 The Year 2 forecast occupancy is in line with Oxford Innovation's original projection, forecast at 24% (7,749 sq ft). This is projected to increase to 43% in year 3; 76% in year 4 and 85% in year 5. 85% is defined as full occupancy to allow for churn and growth of tenants within the centre. The centre

is forecast to come into annual profit in year 4 and cumulative operating profit in year 5.

- 3.9** The Year 2 business plan has been prepared in accordance with the financial model submitted as part of the original tender submission for the management of the centre. These projections were taken account of in the Economic Development revenue estimates for the 2017/18 financial year.
- 3.10** The Innovation Factory will continue to target high growth and innovative start-ups and SMEs in the coming year. The existing tenant sector mix is as follows:
- Digital Services – 35%
 - Financial Services – 15%
 - R&D / Technology – 15%
 - Business Services – 15%
 - Insurance – 7%
 - Recruitment Services – 7%
 - Social Regeneration/Community focused business – 7%.
- 3.11** The jobs located at the Centre are forecast to grow from the current 46 to 107 by April 2018. In the course of the coming financial year, key activities will include:
- Engagement with 115 businesses through first-time unique interventions (both tenant and non-tenant businesses)
 - 486 follow-on/repeat sessions with existing clients and users. The range of support is described as Growth Services or Innovation Services. It includes growth planning and strategic mentoring of clients and tenants, masterclass programmes with separate 1:1 mentoring, an open innovation event, support aimed at developing collaborations between tenants and users, a developer innovation programme and a range of collaborative services in partnership with stakeholders such as Council, Invest NI and Techstart
 - Targeted activities to attract FDI to the centre through the development of a 'plug and play' option and a price structure based on an all-inclusive cost per workstation model. Officers have been proactively engaging with Invest NI on an attractive proposition at Innovation Factory which can compete with other cities to attract FDI to the benefit of Innovation Factory tenants and the local community.

3.12 In addition to the economic focus of the Centre, social regeneration is a key element of the work programme at the Innovation Factory. This is about much more than just a stand-alone work stream: tenant businesses are encouraged to get involved by providing work placements and pro-bono support to local groups; there is a 'Buy Local' policy to encourage the engagement of local businesses and there is an extensive programme of engagement with local schools and community organisations. The Innovation Factory will continue to utilise a proactive and inclusive engagement approach to inform and develop partnerships with organisations, forums, groups and individuals who are key to meeting the social regeneration objectives of the centre. Implementation of Innovation Factory's Social Integration and Community Engagement Plan (2017 – 2018) is built upon six key priorities highlighted below:

- Priority 1: To encourage positive local engagement aligned to the ethos of the Innovation Factory that can extend its core services to include under-represented groups. This includes opportunities to sponsor local initiatives, summer innovation bootcamps for young people and meet the buyer-events;**
- Priority 2: To assist and support local businesses to tap into supply chain 'spin-off' opportunities arising from the operation of the Innovation Factory. To date, 90% of expenditure has been incurred locally (excluding centralised OI services such as IT etc.);**
- Priority 3: To facilitate skills development, work placements and permanent employment opportunities for long-term unemployed / economically inactive people living within the local community. This activity will compliment City Council employability and skills initiatives, including Belfast Works. Under this priority it is worth noting the intent of Oxford Innovation to position the café within the centre as a 'learning café'. This means that there will be opportunities for work placements and traineeships. In addition, it forecasts a further 4 x 24 week placements within the centre in 2017/18, working with tenants to secure further placements and delivery of a pre-employment programme and local skills academy;**
- Priority 4: To provide school children from the Springfield Road, Shankill area and surrounding locality with first hand exposure to innovation and entrepreneurship with the aim of inspiring the next generation;**
- Priority 5: To engage actively with the local community to show-case operations including promotion of social**

enterprise activity and corporate social responsibility. This involves delivering a social community improvement activity that can utilise the skill-base of IF tenants for community benefit and well-being; and

- Priority 6: To actively target, exploit and monitor potential sources of external support funding / other opportunities related to social regeneration.**

3.13 Similarly to 2016/17, a detailed Social Integration and Community Engagement Plan Action Plan will be developed. This will be informed by the wider community engagement activity and will be widely promoted.

3.14 Finance and Resource Considerations

The Year 2 Business Plan for Innovation Factory has been prepared within the financial parameters detailed in the Financial Model submitted as part of Oxford Innovation's tender for the operation of the centre. The Financial Model is still accurate as income and expenditure aligned with occupancy and usage is consistent with the original submission. The Council budget for IF Year 2 is included within the 17/18 Economic Development Unit estimates.

3.15 Equality & Good Relations Implications

The Innovation Factory Project has been successfully equality screened and the Social Regeneration Activities detailed within the Year 2 Annual Service plan will further develop equality and good relations impacts of the centre."

The Committee adopted the recommendations.

BelTech Conference 2017

The Director of Development reminded the Committee that one of the key priorities of the Belfast Agenda was Growing the Economy and he explained that commitment to increase business start-ups, building support for business growth and encouraging additional investment in the City were central to that aim.

He advised the Members that, in recent years, Belfast's economic growth had been driven by technology-focused businesses, through both Foreign Direct Investment (FDI) businesses and small, indigenous companies which were developing products and services and being exported worldwide. He reported that, over the last few years, there had been a number of annual tech-focused business conferences and events which sought to showcase best practice, encourage collaboration between businesses and encourage young people to become engaged in the technology sector.

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The Committee was reminded further that, in April 2014, the Council had supported the inaugural Belfast Technology Conference event and that it had gone on to sponsor the subsequent conferences in April, 2015, and 2016. He outlined to the Members that a request for sponsorship from the Council had been received from BelTech for the 2017 Conference. He pointed out to the Committee that the amount which had been requested from the Council had once again been reduced, from £10,000 to £8,000, and that the organisers had forecast an additional £32,000 in sponsorship from other private and public sector partners. The Director advised the Committee that BelTech intended to reduce the request for Council funding each year as the conference grew, with the hope that it would become self-sustaining.

The Director advised the Committee that the 2017 conference would again be held at the Titanic Belfast and would target technology professionals, technology business owners and those interested in establishing a business, as well as post primary school children, teachers and university students. He outlined the key themes for this year's conference, which included Software Engineering, which would be led by Kainos and Liberty IT, and Machine Learning, Connected Learning and Immersive Technology which would be driven by input from the UK Digital Catapult.

After discussion, the Committee:

1. approved the request for sponsorship of £8,000 to support the BelTech conference to be held in Belfast from 5th – 7th April 2017; and
2. noted that officers were adopting a process for assessing sponsorship requests aligned to the Belfast Agenda targets and outputs with a future report being submitted to the Committee for its endorsement.

Regenerating Places and Improving Infrastructure

City Centre Living

The Committee considered the undernoted report:

“1.0 Purpose of Report or Summary of main Issues

1.1 The purpose of this report is to update Committee on work underway to identify the key issues around liveability and increasing the residential population in the city centre.

2.0 Recommendations

2.1 The Committee is asked to:

Note the contents of the report.

3.0 Main report

Background

- 3.1** The City Centre Regeneration & Investment Strategy (BCCRIS) recognises that a residential population is an important element for a successful and vibrant city centre. Belfast's city centre residential market is currently under-developed. BCCRIS identifies the need for 400 additional units each year (6,000 by 2030), but feedback from agents suggests that only a small fraction of this target is coming forward. Additionally the Belfast Agenda outlines the need to grow the population by 70,000 by 2035. A portion of this growth will be accommodated within the city centre.
- 3.2** It is important to recognise that there are also established residential communities within the city centre estimated, at 2014, to have a population in the region of 9,000-10,000. In addition to areas of social and affordable housing, there are a number of apartments in private ownership and private rented tenures at locations such as Adelaide Street, Castle Street/King Street and Victoria Square. The City Centre boundary is defined in Appendix 1.
- 3.3** In recent years student housing has also contributed a growing component to the mix of residential accommodation in the city centre. The relocation of Ulster University has been a major catalyst and to date, approximately 5,000 units have been consented. The student population will add a much welcomed vibrancy to the city centre which has to be balanced with other housing tenures to ensure an inclusive and balanced city.
- 3.4** Members have also raised issue of housing in the city centre and the following motion was supported at Council on 1st September 2016:

'This Council notes that there is high social housing need in Belfast, with over 10,000 households on the waiting list and 6,000 households¹ in housing stress, and that the Northern Ireland Housing Executive (NIHE) is developing a city centre waiting list for site specific developments.

The Council believes that, together with the NIHE and other partners, there exists a unique opportunity in the city centre, to create social, affordable and private housing schemes and mixed income communities to increase the residential

¹ The actual figure quoted by NIHE is in fact now higher than this at 7,134.

population and build shared, balanced and sustainable communities.

The Council agrees, as part of the Local Development Plan process and City Centre Regeneration Scheme, to develop with the NIHE and other key partners a City Centre Liveability Plan, which will set out plans to grow the City centre population through an expansion of the housing offer. This plan will include the development of social, affordable and private housing and seek to encourage more families living in the City centre. The plan will also look at the quality of the places and buildings, the need for private and communal open spaces/parks and access to schools essential for family living in the City centre.'

Some of the issues around defining liveability are discussed in Appendix 2.

Work Underway or Undertaken to date

3.5 A Population and Housing Growth Study was completed in October 2016 to help inform the preparation of the Local Development Plan (LDP). Once adopted, this LDP will replace the existing development plan which comprises:

- Belfast Metropolitan Area Plan (BMAP) 2015 (adopted September 2014); and
- Houses in Multiple Occupation (HMOs) Subject Plan (adopted December 2008).

3.6 This research makes comparisons between Belfast's population and other similar sized cities in England and the role of city centre in meeting increasing housing need. At a whole population level, it represents a robust and more up-to-date assessment of housing needs than that included in CCRIS. However, to inform the production of the Plan Strategy, this research will be supplemented with a more detailed breakdown of housing need.

Department of Communities

3.7 The Department for Communities is currently engaged in the second stage of a Review of the Role and Regulation of the Private Rented Sector. The Council's response is scheduled to be reported to the People and Communities Committee on 7th March 2017. The Review sets out proposals on:

- Supply
- Affordability

- **Security of Tenure**
- **Tenancy Management**
- **Property Standards**
- **Dispute Resolution**

3.8 It promotes the following proposals in respect of housing supply:

- **Supply Proposal 1: Commission work to gauge the appetite of institutional investors with existing portfolios of private rented sector properties in Great Britain to invest in Northern Ireland and the conditions needed to support such investment;**
- **Supply Proposal 2: Explore opportunities to use money available for shared housing through the Fresh Start agreement to incentivise the development of more mixed-tenure housing areas, including private rented accommodation, underpinned by a shared ethos;**
- **Supply Proposal 3: Scope the opportunities with housing associations for greater involvement in the private rented sector.**

Northern Ireland Housing Executive (NIHE)

3.9 NIHE have stated that there is a high social housing need for Belfast which has grown over recent years. In December 2016, 10,818 households were on the waiting list, of that approximately 7,134 were considered to be in housing stress. They note that Housing Associations are finding it increasingly difficult to acquire land for social housing development. The Housing Executive strongly advocates that additional land should be made available to Housing Associations to develop much needed social housing. If land is excluded to social housing providers, this will seriously affect the ability to meet housing need for all citizens of Belfast, a fundamental human right.

3.10 The Housing Executive believes that the City Centre can provide an opportunity to support mixed tenure developments, which will help ensure that the aim of the City Centre as a shared space can be achieved. NIHE would like to see affordable housing included within the city centre: affordable housing includes social rented homes and well as co-ownership housing and NIHE's Shared Future Housing Programme (Appendix 3).

Co-Ownership Housing

- 3.11 Co-Ownership is a Do It Yourself Shared Ownership scheme (DIYSO) exclusively for Northern Ireland. For people who want to own their own home but can't quite afford it, Co-Ownership may help. Co-Ownership is more affordable than a mortgage or private rent and a deposit is often not required. Purchasers take as large a share as they can afford to start with, between 50% and 90% (known as the 'starter share') and pay rent on the remaining share. They can then increase that share at any time ('staircasing'). More details of the Co-Ownership Scheme are set out in Appendix 3.

Proposals by the Private Rented Sector

- 3.12 There has been recent interest from private developers in bringing forward Private Rented Sector (PRS) apartments, specifically the creation of build-to-rent PRS blocks. These are established in other cities as part of stand-alone blocks or as a leading element of a multi-tenure development.
- 3.13 The target group typically comprises key workers, often young urban professionals, who are looking for a comfortable and affordable place to stay for a secure length of tenure where the right life-style setting is important. Added amenities such as a concierge are part of the PRS life-style formula and this is where PRS distinguishes itself from the Build for Sale sector. Types of life-style facilities can include workspaces, communal roof terraces and gyms. Additional income can be generated from these facilities, although the prime objective is the contribution they make to place-making and community building.
- 3.14 In certain markets, a multi-tenure scheme can be led by a PRS block rather than private individual units where it can 'de-risk' a development, with front-loading income for the scheme to potentially allow a broad range of tenures to be offered. While the nature of PRS requires a stand-alone block from an investment and management perspective, good design can enable the block to be integrated into a mixed tenure scheme and remain tenure blind. PRS investors usually require a quantum of units to make a development viable. This is normally in the range of 100+ units depending on the area and size of overall scheme, the demand in the area and project viability.

Proposals for Private Housing for Sale

- 3.15** Recent developments such as ‘The Gallery’, an apartment block at Dublin Road, suggest there is some interest developing in housing for private sale. This might be expected to continue as other sites, for example, Sirocco, come forward for development. Housing for sale is another important residential element in a successful and vibrant city centre and home ownership is an integral element within new housing areas which can create balanced and sustainable communities.

Key Workstreams

- 3.16** The identification of key issues around liveability and increasing the residential population in the city centre and the development of potential options to address them will require joint working across Council and with a range of statutory agencies, in particular, DfC and NIHE.

Additionally it will involve the private sector, housing associations and those developing the co-ownership model. The following work streams are particularly relevant.

Local Development Plan

- 3.17** The Local Development Plan (LDP) is one of the key opportunities for the Council to influence residential development in the city by supporting residential use in areas with the best supporting infrastructure and ensuring that supporting facilities and services are planned to serve the growing population. In addition to the detailed Population and Housing Growth Study, a series of Topic Papers have also been prepared that relate to Population Change and Housing and the City Centre, which offer an opportunity to examine the contribution the City Centre can make to meeting Belfast’s housing needs.
- 3.18** The Preferred Options Paper notes that there are underused, derelict sites and significant areas of brownfield land which we are encouraged to redevelop by regional policy and which lie within the city centre. There are huge opportunities for our city centre, not least given its shared sense of ownership by all communities and the access it offers to employment and other services and amenities, notwithstanding the contribution it would make to the wider economy. Belfast has a rich and varied built heritage, and there are clear

opportunities to re-use of vacant buildings to accommodate housing needs in the city centre.

- 3.19** Extensive public consultation on the preferred options and engagement with key stakeholders is underway with a closing date of 20th April. Alongside this, a series of additional research is to be completed to help inform the next stages of the LDP preparation process. This will include detailed housing market needs analysis to consider the mix of housing to be supplied in terms of the size of units, types, and tenures of housing needed to meet the population and housing growth proposed.
- 3.20** A report to Planning Committee on 14th March will propose that an Urban Capacity Study will be completed by summer 2017 to consider where new housing can be accommodated, including the contribution that the City Centre can make through the re-use of vacant buildings on upper floors and housing as a component of mixed use developments. The responses to the POP consultation will be brought together with the additional research being undertaken, to help inform the drafting of the LDP documents.
- 3.21** The timetable for the adoption of the LDP is set out in Appendix 4. It is anticipated that the draft high level Plan Strategy is published for consultation at the end of 2017 and will be subject to an independent examination before adoption. Following adoption of the Plan Strategy, a Local Policies Plan will then be prepared during 2019/20 with a final date for adoption in late 2020.

Developing an Approach to Housing in the City Centre

- 3.22** Increasing the residential population within the city centre is a key objective of the City Centre Investment Strategy and the Belfast Agenda, and is an integral part of the Local Development Plan. As major development sites within the city centre come forward with opportunities for residential use, and in advance of the LDP and local plan strategy being adopted, it is important that a measured approach to housing is established across the city centre to promote inclusion, sustainability, cohesion and balance.
- 3.23** The objective is to produce high quality, sustainable developments with a mix of tenures that reflect the economic, social and environmental patterns of the city. The mix of tenures could include private for sale, PRS, social and affordable, including co-ownership, in addition to the student housing that is now coming forward. On larger schemes with

capacity for significant amounts of residential units, integrated, mixed and blind tenure options should be considered.

- 3.24** The quality of residential developments has long-term impacts, both on the communities they house, and on the surrounding neighbourhoods. The location and how well they knit into the fabric of existing neighbourhoods and the city-scape are factors will have long term positive and negative implications for the city. Having the necessary physical and social infrastructure alongside the facilities to support development will be important in creating a sustainable and vibrant community. This will include the integration with existing provision combined with access to employment, amenities and effective public transport linkages. It is equally important to consider potential implications for the successful night-time economy and how this important element of the city centre economy and vitality can be maintained.
- 3.25** High quality design standards are paramount to the success and sustainability of housing development with issues such as space standards, orientation, storage, treatment of communal areas, access to open space etc. requiring careful consideration.
- 3.26** Key to all of this is viability of the projects, ensuring that high quality schemes come forward in the right location to meet demand. There is potential to look at different sources of funding and financing to assess how they may be combined to achieve a viable and mixed solution.

Proposed Actions

- 3.27** Belfast City Council will work to determine the contribution that the city centre can make to growing Belfast's population and increasing housing supply and seek to establish a balanced approach to housing as developments come forward. This will include:
- Progressing ongoing areas of work with DfC and NIHE and the private sector to develop an agreed approach to the development of a sustainable model for housing of mixed tenure and type in the city centre. This will include private housing for sale; PRS, social housing and other forms of affordable tenure including co-ownership and opportunities for the Shared Future Housing Programme;
 - identifying suitable mixed use sites and housing sites;

- collaborating with potential PRS providers to try to ensure that the type, nature and location of proposals are in line with CCIS and are financially viable;
- examining the re-use of vacant space, particularly on upper floors, in city centre buildings and the fiscal policy approaches to encourage their re-use;
- collating intelligence with regard to the local housing market including supply, demand and price points;
- examining the market demand for various tenure types and their viability ;
- considering options and the viability of mixed and blind tenure housing;
- working to support the 'liveability' of the city centre, including the need for community infrastructure to support new housing and the potential for developer contributions to support the provision of such physical and social infrastructure;
- consider the requirements to ensure a balance between City Centre living and existing commercial uses, including those that form part of the night-time economy;
- establishing a network of public open spaces and standards of provision;
- exploring the potential for ensuring quality design approaches for residential and other development to underpin the development of a liveable city centre;
- establishing transport and other infrastructure requirements;
- ascertaining information and funding available from the 'Fresh Start' programme in the context of a possible pilot housing project to promote opportunities for shared housing through the development of more mixed-tenure housing areas, underpinned by a shared ethos;
- working with DfC to promote new opportunities to stimulate the growth of the Private Rented Sector;
- ensuring integration with the outputs emerging from the '100 Resilient Cities' project pioneered by the Rockefeller Foundation and the Future Cities Catapult project.

3.28 Equality and Good Relations Implications

Equality and good relations screening will be conducted as required, in parallel with any future proposed consultation process.

3.29 Finance and Resource Implications

There are no additional resource implications associated with this report.'

The Committee noted the contents of the report.

Finance, Procurement and Performance

Quarter 3 Finance Report

The Director of Development advised the Committee that the 2016/17 Quarter 3 position for the City Growth and Regeneration Committee was an underspend of £343,000 (2.8%) which included additional income. He outlined to the Members that the forecast year end position was an underspend of £289,000 (1.8%) which was well within the acceptable tolerance of 3%.

He reported that the main reasons for the Committee underspend related to vacant posts across a number of services, receipt of additional income in Off-Street Car Parking and an underspend of programme costs in the Development Directorate and Parks Estates.

The Committee was reminded that the Strategic Policy and Resources Committee had agreed, at its meeting on 18th November, 2017, to cap in-year departmental cash limits at the Quarter 2 forecast levels in order to offset the rates clawback, as advised by Land and Property Services. The Director advised the Members that there would therefore be no reallocation of that money.

The Committee noted the report and the associated financial reporting pack.

Commercialisation opportunities at the Markets

The Committee considered the undernoted report:

“1.0 Purpose of Report or Summary of main Issues

1.1 The purpose of this report is to:

- **Advise the Committee of work that has been underway to explore additional opportunities for commercialisation at the Council’s Markets, principally St George’s Market**
- **Secure approval from the Committee to move forward with securing sponsorship to support the delivery of the Twilight Market.**

2.0 Recommendations

2.1 The Committee is asked to:

- Note the impending opportunities to pursue sponsorship for the upcoming Twilight Markets and agree to move forward on these, within agreed parameters
- Note the proposals to move forward with the development of a sponsorship policy across the Council as a means of increasing income from the private sector.

3.0 Main report

3.1 Members will be aware that St George's Market is now firmly established as a popular weekend venue that attracts both residents and visitors to the city. It attracted over one million visitors last year.

3.2 The venue has won numerous awards over the course of the last year. These include 'Best Market' at the Observer Food Awards in October 2016 and UK's Best Market as voted by NABMA – the National Association of British Market Authorities in February. The latter award recognised the additional work being carried out to animate the venue and widen its appeal.

3.3 In the course of the last year, the venue has been used increasingly for mid-week events and conferences. These include the Digital DNA conference in June 2016 and the Young Enterprise Market in November 2016. The Markets Management team is actively pursuing opportunities to secure new business for mid-week events.

3.4 As part of the rates setting process, Members make a commitment to secure additional income in the coming financial year. This frames the discussion for a more commercial approach to venues such as the Market. The success and brand recognition of the venue means that it could be a useful pilot for a more commercial approach across other venues and to support wider events.

3.5 One of the most significant areas of opportunity that has emerged in the last year is the Twilight Markets. The first of these took place on one evening on 11 November 2015. The event was so successful that people were queuing up to get in. The subsequent events have taken place over two mid-

week days/evenings (Tuesday and Wednesday). The last event attracted more than 30,000 people over the two days. Since the events started, they have attracted in excess of 70,000 people.

- 3.6** The social media coverage at these events is significant. The Council's Communications Team supports a social media-focused campaign (alongside other media such as billboards and flyers) and each event has attracted television coverage. Traders and attendees have also engaged in the social media activity – and this has very successfully raised the profile of both the event and St George's Market as a venue.
- 3.7** In December 2016, the City Growth and Regeneration Committee agreed to support at least three Twilight Markets for the coming year. Indicative dates have now been set. These are:
- 8 , 9 May
 - 1, 2 August
 - 7, 8 November
- 3.8** Officers have identified the potential to explore sponsorship opportunities for the Twilight Market in order to offset the running costs associated with the event. There will also be income from stall holders at the event as is the case at present.
- 3.9** In the absence of a sponsorship policy which sets parameters around issues such as the types of companies that might be appropriate to approach for sponsorship, it is proposed that preliminary engagement will be with companies that may already have a relationship with the Council or that align to the values currently being developed as part of the work on place positioning.
- 3.10** **Financial & Resource Implications**
- The sponsorship income for the Twilight Market will need to be market-tested. However, there is an opportunity to cover most if not all of the costs associated with running the events.
- 3.11** Recruitment will soon get under way for a new staffing complement at the Market. This will include additional front-facing staff as well as Duty Managers.

3.12 Equality or Good Relations Implications

No specific equality or good relations implications. The Good Relations Team has advised on access issues at the Twilight Market.”

After discussion, the Committee adopted the recommendations within the report and agreed that a report be submitted to the Committee on a revised markets strategy, including consideration of the use of St. George’s Market as a venue for conferences and events.

Operational Issues

External Market Application

The Director of Development reminded the Members that anyone who wished to operate a market or car boot sale within Belfast must apply to the Council for permission. He reported that an application had been received for a one-off market to be held by the Local Women magazine, in conjunction with a range of local partners, in the Titanic Exhibition Centre on Saturday, 24th June, 2017, from 9am to 3pm. The Members were advised that, while final details were still to be finalised, that between 30 and 40 stalls would take part in the market, with a focus on local food produce.

The Director also advised the Members that the Crumlin Road Gaol Market was scheduled to commence in April 2017, with between 27 and 30 stalls taking part in the market. He reported to the Committee that, if successful, the organisers intended that the market would take place on a monthly basis.

After discussion the Committee approved the granting of a licence for:

- the Local Women Market to be held at Titanic Exhibition Centre on 24th June, 2017; and
- monthly markets to be held in Crumlin Road Gaol, commencing in April 2017.

Draft Belfast Bicycle Network 2017 Consultation

The Committee agreed to the submission of the draft response to the consultation on the Draft Belfast Bicycle Network 2017, run by the Department for Infrastructure, a copy of which was available [here](#) on the Council’s website.

Zoo Workshop - Update

The Committee considered the undernoted report:

“1.0 Purpose of Report or Summary of main Issues

1.1 At City Growth & Regeneration Committee on 12th October 2016 the long term options for the Zoo were presented for consideration. After discussion it was agreed that the closure of the Zoo and the status quo would not be pursued as options. A date for the Workshop with Members was agreed for 2nd December to enable Members to develop a range of criteria to be applied and weighted for each of the operating options. Members also asked to include in the workshop what the Zoo would contain, or focus on, initially.

1.2 The Members’ workshop focused on the following:

- The value of the Zoo from a conservation and education perspective
- Whether there are options to change the focus and scale of the zoo – for example moving to European species only/smaller in scale
- The main themes Finance, staff, investment and associated risks were assessed

2.0 Recommendations

2.1 The Committee is asked to:

- Note the feedback from the workshop and Members’ written submission
- Note that other stakeholder engagement is ongoing
- Provide decisions on the key issues outlined to allow consultants to carry out further work on the options and weight these options for evaluation

3.0 Main report

3.1 Appendix 1 sets out the output from the Members’ working group. The Members participating gave an indication that the priorities for change included;

The need to get the balance right between;

- Welfare
- Research and Conservation
- Education

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- **Visitor experience (excitement, entertainment and value for money)**

Supporting operations that provide opportunities for;

- **Volunteers**
- **Students (schools to post graduates)**
- **Researchers**

Providing Zoo facilities that have;

- **Improved attractions for visitors**
- **Features which appeal to teenagers**
- **An experience which is constantly improving and changing to ensure it remains attractive for repeat visits by local people**

Written submission from a Member;

- **Reassignment of the Zoo to move away from a focus on exotic animals to be replaced with animals from Northern Europe in particular native species. This is a less expensive option**
- **The priority is the physical and mental welfare of the animals**
- **There is an opportunity to focus on native species breeding and link in the education and conservation elements to become world renown**
- **Redirection of our breeding programme to focus on animal releases back into the wild**
- **The costs of the Zoo are prohibitive and should be funded by the Northern Ireland Assembly rather than Belfast City Council**

3.2 Other engagement is ongoing with HLF, TNI and Friends of the Zoo generally but they will also be involved in discussions on the preferred options put forward by Committee.

3.3 Key issues to be considered by Committee include:

- **Maintain in-house business operating model or agree an alternative model?**
- **Maintain the Zoo on the existing site or relocate?**
- **Reduce the size and animal collection at the Zoo?**
- **Reassign the Zoo to focus on Northern European animals and native species?**
- **Dependant on answers to the forgoing points, what are capital investment implications?**

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3.4 In considering the above issues, the below table sets out a range of potential business operating models against which Consultants could develop greater detail and identify weightings to assist with evaluation of a preferred option going forward.

	Option	Brief description	Risks / Benefits
1	Transformed In - House	This would involve a challenging transformation process that would have to extend to a change in the way central services support the operation of the Zoo. It would require flexibility and a move towards new ways of working.	Change may be slow to deliver and may meet strong resistance from some staff and from staff representatives. All risks remain with the Council
2	Council owned Company	This would involve a transformation in the ways of working and a change in the way that the Zoo is governed. A new company would have its own board of directors and this would bring new expertise to assist the management team and staff.	Trading risk remains with the Council – at least for the early years following transfer.
3	Public / Private Partnership – including possible Joint Venture	This could take many forms and could involve the creation of a new Joint Venture Company	There are complex procurement issues and the arrangements are likely to involve shared risk alongside complex formal agreements
4	Market Solution – possibly involving a competition for the granting of a Concession and Lease	This would involve the Council testing the market and then using the feedback to help shape a Prospectus; setting out an opportunity to the market that is structured as a concession with an associated lease or license.	Although there would be a full trading risk transfer (contractually fixed price), the Council would be still be required to provide a level of funding – probably tapering over a

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	Option	Brief description	Risks / Benefits
			number of years. The Council could benefit from some form of agreement in which funding is returned to the Council if a level of income is achieved.
5	Market Solution – involving a competition for a Management Contract	This is similar in some respects to the granting of a Concession and Lease as above, but the Council would define its requirements in a far more prescriptive form	Although there would be a full trading risk transfer (contractually fixed price), the Council would be still required to provide a level of funding – probably tapering over a number of years. The Council could benefit from some form of agreement in which funding is returned to the Council if a level of income is achieved.
6	Hybrid Solution – possibly involving the establishment of a local “Trust” and the letting of a Concession / Management Contract to an Operating Partner	This could take various forms and ideas might emerge from an early market engagement	This might involve shared risk / reward, a two tier structure that is tax efficient and an agreement with a specialist operator (visitor attractions) aligned to a Zoo specialist.

3.5 Financial & Resource Implications

Currently the direct operating costs of the Zoo are approximately £1m per annum with capital depreciation,

centrally held property maintenance budgets and internal support costs are additional to this. At the workshop in December Members highlighted that investment was needed in the Zoo in terms of addressing the condition of the Floral Hall, improving transport options and enhanced visitor attractions. There is currently no financial commitment to the Zoo Improvements in the Capital Programme. Management are currently exploring options for possible investment and engagement on improving the Zoo.

- 3.6 The Zoo Trade Union Forum nominated through JNCC has been set up. Staff and Trade Unions will be vital for the communication and engagement around the options and will be part of the stakeholder engagement.
- 3.7 There are no asset implications at this stage although the final phases of the project will include an assessment of capital assets investment required.
- 3.8 **Equality or Good Relations Implications**

There are currently no equality or good relation implications however this will continue to be reviewed as the project is developed.”

The Committee adopted the recommendations within the report and agreed to allow the consultants to carry out further work on the options, to weight the options for evaluation and that a further report be submitted to the Committee at a future date.

Belfast Car Parking Strategy

The Committee agreed to defer consideration of the Belfast Car Parking Strategy for one month.

Chairperson