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JOHN KEANIE, M.B.A. Town Clerk and Chief Executive



DERRY CITY COUNCIL

Our Ref. JK/ac

1 November, 1994

1-4 NOV 1994

Mr Nigel Hamilton Under Secretary

Department of the Environment N.I.

Clarence Court

10-18 Adelaide Street

BELFAST BT2 8GB

Dear Mr Hamilton

European Union - Economic Assistance

Thank you for your letter of 1st November, 1994.

The Special Advisers to the Task Force which you mention in your letter met with Derry City Council last Friday, 28th October, 1994.

Subsequent to that meeting I have produced a paper as an "Initial Submission" a copy of which I now enclose for your attention.

I look forward to developing the process further and would welcome any comments you wish to make on my paper.

Yours sincerely

TOWN CLERK AND CHIEF EXECUTIVE.



DERRY CITY COUNCIL

INITIAL SUBMISSION TO

"PROGRAMME FOR PEACE AND RECONCILIATION"

31ST OCTOBER, 1994.

INTRODUCTION

On Friday, 28th October, 1994, a team of Elected Members and Senior Officers from Derry City Council met with the Special Advisers to the Delors Task Force for the Programme for Peace and Reconciliation.

The Derry City Council team comprised the following:

- Deputy Mayor
- Committee Chairmen
- Town Clerk and Chief Executive
- Chief Officers.

The Special Advisers were

- Mr. H. Logue and Mr. H. McNally, European Commission
- Dr. R. Ramsay, European Parliament.

In addition to meeting the Derry City Council team, the Special Advisers met with a wide range of other interests during the rest of the day. This programme was organised by Derry City Council and included:-

- North West Region Cross Border Group of Councils
- Educational Sector
- Irish Language Groups
- Many community and voluntary organisations
- Private Sector representatives from both sides of the Border.
- The neighbouring Councils of Strabane, Limavady and Omagh.
- Western Health and Social Services Board Representatives.
- Londonderry Development Office, Department of the Environment.

Many of the above interests presented written papers as well as engaging in discussion with the Special Advisers.

It is expected that the resulting bids from such a range of interests will ensure that the Derry City Council area and, indeed, the whole of the North West, will receive substantial funding, from the Programme for Peace and Reconciliation, to enable the implementation of an exciting and meaningful North West Programme which will capitalise, on behalf of the people of the area, on this special moment in our history, and which will fulfil the objectives of the Delors package - job creation and reconciliation.

DERRY CITY COUNCIL BID

The remainder of this paper will concentrate on the specific bid for funding by Derry City Council, having regard to the functions of the Council and bearing in mind the urgency with which action must now be taken.

The Council's aim is to use the fund to make an impact to show people something has changed, through practical projects on the ground.

The Council aims to respond to the programme's call for new and exciting projects.

At the Meeting with the Special Advisers, there was clearly a considerable "meeting of minds" between the Council and the Advisers on the nature of the proposed programme, and this paper is designed to follow up on that rapport to produce mutually acceptable proposals which are achievable by the Council if the financial support is forthcoming.

GENERAL POINTS

The following points were made by the Council and discussed with the Advisers:

- 1. Councils in Northern Ireland generally have a good record, and Derry City Council has a particularly good record, in delivering high-quality projects, on time and within budget, utilising EU funding.
 - Recent examples in Derry are the City of Derry Airport and the triple award winning Tower Museum.
- 2. Councils have formal responsibility for Community Relations programmes and Economic Development programmes. Local Government clearly, therefore, has a major role to play, bringing together these responsibilities in the successful implementation of the Delors package.
- 3. The idea of global funding to each Council area is an attractive one which would allow controlled application of the monies to approved programmes over, say, a five year period.

This would also ensure that the "separateness" of the programme would be established and maintained. The programme would therefore not fall into the traditional "additionality" arguments, would not be subject to time-wasting bureaucratic input, and the constituent proposals could be appraised appropriately for value-for-money and effectiveness for Derry and the North West, rather than by the standard investment appraisal methods, applied by Central Government, which often militate against areas such as the North West.

An example of this is in roads infrastructure proposals. The North West's population and traffic densities would not, under current appraisal methods, attract major funding, but there is an urgent need for improved roads infrastructure, to boost economic performance and potential and to maximise the effectiveness of the already substantial investment in the area by the EU, the National Governments, the Local Authorities and the Private Sector.

4. The proposed <u>level</u> of funding will be vital to the successful implementation of this programme. Derry City Council has a number of new and exciting proposals in its development plans. The Council believes that many of these proposals resonate strongly with the core objectives of the Delors package. That is, they provide jobs, enhance the physical and PR image of Derry and the North west, and they bring communities together, across religious and political divides and across local-government boundaries and national borders.

Derry City Council's view is that these proposals should be accelerated under the Delors package, so that their benefits can be experienced more quickly and can be seen as part of the "peace dividend". However, if Council is to provide partnership funding, with the EU, to implement the proposals, a funding level of no less than 85% will be required to make a real difference.

With an 85% funding level, Derry City Council will be able to accelerate its programme substantially.

5. On the question of distribution of funding for the Programme, across the various Council areas, Derry City Council feels strongly that the basis for distribution should be the Economic and Social Deprivation indices. There is an argument, advanced particularly by the less deprived Council areas, that equity across the Council areas should influence the distribution, but since Derry and the North West continue to demonstrate unemployment levels at twice the UK average, including an alarming level of long-term unemployment, and severe social deprivation, the Delors Programme would be failing in meeting its objectives if it did not concentrate significantly on the more deprived areas.

SPECIFIC POINTS

- Derry is the largest border town which has suffered in a major way from the events of the past twenty-five years. The Delors package should provide assistance for continuing the improvement of the physical and PR image of Derry.
- 2. There are still serious infrastructural gaps to be filled if Derry is to achieve its vision of being a major European City which is outward-looking and takes its rightful place as the economic capital of the North West. The A5 road running south is a major weakness which is being expressed by the North West Region Cross Border Group of Councils and all of the Northern Councils, from Derry to Dungannon and Armagh.

The lack of a Theatre of Regional Status, and the lack of city centre hotel accommodation, are further examples which constrain Derry's development as a true Regional Capital. Some of these gaps will be addressed by other organisations, but Derry City Council wishes to express its strong support for proposals such as the Western Spine route and a city centre hotel. The Theatre proposal will be specifically addressed later in this paper.

3. Human resource development is most important if the economic development plans of Council and other organisations are to be realised. This refers to the development of our greatest asset, our people, and it refers not just to job skills training, but to personal development, visioning, motivation etc.

The point was made, at the meeting with the Special Advisers that, whilst many of the human resource development programmes are the direct responsibility of organisations other than Derry City Council, in fact the Council enables a range of these organisations to carry out such work, helping them with financial, administrative and moral support. Any funding, therefore, which enables Derry City Council to accelerate its other programmes will free up funding which can be used to enhance this enabling work.

- 4. The importance of recreational facilities to the peace process plays a strong part in Derry City Council's programmes, e.g. parks and playing fields at interface areas or involving cross-community partnerships. A number of such proposals will be advanced when the Delors package moves forward to invite specific project proposals.
- 5. Marketing Derry and the North West, locally, nationally and internationally has been the subject of major programmes in Derry City Council, involving the Council and a range of partners from the public, private and voluntary sectors.

There are several well-targetted objectives to this work, including

- building locally on the "feel good" factor to assist in the process of improving self-belief, and motivation;
- attracting visitors to the area as day visitors, longer stay tourists or those visiting friends or relations;
- attracting potential investors to come and see for themselves the environmental, demographic, economic and funding advantages that Derry and the North West offers.

Derry City Council intends to advance proposals in this area at the next stage of the Delors package.

6. Rural Development is an area of endeavour where Derry City Council's Rural Development Working Party, together with its Community Services Department, is devising, with a number of voluntary and statutory organisations, an important set of proposals designed to address the specific development needs of the area's rural population. These proposals will also feature in the next stage of the Delors package.

The rural development proposals were initially intended to form a "LEADER" application, and this highlights an important point in respect of the relationship between the Delors package and the LEADER and URBAN initiatives. There appears to be an assumption that, to some extent, funding from the Delors package will help to cater for areas not in receipt of LEADER or URBAN funding. There also appears to be an assumption in some quarters that Derry will benefit from URBAN and may also benefit from LEADER.

As far as Derry City Council is aware, the UK Government does not seem to be supportive of an URBAN application from Derry, and it is too early yet to form an opinion as to the possible success of a LEADER application.

SUMMARY OF POINTS

Derry City Council welcomes the important opportunity presented by the Delors Programme for Peace and Reconciliation. The Council finds that the objectives, ethos and timing of the Programme is perfect for advancing the work already begun by Council and the Council is pleased that this correlation between the Delors Programme intentions, and the Council's own intentions, is so close.

The points which Derry City Council believes must be addressed, to ensure a successful programme, are as follows:-

- Council's excellent track record.
- 2. Council's dual role of Community Relations and Economic Development.
- 3. The need for a global funding arrangement over, say, a five-year period.
- 4. The need for a substantial level of grant, say 85%, to achieve new projects through the acceleration of strategies and action plans.
- 5. Social deprivation and economic indices should be used as the main basis for the distribution of funding.

Also the SEPARATENESS of the programme must be established and maintained, from its inception to its successful implementation.

The areas which will be addressed in Derry City Council's specific proposals will include :-

- 1. Physical and PR image of Derry as a major border town which has suffered during the past twenty-five years.
- Infrastructural gaps which must be filled to ensure Derry's continuing development as an important European City.
- 3. The development of our people through skills training, personal development and motivation.
- 4. The importance of recreational facilities to the peace process.
- 5. Marketing Derry and the North-West, locally, nationally and internationally.
- 6. Rural Development.

PROJECTS

The Special Advisers explained that, at this stage, specific project proposals are not being sought, but that, if the Council has projects on which it is particularly keen in the context of the Delors Programme, it could begin to bring them forward.

The Council took the opportunity to bring forward two specific proposals :-

- 1. A Regional Theatre for the North-West and
- 2. A Tourist Information Centre to house Derry's Visitor and Convention Bureau and to enhance Cross-Border tourism promotion in a partnership involving the public and private sectors. This proposal is unique in Ireland and is modelled on an internationally successful formula employed in over 300 cities and areas worldwide.

These two projects are more fully explained in Appendices A1 and A2 of this paper.

The Council also took the opportunity to discuss a proposed regional (Cross-Border) waste management package which is currently being explored by local councils and other organisations.

CONCLUSION

At this stage of the Delors Programme, with no indication of the amount of funding to be made available, and with the statement by the Special Advisers that specific project proposals are not yet being sought, it is not possible to develop Derry City Council's proposals to their final state.

However, Derry City Council wishes this paper to be accepted as a formal bid for the Council's inclusion in the programme, and wishes to state that in addition to the two specific projects outlined in Appendices A1 and A2, the Council is developing a package of further proposals relating to points 1 to 6 in the section of this paper entitled "Specific Points".

APPENDIX A1

THEATRE FOR THE NORTH WEST

Derry City Council is committed to the provision of a multi-functional theatre for the North West. The project will encompass a professionally equipped theatre for the performing arts, a concert hall and entertainment centre and a conference and civic centre with associated catering and refreshment facilities. It is the Council's No. 1 priority.

The theatre is designed to have a flexible auditorium of approximately 1,000 seats to accommodate the mixed uses referred to above. The stage is equipped to handle both in-house productions and professional touring companies in the various disciplines of the performing arts such as dance, drama and music.

The provision of the theatre will play a major role in encouraging all sections of the local population to come back to the city centre. It will also have a major impact on community relations as the programmes, conferences and entertainment associated with the complex will attract all sections of the community. The theatre will be the foremost "neutral" meeting point in the entire North West.

The Council also feels confident that the provision of the theatre will have major economic advantages. The theatre will enhance the city's image as the regional capital and will be an important magnet to attract locals and outsiders alike. It is anticipated that the effect and economic spin off will be similar to that evidenced when the Grand Opera House was re-established in Belfast. The theatre will make a major statement about Derry locally, nationally and internationally.

Also in economic terms it is important to reflect on the interplay between the theatre and the growing number of hotel and catering outlets in the city. It will provide a major conference venue which should help to develop further the city's growing role as a medium scale conference destination. A properly balanced summer entertainment programme will attract visitors from both the north Derry and Donegal coastal resorts during the tourist season.

There is no purpose built theatre in the North West Region. The closest are at Coleraine (55 Km) and Enniskillen (95 Km). Current use of makeshift space in a converted cinema, the Rialto, has led Council to believe that the region can sustain a 1000 seater auditorium.

The Council, in June of this year, advertised for developers to come forward in partnership with the Council to provide a theatre. Seven submissions have been received ranging in capital cost estimates from £9 million to £14 million. Various private/public partnership arrangements are suggested in the submissions.

The Council intends to have the submissions analysed and decisions taken by the end of the current calendar year.

APPENDIX A2

TOURIST INFORMATION CENTRE

One of the projects which Derry City Council is particularly keen to progress is the development of a purpose-built Tourist Information Centre. Despite having many major attractions in the area such as the historic City Walls, the award winning Tower Museum, the Craft Village and the two Cathedrals, the City does not have a purpose-built TIC. Increasingly the City is becoming a major tourist destination, reflected in a 25% increase in the number of visitor enquiries received during the period January - August 1994. It is estimated 100,000 visitors come to the City each year with 60% of these from outside Northern Ireland.

The former TIC was demolished in 1992 to make way for a major redevelopment programme in the Foyle Street area of Derry. The TIC was then moved to temporary premises which have been rented on a short-term lease. These premises are not suitable for use in the longer term as they are in the wrong location, access is difficult and parking facilities are severely restricted.

In addition to the full range of services provided in a Tourist Information Centre i.e. information and advice, bureau de change and a retail shop, it is intended this building will also house the Derry Visitor and Convention Bureau which when completed will be the first development of its kind in Northern Ireland.

There are over 300 Visitor and Convention Bureau operating at City level in over 32 countries. The VCB is a membership organisation which will effect a partnership between the public sector i.e. the City administration, and the private sector i.e. all those engaged in tourism such as hotels, entertainment, the arts, etc.

A VCB has two primary objectives:

- 1. To attract visitors to the area.
- 2. To ensure adequate visitor servicing provision during their stay.

The VCB will engage the City in an international network of similar organisations throughout the world involved in the tourist industry. It will ensure opportunities to attract both tourist and business visitors to the City are fully utilised and that they are well serviced during their stay. It will create a formalised partnership between the public and private sectors for the corporate promotion of the City.

The construction of this TIC and associated VCB has the potential to contribute significantly to the local economy in terms of developing the local tourist industry, and facilitating further cross-border co-operation. In the first instance it will increase the number of full-time jobs involved in tourism promotion and development from 2 to 6 and provide up to 40 jobs during the construction period.

The site for this Centre is adjacent to Foyleside, a major retail development currently under construction and which when completed in mid-1995 will be one of the largest developments of its kind in the island of Ireland.

While the land is owned by the Department of the Environment, it is on a long-term lease to Derry City Council and the Department has indicated it would be willing to transfer the site to Council ownership. Planning permission will be required. While no formal application has been made to date the Department is aware of our proposal and has voiced no objections.

Sketch plans for the building have been prepared and it is anticipated that if the money became available plans could be finalised, the various approvals received and construction commenced within 3/4 months. It is anticipated the building could be ready for occupation by the end of 1995.

The proposals have been developed by a multi-disciplinary in-house team consisting of architectural, engineering and quantity surveying input. It is anticipated this in-house team would monitor and supervise the construction of the building.

Estimated costs for this project are £500,000.