

Maze Long Kesh Development Corporation
Business Plan
2015/16



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1. INTRODUCTION

Maze Long Kesh Development Corporation's statutory objective is to 'secure the regeneration of the Maze Long Kesh site'.

This Business Plan, approved by the Development Corporation Board and submitted to the Department on 30 January 2015, sets out the Corporation's objectives and business targets for the 2015/16 financial year and the action proposed to achieve them, within the context of available financial resources and the current lack of Ministerial agreement on the way forward with development of the site. The Department have confirmed that in current circumstances it is not appropriate to submit a three year Corporate Plan.

Should agreement be reached with Ministers on a way forward it would be the intention of the Corporation to submit a revised Business Plan for Ministerial approval and seek to secure additional resources as required.

2. BUSINESS PLANNING CONTEXT

The Corporation continues to operate within the remit defined in the joint statement by the First Minister and deputy First Minister in April 2009 that led to the establishment of the Development Corporation. The key commitments in this statement are:

- To exploit the economic development potential to the full.
- To maximise the economic, historical and reconciliation potential.
- To have regard to all elements of the site including any listed buildings.

Whilst the Corporation remains committed to such transformation of the site in keeping with its vision of 'From Peace to Prosperity' it accepts that development of the site cannot take place until there is Ministerial agreement on the way forward. Thus the proposed activities set out in this Business Plan reflect that we are in a transitional period during which our priority is to manage the site within the constraints imposed by our budget allocation.

Approval of this Plan would give the Corporation the authority to fulfil its responsibilities to manage the site during this financial year whilst the Board and Chief Executive seek to engage with Ministers on a refreshed vision for the site with the view to reaching agreement on the way forward.

3. VISION and MISSION

Whilst accepting that we are in a transitional phase the Corporation confirms its continuing commitment to the Mission and Vision established in the draft Corporate Plan for 2013-16. Our Mission:

*We are committed to the transformation of Maze Long Kesh
by creating an environment for investment
that leads to significant economic and social development.*

Our Vision:

*Maze Long Kesh will be recognised universally
as a global exemplar of transformation
from conflict to peace and from peace to prosperity*

It would be the intention to focus on both economic drivers and social value in keeping with the Investment Strategy for Northern Ireland (2011-2021), the draft Urban Regeneration and Community Development strategy (2013) and the Regional Development Strategy 2035¹.

The Regional Development Strategy defines Maze Long Kesh as a site of regional significance:

“4.28 An example of a site of regional significance is the Maze/Long Kesh regeneration site, which remains entirely in public ownership. The draft Belfast Metropolitan Area Plan designates the site as a strategic land reserve of regional importance. Consistent with its status within the draft Belfast Metropolitan Area Plan, a mix of uses that will enable a major physical, economic and social development package of regional significance to come forward will be promoted.”

The Corporation is convinced that Maze Long Kesh could be a flagship for investment and economic development of global significance enhancing the region's role as a leader in innovation in sectors such as agri-foods, health/life sciences and aviation demonstrating how societies can move from peace to prosperity.

The Corporation also recognises the inter-dependent relationships involved in rebalancing the economy, securing investment, providing new and better jobs and tackling long-term divisions in society, as highlighted by the Northern Ireland Executive and HM Government in 2013². We believe that the Maze Long Kesh site is uniquely placed to demonstrate how an approach to development which proactively

¹ As well as European initiatives such as Lisbon (2000) and the Europe 2020 strategy.

² Building a Prosperous and United Community – HM Government & NI Executive (2013)

seeks both social and economic outcomes can deliver regeneration that meets these imperatives³.

The Corporation also recognises the significant role it could play as the catalyst for development of the wider 3500 acre West Lisburn area which would be a development of regional significance.

4. PRINCIPLES

Based on a review of supporting evidence⁴, it is proposed that future delivery would be progressed based on an integrated model for regeneration which would reflect the following high level regeneration principles:

- Creating a common shared space, not just a neutral one;
- Prioritising innovation in all proposed uses and our own approach;
- Involving people through genuine, meaningful and ongoing stakeholder engagement;
- Ensuring policy congruence with key regional strategies;
- Creating a destination;
- Securing local, regional and international recognition;
- Securing sustainable development;
- Integrating Social Value in our practice.

Together these principles provide the basis for an overarching model for development of the site and for setting specific regeneration objectives and outcomes for particular interventions. The following diagram (Figure One) illustrates

³ An outcomes approach to regeneration shifts the focus of policy from processes and inputs to the impact that the policy and its delivery has. An outcomes based approach to regeneration has been implemented in Scotland by The Housing, Regeneration, Commonwealth Games and Sport Directorate, the London Legacy Development Corporation and numerous regeneration initiatives internationally.

⁴ Including: reports from the British Urban Regeneration Association (2009); OECD (2013); Social Needs Analysis, draft spatial framework, Colliers report on Hangars, notes of PbCRC Reference Group and stakeholder meetings (2010-2012); Regional policies (e.g. Programme for Government, ISNI, Regional Development Strategy, DSD Urban Regeneration strategy, DOE Regional Development Strategy, Lisburn City Council development plans); European initiatives (Lisbon 2000, Europe 2020); London Legacy Development Corporation plans; National regeneration policies (e.g. Scottish Urban Regeneration policy, London Olympics legacy policies; Cabinet Office publications, Case study research – Porth Teigr Wales, Raploch Scotland, La Mina Barcelona).

the interconnected nature of the proposition – our framework for delivering the peace to prosperity vision at the site.

Figure One. Peace to Prosperity - An integrated regeneration model



5. INTERIM STRATEGIC OBJECTIVES

The Corporation will continue to demonstrate its commitment to deliver the Executive's Programme for Government Commitment 15 which is;

“To develop Maze Long Kesh as a regeneration site of regional significance”

In light of the current lack of Ministerial agreement on the way forward and the reduced budget the Corporation's interim Strategic Objectives for this financial year are as follows:

- **To bring forward and secure Ministerial agreement to a regeneration strategy that is in compliance with the Corporation's statutory objective to secure the regeneration of the site and maximises the site's economic, historic and reconciliation potential.**
- **To fulfil our statutory and landowner responsibilities in relation to site management, health and safety, and the maintenance of listed and retained buildings and scheduled monuments.**
- **To honour our Development Agreement obligations to support RUAS in their use of their Balmoral Park site.**
- **To ensure the Corporation fulfils its corporate responsibilities with good governance, propriety and regularity during this interim phase of activity.**

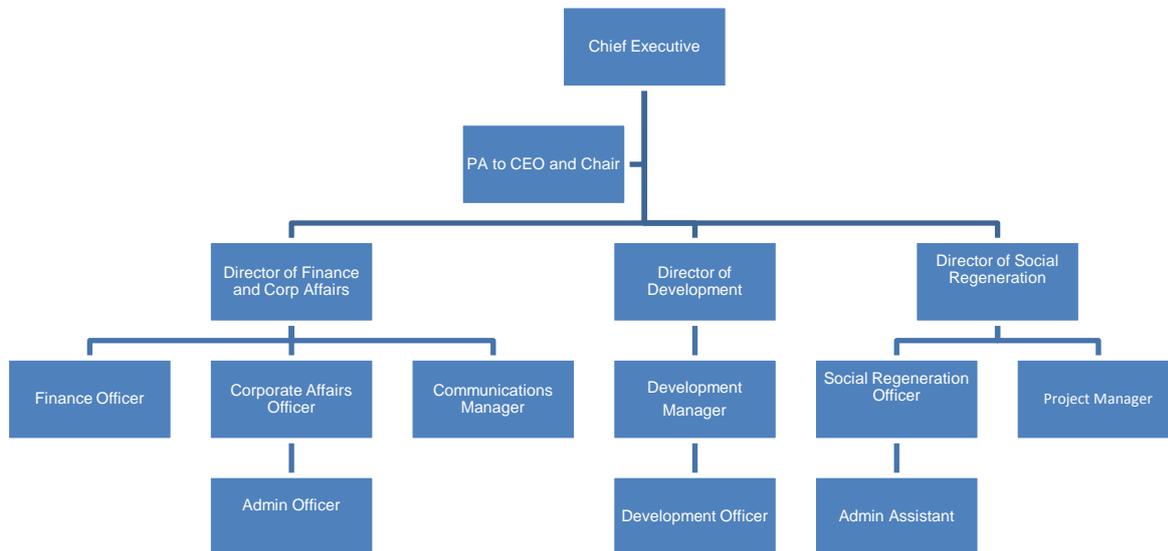
Should Ministerial agreement to a regeneration strategy be secured the Corporation would submit a revised 15/16 Business Plan that would identify the resources and action programme to fulfil its statutory objective of securing the regeneration of the site.

6. RESOURCES

Section 7 of this Plan identifies key activities for the reporting period, enabling the Corporation to fulfil its responsibilities as land owner and take steps towards securing its statutory duty 'to secure the regeneration of the site'. Adequate financial and human resources applied effectively and efficiently are essential to ensure successful delivery. The Corporation fully recognises the necessity to 'live within our means' in current circumstances.

Staffing

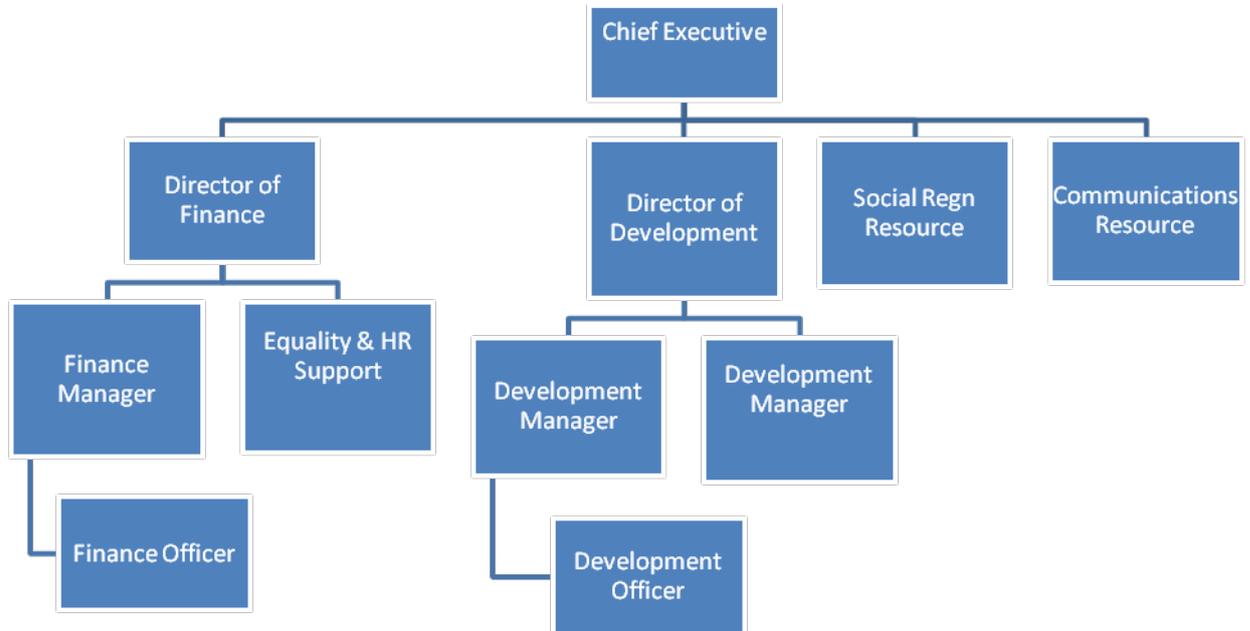
The current staff structure, approved in September 2010, for the Development Corporation is as follows:



However in light of budget restrictions and lack of development activity we have reduced our resources significantly and as an interim measure are operating with the interim staff structure as outlined below.

Interim MLKDC Staff Structure

If the Development Corporation is to achieve the objectives, deliverables and targets



set out in this document there is a continuing requirement to ensure sufficient resources in the area of Finance and Governance (as recommended by Internal Audit and supported by the NIAO and the Audit Committee), Equality and Human Resources and Communications. The Development Corporation will continue where appropriate to draw on the support of a range of other providers. This will reduce the dependence on full time permanent staff and on consultancy support and will thus reduce costs and allow for a more reactive and flexible team:

- SIB will provide specialist support in a range of areas;
- CPD will provide project management services and technical advice;
- LPS will provide property services and valuation advice;
- Recruitment agencies will be used to fill vacancies on a temporary or call off basis.

Financial Resources

The financial forecasts have been prepared on the basis of identifying the resources required to achieve the interim strategic objectives in a timely manner but they also recognise that delivery will be within the context of budget constraints. Every effort will be made to seek efficiencies and to maximise funding and income from other sources, for example parking receipts, temporary licenses, and reassignment of staff.

Capital funding is required to:

- Meet statutory requirements and landowner responsibilities in respect of listed and retained and scheduled monuments;
- Ensure the site is secure and fit for purpose from a health and safety perspective for public access to the site and for events on Balmoral Park.

The level of resource funding sought reflects the following main elements:

- The management of the 347 acre site and buildings;
- The minimum recommended security requirement of a site of this significance and size;
- The running costs of the organisation.

RESOURCE AND CAPITAL BUDGETS 2015/16

OFMDFM has advised that the opening budget allocation is as follows:

Resource

- Current Expenditure £1,215k
- Receipts £ 0k

Capital £700k

Depreciation £36k

TOTAL budget allocation £1,951k

MLKDC will operate within this budget allocation as per Table 1 and 2 below. The position will be reviewed and where appropriate bids made in monitoring rounds to secure additional resource and capital budgets if necessary.

MLKDC RESOURCE & CAPITAL BUDGETS 2015/16

Table 1	Confirmed 15/16
Resource Budget Per Department Allocation	£'000
Income & Recharges	(0)
Staff and Board Costs	736
Internal Services Costs	30
External Consultancy Costs	0
Professional Services	24
Estate Management	130
Communications and web development	5
Accommodation and IT Costs	89
Security	201
Resource Budget allocation	1,215
Depreciation	36
Total Budget Including Depreciation	1,251

Table 2	Confirmed 15/16
Capital Budget Per Department Allocation	£'000
Halftown Road Footpath	300
Listed and Retained Estate works	285
Site Works	115
Total	700

7. REVIEW OF PROGRESS DURING 14/15

During the 14/15 reporting period the Corporation:

- Undertook necessary maintenance and health and safety related works in relation to safe public access to the site.
- Supported the RUAS in hosting the Balmoral Show and a range of other events which have attracted some 130,000 visitors to the site.
- Received OFMDFM Finance Sub Committee approval of the Hangars Refurbishment business case.
- Responded to OFMDFM queries relating to business cases for Roads Infrastructure and Community Zone.
- Fulfilled its obligations in relation to its Equality Scheme, undertaking screening of policies.
- Undertook survey work in relation to proposed planned maintenance programme for listed and retained buildings.
- Secured planning permission and commenced construction of the Halftown Road footpath project to address health and safety concerns.
- Liaised with Lisburn City Council in their preparation of a draft west Lisburn Development Framework that provides the framework for development of the wider area adjacent to MLK.

8. ACTION PLAN

Table 3 sets out the Business Plan Targets for 1 April 2015 to 31 March 2016.

Table 3 Interim Strategic Objectives	Outcomes	Business Plan Targets
<p>1. To bring forward and secure Ministerial agreement to a regeneration strategy that is in compliance with our statutory objective to secure the regeneration of the site and maximises the site's economic, historic and reconciliation potential.</p>	<p>The future transformation of the site is recognised locally and internationally as a model for societies moving from conflict to peace and from peace to prosperity.</p>	<p>1.1 Prepare a refreshed vision for the site by April 2015 as the basis for discussion with Ministers.</p> <p>1.2 Engage in discussions with Ministers and their advisors to explore scope to reaching agreement on a refreshed vision and an agreed regeneration strategy.</p> <p>1.3 Engage with Lisburn and Castlereagh City Council on their draft West Lisburn Development Framework and review role of MLK as the catalyst for this regionally significant opportunity.</p>
<p>2. To fulfil our statutory and landowner responsibilities in relation to site management, health and safety, and the maintenance of listed and retained buildings and scheduled monuments.</p>	<p>The condition of the site is improved and made suitable for public access and for events on the Balmoral Park site.</p> <p>Existing buildings and scheduled monuments are maintained in line with</p>	<p>2.1 Complete construction of Halftown Rd footpath by June 2015.</p> <p>2.2 Undertake ongoing programme of necessary works to address site management and health and safety issues during 15/16.</p> <p>2.3 Continue to provide 24 hour security on site.</p> <p>2.4 Secure Board approval of Business Case for planned preventative maintenance (PPM) of existing buildings by May 2015.</p>

	government protocol.	<p>2.5 Subject to Board approval commence PPM works by October 2015.</p> <p>2.6 Review title of land and resolve outstanding issues by June 2015.</p>
<p>3. To honour our Development Agreement obligations to support RUAS in their use of their Balmoral Park site</p>	<p>The site is put to positive public use and is increasingly perceived as a shared space.</p>	<p>3.1 Facilitate RUAS use of Balmoral Park for a range of events throughout the year.</p> <p>3.2 Make available adjacent lands for car parking for RUAS events.</p> <p>3.3 Subject to Ministerial approval facilitate RUAS in the proposed relocation of The Pavilion from King's Hall site during 2015.</p> <p>3.4 Contribute to inter-agency planning relating to Balmoral Show by May 2015.</p>

<p>4. To ensure the Corporation fulfils its corporate responsibilities with good governance, propriety and regularity during this interim phase of activity.</p>	<p>The Corporation retains its credibility and acts at all times with regularity and propriety.</p>	<p>4.1 Achieve budgeted expenditure in line with approved business cases and Department direction.</p> <p>4.2 Maintain equality accreditation by screening policies and acting within Equality Scheme parameters.</p> <p>4.3 Fulfil our legislative and health and safety responsibilities as an employer.</p> <p>4.4 Review communications strategy by June 2015.</p> <p>4.5 Establish updated website by June 2015.</p> <p>4.6 Annual Report and Accounts prepared and approved by December 2015.</p> <p>4.7 Liaise with OFMDFM to seek to secure early Finance Sub Committee approval of Roads Infrastructure and Community Zone Business Cases.</p>
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9. MANAGEMENT AND MONITORING ARRANGEMENTS

The powers of the Corporation are set out in the SIRS Order and the relationship between OFMDFM as the sponsoring Department and the Development Corporation is set out in the Management Statement and Financial Memorandum (MSFM).

The MSFM is a key control document.

The Management Statement sets out the broad framework within which the MLKDC operates, in particular it defines:

- The MLKDC's overall aim, objectives and targets in support of OFMDFM's wider strategic aims and current Public Service Agreement (PSA);
- The rules and guidelines relevant to the exercise of the MLKDC's functions, duties and powers;
- The conditions under which any public funds are paid to the MLKDC; and
- How the MLKDC is to be held to account for its performance.

The associated Financial Memorandum sets out in greater detail certain aspects of the financial provisions which the MLKDC is required to observe, including delegated financial authorities. The MSFM is currently the subject of review.

The Board

The Department has appointed Chair and Board members through a public appointment process. A Board vacancy continues to exist following the resignation of a Board member in June 2013. Another board member's request for a period of absence was accepted in June 2014 and is continuing. A list of members of the Board is attached at Appendix A.

The Board has overall responsibility for achieving the regeneration of the designated area in accordance with this annual Business Plan, as approved by Ministers, for ensuring that the Corporation secures value for money and that the highest standards of financial management and public accountability are achieved. The Department has agreed that in this transitional period preparation of a three year Corporate Plan is not appropriate until there is agreement on the way forward.

The Board will meet approximately ten times during 2015/16 to carry out this work. It will receive regular reports on progress against the Business Plan and on expenditure achieved against annual budget.

In accordance with best practice for corporate governance the Board has formed an Audit and Risk Assurance Committee and an Appointments and Remuneration Committee. Other committees have also been formed to cover Development, Communications, and Social Regeneration.

The Chief Executive and Accounting Officer

Kyle Alexander has been appointed as interim Chief Executive and designated by the Department as Accounting Officer. The Chief Executive is responsible for preparing the Corporate Plan and annual Business Plan and obtaining Board and Departmental approval including confirmation of available resources. The Chief Executive will be responsible for the implementation, monitoring and control of progress and expenditure. In doing so the Chief Executive will comply with government policy and procedures including the standards of public accountability. The Chief Executive will report regularly to the Board on progress against plan and budget and will also be responsible for advising the Board on matters of policy.

Policies

MLKDC operates in ways consistent with a set of policies that have been defined by the Board. These are documented and available for publication. They are also consistent with the principles set out in the Programme for Government⁵. The implementation of these policies means that:

- MLKDC will continue to act in accordance with the 'Section 75' equality legislation. Over the course of this plan it will meet all its obligations under these regulations and will be guided by the need to ensure that equality of opportunity, fairness, inclusion and the promotion of good relations is embedded in its work;
- MLKDC will pursue sustainable development policies and will ensure that the projects they support pay due regard to sustainability issues;

⁵ Programme for Government, 2011-15, page 25.

- MLKDC will contribute to the implementation of the government's social policies and support initiatives such as "Lifetime Opportunities". Through initiatives such as 'Buy Social' and the organisation's work with procuring authorities it will help ensure that local businesses have the capacity to take advantage of the business opportunities arising from the government's capital spending;
- MLKDC will contribute to the objectives of the NI Executive's Asset Management Strategy and is committed to effective management of property assets through involvement where appropriate in the Departmental Asset Management Plan.
- MLKDC will meet its obligations under the Freedom of Information Act (2000) and the Environmental Information Regulations (2004). It will continue to make available as much information as possible about its activities as is consistent with the need for commercial confidentiality;
- MLKDC will meet its obligations in respect of respect of Health and Safety legislation both as an employer and a land owner.
- MLKDC will meet its obligations in respect of care of the Government Estate and in particular comply with guidance in the Protocol for the Care of the Government Historic Estate.

Procedures

The Corporation has adopted procedures in keeping with the requirements of the Management Statement and Financial Memorandum. In particular it will satisfy itself as to financial propriety and best value for money and ensure the proper appraisal of projects involving public expenditure in keeping with Departmental guidelines. It will undertake post project evaluations in order to compare outcomes with predictions and ensure lessons learned are applied elsewhere.

The Corporation has put in place comprehensive project management procedures. At the initiation stage all projects are assessed against the integrated development principles defined in Section 4 to ensure adherence to a holistic approach.

The Corporation will act at all times within the levels of delegated authority set by the Department.

MLKDC will seek to respond in a timely fashion to Departmental requests for reports, information and responses to AQs and FOI requests, subject to available staff resources.

Risk Management

MLKDC pursue a structured approach to the management of risk in pursuit of business objectives. MLKDC adopt good practices in the identification, evaluation and cost effective control of risks to ensure that they are eliminated, reduced to an acceptable level or managed and contained; and to embed risk management practices within management and planning activities.

MLKDC's risk appetite is defined as the amount of risk that the organisation is prepared to accept, tolerate or be exposed to at any point in time. At present, MLKDC assesses its risk appetite on the basis of an assessment of individual risks in the context of all other risks.

MLKDC's risk management policy sets out the process whereby MLKDC methodically identifies, assesses and responds to the risks attaching to its activities. It assigns responsibility and accountability for risk management; defines the processes for risk review and reporting; describes a format for the organisation's corporate risk register and explains the organisation's approach to training in risk management.

To assist in the Risk Management Process, MLKDC has developed and maintained a Risk Register which is scrutinised through reports to Audit and Risk Assurance Committee and the Board. The Risk Register:

- Identifies MLKDC's high level risks;
- Analyses the risks related to the current Business Plan.

The Risk Register identifies the Risk Owner for each risk and reinforces the link between risk management and the business planning and execution processes. The Risk Register is reviewed by the Senior Management Team regularly and a

summary is reported to the Corporation Board. As of the time of writing this report (January 2015) the current high level risks have been identified as follows:

- Lack of Political Agreement
- Failure to comply with Governance Framework
- H & S Death or Injury
- Lack of adequate financial resources
- Private sector lose confidence in MLKDC as a Business Partner.

The Chief Executive provides the Department with an Assurance Statement on Internal Control on a quarterly basis.

Appendix A: Board Members

Terence Brannigan - (Chairman)

Ciaran Mackel

Kenneth Cleland

Conor Patterson

Joe O'Donnell

Jack Gallagher

Maurice Kinkead

Terri Scott

Duncan McCausland*

Anthony Gallagher

All members including the Chairman have been in office since September 2012, having been appointed for a five year term.

*Duncan McCausland is currently on a leave of absence.

A vacancy has existed from 15 June 2013. Steps to fill this vacancy are the responsibility of OFMDFM.

