

1. INTRODUCTION: WHAT'S THE ISSUE?

- 1.1 Successful cities continually reflect upon their performance to see what they can learn about themselves and about others – and to improve their performance. The European Institute for Urban Affairs was pleased to be asked by Belfast City Council to help them with that process, comparing Belfast's economic performance with a number of successful cities in Continental Europe and its peers in England - the 8 Core Cities. The fact that Belfast invited us to do this work tells us something about the increasing level of self-confidence within the city and city council.
- 1.2 This report should be seen in the context of wider work the Institute has recently undertaken for the Office of the Deputy Prime Minister on behalf of the 8 Core Cities, the 9 English Regional Development Agencies and the departments of state most concerned with the economic performance of English cities and regions. This work is a systematic effort to understand the roots of economic success of European cities, to see how well English cities are doing and what they should do to perform better. The work showed that despite some real successes and improvements in recent years, many English cities still have a long way to go to catch up with the very best in Europe. That work has been very well received in the UK and has underpinned many of the recent policy initiatives announced by the UK government to improve the prospects and performance of the provincial regions cities. Belfast City Council is therefore asking the right questions at the right time to stay abreast of the best in urban thinking in the UK.
- 1.3 This report does three things:
- It shows in some detail where Belfast currently stands in relation to its English competitors and some successful continental cities.
 - It asks what factors explain – or hinder - its current performance.
 - It asks how the position could be improved in the future.
- 1.4 To anticipate a long story, the headline of this report is one of potential and missed opportunities - not one of failure. People and policy-makers in Belfast need to be realistic about its position and its prospects. But they should not be unduly pessimistic. The report says that Belfast faces many economic challenges. But it also shows the city has made a lot of progress during the recent years. It identifies some weaknesses in governance and policy-making in the city, which prevent it punching its weight in the competitive modern world. But it ends by suggesting a way forward which could help improve economic performance and policy making at the same time. It recommends that Belfast seizes the opportunity the city centre offers to improve the wider economy and the prospects of its citizens.

SECTION 2.

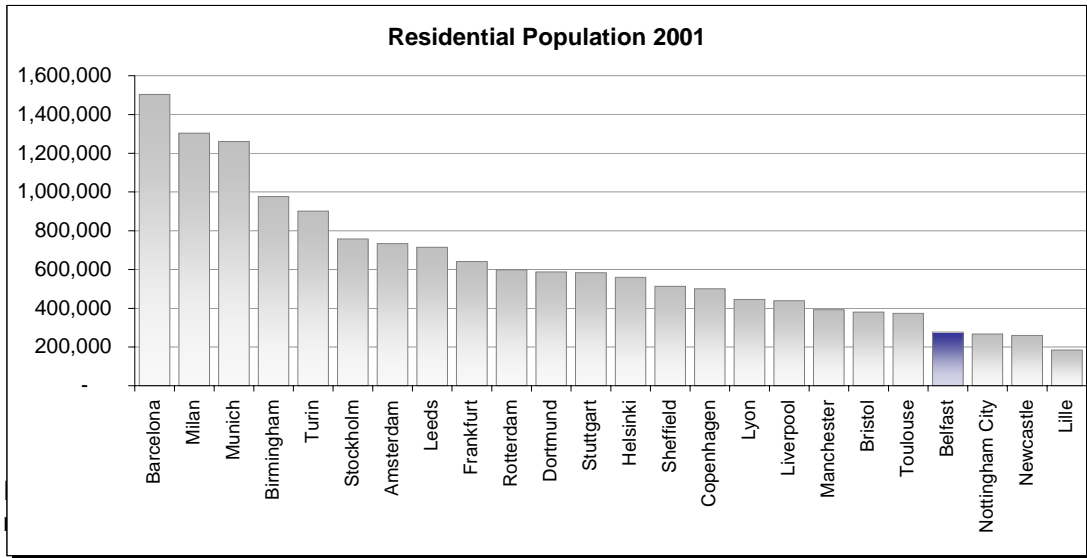
HOW DOES BELFAST COMPARE WITH EUROPEAN AND ENGLISH CITIES?

- 2.1 This section looks at Belfast in relation to some of the most successful cities in Europe as well as with more comparable cities - the 8 English Core Cities. It compares Belfast on a series of drivers of economic competitiveness, including:
- Innovation
 - Economic Diversity
 - High skill base
 - Quality of life
 - Connectivity
 - Strategic decision making capacity.
- 2.2 We used eight indicators of those drivers: population, productivity, employment, work force qualifications, connectedness and innovation. What did we find?
- 2.3 There is good news and bad news. In some ways our work has underlined how Belfast needs to sharpen its act as if it is to compete with the best European cities. The city lags in terms of innovation, quality of the workforce and connections to the European mainland .
- 2.4 But in some other respects Belfast performs rather better in relation to large English cities than external perceptions and perhaps internal perceptions might suggest. In terms of wealth measured by GDP per capita it is not the worst performer. Although it has large numbers of underqualified people it has a surprisingly large number of skilled people. If direct connections with the Continent and beyond are not good, it actually has rather good connections with the UK mainland at least in comparison with many of the Core Cities. The relatively low cost of living and housing in particular and a good supply of suburban housing means that the city compares relatively favourably with its English counterparts. There is also evidence that there has been a substantial renaissance in the city centre during the past five years, a point to which we shall return later in the report.
- 2.5 Perhaps the most important message is that the city is better than many outside - and inside - the city believe. There has been real improvement across a number of areas. However, the city lacks one critical feature of a competitive city – the strategic capacity to deliver long term economic and social programmes. Politics, governing and governance matter. At present they are preventing Belfast punching its weight. We think we can spot a solution – through the city centre. But before we get there let us see what is happening in Belfast.

Population

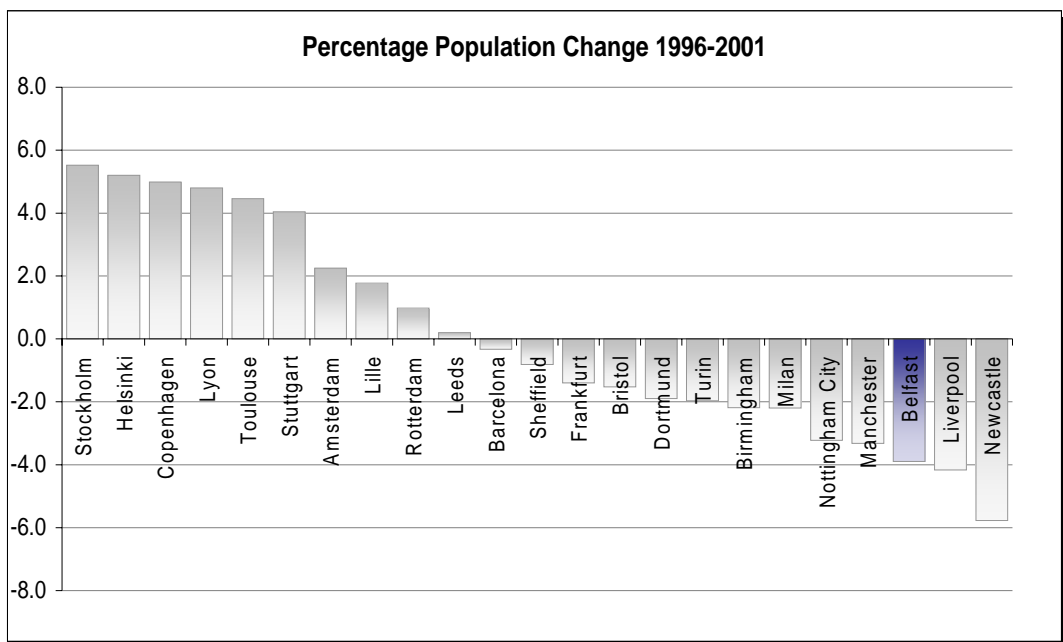
- 2.6 In terms of population, Belfast is relatively small when compared with leading European cities. Population losses in recent years reflect the losses in UK cities rather than European cities – many of which have increased population over the last five years. Belfast must maximise the population of the wider metropolitan area.

Figure 1



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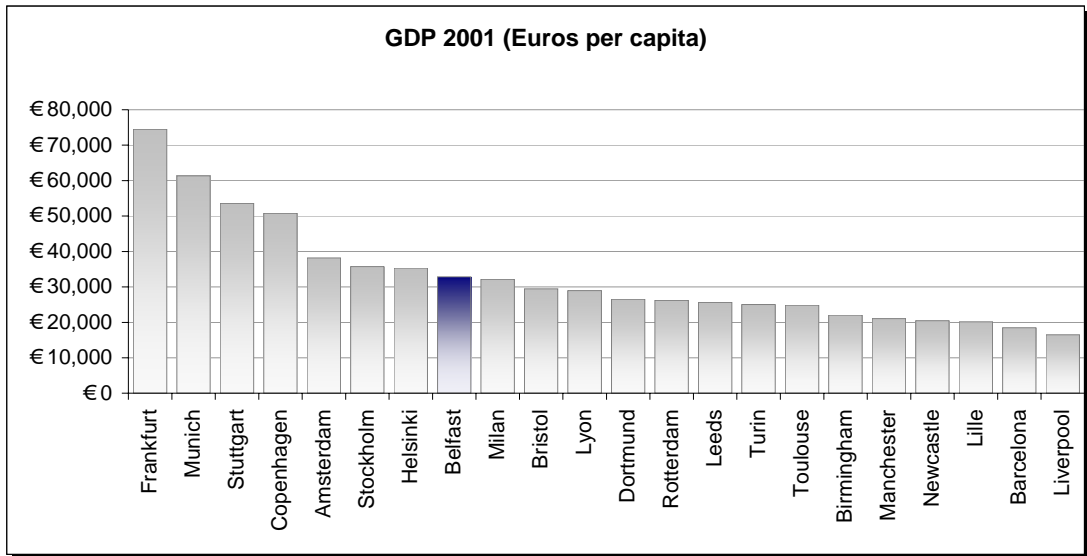
Figure 2



Productivity

2.7 In terms of productivity measured in GDP per capita Belfast is not the poorest city in the UK by a long shot as Figure 3 shows, although the figure is boosted by the size of public sector employment.

Figure 3



Employment

2.8 In terms of the total number of employees, as Figure 4 shows, Belfast is a relatively small city. However the number of employees jobs per capita in Table 1 show that it is a regional employment centre.

Figure 4

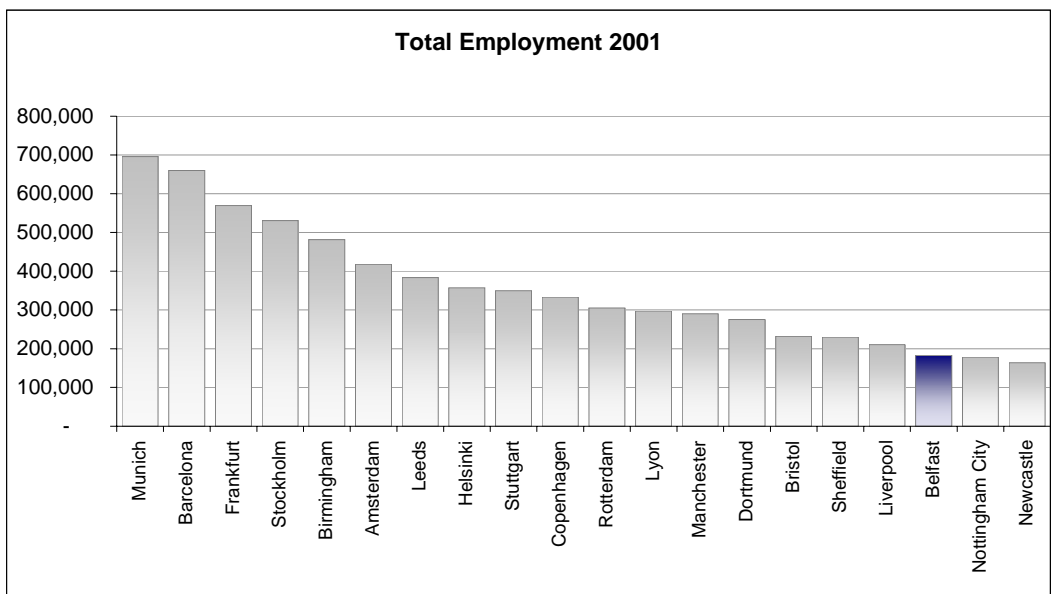


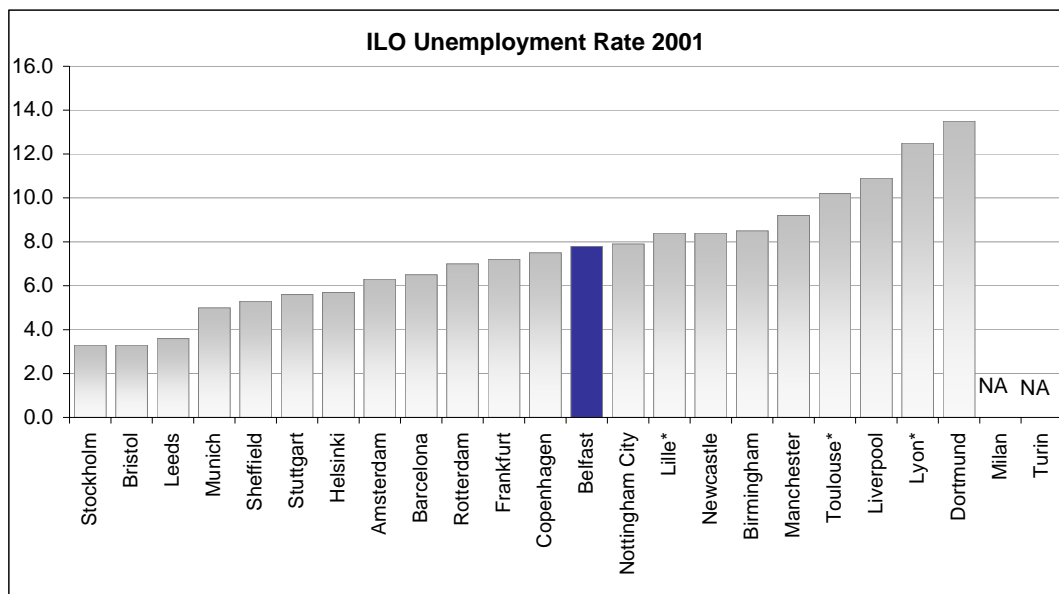
Table 1: No. of Employee jobs per capita 2001

City	Employee jobs per capita
Frankfurt	0.89
Manchester	0.74
Stockholm	0.7
Nottingham	0.67
Lyon	0.67
Copenhagen	0.67
Belfast	0.66
Helsinki	0.64
Newcastle	0.63
Bristol	0.61
Stuttgart	0.6
Amsterdam	0.57
Munich	0.55
Leeds	0.54
Rotterdam	0.51
Birmingham	0.49
Liverpool	0.48
Dortmund	0.47
Sheffield	0.45
Barcelona	0.44

Unemployment

2.9 In comparison with European cities Belfast's unemployment rate, at 7.8% is high - only the French cities and Dortmund have higher rates. But it is by no means the worst in comparison with Core Cities.

Figure 5

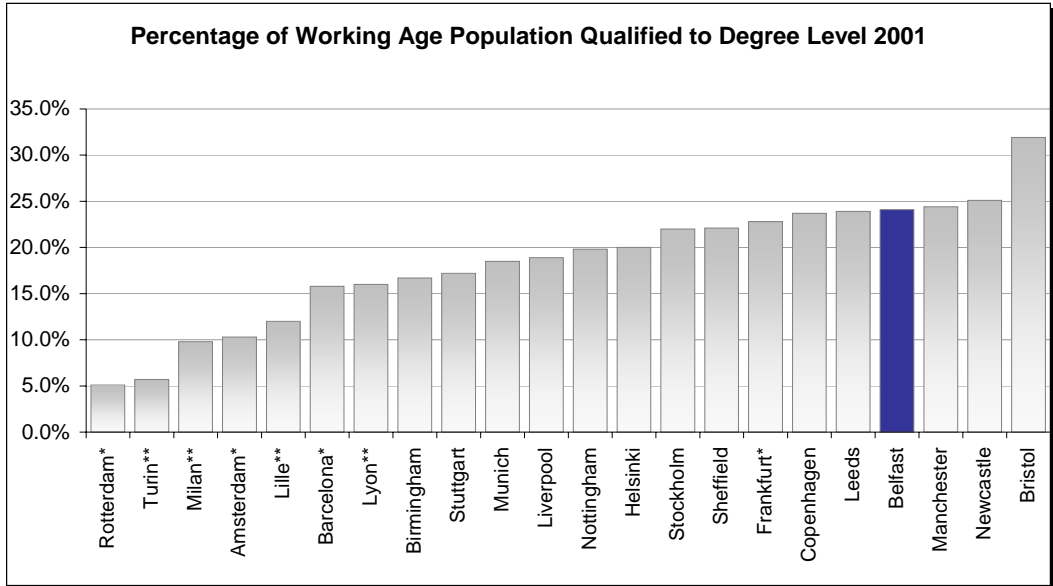


*Regional ILO unemployment rate

Human Capital

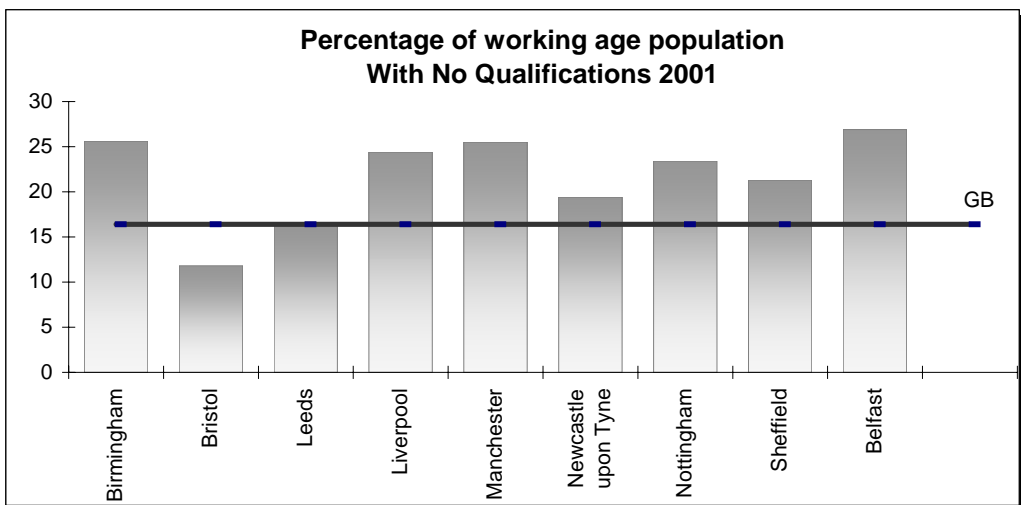
2.10 Belfast has a well-qualified workforce and 24% of its working age population were qualified to degree level in 2001, far higher than many successful continental cities and many Core Cities. This is a potential source of future strength.

Figure 6



2.11 However, a less favourable picture emerges when we look at the proportion of residents with no qualifications. In Belfast 26.9% of working age residents have no qualifications at all. This is a higher proportion than in any of the Core Cities and 10 percentage points higher than GB.

Figure 7

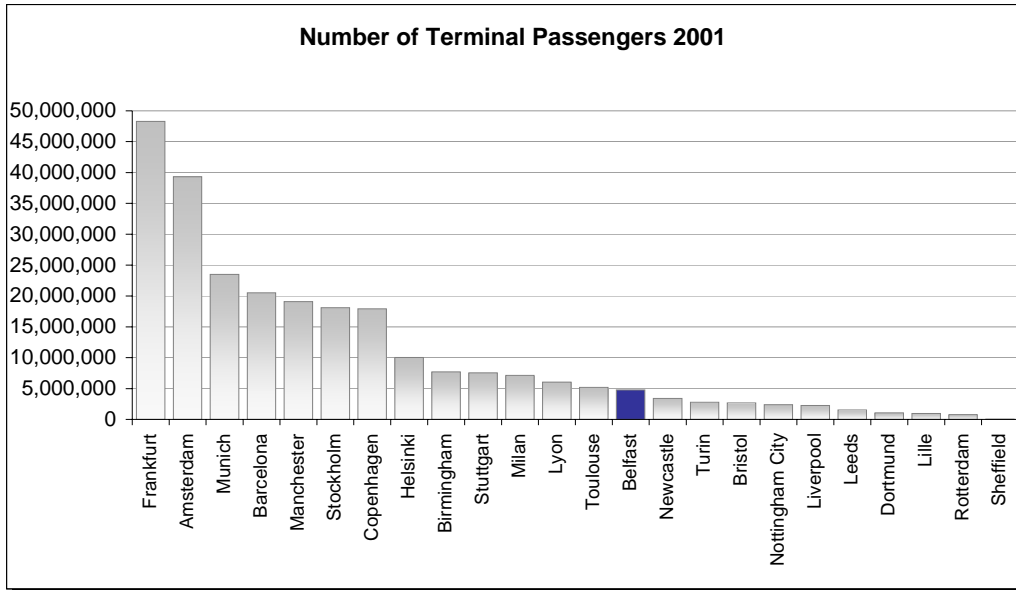


Source: NOMIS/ONS/DETNI

Connectedness

- 2.11 In terms of connectedness Belfast performs poorly. Despite the city's reliance on air links to UK and European cities, passenger numbers passing through Belfast's two airports remain low and 97% of the scheduled air traffic is domestic. It has only one direct scheduled route to a European city. It needs to have more.

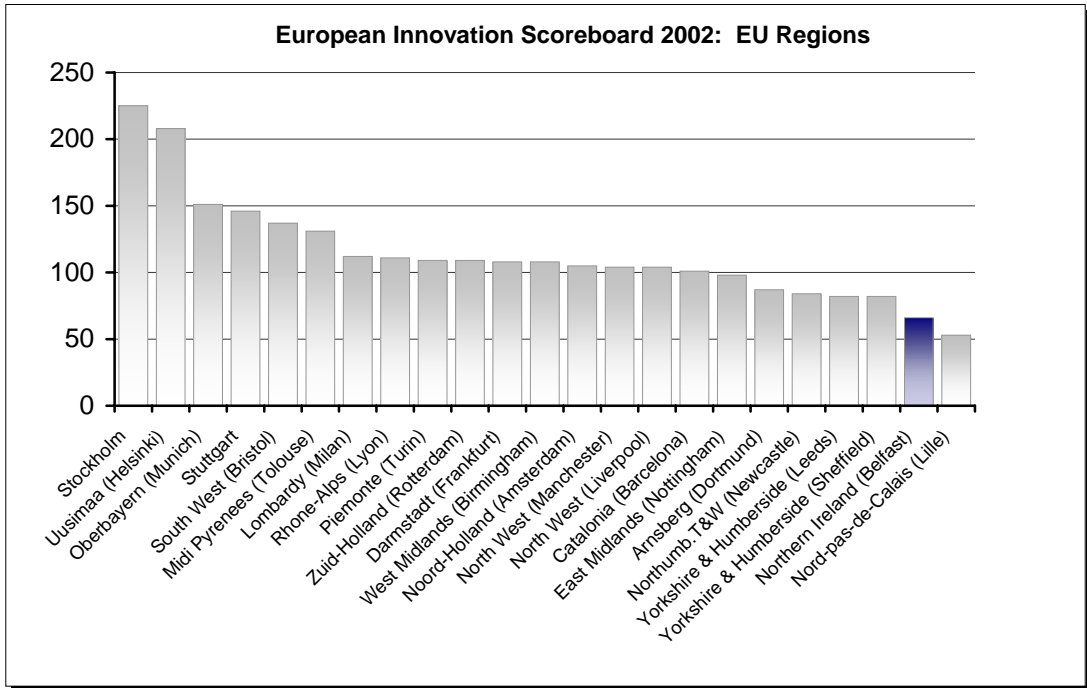
Figure 8



Innovation

- 2.12 To assess Belfast's innovation performance we use the EU measure which includes participation in tertiary education; participation in life-long learning; employment in medium/high-tech manufacturing; employment in high tech services; public R&D expenditure; business R&D expenditure; high-tech patent. Belfast' performance on one of the most critical indicators of competitiveness is poor. The UK cities perform poorly in relation to many continental cities. But Belfast is at the bottom of UK cities.

Figure 9



2.13 Another measure of innovation are the regional competitiveness indicators which include measures of 'Research and Development' and 'employment in high and medium high technology industries'. These provide an indication of innovation within each region. Across the UK 1.4% of total GVA is spent on Business Enterprise R&D. In Northern Ireland the figure is just 0.6%. In terms of employment in high and medium tech manufacturing sectors Northern Ireland also performs below the national average, with just 4.2% of total employment in these sectors compared with 5.3% nation wide. As the regional capital Belfast has a central role to play in ensuring the improved performance of Northern Ireland in terms of innovation, with the region's leading further and higher education institutions located in the city.

Belfast city in the wider metropolitan area

2.14 There is a growing recognition in the UK of the importance of regional and sub-regional relationships. Central cities no longer think of themselves as self-contained economic entities. They are crucial to their wider regional economies. They drive their regions up or down. Policy in the UK is recognising this more and more. What role does the city of Belfast play in the wider regional and indeed provincial economy? The fact is it, like other European, cities is a regional driver. However, as we shall see later, that fact is not always recognised or acted upon. It ought to be. But first what is the evidence for the argument?

2.15 The city of Belfast dominates the surrounding metropolitan area. In terms of population, employment and production, Belfast is the hub of the city-region and in turn the Belfast Metropolitan Area is the hub of Northern Ireland:

- The Belfast Metropolitan Area – Carrickfergus, Castlereagh, Lisburn, Newtownabbey North Down and the city of Belfast – has 645,000 residents, 38% of Northern Ireland's population.

- 302,000 people are employed in the Belfast Metropolitan Area (47.3% of all jobs in Northern Ireland are located in the BMA).
- Almost half (47.1%) of all Northern Ireland's Gross Value Added is generated in the Belfast Metropolitan Area.
- GVA per capita is high both in the city (£20,521) and across the Metropolitan area (£13,910).
- The Metropolitan Area has a well qualified work force.

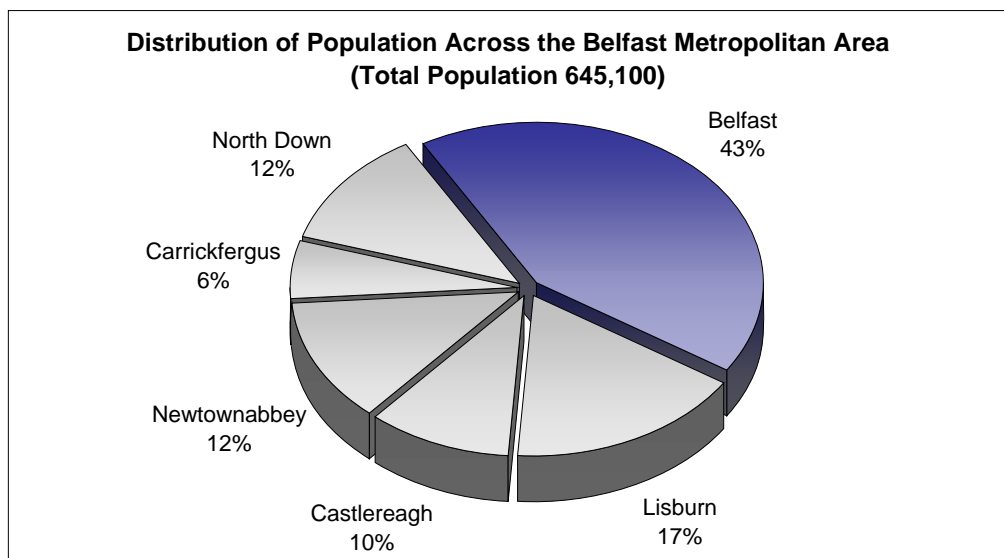
2.16 But although it is the centre for economic growth in Northern Ireland the Belfast Metropolitan Area faces important challenges. Average performance figures hide major variation between the Metropolitan Area Districts:

- Belfast City continues to lose its residential population, whilst the surrounding Districts experience population growth.
- Within the BMA social problems are concentrated in Belfast City, which has relatively high unemployment rates and a large proportion of households in receipt of income support.
- Even life expectancy is lower in Belfast City than the surrounding districts.

Population

2.17 The Greater Belfast area has 645,100 residents – 43% of whom live in the Belfast Local Authority area.

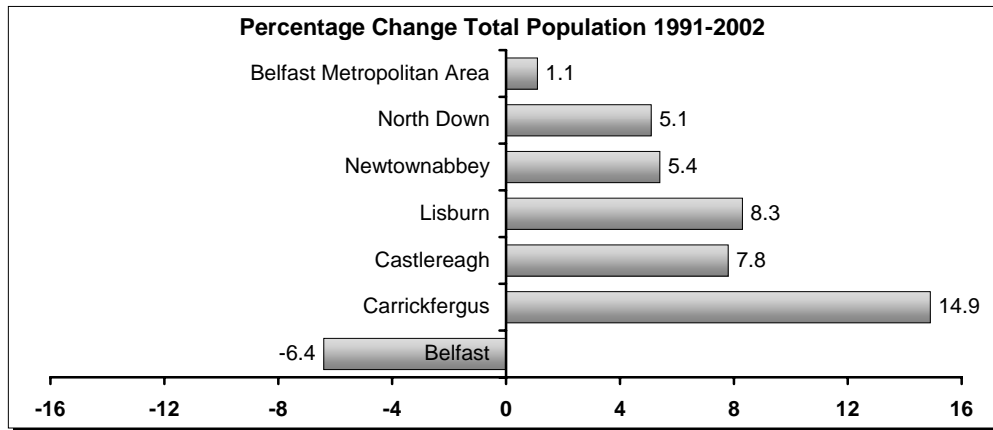
Figure 10



Source: 2002 Mid-year population estimates – NISRA

2.18 The number of residents living in the Belfast Metropolitan Area has increased slightly over the last 10 years. This small overall increase (1.1%) disguises significant variation in the local authority districts surrounding the core city. The only district to experience a fall in the residential population during this time was Belfast – down 6.4% between 1991 and 2002. Carrickfergus had the greatest increase in residential population - up 14.9% during the same period.

Figure 11



Source: 2002 Mid-year population estimates – NISRA

The Metropolitan Economy

2.19 Belfast’s economy has performed well over the last seven years. Between 1995 and 2001 the Gross Value Added generated in the city was up 47.3% from £3,862 million to £5,688 million; an increase ahead of regional and national trends.

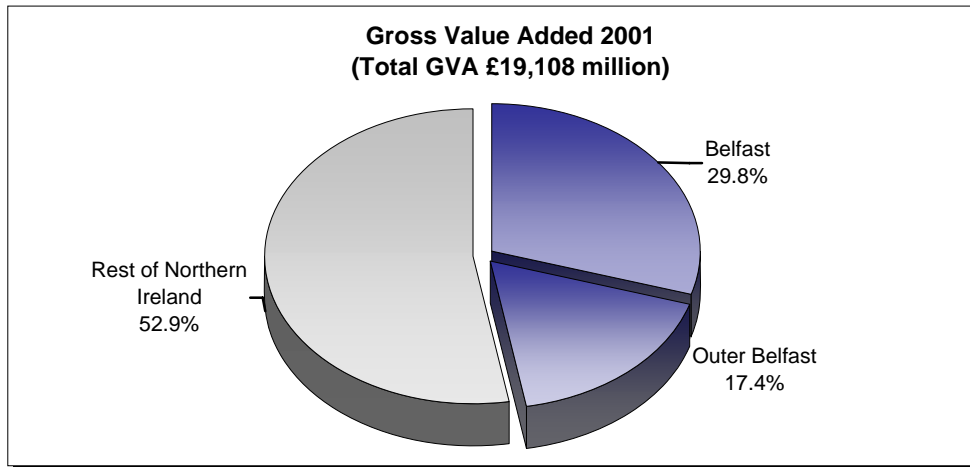
Table 2: Total Gross Value Added at current basic prices 1995-2001 (£million)

	1995	2001	% change
Belfast	£3,826	£5,688	48.7
Outer Belfast	£2,449	£3,317	35.4
Belfast Metropolitan Area	£6,275	£9,005	43.5
Northern Ireland	£14,273	£19,108	33.9
UK	£639,908	£874,227	36.6

Source: ONS

2.20 Belfast is Northern Ireland’s most productive area. Almost half (47.1%) of all Northern Ireland’s GVA is generated in the Belfast Metropolitan Area.

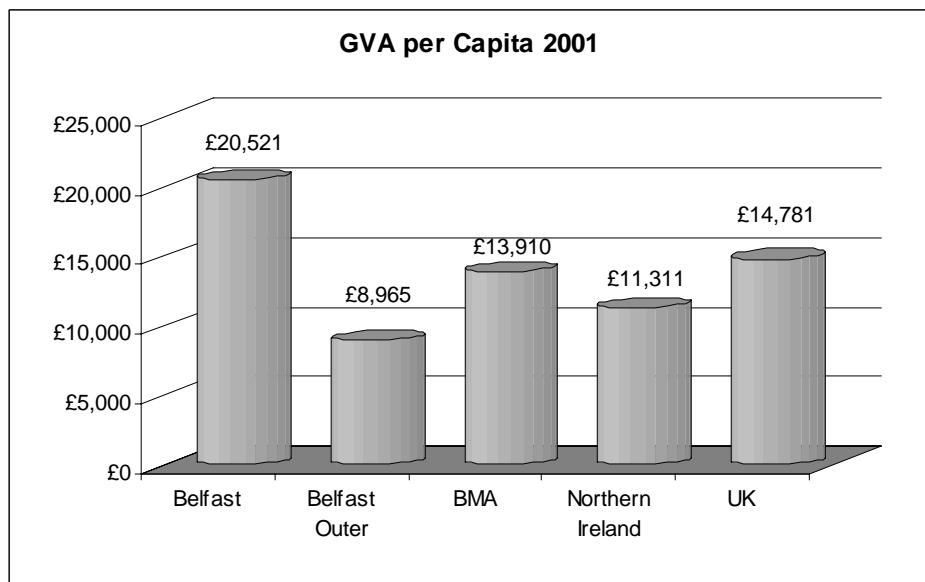
Figure 12



Source: ONS Sub Regional GVA 2001

2.21 Belfast's GVA per capita is high at £20,251. This is due to the high jobs to residents ratio. GVA per capita is calculated by dividing the estimated workplace GVA by the residential population. Consequently areas which have high levels of in-commuting also have high levels of GVA per capita. A high GVA per capita figure is also an indication of a productive workforce and shows how Belfast leads the region.

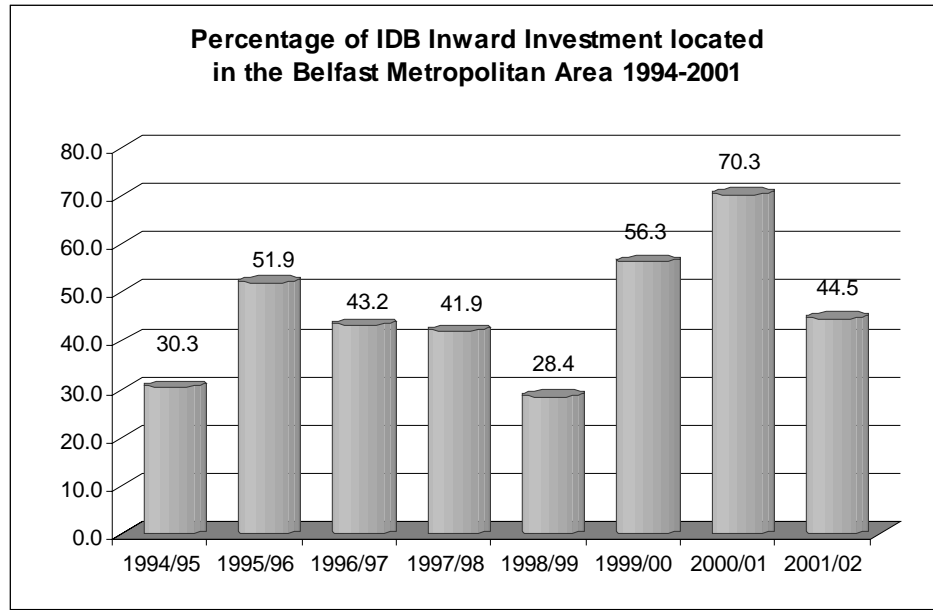
Figure 13



Source: ONS Sub Regional GVA 2001

2.22 In 2001/2002 45% of the inward investment secured by the Industrial Development Board was located in the Belfast Metropolitan Area. Between 1994 and 2001/2, the yearly average amount of IDB related investment in the Belfast Metropolitan Area was £206 million, 46% of the Northern Ireland total.

Figure 14

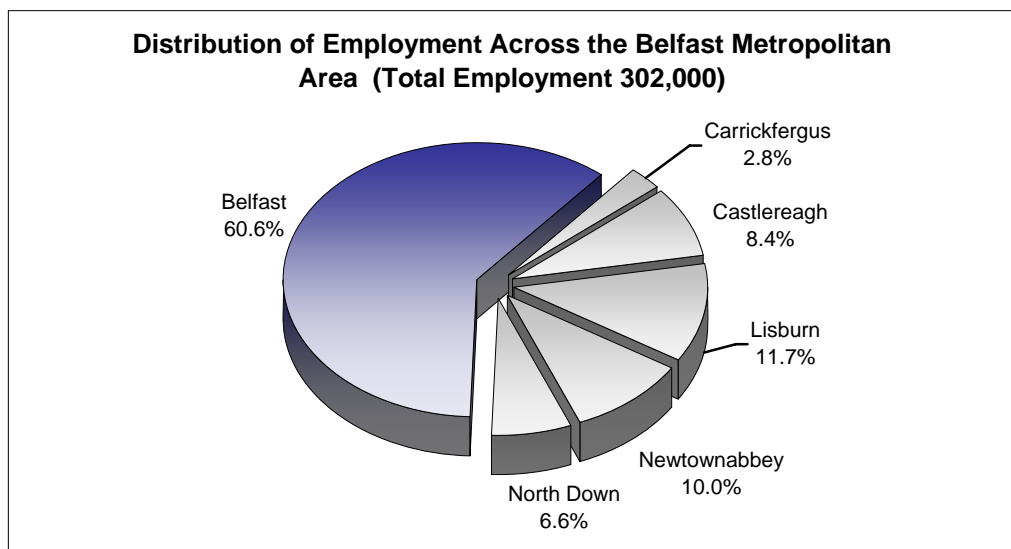


Source: Industrial Development Board Annual Report and Accounts 2001/2

Employment

2.23 More than 302,000 people are employed in the Belfast Metropolitan Area, and 60.6% of these jobs are located in Belfast city.

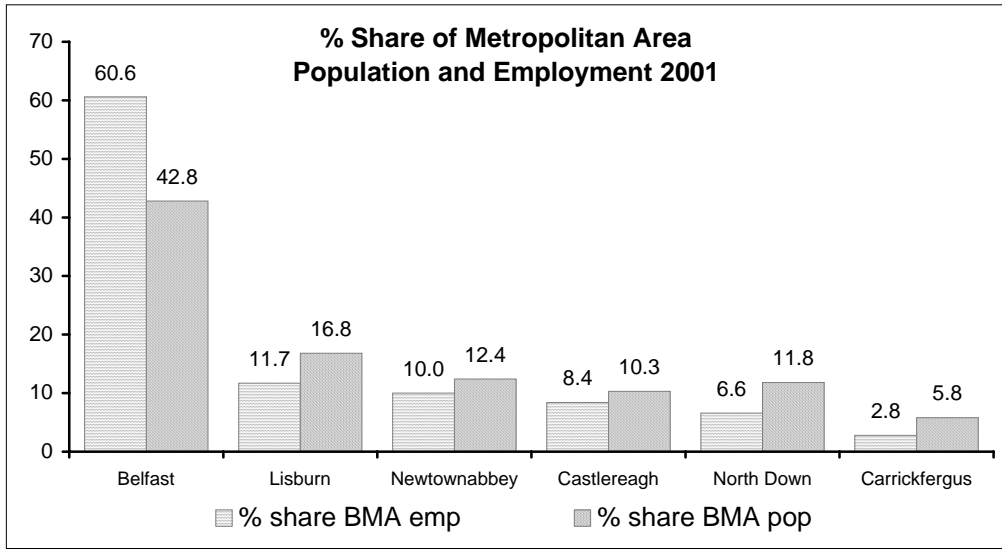
Figure 15



Source: DETI Census of Employment 2001

2.24 Belfast City's share of regional employment is higher than its share of regional population. This contributes to high levels of commuting into the city. Three quarters (74%) of those who live in the outer Belfast area travel to work by car, compared to 57% of Belfast residents. Car ownership is also higher in the outer Belfast area.

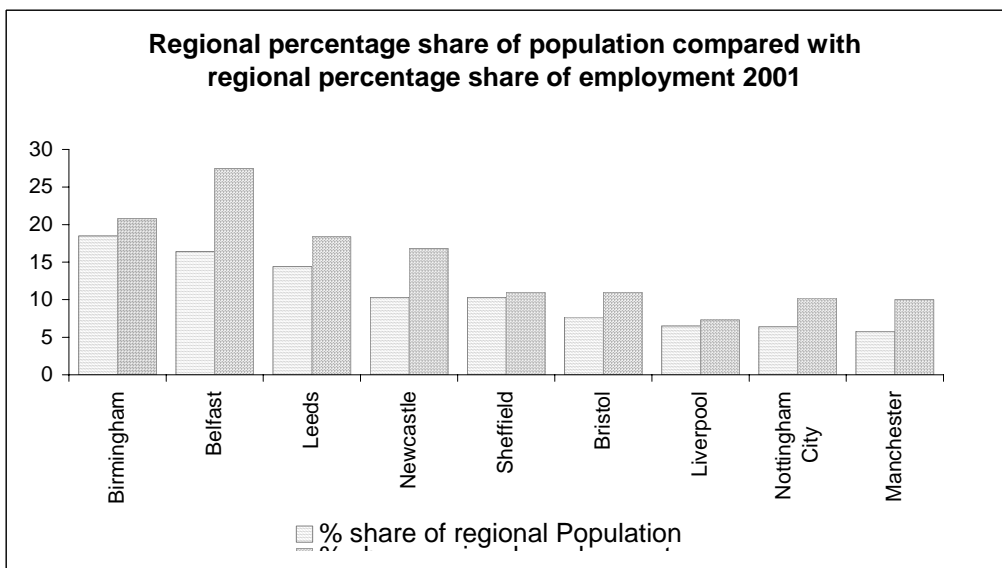
Figure 16



Source: Mid Year Population Estimates 2002 and Census of Employment 2001

2.25 Belfast's share of regional employment is 11 percentage points higher than its share of regional population – a higher share than any of the Core Cities. This indicates that, despite employment growth behind the regional average, the city remains the employment centre of Northern Ireland.

Figure 17



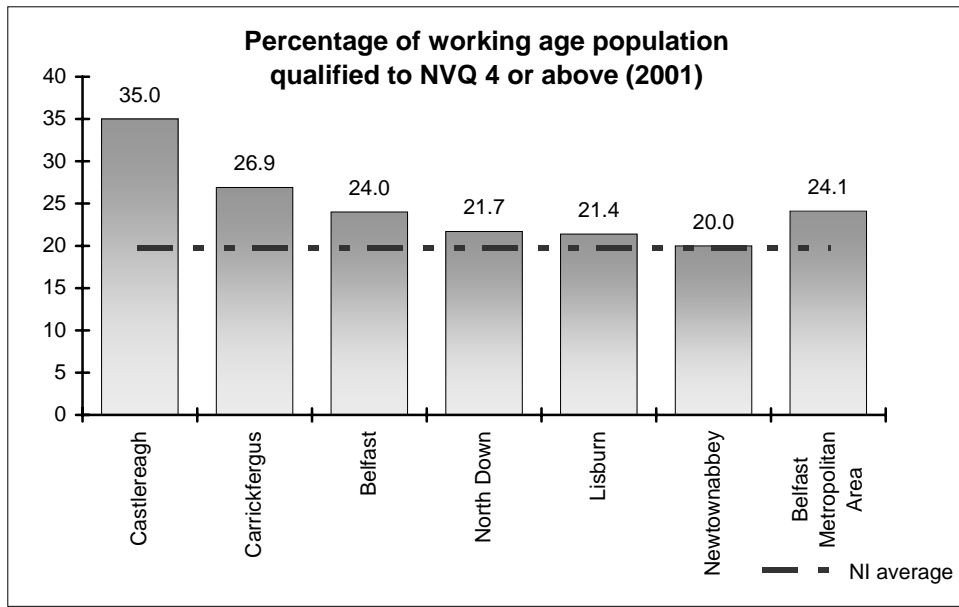
Source: NOMIS/ONS/DETNI - ABI

2.26 Employment in the Belfast Metropolitan Area is dominated by the public sector. More than a third (35.5%) of total employment is accounted for by public administration, defence, education and health and social work. In terms of the numbers employed, each of these sectors is over represented in the Belfast Metropolitan Area when compared to the national average.

Human capital

2.27 The workforce living in the Belfast Metropolitan Area is well qualified, almost a quarter (24.1%) have achieved NVQ level 4 or above – equivalent to degree standard. This is well above the Northern Ireland average of 19.7%. Castlereagh has the highest proportion of well qualified residents. At the same time as having a large proportion of well qualified residents, a substantial proportion of those living in the Belfast Metropolitan Area have no qualifications at all.

Figure 18



Source: Labour Force Survey Annual Database 2001

Table 3: Percentage of residents with no qualifications 2001

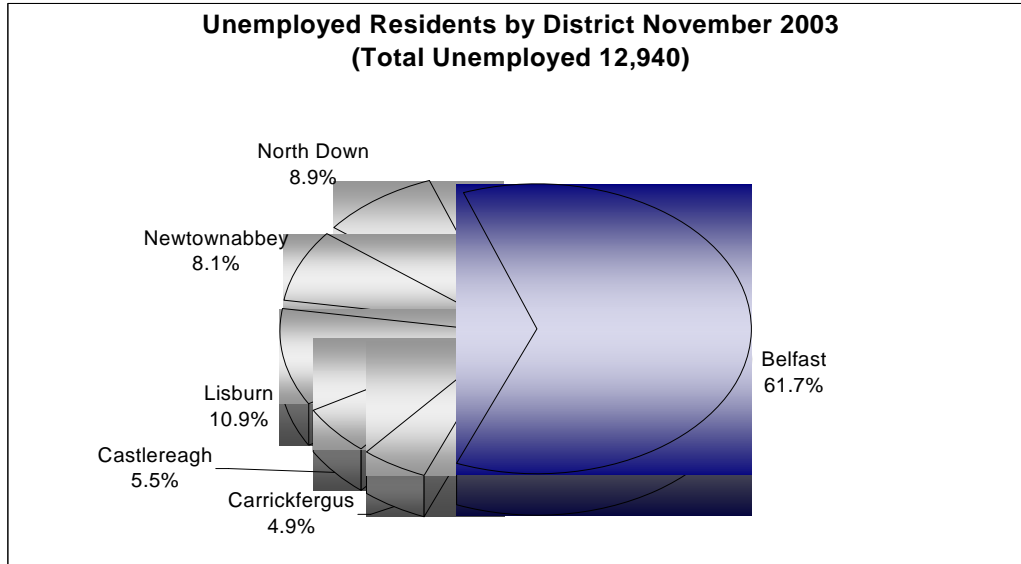
	% residents with no qualifications 2001
Northern Ireland	25.3
Belfast	26.9
Lisburn	20
Newtown-abbey	16
North Down	15.2
Carrickfergus	N/A
Castlereagh	N/A

Source: Labour Force Survey Annual Database 2001

Deprivation

2.28 12,940 residents of the Belfast Metropolitan Area were registered as unemployed in November 2003. Six out of every ten unemployed residents live in the Belfast City District.

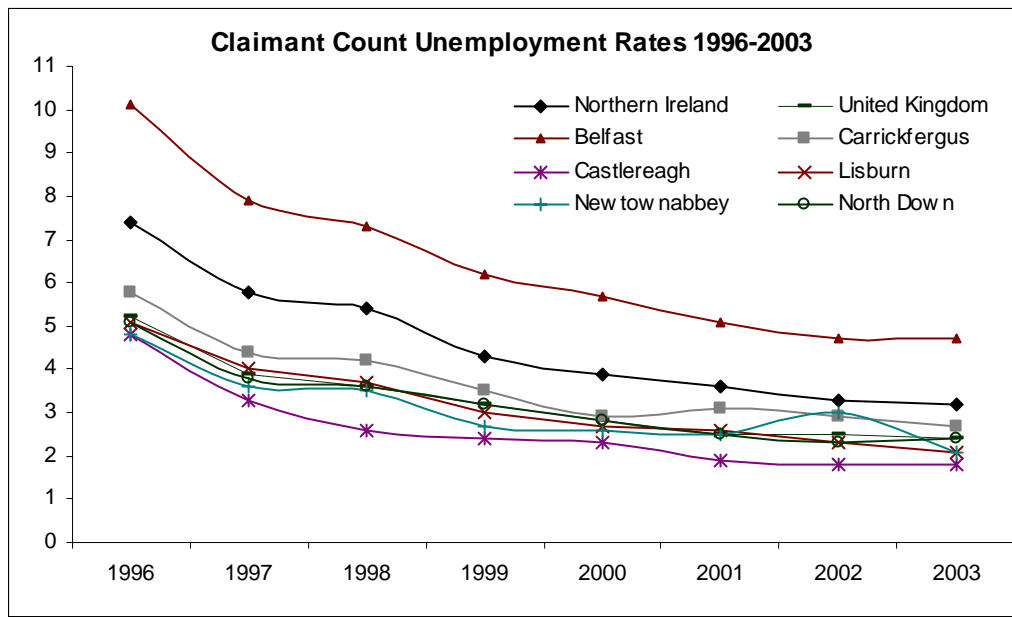
Figure 19



Source: NOMIS/ONS

2.29 Between November 1996 and November 2003 the number of Belfast Metropolitan Area residents claiming unemployment benefit fell by 54% - in line with regional trends and ahead of national falls in claimant count unemployment. Claimant count unemployment rates vary across the Districts of the Belfast Metropolitan Area from 2.1% in Castlereagh to 5.2% in Belfast. All the outer Belfast Districts have claimant count unemployment rates below the Northern Ireland average.

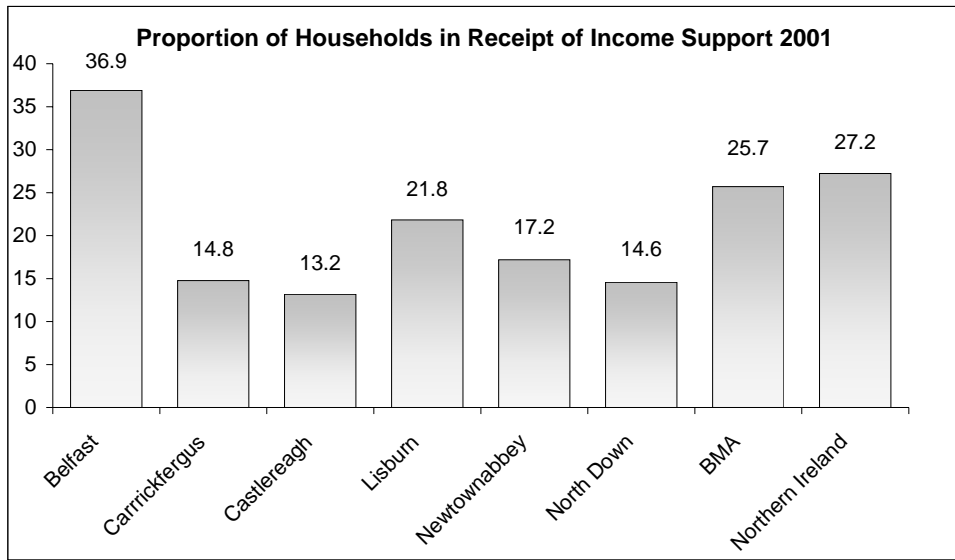
Figure 20



Source: NOMIS/ONS

2.30 Across the Belfast Metropolitan Area a quarter of households (25.7%) were in receipt of Income Support in 2001. This average hides significant variation from 37% of households in Belfast to just 13% of households in Castlereagh.

Figure 21



Source: NISRA/ Belfast City Council

Summary

2.31 This section of the report has presented a wide variety of comparative data about Belfast’s economic performance and assessed its economic competitiveness in relation to a large number of European cities. It has identified the challenges Belfast faces as well as some of the improvements it has made. It shows that Belfast lags behind many of the successful continental cities. Nevertheless it compares surprisingly well with some of the leading provincial cities in England. There are many things on which the city can build to improve its economic performance in future. However, the final characteristic of a successful city we have identified in our work is the strategic capacity to mobilise resources and implement long term development strategies. In a nutshell this refers to the political, policy-making or governance capacity of cities. Much of our work on successful European cities has shown that really successful places can get their act together to respond to difficult challenges or seize the opportunities presented to them. Our discussions with a wide range of people in Belfast suggest that this is probably the most significant problem the city faces. Yet it is also one that could be changed most dramatically if there were the will. The next section of the report discusses those challenges. The final section makes proposals a way to respond to them.

3. WHAT ARE THE FACTORS INHIBITING BELFAST'S PERFORMANCE?

Governance and decision-making - fragmentation and inefficiency

- 3.1 Our work on successful European cities demonstrated that strategic decision-making capacity, good governance is a critical feature of competitiveness. However, our discussions with senior decision-makers in the city has underlined the scale of this challenge this presented to Belfast. At present, for a variety of well known historical reasons, Belfast is not a well-governed city. Responsibility is fragmented. The local authority has relatively few responsibilities, powers and resources. There are a plethora of strategies for different parts of Belfast. But there is much less indication that these are capable of actually being delivered. There are substantial divisions between local and national government. There is a substantial division between the main parts of the province. There are substantial divisions between Belfast and the rest of the metropolitan area. And there are substantial divisions within the city itself, with few champions for the whole of the city as opposed to small parts of it.

The City Centre

- 3.2 The city centre is both a challenge and an opportunity. During the troubles it was essentially a no-go area and fell far behind standards expected of a city of its size. However, a part of the peace dividend has been that the city centre has been revitalising very quickly. There is investment, life and optimism around the city centre. But it is still not good enough. There are important pieces which have been achieved but there are other parts which are still lagging behind in quality of environment, maintenance, and physical architecture, mobility.

Lack of Trust

- 3.3 There is a clear lack of trust between different constituencies in Belfast which make it difficult to make progress and build upon development which have occurred. There are substantial differences in perceptions between national and local government. Some important efforts are being made to bridge that gap. And there have been expressions of good intent from senior policy-makers. But not enough of the key players actually believe there is a willingness to work in partnership. It would be helpful if there were an issue on which partnership could actually be demonstrated rather than simply expressed. The city centre might be such an issue. We return to that later.

Departmental fragmentation

- 3.4 It is difficult for an outsider to form a realistic impression of real relationships between different partners. But it is consistently alleged that central government is fragmented into silos in which now eleven departments instead of six encourage confusion and duplication rather than cooperation. It is alleged that such differences have slowed down decision-making in the city and made development slower to achieve.

Planning too slow

- 3.5 There is a particular view that the planning process is simply too slow. This view was put forcibly by the private and public sector. There is a feeling that the scale and complexity of planning decisions has outweighed the capacity and competence of the planning department. It is an issue which if true needs addressing quickly and if not true needs to be clearly explained.

Civil servants and local officials – a culture of disdain?

- 3.6 Although senior civil servants do not express these views, there is a view in local government that they are not valued or seen as competent by civil servants. The reciprocal feeling expressed is that civil servants have no experience of directly delivering policies and programmes on the ground but make them anyway – which is why they are less than productive. It is alleged that when central government says it wished to act in partnership, in fact, it acts high-handedly handing down policy decisions without consultation.

Turf, territory and conflicts.

- 3.7 There are a series of tensions around turf and territory which make it very difficult to build Belfast and to increase its competitiveness. Part of the difficulty is that there is not a consensus about how much Belfast matters to the province and to the metropolitan area. Our work on cities and regions for the Core Cities underlined that cities increasingly drive their regional hinterlands in economic terms. That is the experience in Canada, the United States, continental Europe. It is increasingly recognised in England with recent policy pronouncements from ODPM. However, it is not universally accepted in the province that Belfast does or should play that role. There is a series of divisions arranged around territories. First there is a division of opinion so that Belfast is not recognised as the major player in the economy. Other places and particularly Londonderry believe they are as important as Belfast. As a consequence it is alleged that any efforts to focus and concentrate upon Belfast are defeated by demands that other places should get comparable treatment. Such divisions are also found in the republic with conflicts between Dublin and the west coast towns. But it was put to me that there is clear community explanation to this with the preponderance of Londonderry being Catholic.
- 3.8 The second territorial division is within the Belfast Metropolitan Area. There is real evidence of territorial competition between Belfast and the local authorities which make up the region, with each seeking its share of growth and wishing to separate themselves from Belfast. This is despite the fact that our report demonstrated that Belfast is actually the economic driver of the metropolitan area.
- 3.9 This territorial divide is replicated within the city. Different communities clearly live in different areas of the city. This means that there is no sense that the city as a whole is a single community. And the logic observed at a province level is replicated where no part of the city can be given facilities or resources unless another part is given similar treatment. Allied to this is the common observation amongst politicians and professional officers that there are not votes in the city centre. This makes it very difficult to get a recognition that the city is a communal asset which could be developed.

Partnership fatigue

- 3.10 Apart from territorial fragmentation, another consequence is that each community has developed its governance arrangements. In particular different parts of the city have a series of overlapping partnerships. There is clear partnership fatigue in the city. There is a feeling that many partnerships are underpinned by European funding which discourages rationalisation. But there is a growing realisation that whether this model is desirable or not, it is unsustainable in the long term. Objective 1 money may not be available after 2006 and patterns of engagement and decision-making will need to be revised.

Strategy fatigue

- 3.11 Just as there is partnership fatigue, there is strategy fatigue. One of the consequences of fragmented communities, institutions and policy-making is that there has been an uncontrolled growth in strategic plans for the city. The standing joke in interviews with senior policy-makers is to guess the precise number of strategies for the city. Typically it is said to be 55. But a review of them makes clear that there is little overlap or coherence between them, with many different agencies working for different purposes on different time scales, along different boundaries with different resources. This is a familiar problem in English large cities. But it is much worse in Belfast.

Public private culture

- 3.12 Our evidence showed that Belfast rates very lowly on its innovation levels. At least part of that must be explained by the size and impact of the public sector in the province. The public sector is large as is public sector employment. In many ways this explains the relatively high standards of living and GDP levels. It suggests why the BMW franchise in the city sells more cars than any other in the UK for its size, as one senior observer pointed out. But it was consistently put to me that this dependence on the public sector makes individuals risk-averse and discourages an entrepreneurial culture. It is constantly alleged that talented people would rather enter the public sector and take fewer risks and accept fewer rewards.

Weak local government

- 3.13 Since 1971 local authorities in the province have not had responsibility for many of the key services that local authorities have in England and which impact upon the competitiveness of the city of Belfast – education, transport, innovation, marketing. The review of public administration is currently reviewing these issues. In particular it has suggested there are four alternative models for local government, from status quo at one end to fewer more powerful local authorities at the other. Views differ strongly. But comparing the province with other countries, there are far too many small local authorities in the province and within Belfast. And in terms of enhancing the economic competitiveness of Belfast, the pattern is at best sub-optimal. At a time when every country in Europe is seeking to operate at sub-regional rather than urban level on the key economic development issues – transport, the environment, training research and development - the proliferation of small weak local authorities seems perverse. It will be difficult to shift these arrangements in view of the politics of turf we have outlined at a variety of spatial levels. But it should be directly confronted.
- 3.14 This raises a particular problem for Belfast. The local authority is simply too weak to act as the powerful champion for regeneration, as its counterparts in England are doing. Local authorities in the big cities have been changing their roles in recent years acting as strategic mobilisers and encouraging partnerships between key players. Although many politicians and officers in Belfast would like this to happen, there is a recognition that it does not have the formal powers and responsibilities - and perhaps the sufficiently qualified people - to do this. Since national government tends to talk for the province as a whole, and the private sector is relatively weak with few heavy hitters, the championship role for the city tends to go by default.
- 3.15 The fact that local government does not have responsibility for many public services means that many such responsibilities are looked after by public agencies or quangos. This means that there is a proliferation of agencies which are not directly accountable to the electorate. Again in many eyes this confuses accountability - as well as being administratively inefficient.

Frozen attitudes - frozen institutions

- 3.16 The overwhelming impact upon this sympathetic observer is of frozen institutions and attitudes that are not helpful to a city trying to sharpen its act and join the competition in the European big league. Something needs to unblock both if Belfast is to build upon what it has got going for it.

4. BREAKING THE MOULD: THE CITY CENTRE AS CATALYST?

Timing ripe for change?

- 4.1 Much of this discussion of politics and policy-making in Belfast makes gloomy reading. But it could be turned to an advantage. So many things are changing that it may be the right moment to try to break the mould. Why?
- 4.2 The future of devolved administration and the assembly means that there is currently partial paralysis with English ministers perhaps unable to give clear leadership and civil servants reticent to step into that breach. But that position may not last for ever.
- 4.3 The review of public administration will say something about local government. It may be the moment for it to argue for stronger local government.
- 4.4 The potential ending or reduction of Objective 1 resources in 2006 means that some thought must be given soon to the pattern of community participation in decision-making and neighbourhoods and what that will look like in the near future.
- 4.5 Laganside Development Corporation has a full order book but may not be around after 2007 to make its contribution. Policy-makers need to decide how the city can best capitalise upon the Corporation's many achievements and skills without necessarily repeating some of the failings of which it has been – fairly or unfairly - accused.
- 4.6 There is a growing recognition by senior civil servants of the real strides that Belfast City Council has made in recent years. As one senior local politician put it, the local authority cannot be seen as a joke anymore. This is particularly reinforced by the recognition given to the Department of Economic Development during the past five years. It has acted as a champion for the city with its arm length companies Invest in Belfast, Tourism and Visitor bureau, its networking and its strategic documents.
- 4.7 Senior civil servants have insisted that they do not wish to control all aspects of Belfast and its development and rather that they wish to work together as partners with other players. They have recognised that the current Belfast Steering Committee is essentially a talking shop and the city needs something with teeth to deliver further development.

What role for the City Centre?

- 4.8 The real opportunity lies around the economic development of the city centre. It has experienced substantial development during the past five years. In some ways it remains a missed opportunity with many problems remaining. But the investments taking place, symbolised by the Victoria Square development, indicates that growth will continue. The success of the Odyssey and the opportunities offered by the Titanic Quarter underline all of this. And there will be continuing demand. Currently there is no clear focus upon the city centre. There is no single agency able to champion the cause. There is a weak steering committee which cannot affect decisions. There are too many strategies and not enough implementation. There are too many partnerships but not enough delivery capacity. The city centre is not punching its weight.

4.9 A real debate about the future of the city centre and designing a delivery vehicle could have a number of advantages. It could warm frozen attitudes and institutions. It would be an opportunity to test assertions:

- by senior civil servants that they do not want to control and that they do respect the local authority;
- that they do want to integrate not fragment their efforts;
- that they are willing to speed up the planning process;
- that they do want to introduce greater transparency and accountability into the governance of the city;
- in the Regional Strategy that Belfast really is the driver of metropolitan and regional economy and needs to be supported;
- by the local authority that Belfast city council has become more grown up.

4.6 What is needed is a vehicle which could take critical decisions about the development of the city centre and bring the necessary players to the table who would want to deliver it.

Is there any support for such an agency.?

4.7 There are many questions. And there are many fears that such an agency would:

- simply be another layer of bureaucracy;
- be another partnership in a city which is drowning in them;
- would be insufficiently accountable, as Laganside is sometimes accused of being;
- take power away from local politicians;
- take power from the local authority;
- exclude the communities and simply be concerned with the economic development the city centre narrowly defined;
- not get the support of political parties on the council;
- not get the support of senior politicians who hope to have important jobs in a future assembly and who would not create a more powerful organisation which might compete with them in future.

4.8 These are important concerns which cannot simply be ignored. But there are good reasons for exploring such an approach. It would require trust, sensitivity, bravery and imagination. The details need to be worked out by all partners. But the principle is worth exploring. In Belfast there are always a hundred reasons for not doing things. But this is achievable and might be doable.

4.9 Even those who raise these concerns accept there might be something in it. For example:

- The Chief Executive is concerned that processes not institutions are important. But this could improve the process of policy-making. He recognised there might be some merit in it if: it was accountable; the local authority had an important role; it reduced not increased partnership; it could show it would deliver benefits to all communities.
- The Chair of the Economic Development Committee was concerned about losing power and accountability. But he accepted that in fact local politicians have very little anyway. There is in fact a fear of losing something which does not exist.
- Senior private sector figures in Titanic Quarter and in the Victoria Square development have said the idea has real merit.
- Senior figures in DSD have said the idea is worth exploring.
- Senior figures in Department of Environment have agreed.
- Invest in Belfast thought there may be something to explore.

- Laganside Development Corporation thinks the principle is worth exploring.

4.10 It is not the purpose of this report to make a specific recommendation for such a body. It is to report the state of opinion about it. And there is considerable willingness to explore it. Many issues would need to be resolved, including:

What would it do – potential functions

- Economic development
- Addressing the shape of the city centre
- Promoting the city
- Engaging the private sector

Where it would operate - its boundaries

- Making sure there was linkage from the city to the communities in terms of jobs;
- small enough to achieve something;
- linked into the surrounding communities and in the east of the river as well.

Accountability

- Senior politicians from different parties would need to support the argument and Ministers would need to be persuaded that it was desirable and possible.
- There is genuine concern that such a body should not repeat some of the alleged weaknesses of the Laganside Development Corporation. It would need substantial local authority and community representation.
- It should be a small body containing the very senior players - Chief Executive of the local authority, senior civil servants, very senior local politicians and heavy hitters from the private and community sector

4.11 This model after a period of disenchantment has become increasingly fashionable in England. Different models are being explored from Urban Regeneration Companies to Urban Development Corporation. They have a mix of powers and resources. There would need to be a debate about what the agency should have.

Conclusion

4.12 Anything can fail. But the evidence suggests this might be win-win. Even if the institution is not achieved, the process of trying to get there seriously would be a way of trying to unfreeze attitudes and institutions and testing good will.