

Public Document Pack

Democratic Services Section
Chief Executive's Department
Belfast City Council
City Hall
Belfast
BT1 5GS



Belfast
City Council

16th November, 2017

MEETING OF CITY GROWTH AND REGENERATION COMMITTEE

Dear Alderman/Councillor,

The above-named Committee will meet in the Lavery Room - City Hall on Tuesday, 21st November, 2017 at 12.15 pm, for the transaction of the business noted below.

You are requested to attend.

Yours faithfully,

SUZANNE WYLIE

Chief Executive

AGENDA:

1. **Routine Matters**
 - (a) Apologies
 - (b) Declarations of Interest
2. **Potential impact on the economy of the UK leaving the EU** (Pages 1 - 6)
3. **Correspondence re: Notice of Motion on Special Designated Status** (Pages 7 - 16)



Subject:	Potential impact on the economy of the UK leaving the EU
Date:	21 st November 2017
Reporting Officer:	Suzanne Wylie, Chief Executive
Contact Officer:	Donal Durkan, Director of Development

Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report or Summary of main Issues
1.1	In June 2017, the Committee agreed to hold a Special meeting on Brexit to enable informed discussion and consideration of the potential economic impact and to consider Belfast's resilience to meet the challenges and take advantage of the opportunities for the future to ensure the economic growth and regeneration of the city.
1.2	Negotiations between the UK and the EU are ongoing and the Committee is already aware that assessing the potential impacts is complex as it depends on the nature of the future relationship that the UK will have with the EU. The impact at a sub-regional level can be more challenging to assess; particularly when considering the issues for Northern Ireland

<p>1.3</p> <p>1.4</p>	<p>given its unique position as the only part of the UK that shares a land border with an EU member state (Republic of Ireland) and is involved in a range of cross-border cultural, economic and political initiatives.</p> <p>The Belfast Agenda and Local Development Plan set a challenging and ambitious vision for the city in 2035 with inclusive growth at the centre. These plans are set within the current strategic and economic context, acknowledging the uncertainty and challenges and highlighting the importance of tackling the city’s systemic social and economic issues such as economic inactivity to create sustainable economic growth. The success of Belfast as the region’s key city is vital in the post-Brexit environment and there needs to be a real focus on ensuring that it continues to attract developers, investors, employers and visitors to ensure economic prosperity for the city and the region as a whole.</p> <p>As the remit of this Committee is focused on the regeneration and growth of the city, and given the breadth of the topic, the Committee agreed that input from a range of expert perspectives on Brexit. This input will focus on the potential issues and opportunities for Belfast from their perspective to enable the Committee to give fuller consideration to securing Belfast’s resilience and ability to ensure the regeneration and growth of the city. Expert input is provided from Neil Gibson (EY) and Eoin Magennis (Ulster University Economic Policy Centre (UUEPC)), Dr Stevie Nolan (Trademark) and Dr Katy Hayward (Queen’s University Belfast) with written research input provided by Paul MacFlynn (Nevin Economic Research Institute). It should be noted that there may be other issues that impact more directly on other Committees such as regulatory and legislative changes.</p>
<p>2.0</p>	<p>Recommendations</p>
<p>2.1</p>	<p>The Committee should, after hearing the presentations/views, determine whether it can agree a position on any potential negotiating points required to ensure delivery of its inclusive growth strategy, the Belfast Agenda</p>
<p>3.0</p>	<p>Main report</p>
<p>3.1</p>	<p><u>Key Issues</u></p> <p>The Committee is aware that there are a wide range of research, seminars and events assessing and reporting the potential impacts of the UK leaving the EU, therefore it is not possible to present a single, composite report on the issue. The Northern Ireland Assembly Research & Information Service provides a calendar of dates for events (www.niassembly.gov.uk/assembly-business/research-and-information-service-raise/brexit-</p>

[and-ni/brexit-related-events](#)). Additional seminars and events are being organised by a range of bodies and sectoral interests; from business, the third sector, academia, regulatory and environmental etc. This meeting provides an opportunity for the Committee to explore the issues and opportunities for Belfast with the input from a range of speakers.

3.2 Negotiations between the UK government and the EU are underway with the date for the UK leaving the EU currently being March 2019. It is clear that further clarity and detail will be required to enable a full assessment of the impacts.

3.3 The Council has passed a number Notices of Motion outlining its position in relation to the EU referendum decision and ongoing negotiations:

3.4 In July 2016, Councillor McVeigh proposed:

“This Council welcomes and values the contribution of newcomers and immigrants to the economy, society and culture of the city and commits to acting decisively to prevent hate crime and prejudice and to build a city that is open, welcoming and safe for everyone who lives and works here.

In the context of Belfast being the regional driver of the economy, the Council will proactively develop further evidence based strategies and actions for achieving its stated policy for inclusive growth during this period of uncertainty and beyond”

3.5 In June 2017 Councillor McAteer proposed:

“This Council calls upon the European Commission to agree a special designated status for the North of Ireland, following Brexit. This special status should incorporate provisions included within the Good Friday Agreement, in particular Strand Two, and uphold the human rights and equality protections currently in place which are derived from our current membership of the European Union.”

The Council agrees to write to the President of the Commission, to the Prime Minister, Teresa May, and to the Taoiseach, Enda Kenny, seeking a meeting to press the case for special status’

The correspondence received by the Council in response has been circulated to Members of the Committee, as agreed at Council in November 2017.

3.6	<p>In November 2017 Councillor Nicholl proposed:</p> <p><i>"This Council recognises the critical importance of the EU Single Market to the economy of the City of Belfast and calls for a special deal to be put in place for Northern Ireland in context of Brexit that would facilitate continued participation in this Single Market".</i></p>
3.7	<p>Given the focus of this Committee on the 'regeneration and growth of the city' and based on the research there are a number of potential areas of impact of particular relevance to achieving the ambitions for inclusive growth, attracting investment and growing the economy:</p> <ul style="list-style-type: none"> - Attracting and retaining investment (particularly high value growth services such as financial services) - Increasing trade (focusing on high growth services sector) - Movement of people - securing a pipeline of talent and increasing tourism - EU funding and any replacement funds - European Capital of Culture <p>The potential impacts of Brexit are wide-reaching and there may be other issues that impact more directly on other Committees, such as regulatory and legislative changes.</p>
3.8	<p>The economic growth and prosperity of Belfast extends well beyond the city. Central to its success in delivering the ambitions set out in the Belfast Agenda is supporting and adding value to the work of key city partners in their efforts to increase the number of international students in the city, grow tourism investment and support more Foreign Direct Investment as well as helping local businesses to become more active in international export markets. Aligned to this will be the new role of Commissioner for Resilience who will champion the development and implementation of a Belfast resilience strategy. This will help the city prepare for future social, economic and environmental shocks and stresses. These issues could range from coastal flooding, to mass unemployment, transport issues, social unrest, or infrastructure failure.</p>
3.9	<p>At the last Committee meeting, the Committee noted the progress with a range of programmes and areas of work which are being taken forward to drive the city's growth in a sustainable and inclusive way and position the city in the changing international environment.</p> <p>Council officers are continuing to engage with representative groups and organisations to</p>

3.10	<p>monitor and build a composite assessment of developments, views, and issues to inform the strategic and linked priority programmes led by Members, which are critical in positioning the city to deliver its ambitions to transform the city for the benefit of all residents and the region as a whole:</p> <ul style="list-style-type: none"> - City Region Deal - European Capital of Culture 2023 - Employability and skills - Place positioning and city marketing - International relations framework - City Resilience Strategy - An inclusive growth model
3.11	<p>Given the changing economic, political and social landscape, and ongoing negotiations between the UK Government and the EU, it is vital that the Council continues to show leadership on these strategic programmes to drive inclusive economic growth. This meeting provides an opportunity for the Committee to consider Belfast’s resilience in meeting the potential challenges and taking advantage of opportunities in order to inform future interventions and to support the ambitions for sustainable and stable growth in the future.</p>
3.12	<p><u>Financial & Resource Implications</u></p> <p>There are no specific resource implications attached to this report.</p>
3.13	<p><u>Equality or Good Relations Implications</u></p> <p>There are no specific equality or good relations implications attached to this report.</p>
4.0	Appendices – Documents Attached
	None

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Subject:	Correspondence re: Notice of Motion on Special Designated Status
Date:	21st November, 2017
Reporting Officer:	Louise McLornan, Democratic Services Officer, ext 6077
Contact Officer:	Louise McLornan, Democratic Services Officer, ext 6077

Restricted Reports	
Is this report restricted	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report/Summary of Main Issues
1.1	This report provides the Committee with details of the responses which have been received in relation to the Council's Notice of Motion of 1st June, which called for Special Designated Status for Northern Ireland.
2.0	Recommendation
2.1	The Committee is asked to note the responses which have been received and that any further responses will be circulated to the Committee for information.

3.0	Main Report
3.1	The Council, at its meeting on 1st November, agreed that the responses which had been received in relation to the following Notice of Motion, which was passed by the Council on 1st June, would be circulated to the Committee:
3.2	<p style="text-align: center;"><u>Special Status for North of Ireland</u></p> <p>“This Council calls upon the European Commission to agree a special designated status for the North of Ireland, following Brexit. This special status should incorporate provisions included within the Good Friday Agreement, in particular Strand Two, and uphold the human rights and equality protections currently in place which are derived from our current membership of the European Union. The Council agrees to write to the President of the Commission, to the Prime Minister, Teresa May, and to the Taoiseach, Enda Kenny, seeking a meeting to press the case for special status.”</p>
3.3	Responses have since been received from the Prime Minister’s Office, the Office of the Taoiseach and the Northern Ireland Office, copies of which are attached. The Committee will note that 2 of the 3 replies are acknowledgement responses and, to date, no further correspondence has been received.
3.4	<p>In addition, the following Notice of Motion, which was proposed by Councillor Nicholl and seconded by Councillor Lyons, was passed by the Council on 1st November:</p> <p style="text-align: center;"><u>EU Single Market</u></p> <p>“This Council recognises the critical importance of the EU Single Market to the economy of the City of Belfast and calls for a special deal to be put in place for Northern Ireland in context of Brexit that would facilitate continued participation in this Single Market.</p> <p>Accordingly, the Council agrees to write to the UK Government and European Commission Taskforce in this regard.”</p>
3.5	Letters conveying this Motion have since been sent to Mr Michel Barnier, European Commission Chief Negotiator and Mr. David Davis M.P., Secretary of State for Exiting the European Union.
3.6	Any further responses received will be circulated to the Committee for its information and will be presented to the Strategic Policy and Resources Committee for consideration.
3.7	<p><u>Financial and Resource Implications</u></p> <p>There are no financial or resource implications associated with this report.</p>
3.8	<p><u>Equality or Good Relations Implications</u></p> <p>None.</p>

	Documents Attached
4.1	Responses from the Prime Minister's Office, the Office of the Taoiseach and the Northern Ireland Office.

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Henry Downey

From: No Reply <Noreply@pmo.gov.uk>
Sent: 22 June 2017 16:52
To: Democratic Services

Follow Up Flag: Follow up
Flag Status: Flagged

10 DOWNING STREET
LONDON SW1A 2AA

Dear Mr Downey

I am writing on behalf of the Prime Minister to thank you for your correspondence of 13 June.

Your correspondence is receiving attention.

Yours sincerely

Mr Andrew Paterson
Head of the Prime Minister's Support Teams

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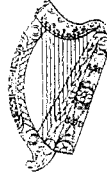
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Oifig an Taoisigh
Office of the Taoiseach

6th July 2017

Mr. Henry Downey
Democratic Services Officer
Belfast City Council
Chief Executive's Department
City Hall
Belfast
BT1 5GS

Dear Mr. Downey,

I wish to acknowledge receipt of your correspondence dated 13th June 2017.

Yours sincerely,

Nick Reddy
Assistant Private Secretary to the Taoiseach

Telephone: 01-6194000
E-mail: taoiseach@taoiseach.gov.ie

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Your Ref: HD/MOH

Henry Downey
Democratic Services Officer
Belfast City Council
Chief Executive's Department
City Hall
Belfast
BT1 5GS

18 July 2017

Dear Mr. Downey,

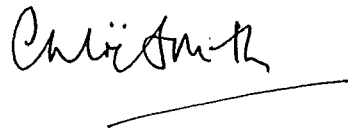
Thank-you for your letter of 13 June 2017 to the Prime Minister requesting a meeting to discuss a recently agreed motion from Belfast City Council regarding special designated status for Northern Ireland. I am replying on the Prime Minister's behalf.

The Government recognises Northern Ireland's unique circumstances - its economy, geography and history. Securing the best outcome for Northern Ireland remains a key focus to ensure these interests are represented and addressed.

The approach that we take is based on getting the best possible deal for all parts of the United Kingdom: we are clear about the strengths of the Union. Therefore, we believe the concept of special status is the wrong approach. It is rather about looking at special factors (such as the border) and special circumstances (like the highly integrated agri-food industry) and dealing with them effectively.

I recognise that Councillors will have a range of interests in relation to EU Exit and would be keen to meet a delegation to consider these. I will ask my Private Office to liaise with you to secure a suitable date to meet elected representatives.

Yours -

A handwritten signature in cursive script, reading "Chloe Smith", with a horizontal line underneath it.

**CHLOE SMITH MP
PARLIAMENTARY UNDER SECRETARY OF STATE**