

# Public Document Pack

**Democratic Services Section  
Legal and Civic Services Department  
Belfast City Council  
City Hall  
Belfast  
BT1 5GS**



**Belfast  
City Council**

18<sup>th</sup> November, 2019

## **MEETING OF BREXIT COMMITTEE**

Dear Alderman/Councillor,

The above-named Committee will meet in the Lavery Room - City Hall on Thursday, 21st November, 2019 at 5.15 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. **Response from European Committee of the Regions (Pages 1 - 2)**
3. **Presentation - Federation for Small Businesses**

Attendees: Mairaid McMahon and Daniel Donnelly
4. **Belfast - Dublin Corridor Update (Pages 3 - 8)**

Report submitted to the City Growth and Regeneration Committee on 6 November
5. **Day 1 Readiness (Verbal Report)**
6. **Response from Simon Coveney T.D (Pages 9 - 10)**
7. **Issues Raised in Advance by Members - Invite to Europe Minister - Helen McEntee TD (Councillor De Faointe to Raise)**





**European Committee  
of the Regions**

The Secretary General ad interim

Brussels, 12.11.19 01526  
SGCAB/JCC/dr (2019) D 2266

Ms Eilish McGoldrick  
Democratic Services Officer  
Belfast City Council  
Legal and Civic Services Department  
City Hall, Belfast BT1 5GS

Dear Ms McGoldrick,

I thank you for your letter, dated 5 November 2019, concerning the allocated seats for Northern Ireland Representatives in the European Committee of the Regions.

I would like to inform you that Article 305 of the Treaty on the Functioning of the European Union foresees that it is up to the Council of the European Union to appoint the members of the European Committee of the Regions, in accordance with the proposals made by each Member State.

The members of the European Committee of the Regions, besides being representatives of regional or local bodies, either hold a regional or local authority electoral mandate, or are politically accountable to an elected assembly.

In this context, the United Kingdom Permanent Representation to the European Union shall submit a proposal to the Council Secretariat in accordance with the procedures established by the Council.

Yours sincerely,

Pedro Cervilla

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<b>Subject:</b>	<b>Update on Belfast - Dublin Economic Corridor</b>
<b>Date:</b>	6th November, 2019
<b>Reporting Officer:</b>	John Greer, Director of Economic Development
<b>Contact Officer:</b>	Cathy Keenan, Economic Development Manager (Local Economic Development)

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

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

<b>1.0</b>	<b>Purpose of Report or Summary of Main Issues</b>
1.1	The purpose of this report is to provide the Committee with an update on progress to date on work to support the development of the Belfast-Dublin Economic Corridor and to set out the possible way forward to progress this work.
<b>2.0</b>	<b>Recommendations</b>
2.1	The Committee is requested to: <ul style="list-style-type: none"> <li>i. note the outcomes from the research paper undertaken by UU Economic Policy Centre (UUEPC) and Dublin City University (DCU); and</li> <li>ii. endorse the emerging plans for the Belfast-Dublin Economic Corridor.</li> </ul>

3.0	<b>Main Report</b>
3.1	Members will be aware that Belfast City Council and Dublin City Council have a longstanding working relationship built up over many years and focused principally on issues relating to economic development and city growth.
3.2	<p>More recently, at the Council meeting in May 2018, Councillor McAllister proposed the following motion, which was seconded by Councillor Long and referred to this Committee:</p> <p><i>“This Council acknowledges the ever growing importance of relations between Belfast City and Dublin City as the main economic drivers within each jurisdiction. Furthermore, regardless of the outcome of negotiations around Brexit, it is imperative that relations continue to flourish between both cities, to the mutual benefit of all along this increasingly significant economic corridor. Accordingly, this Council agrees to establish a joint plan around co-operation regarding working relationships within the economic corridor. Going forward, this Council commits to ensuring key areas of progress and collaboration focussing on:</i></p> <ul style="list-style-type: none"> <li><i>• a complementary approach to inward investment and job growth;</i></li> <li><i>• achieving Inclusive growth; and</i></li> <li><i>• developing Infrastructure and connectivity.”</i></li> </ul>
3.3	In taking this forward, officers have engaged with councils along the economic corridor. A partnership has been established including four councils in Northern Ireland and four in RoI. The council partners are: Armagh City, Banbridge and Craigavon Borough Council; Belfast City Council; Dublin City Council; Fingal County Council; Lisburn and Castlereagh City Council; Louth County Council; Meath County Council; and Newry, Mourne and Down District Council.
3.4	In order to shape the future direction of the partnership and identify economic opportunities along the corridor, Dublin City University and Ulster University were commissioned to carry out research on behalf of the councils.
3.5	The research paper has now been completed. It notes that examples of economic corridors in other locations offer learning for the Belfast-Dublin economic corridor. The key success factor for these locations is the need for a clear articulation of what additional economic growth might arise from the enhanced regional and local inter-governmental collaboration. That means articulating clearly the benefit that will accrue from enhanced levels of

	<p>engagement over and above what can be expected if partners are to continue to maintain the status quo and pursue their individual economic agendas. Clearly this will involve consideration of physical infrastructure but there are also opportunities for business to business collaboration and enhanced engagement among the research institutions along the corridor.</p>
3.6	<p>The report details the current economic performance of the Corridor and the future prospects for the region based on current trends. The report also begins the work of identifying potential areas for cooperation which could create a stronger trajectory for growth. Some of the report's key findings are outlined below:</p>
	<p><u>Current Economic Position</u></p>
3.7	<p>The Eastern Economic Corridor is seeing strong growth in population terms with a 12% increase since 2006. Over 2 million people now live in the eight Council areas. Growth in the working age population (16-64 year olds) is also strong, and stands at 1.4 million people. There are high levels of diversity within this population, with 15% born outside the island.</p>
3.8	<p>The labour market in all parts of the Corridor is very buoyant. Unemployment rates are between 3% and 4%, close to or at historical lows. This is due to recent strong growth in employment numbers, so that around 1 million residents are currently in work. An even larger number of jobs are located on the Corridor, pulling in numbers of commuters, particularly to Belfast and Dublin at either end.</p>
3.9	<p>There is a different story for the economically inactive, those not participating in the labour market due to ill health, caring duties or other reasons. Across the Corridor there are pockets of high levels of inactivity, particularly in Belfast, Dublin, ABC and NMD. This poses the question of how to improve employability opportunities for up to a quarter of residents in some places.</p>
3.10	<p>More than a third (34%) of residents of the Corridor have educational attainments greater than NVQ Level 4, ahead of other parts of the island. Although this share varies across the corridor and within individual Council areas, the overall picture is of a well-educated and available population.</p>

3.11	<p>At present, more than 5% of the million plus jobs on the Corridor are filled by commuters onto the Corridor from other parts of the island, often with an even higher skills profile than its residents. There is a significant challenge for addressing the skills gaps in the hidden pockets along the corridor.</p>
3.12	<p>The demand for skills is partly a result of a strong inward investment pipeline in recent years. This has been especially the case in Belfast, Dublin, Louth and, to a lesser extent, Meath. These location choices are supported by the recent results from FDI Intelligence which finds that the two cities feature prominently among the cities of choice globally. Dublin is No.1 among the 'large cities' locations, while Belfast is No.2 among 'mid-sized and small cities'. Both cities score highest on what is called 'business friendliness', but less so on connectivity, suggesting one challenge to future potential. There is considerable synergy in the core growth sector strengths along the corridor and these are often linked to University Centres of Excellence.</p> <p><u>Future prospects for the Eastern Economic Corridor</u></p>
3.13	<p>The outlook to 2040 is that, on current trends, population growth will continue, reaching 2.5 million people. This projection, based on both natural increase and inward migration, means a continuation of the slow shift towards a third of the island's population living on the Corridor. All cohorts of the population will increase with working age population providing a strong labour force into the future. One pattern to note is that there will continue to be stronger demographic trends in the southern part of the Corridor, when compared to the northern section. Clearly, Belfast City Council has already identified the need to grow the city's population as part of the Belfast Agenda and this focus on increasing the city's population will be important in the context of the corridor development.</p>
3.14	<p>The current employment growth is set to continue, perhaps at a lower rate, out to 2040 with an additional 325,000 jobs added. At nearly 1.3 million jobs on the Corridor, this will be a 35% share of the island's jobs and will see the position of near full employment and inward commuting continue.</p>
3.15	<p>A tight labour market also points to strong demand for skills to continue. Between expansion demand and replacement demand (as existing jobs continue to be filled) there may be an annual net requirement of 30-40,000 people along the Corridor. Much of the demand will be</p>

in the professional occupations, such as science & technology professionals, health professionals and business & service professionals. This points to the need to create a higher educational attainment profile than exists at present in the Corridor with a focus on addressing skills inequalities. The two main cities will continue to attract the majority of these roles. While this creates employment opportunities, there is a need for continued investment in specific sectoral skills at higher levels. In order to promote inclusive growth, there is a need to consider how we can develop pathways to help those without the necessary skills to move into work in this field.

Strengths of the corridor and sector priorities

3.16 The report identifies the sectoral concentrations and strengths in the Corridor, particularly across tradeable services (including ICT, Professional Services and Financial Services), as well as high tech Manufacturing and Construction.

3.17 Another sector that is important in every Council area is tourism with 68,000 jobs across the Corridor. Over 10 million trips were made in the Corridor in 2017, with access onto the island being especially beneficial. A high proportion of these numbers are in Belfast and Dublin.

Approach

3.18 Following the conclusion of the initial research piece, the senior council officials have continued to meet to consider how to move forward. At a recent meeting, the following approach was agreed:

- the need to undertake a detailed economic modelling exercise to provide a benchmark economic forecast for the corridor in the medium to long term. This will take account of the critical success factor from other economically successful corridors, namely a clear articulation of the vision and the additional benefits that can be accrued by undertaking this more collaborative approach to economic development;
- the need to consider alternative forecasts assuming various levels of investment in priority sectors. These forecasts will indicate the impact of any investment and provide a robust business case for funding projects along the corridor. This

	<p>assessment will be critical for any engagement with government agencies on either side of the corridor, particularly where there is to be a funding “ask” of those agencies. There is likely to be a need to develop full business cases for some of the priority projects that have the potential to lever investment from government partners;</p> <ul style="list-style-type: none"> <li>• the priority sectors for economic collaboration are likely to include research and innovation, tourism, infrastructure and agri-food. These will be underpinned by consideration of skills development and population health;</li> <li>• the collation of potential investment projects in the area of Research and Innovation to explore potential opportunities for collaboration. It is envisaged that this exercise will be rolled out across other themes such as infrastructure, tourism and health. This will educate a more detailed examination of agreed projects for inclusion in a business case for the selected joint investment proposals; and</li> <li>• the need to focus on how to give some focus and direction to the ongoing engagement – there is a sense that the partners need to put some “meat on the bones” of the discussions to date and focus much more significantly on stakeholder engagement to build wider support for the economic corridor proposal. Partners agreed a framework for collaboration based on the areas identified above and committed to taking a collective approach to moving forward.</li> </ul> <p><b><u>Financial and Resource Implications</u></b></p>
3.19	<p>The activities outlined within this report will be resourced from the 2019/20 Economic Development budget agreed by this Committee on 6th March, 2019.</p>
3.20	<p><b><u>Equality or Good Relations Implications/Rural Needs Assessment</u></b></p> <p>The Economic Development unit is currently undertaking a process of equality screening on the overall work programme, this will ensure consideration is given to equality and good relation impacts throughout the delivery of each project.</p>
<b>4.0</b>	<b>Documents Attached</b>
	None

# Agenda Item 6

Email from Simon Coveney T.D in response to the Committee Invitation of 24th October.

Date Received: 19 November, 2019

Dear Ms. McGoldrick,

The Tánaiste and Minister for Foreign Affairs and Trade, Simon Coveney T.D., has asked me to thank you for your invitation to attend a meeting of the Belfast City Council Brexit Committee, along with the Secretary of State for Northern Ireland, The Rt. Hon Julian Smith.

Due to prior commitments on the dates suggested, the Tánaiste regrets that he is unable to accept the invitation to contribute to your discussions on the impact of the Revised Protocol on Ireland and Northern Ireland, and Brexit more generally.

The Government of Ireland welcomes that an agreement has been reached between the EU and UK negotiating teams on a revised Withdrawal Agreement and Political Declaration on the future relationship, and that this has been endorsed unanimously by the European Council.

We hope that the extra time provided by the recent extension will be used to ratify the Agreement. It is a good deal, which meets our objectives including protecting the Good Friday Agreement, avoiding a hard border on the island of Ireland and protecting the integrity of the Single Market and Customs Union. Both sets of negotiators have worked long and hard to achieve this decisive progress, with flexibility and compromise shown by both sides. A no deal outcome, in particular, is in no one's interests.

As you will of course be aware, a UK General Election has been called for 12 December. We await the outcome of these elections, and look forward to working closely with the new Government.

Ratification of the Withdrawal Agreement and endorsement of the Political Declaration will provide much needed certainty and, through the transition period it provides, gives time and a solid basis for negotiations on a close and comprehensive future relationship between the EU and the UK.

You and colleagues may be aware of the Tánaiste's recent visit to Belfast on 23 October, during which he delivered a speech at the Belfast Chamber of Commerce. Those remarks may be of relevance and interest to the Committee and can be accessed at the following link:

<https://www.dfa.ie/news-and-media/speeches/speeches-archive/2019/october/speech-for-tanaiste-simon-coveney-td-belfast-chamber-of-commerce.php>

Even with an agreement, it is still the case that the UK is leaving the EU and this will bring change. We will continue our preparations for all scenarios, including the risk of no deal Brexit on 31 January 2020.

Email from Simon Coveney T.D in response to the Committee Invitation of 24th October.

In this regard, the Government has produced general guidance for citizens, which may be of use for your discussions, on the potential impact of Brexit on business and daily life. This is regularly updated and can be found on our 'Getting Ireland Brexit Ready' site:

<http://www.gov.ie/brexit>

The Government has also produced a guide for business 'Getting Your Business Brexit Ready- Practical Steps' which you may also wish to consult:

<https://www.gov.ie/en/publication/a7ba02-brexit-info/?referrer=/brexit/>

This guide highlights the practical steps all businesses- large or small- should take now to prepare for the UK's departure from the EU and minimise the impact of Brexit on their business. This information is aimed primarily at businesses in the South, however will be of use also to Northern Irish business.

Further, InterTrade Ireland (ITI) operates a helpful Brexit Advisory Service for businesses North and South, helping companies prepare for Brexit through a range of supports and services, including funding and an online learning tool.

ITI's 'Bitesize Brexit' Service can be accessed here:

<https://intertradeireland.com/BitesizeBrexit/>

We would also emphasise that both the Irish and UK Governments have committed that the Common Travel Area (CTA) will be maintained in all circumstances. The CTA allows Irish and British citizens to move and reside freely in either jurisdiction, enabling access to a range of associated rights and privileges in each other's countries. This will continue after Brexit.

Should you have any further or more specific queries, we would be happy to discuss at official level.

The Tánaiste has asked me to convey his best wishes for a successful meeting.

Yours sincerely,

Clare Brosnan  
Private Secretary