



<b>Subject:</b>	Belfast Region City Deal – update
<b>Date:</b>	22 September 2023
<b>Reporting Officer:</b>	John Walsh, Chief Executive
<b>Contact Officer:</b>	Sharon McNicholl, Director of Corporate Services and Deputy Chief Executive Damien Martin, Programme Director

<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>	
<b>After Committee Decision</b>	<input type="checkbox"/>
<b>After Council Decision</b>	<input type="checkbox"/>
<b>Some time in the future</b>	<input type="checkbox"/>
<b>Never</b>	<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	This report is to provide an update to Committee on the progress of the Belfast Region City Deal (BRCD).
<b>2.0</b>	<b>Recommendations</b>
2.1	The Committee is asked to: <ul style="list-style-type: none"><li>• Note the update on project development and delivery across the pillars of investment.</li><li>• To approve the pre-contract procurement of the Augment the City connectivity service ahead of the formal receipt of the contract for funding in October 2023.</li><li>• Note the update in respect of programme communication and the BRCD Council Panel</li></ul>

3.0	<b>Main report</b>
3.1	<p>As previously reported to the Committee, the BRCD Programme is now well into delivery with significant progress made to date. A total of 13 Outline Business Cases (OBC) are now approved, and 3 more are at advanced stages of the approval process with seven Contracts for Funding signed and the first claims for BRCD funding processed at the end of the 2022/23 financial year.</p> <p><b>Progress across BRCD Pillars since previous report</b></p> <p><b>Innovation</b></p> <p>3.2 As reported at the previous meeting the <b>Advanced Manufacturing Innovation Centre (AMIC)</b> has received planning approval for the Factory of the Future site at Global Point in Newtownabbey and work is significantly underway in relation to its Full Business Case, which includes the detailed development of a commercial operating model. Site acquisition is also expected to be completed in the coming months.</p> <p>3.3 Construction work on <b>Studio Ulster</b> continues but the competitive dialogue process has been concluded with no suitable operators identified. Ulster University and the Project Board have now agreed to initiate a new tender process for the appointment of a supplier for the design, development, supply &amp; installation of equipment for Studio Ulster which will be operated by Ulster University, via Studio Ulster Ltd. The revised approach will result in a short delay in relation to the completion of the Full Business Case.</p> <p>3.4 Following the commitment of additional funding from Queen’s University Belfast (QUB) for <b>iREACH Health</b>, the project has continued to progress and is finalising RIBA Stage 3 with plans in place to commence Stage 4, detailed design. QUB are finalising the Invitation to Tender documentation for its works contractor under the Early Contractor Involvement approach. QUB have also submitted its planning application for the Lisburn Road site and are progressing work around site acquisition.</p> <p>3.5 Work also continues on Global Innovation Institute following the commitment of additional funding from QUB and Ulster University’s <b>Centre for Digital Healthcare Technology OBC2</b> has been submitted to Government partners for approval.</p> <p><b>Digital</b></p> <p>3.6 The <b>Digital Venture Fund OBC</b> has had its Strategic &amp; Economic Cases reviewed by Government economists, with a Value for Money statement completed. Work will now move to review in detail the Commercial, Financial and Management Cases and this review will</p>

	inform next steps with partners. Engagement will be scheduled with partners in the coming months to focus on deliverability before the business case is brought for BRCD approvals.
3.7	Initial work is also underway to engage with Government and BRCD partners and develop high-level proposals for an <b>R&amp;D Grants</b> programme.
	<b>Augment the City</b>
3.8	In October 2022, Members approved the development of 'Augment the City', an R&D competition, designed by the Council's City Innovation Office, aimed at digital creative SMEs. Support for the development and now delivery of the project is provided by the Office's Smart District Broker, which is funded through the City Deal reserve.
3.9	With £928,373 funding from Belfast Region City Deal, Augment the City will provide R&D grant funding to ten companies who will work directly with the city's tourism partners to develop products that will harness cutting-edge immersive technologies such as Virtual and Augmented Reality. The competition will also help tourism partners to better understand the future potential of these technologies for future investments such as Belfast Stories.
3.10	The Department for Economy has now approved the business case for Augment the City and are working with Council to finalise the Contract for Funding which is expected in late October. As Members will be aware, a key element of Augment the City is a small-cell wireless environment set up in three locations in City Hall. This will provide the necessary connectivity for the SMEs to develop and trial their immersive experiences.
3.11	This is already costed within the approved business case and a price of £174,911.69 has been determined using the Northern Ireland Public Sector Shared Network procurement framework. However, given the delay in receiving the completed contract from DfE, there is a risk that the service may no longer be available at this price by late October. With this risk in mind, Members are asked to approve the procurement of the connectivity service ahead of the formal receipt of the contract. DfE are aware of this proposal and have confirmed that there will be no divergence in the contract from the approved business case.
	<b>Tourism and Regeneration</b>
3.12	As reported previously, OBC approvals and Contracts for Funding are in place for all three regeneration projects.
3.13	Following introduction of the Subsidy Control Act 2022 and subsequent legal advice to the relevant government departments in relation to the need for subsidy assessments to be

completed before signing of the Contract for Funding (CfF), significant work has been undertaken on the development of subsidy assessments and engagement has taken place with Subsidy Advice Unit from the Competition and Markets Authority, in parallel with the drafting of contracts for the tourism projects. This has impacted on the timeframes for signing of the contracts for tourism projects.

3.14

Progress in relation to procurement continues across all projects with the development of procurement documentation for Integrated Consultancy Teams (ICTs) and Integrated Supply Teams (ISTs):

- **Belfast Stories** have completed their procurement process for their ICT and Design Assurance teams and subject to no challenges, hope to award both contracts in October.
- The ITT returns for the **Carrickfergus** ICT are due on the 18<sup>th</sup> September and it is hoped that the ICT will be appointed in November.
- The Pre-Qualification Questionnaire (PQQ) returns for the **Gobbins Phase 2** ICT are currently being assessed, with ITT documentation to be issued in October
- The IST PQQ returns for the Theatre and Conference for **Newry Regen** are currently being assessed and the documentation for the Civic Hub is being finalised.
- **Bangor Waterfront** published the ICT PQQ documentation for Ballyholme Yacht Club in August, with the ICT PQQ for Pickie Park to follow in September.
- The Procurement Strategy for **Destination Royal Hillsborough** is being finalised, which will allow ICT procurement to progress.

3.15

Carrickfergus Regeneration have also set up a Working Group and have appointed Excellence in Work to develop the preferred Operating Model. Bangor Waterfront have engaged external support to assist in the procurement of the Operator for the Marina and Pickie Fun Park, so that Operators are in place to input into the design development process for both projects.

### **Infrastructure**

3.16

As previously reported feasibility studies are being completed and the OBC is being updated by Department for Infrastructure for **Belfast Rapid Transit Phase 2**. A peer review exercise, similar to a Gateway 2, review has been undertaken for **Lagan Pedestrian and Cycle Bridge** in preparation for procurement of a design and build contractor. Following confirmation from DfI that its preferred option for the bridge on the **Newry Southern Relief Road** is a non-opening 50m fixed bridge, preparation of statutory orders has commenced.

**Employability and Skills (E&S)**

3.17 Our **skills assessment** process, now being conducted on a cross-deal basis to understand the labour and skills implications of the city deal investment projects is continuing to progress, but timeframes have been impacted by the vacancy in the E&S Programme Manager post- this issue is currently under consideration by BRCD College partners which fund this post. As reported previously two further skills assessments, aligned to Advanced Manufacturing and Creative Industries sectors, are already now well developed utilising this approach. An Advanced Manufacturing Assessment has been completed with AMIC and will be shared with partners over the coming weeks with a view to submission for approval in the late Autumn. The Creative Industries (Virtual Production) assessment is refining its emerging recommendations, with the aim of a report to the Task and Finish Group this month.

3.18 A detailed update was provided on the **Digital Transformation Flexible Fund** project at the June meeting. In parallel with the final stages of the OBC approval Newry, Mourne and Down District Council, on behalf of the partners, has been making preparations for the launch of the fund, including by working with Council colleagues to ensure alignment with the new Enterprise Support Service, and are now aiming to launch in Oct 23.

**Communications & Engagement**

3.19 Communication and engagement continues to be a priority both at a project and programme level. Now that the programme has moved into delivery stage specialist support has been commissioned to support strategic engagement to include the development of a Strategic Engagement Plan with an initial focus on local businesses and industry. Further plans will also be developed to engage with elected members across the region to update on progress and identify further priorities and areas of future investment.

3.20 The first BRCD Annual Report, as considered at the previous meeting of the Committee, was received positively by senior officials from across NI and UK Government Departments and provided the basis for discussions with the BRCD partners on priorities for the year ahead and tackling key challenges that the BRCD partners continue to face.

3.21 As previously reported to Members a dedicated website has been developed which provides details of the deal and press releases and articles in relation to project specific announcements, including key appointments, progress and tender opportunities.

**BRCD Council Panel**

3.22 The next meeting of the Council Panel will be held on 27<sup>th</sup> September 2023, hosted by Ards and North Down Borough Council. Invitations have been sent to all Panel members and given this is the first meeting of the new Panel we have asked, where possible, that

	<p>members attend in person. At the meeting members will be provided with an overview of the programme, a presentation on the first BRCD annual report, which will be launched following the meeting and an update on Bangor Waterfront Regeneration project. Following the meeting there will be an opportunity to take a tour of Bangor Waterfront.</p>
3.23	<p><u>Financial &amp; Resource Implications</u></p> <p>All costs associated with the BRCD are within existing budgets.</p>
3.24	<p><u>Equality or Good Relations Implications/Rural Needs Assessment</u></p> <p>The approach taken to develop the City Deal has been subject to independent equality screening and rural proofing and states that;</p> <p><i>'BRCD is inherently inclusive, affording an opportunity for the region to grow in a way that will benefit the economy of Northern Ireland as a whole, thereby enhancing the lives and well-being of its citizens. If during further development of the programme it becomes apparent that there may be an adverse impact on certain groups or communities then the partnership commits to carrying out further Section 75 work and including screening and EQIAs as and when appropriate.'</i></p>
<b>4.0</b>	<b>Appendices – Documents Attached</b>
	None