



**Northern Ireland  
Assembly**

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**COMMITTEE FOR  
SOCIAL DEVELOPMENT**

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**OFFICIAL REPORT  
(Hansard)**

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**Regeneration Plan for  
Derry/Londonderry**

18 March 2010

**NORTHERN IRELAND ASSEMBLY**

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SOCIAL DEVELOPMENT**

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**Members present for all or part of the proceedings:**

Mr Simon Hamilton (Chairperson)  
Mr David Hilditch (Deputy Chairperson)  
Mrs Mary Bradley  
Mr Mickey Brady  
Mr Thomas Burns  
Ms Anna Lo  
Mr Fra McCann

**Witnesses:**

Dr Aideen McGinley ) Ilex Urban Regeneration Group  
Sir Roy McNulty )

**The Chairperson (Mr Hamilton):**

Joining us today are Sir Roy McNulty, chairman of Ilex, and Dr Aideen McGinley, chief executive of Ilex. You are both very welcome; it is good to see you here. Members have a cover note from the Clerk, a briefing paper and presentation from Ilex, correspondence from the Minister for Social Development dated 31 March and 6 December 2009, ministerial correspondence dated 2 December 2008, and Sir Roy's report of 25 June 2008. I remind members that the briefing is for information purposes only. The Committee should not come to any conclusions on Ilex before consulting the Committee for the Office of the First Minister and deputy First Minister, which also has responsibility for Ilex. Today's meeting will be recorded by Hansard.

**Sir Roy McNulty (Ilex):**

I thank the Committee for granting us the opportunity to share with you some of what we have been doing and thinking about. I thank you, Chairperson, in particular, for the interest that you have shown in what we are doing in Derry and for visiting us. I also thank Mary Bradley, who has soldiered along with us on the strategy board, where we have all spent many happy hours looking at the development plan. I will talk briefly about the regeneration plan and what we are doing in that regard.

I did a review two and a bit years ago, and I concluded that there was a serious need for us to get our collective act together in Derry. We have aimed to arrive at one vision and one plan to which most, if not all, of us are signed up. As part of our preparatory work, we did an inventory of Derry's existing strategies and plans. We stopped at 74, which gives you some idea of the complexities that we have been working through in the past. We are keen to get buy-in from across the community for our one vision and one plan, which is why we have involved almost 1,000 people in the exercise in one way or another.

We wanted to have a clear organisational framework so that we all understood how we are going to channel people's efforts in one direction rather than multiple directions, as the complex organisational set-up did in the past. We are keen for the plan to be ambitious, because tinkering at the edges will not sort out Derry's substantial problems. We share Margaret Ritchie's aspiration and ambition that we should aim to deliver the best regeneration ever seen in any city in these islands.

The project must be innovative, because keeping on doing things in the way that we have always done them will only produce the same results that we have always had. Therefore, we need to find new and different ways of going about things. It is also important that we be realistic. We are in the middle, or maybe at the end, of the biggest recession that any of us have ever seen. We are all well aware that public expenditure constraints will be severe after the election. Indeed, one could not have chosen a more challenging situation in which to try to move forward.

The equality dimension is an important theme of what we have done over the last year or so. We have set ourselves the aim of producing a plan that will bring about measurable improvements for the groups who have been identified as experiencing inequality. We are trying

to have that aim mainstreamed within the whole process. That is not terribly easy, but it is the key to success in Derry. We have seen lots of plans in the past that have not made a big difference in the most deprived areas, and we want to redress that.

We hope to have the full first draft tomorrow. We have had some drafts that, frankly, we did not like very much and that were not good enough. We have been promised that we will have a full first draft by tomorrow, and the strategy board will see that next week. We hope to have a good final draft by the end of May or early in June, as people's minds will soon be focused on elections and important subjects such as that. We will then consult on that final draft and take it from there.

We have learned that things sometimes take a bit longer than we might hope, but that is life. A tremendous amount of hard work has been done, and a lot of people have put a lot of time into the project. We are making progress, and the commitment of a huge number of people is tremendous. Dialogue has improved steadily over the last couple of years, and the relationships among all concerned are a lot better. We are clear that we have the opportunity to produce a really good plan, and we now need to work on putting in place the capacity to deliver it. The benefits to Derry and the region could be considerable, and we are absolutely determined to succeed in the endeavour.

That is all that I want to say about the regeneration plan. I will hand over to Dr McGinley to talk about the three main projects that we are pursuing, and, inevitably, about the city of culture bid. I should say that I have brought a copy of our recent annual report, which has just been published. I will leave that with the Committee Clerk.

**Dr Aideen McGinley (Ilex):**

I am delighted to have the opportunity to brief the Committee. The Chairperson has already visited us, and we would be happy for other Committee members to visit, because it is extremely valuable to see what is happening on the ground.

The regeneration plan creates a framework for the transformation of the city, and, within that, Ilex has two roles. It was formed in 2003 as an urban regeneration company with the primary aim of transformation and regeneration, through working closely with the Department for Social Development (DSD) and the Office of the First Minister and deputy First Minister (OFMDFM),

our sponsor Departments, as well as Derry City Council and other partners. The second part of our work involves the two military sites, Fort George and Ebrington. In addition, a third piece of work that is under way is the peace bridge, which is proving to be very exciting. It is a tangible expression of things starting to happen; it really has raised local morale and has proved to be extremely successful in helping people to believe that things are happening.

The peace bridge is a £13.3 million project funded by the Special EU Programmes Body (SEUPB) under Peace III, and DSD, our sponsor Department, helped with the 25% match funding. We have undertaken all the technical work, it is on schedule, and, as Mary has said, you see it go up every day. We are tied to things like salmon spawning, so we have a certain amount to do before mid-April, and we are on track with that. We have bats and newts and all sorts of other things to take account of. That project was officially launched on 14 January, and we will have it completed by year end. Indeed, there are funding constraints, so we have to have it completed. We have also arranged for time-lapse photography that will go on the website, so that people can literally see it happening.

That project is such a focal point in the city; it really gives a sense of things happening. It is a bit like Laganside in Belfast — people start to believe when they see cranes on the skyline. The peace bridge is well under way, and it is a metaphorical symbol, or a physical expression of the two banks of the river being linked and both communities working on shared space. We have a communication programme, which involves working with communities and schools, with a wider remit: not just the physical bridge, but what it means for the city.

We are doing a number of things with Fort George. That site is owned by DSD, so it will be of particular interest to this Committee. One of the most exciting developments is Project Kelvin, which I know that the Committee has heard of before. The telehouse will be completed this week and handed over to Hibernia Atlantic, the American contractor. That project will give us the capability to be at the forefront of global telecommunications, which is important not just to the north-west but to the whole of Northern Ireland and, indeed, the wider island of Ireland. It will be an economic driver for future investment and will help to create jobs. There is a lot of private sector interest in that project.

We are developing a business plan for a knowledge hub, which would be a signature building, probably costing in the region of £13 to £15 million. We are developing that for when the next

INTERREG programme opens, the idea being that we create a focal point. We firmly believe that there will be a lot of private sector interest because of the telecommunications capabilities that Kelvin brings.

Also, we are working closely with DSD because, as members are aware, there are issues around the decontamination of the Fort George site, which is a former military and shipbuilding site. A major piece of additional technical work is being done to make sure that we get started on the decontamination as soon as possible. That is more or less where we are with Fort George. I am also glad to say that we have done some remedial work to the jetty and on the creation of a public walk around Pennyburn, linking down into the city. Therefore, public access is being created there as well, and we intend to continue that work.

The other important thing that we have taken into account is that the master plans for the two sites were developed a couple of years ago at the height of the boom, and it was a very different context. Two weeks ago, we had an internal workshop, with some external expertise, to see what we should be doing to market the sites, and we have identified the next steps and the way forward to work closely with the Departments on how we appoint private organisations and other partners, and on what sort of vehicle we need to enable us to sweat the assets. The point is that we need to make the most of the sites, to develop them not just as key sites for the development and transformation of the city but also in respect of receipts. They can help us to drive the regeneration plan and subsidise activity in the plan that we cannot find money for elsewhere. Therefore, we are talking closely with the sponsor Departments, and we are meeting the Department of Finance and Personnel this afternoon, as part of our investment plan for the delivery of the regeneration plan and for how we make the most of the two sites in that process. We have to find a really innovative model to make the most of what is out there, because it is changed times from when we first produced the plans.

Some newspaper coverage last week said that Fort George is dead in the water, but it is not. We recognise that it is a changed context, and it is about identifying the vehicle that we undertake for that site. Ebrington is a very different proposition. Fort George is a greenfield site, but Ebrington is a very interesting development with 19 buildings on it, 14 of them listed.

Cunningham Square, which is the first piece of public realm, will be ready shortly, and it faces on to the Limavady Road, so that again is about public perception. There is also a private sector

opportunity in that block. We have a detailed design under way for car parking, etc, and we are tendering the parade ground at Ebrington, which is very important. It is larger than Trafalgar Square, and it is a core element of the regeneration for arts and cultural use, particularly when the bridge opens, because we do not want a bridge that leads to a brick wall. We need a bridge leading to a destination. We need to animate that, and we are in the process of advertising for a cultural broker to start the animation of the site.

Last weekend, the Playhouse Theatre ran a very successful play in the stable block on the soldier Francis Ledwidge, who was stationed at Ebrington. That proved extremely popular, in the same way as the Crumlin Road jail has used art and culture as a way of getting the community in. We are starting to do the same successfully at Ebrington, but there is more to do.

Our intention is to look at the master plan there, and the main function will be the clock tower block, which we hope will become a regional art gallery. Through our chairman, we have had discussions with the Tate Gallery, and we will be working with the Department of Culture, Arts and Leisure and other Departments, as well as the Arts Council, National Museums Northern Ireland and so on on that, the maritime museum, and military history and records. Therefore, a cultural and arts cluster is possible on that site, and it would be regionally significant. There is also potential for a private sector hotel development, a hostel and social housing.

Finally, what we are doing in the regeneration plan underpins all of this. For instance, we have been working on the riverside master plan, because we are building the bridge and developing those riverside sites, but we also need to link up the city.

We work closely with the sponsor Departments on the regeneration plan, and that is extremely important. One key driver has been our success in the European City of Culture bid. In partnership with the city council and the Strategic Investment Board, we are delighted that we are down to the last four cities with Birmingham, Sheffield and Norwich, from an original field of 28 cities. That will be extremely important, and the confidence that it has already created in the city has been phenomenal. We have until 21 May to prepare our 75-page bid document. Then we will have a whites-of-the-eyes grilling in early June, and we will know in July if we have been successful.

It is an important opportunity for the city, because it creates a platform for serious debate

about identity, and we have been very honest about that. This is not just about joyous celebration, and we have been absolutely overwhelmed with the support that we have been getting. The talent, the infrastructure, the venues and the organisations are in place, and the city is ripe. It is a Northern Ireland bid, with the city of Derry/Londonderry at the forefront of it. It creates a lot of possibilities that give it the edginess that the judges have so far found to be a real strength. We are delighted that the opportunity came up. It will be a major cog in the wheel, because tourism and culture will be a main employer in the future. We feel that the development and growth of that into an international product will be good for Northern Ireland as a whole.

That was a quick rattle through the work that we are doing on the ground under the framework of the regeneration strategy.

**The Chairperson:**

Thank you for that; it was very useful. One cannot help but listen to what you have. Historically, as Sir Roy said, regeneration in the north-west has not been as easy or as successful as people would have hoped. Mary Bradley would be able to testify to that. In that respect, we wish you every success. It is important to have ambitious plans, and you do. It is better to have those ambitious plans than accept something meek and mild that does not do anything. I wish that my hometown had the same sort of opportunities that present themselves in Londonderry. There is a lot going on there, and we wish you all the best.

Tourism, particularly focusing on culture and arts, is important in fitting in with the bid and the new regeneration plan. Do you have targets for tourism, visitors and job creation that you are trying to achieve? You also mentioned social housing, which is something that the Committee is interested in.

**Sir Roy McNulty:**

We will have targets; they are being worked on as we speak. It seems obvious to us, looking at what Derry could be, that tourism, arts and culture offer a big opportunity. Derry underperforms compared to Northern Ireland, which underperforms compared to most of the rest of Europe. There is tremendous scope, but we have got to create attractors. You can walk round the walls, but once you have done that several times, you have done the walls. There need to be other attractors, and clearly, in the areas of arts and culture, there could be a lot.



We need to improve the tourism offering, and have better and more varied accommodation and a restaurant trade that caters more for twenty-first century tastes, and is open for twenty-first century tastes. It is quite a lot of infrastructure, but it is very doable, and it has been done elsewhere. We are fortunate to have my namesake, Matt McNulty, who formerly ran the Irish Tourist Board and has tremendous expertise and has helped us a lot to develop a very good strategy, which Arlene Foster helped us launch last summer. We are now working on the organisational wherewithal to make that happen, but I think that it is a tremendous opportunity. It will be one of the big job generators that will help us to move forward.

**Dr McGinley:**

There are 600,000 visitors to the city each year, generating around £11 million. We put a modest growth rate of between 18% and 20% on that, and the judges for the city bid said that they felt that we were being modest. We felt that we were being realistic, and if we can exceed the target, all the better. We have a solid basis of analysis from the regeneration plan to tell us where we are and to enable us to move forward. As Sir Roy said, our next step will be the targets. One target emerging is the potential to create 10,000 jobs over a 10-year period. That may sound ambitious, but we feel that we could generate that.

**Sir Roy McNulty:**

That is from all sectors.

**Dr McGinley:**

That is across the piece.

**Sir Roy McNulty:**

Tourism is a big factor in that. When you look at what is being done in Galway, which is a city not unlike Derry, you can see the potential.

**The Chairperson:**

Those 10,000 jobs — they are not necessarily within the confines of, say, Ebrington?

**Dr McGinley:**

No, that is city-wide.

**The Chairperson:**

You mentioned Galway. Are you looking at other cities for benchmarking purposes? One example that comes to mind is Liverpool. It had European City of Culture status, so there is a similarity in that respect. There is a similarity in some of the type of projects. Are you benchmarking yourselves against Liverpool?

**Sir Roy McNulty:**

We have been looking at other cities. Matt McNulty, who knows the tourism game inside out, has some very good comparators to measure our situation against. I think that we have everything; we can do better than Liverpool. We do not have the Beatles, but we have the other elements.

**Dr McGinley:**

We have the Undertones. Ironically, we have to go to Liverpool to present and pitch for the bid.

**The Chairperson:**

Liverpool is a fantastically changed city. In and around the Albert Dock area, it is phenomenally good.

**Dr McGinley:**

We have arts and cultural contacts with people in Liverpool.

**Ms Lo:**

The project is certainly very exciting; many congratulations on getting this far. There is no better way to concentrate minds than having focused work ahead. You mentioned social housing. What target numbers are you thinking of building, and will that just be in Ebrington?

**Dr McGinley:**

Yes. We are reviewing that, because one theme that came through from the regeneration strategy was sustainability. We are very keen to look at issues such as renewables and energy efficiency. Tim O’Riordan, a former sustainability champion for the UK at EU level, is advising us on that. The Housing Executive has been involved in the regeneration plan at a local and regional level, and we are revisiting it. I think that the original target figure was 200 units. I will need to confirm that with you, but I think that that was the original intention. The other issue is what else

is now emerging in terms of any joint venture or marketing opportunity. For example, Habitat for Humanity, the Youth Hostel Association and other bodies have expressed an interest in having a presence on the site. We feel that is important to have a residential element.

It will take us a while to build on Fort George and to secure funding for small businesses. However, the creation of incubator units in and around the digital media Kelvin project is important, and we could accommodate those in existing buildings at Ebrington. Therefore, we are currently doing work with the Northern Ireland Science Park to create incubator units. That way we can have tenancies that are ready to transfer to Fort George when that building becomes available. We are not closing ourselves in on any options. However, the original plans were for approximately 200 units.

**Ms Lo:**

It is a huge site.

**Dr McGinley:**

It is 24 acres.

**Ms Lo:**

With the peace bridge and all that, are you thinking about including shared housing, or anything like that, on the site?

**Dr McGinley:**

That would be ideal. Given the community profile in the city, that is exactly the sort of thing that we would like to see encouraged.

**Ms Lo:**

The Chinese community is very keen to have a second sheltered housing scheme.

**Dr McGinley:**

The Chinese community has talked to us about that.

**Ms Lo:**

I was the one who championed that.

**Dr McGinley:**

Thank you for that, Anna.

**Ms Lo:**

Roughly when will the building of social housing begin?

**Dr McGinley:**

One thing that we agreed in the city was that we would not develop the two sites until the regeneration plan was ready, so that we could maximise the social impact of the regeneration plan. We are hoping that building will align with the timetable for the regeneration plan and, last week, we started actively revisiting the master plans. I hope that by the summer we will have a clearer sense of what we can possibly do on the site. We are also talking to Disability Action, for example, about office accommodation and provisions, and a number of organisations from the community and voluntary sectors have expressed an interest in being on site. We are starting to actively manage that process, but we are aligning it with the regeneration strategy and plan.

**Mr F McCann:**

It is a very exciting plan. Listening to you and Roy, I can feel the confidence that you both bring to the project. It is obviously important not only to you but to Derry as a whole. I am a member of Belfast City Council, and there have been a number of regeneration projects in Belfast, some of which are ongoing. You did say that it is a fairly small region. Therefore, are you looking towards building partnerships?

The Chairperson mentioned that Liverpool was the European City of Culture, which is a huge thing for any city. One of the difficulties with Glasgow's and Liverpool's bids to be European City of Culture was that most of the working-class communities were left out and did not feel part of the bids. It is important that the whole city be part of the bid.

**Sir Roy McNulty:**

We have regular dialogue with lots of people in Belfast, and we have had lots of help. I admit that, at the moment, our main focus is currently on building partnerships in Derry. If and when we get that to the right level, I am sure that we will work further with Belfast.

Your point about working-class communities is properly made. We have done preparatory work on the equality front, and, interestingly, we have found that very few people in working-class communities have ever had any connection with arts, culture or any of that stuff. One of the main planks in the City of Culture bid, apart from reaching out to young people, is to make what we are doing relevant to people in working-class communities.

**Dr McGinley:**

We carried out the Citi-scope survey, which was detailed work on the most deprived 10% of wards in the city, or 30,000 people. We did a programme of surveys, employing 85 local people who were trained to do the analysis, and 90% of the people in those wards had never taken part or been involved in culture.

One of the key targets in the bid has been community involvement, and we are looking internationally and locally to achieve that. Belfast, particularly Belfast City Council, has been extremely supportive of our bid. We hope to stage an event in Belfast, potentially at City Hall, in support of the bid between now and the bid document's going in. A lot of the arts organisations are linking up, and that could start to break down that sense of "them and us". The bid is an important driver for showing Northern Ireland as a cultural entity.

**Mr F McCann:**

Belfast has a huge amount of experience to tap into. We are still quite sore about losing the bid to be European City of Culture.

**Dr McGinley:**

It has. I always say that the loss of the European bid was the most successful failure because £165 million of capital investment was realised in the arts and cultural community in the city as a result.

**Mr Hilditch:**

Sir Roy touched on the issue of private investment. Have expectations been lowered because of the current economic situation, or are you still hopeful? Previously, some of the regeneration that was planned for the north-west was unsuccessful. Is there a keenness in the private sector?

**Sir Roy McNulty:**

There is an interest, but we have to be realistic that there are not the queues of people wanting to invest in housing or commercial developments that there were two or three years ago. There are people with cash and with an interest, and I have seen across the water in England that the interest is greater in places that have not been hotspots. One can forget about doing commercial development in London today, because the place is grossly overdeveloped, whereas there is considerable interest in a number of the lesser provincial cities that never got so hot in the first place. We are progressing a number of schemes in the Midlands, and something similar is doable here, although it may be slower that it might have been.

**Mrs M Bradley:**

I am delighted to see Dr McGinley and Sir Roy with us. I should not be asking you any questions at all. I will not ask too many, because you get them all when I go to the strategy committee. I wish that the people around this table could see that strategy committee in operation, because we are not talking about 10 people but 42. It is great craic. Sir Roy, after you leave those strategy committees, what gives you the encouragement to keep going? *[Laughter.]* Everyone is so keen that they are all becoming experts.

**Sir Roy McNulty:**

I sometimes ask myself that. Seriously, I am convinced that something really exciting can be done in Derry. I am delighted to be part of it.

**Mrs M Bradley:**

We had an away weekend, and it was fabulous. YouTube did wonderfully out of that weekend, because there are videos on that site of some of us performing, which we never thought that we would do. It really motivated and refreshed all of us, and the urge that is there now. This new peace bridge that we are building — well, no bridge has had as many watchmen as workers, because everyone who walks along the front is observing what is going on and can tell you every move that has taken place. On my way up here this morning, I heard that another section will go in today and I was told how it is being brought up the river. It is encouraging to hear such things, because it shows that people feel part of the project. In the communities that I represent, which suffer from some of the highest levels of deprivation in Derry, the word is out, and people's enthusiasm is fantastic. Therefore, I must say very well done to you both.

Nevertheless, Sir Roy, I did not know how to feel last week when I read that Fort George was dead in the water. I wondered who in God's name came out with that statement, which is totally untrue.

**Sir Roy McNulty:**

Absolutely, but that is the sort of thing that we have to put up with. I can handle the strategy board, but, so far, the Derry media have been a greater challenge.

**Mrs M Bradley:**

It is terrible when you get that. I wondered what Sir Roy and Aideen would be thinking, but I knew that it was untrue, so I got over it quickly enough, and I told people who mentioned it that it was nonsense. Thank you for the work that you are doing for the city. I and my party will continue to support you, and I encourage every member of the Committee to give you their support. Again, I reiterate what Aideen McGinley said: come and visit us so that you can see for yourselves what is there.

**The Chairperson:**

Mary is right; no matter how much good you try to do, some people will want to knock you. There is huge potential, but the problems with chronic deprivation and disadvantage did not come about overnight, and they will not be sorted out overnight. You have to perform, but you have to have time and space in which to deliver. Mary is right about the huge potential.

Ilex does not exist in a vacuum. Derry City Council and Strabane City Council — sorry, Strabane District Council; their heads will be inflated when they hear that — coming into a new council arrangement, are involved. The Department of Enterprise, Trade and Investment is also involved. There are lots of players. How does Ilex work with key stakeholders to ensure that you are all heading in the one direction and that no one is working at odds with or duplicating what the others are doing?

**Sir Roy McNulty:**

You put your finger on an important issue. When I arrived two and a bit years ago, I was perplexed by how things would work. To be honest, things did not work terribly well. Today, not least because we work together so much on all the things we have been talking about, the relationships are much better. I would not say that it is good enough yet, and the plan will

probably include a number of issues that all the players will need to address, but things have got a lot better, and we are really encouraged.

**The Chairperson:**

That is a positive approach, and it is important that it works. Thank you very much.