



### Belfast District Council (Shadow)

<b>Report to:</b>	Shadow Strategic Policy and Resources Committee
<b>Subject:</b>	<b>Physical Programme</b> - Proposed process for development for new Programme 2015/16 onwards
<b>Date:</b>	24 <sup>th</sup> October 2014
<b>Reporting Officer:</b>	Gerry Millar, Director of Property & Projects Ronan Cregan, Director of Finance and Resources

<b>1.0</b>	<b>Purpose of report</b>																
1.1	To update Members on the proposed programme for the development of the Council's new Physical Programme for 2015/16 and beyond.																
<b>2.0</b>	<b>Relevant Background Information</b>																
2.1	<p>Members will be aware that the Council's overall physical programme is a key element of the Investment Programme and includes capital projects which are delivered under a range of funding streams including -</p> <table border="0"> <thead> <tr> <th style="text-align: left;">Funding stream</th> <th style="text-align: left;">KEY DETAILS</th> </tr> </thead> <tbody> <tr> <td><b>Capital Programme</b></td> <td>Rolling programme of investment which either improves existing Council facilities or provides new facilities</td> </tr> <tr> <td><b>Local Investment Fund (LIF)</b></td> <td><b>£5million</b> fixed programme of investment in <b>non-council neighbourhood assets</b>. Minimum investment of £15,000 - Maximum £250,000</td> </tr> <tr> <td><b>Belfast Investment Fund (BIF)</b></td> <td><b>£20million+</b> rolling programme of investment in <b>non-council city assets</b> 50% match funding requirement. Minimum council investment £250,000</td> </tr> <tr> <td><b>Feasibility Fund</b></td> <td><b>£250,000 fund</b> established to enable feasibility work to be undertaken on proposed projects to bring them to a point where Members make informed investment decisions</td> </tr> <tr> <td><b>Planned Maintenance Programme</b></td> <td>A rolling programme of ongoing maintenance the Council's existing asset base</td> </tr> <tr> <td><b>Non –recurrent projects</b></td> <td><b>A fixed programme of non recurring projects</b> funded from the capital financing budget.</td> </tr> <tr> <td><b>Leisure Transformation Programme</b></td> <td><b>£105million programme</b> to transform the Council's leisure estate</td> </tr> </tbody> </table>	Funding stream	KEY DETAILS	<b>Capital Programme</b>	Rolling programme of investment which either improves existing Council facilities or provides new facilities	<b>Local Investment Fund (LIF)</b>	<b>£5million</b> fixed programme of investment in <b>non-council neighbourhood assets</b> . Minimum investment of £15,000 - Maximum £250,000	<b>Belfast Investment Fund (BIF)</b>	<b>£20million+</b> rolling programme of investment in <b>non-council city assets</b> 50% match funding requirement. Minimum council investment £250,000	<b>Feasibility Fund</b>	<b>£250,000 fund</b> established to enable feasibility work to be undertaken on proposed projects to bring them to a point where Members make informed investment decisions	<b>Planned Maintenance Programme</b>	A rolling programme of ongoing maintenance the Council's existing asset base	<b>Non –recurrent projects</b>	<b>A fixed programme of non recurring projects</b> funded from the capital financing budget.	<b>Leisure Transformation Programme</b>	<b>£105million programme</b> to transform the Council's leisure estate
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2.2	Members will however be aware that the Council's new Physical Programme from 15/16 onwards will have to reflect both the Council's enhanced boundaries which will see an additional 53,000 households joining the Belfast council area together with new and enhanced roles and responsibilities. The SP&R Committee has already agreed to reconsider BIF and LIF in the context of the changing role of the Council. There will also be a need to reconsider the Maintenance Programme in terms of transferring assets and the leisure transformation programme.																
2.3	It is recommended that Members read this paper in conjunction with the 'Area Working Update'																

	paper which is also on the Committee's agenda for discussion as the papers are closely linked.
<b>3.0</b>	<b>KEY ISSUES</b>
3.1	Members will appreciate that <b>the Council has limited financial resources</b> and these will be stretched even further over the coming years in terms of the increased boundaries and roles and responsibilities and the <b>Council is under increasing pressure to deliver more with less.</b>
3.2	<b>The SP&amp;R Committee, as the Council's investment decision maker, has a responsibility to focus on delivering the projects which can have maximum benefits and investment return for the city and local areas.</b> For the interim period in terms of the new Physical Programme this will be the responsibility of the Shadow SP&R Committee.
3.3	Members therefore need to properly consider the opportunity costs of approving one project over another project. <b>This will raise a number of key issues and hard decisions for Members in terms project prioritisation.</b> It is therefore key that investment decisions are not taken in isolation and it is important the links and inter-dependencies between projects are taken into consideration.
3.4	Members will therefore be aware that there are a number of key inter-dependencies in relation to the development of a new Physical Programme, including: <ul style="list-style-type: none"> <li>• it is intrinsically linked to <b>the rates setting process</b> and must be seen within this context as this is how the Programme is financed</li> <li>• The <b>emerging city visioning and outcomes frameworks</b> as part of the Community Planning process as all agreed capital projects should deliver</li> <li>• the <b>emerging area planning framework</b> and the future role of the Area Working Groups;</li> <li>• the Council is already delivering a <b>major physical programme</b> under its Investment Programme with over <b>70 projects on the Capital Programme</b> including major projects at Connswater Community Greenway; Waterfront; Innovation Centre, <b>a range of emerging BIF projects</b> and <b>over 50 LIF projects</b> and the <b>£105million Leisure Transformation Programme</b> – work on these will continue beyond April 2015 and has significant resource requirements</li> <li>• decisions which need to be taken under Phases 2 and 3 of the £105million emerging Leisure Transformation Programme</li> <li>• the emerging Social Investment Fund (SIF) projects</li> <li>• the need to consider other projects being delivered across the city by partner organisations including central government departments, the education institutions, the community and voluntary sector to ensure that the projects are looked at on a strategic city-wide basis</li> <li>• the deferral of the Regeneration and Housing Bill and confirmation of which projects will be progressed by DSD –this is particularly important in the case of capital projects which were due to receive match funding from DSD and the implications this has for the Programme</li> </ul>
3.5	<b>Given the above and in light of the financial pressures that the Council is facing it is important that any new capital projects which are proposed are looked at from a Programme level and not on an individual project by project basis.</b> A number of emerging projects for transferring areas have already been put forward by Members but is vital that these are not decided upon in isolation but that the Physical Programme reflects the needs of the whole city.
<b>3.6</b>	The engagement of Members will be key to informing the development of the new Programme and it is therefore planned that a series of workshops are organised over the coming months to look at the whole physical programme. It is intended that a draft Capital Programme is brought to January with the final Programme to be brought back to Committee in February at the same time as the rate is

	agreed. It is also proposed that a prioritisation matrix, which reflects the emerging city vision and outcomes framework is developed against which emerging projects can be tested.
<b>5.0</b>	<b>Recommendations</b>
5.1	<p>Members are asked to note the contents of this report and</p> <ul style="list-style-type: none"> <li>- note the interdependencies between the development of the new Physical Programme and a range of strategic pieces which are currently underway</li> <li>- note that it vital given the financial pressures that these are seen at a Programme level and not on a project by project basis</li> <li>- agree that a series of workshops are held in November and December to inform the new Physical Programme 2015/16 and beyond</li> <li>- agree that a draft Capital Programme is taken into Committee in January with the final Programme to be taken in February to coincide with the rates setting process</li> </ul>
<b>6.0</b>	<b>Call In</b>
This report is subject to call in.	
<b>7.0</b>	<b>Decision Tracking</b>
The Directors of Property & Projects and Finance and Resources will oversee the implementation of the recommendations	
<b>8.0</b>	<b>Equality</b>
Individual capital projects are equality screened as part of the Stage Approval Process	
<b>9.0</b>	<b>Documents Attached</b>
N/A	