



Subject:	Belfast Region City Deal – update
Date:	24 th May 2024
Reporting Officer:	John Walsh, Chief Executive
Contact Officer:	Sharon McNicholl, Director of Corporate Services and Deputy Chief Executive

Is this report restricted? Yes No

Please indicate the description, as listed in Schedule 6, of the exempt information by virtue of which the council has deemed this report restricted.

Insert number

1. Information relating to any individual
2. Information likely to reveal the identity of an individual
3. Information relating to the financial or business affairs of any particular person (including the council holding that information)
4. Information in connection with any labour relations matter
5. Information in relation to which a claim to legal professional privilege could be maintained
6. Information showing that the council proposes to (a) to give a notice imposing restrictions on a person; or (b) to make an order or direction
7. Information on any action in relation to the prevention, investigation or prosecution of crime

If Yes, when will the report become unrestricted?

After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Sometime in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

Call-in

Is the decision eligible for Call-in? Yes No

1.0	Purpose of Report or Summary of main Issues
1.1	This report is to provide an update to Committee on the progress of the Belfast Region City Deal (BRCD).

2.0	Recommendations
2.1	<p>The Committee is asked to:</p> <ul style="list-style-type: none"> • Note the progress on project development and delivery across the pillars of investment. • Note the update in relation to the Annual report and Annual Conversation. • Note the update in respect of programme communication and the BRCD Council Panel
3.0	Main report
3.1	<p>Significant progress has been seen now that the BRCD is fully into delivery, with the most advanced projects recruiting and upskilling staff, constructing new premises, co-designing projects with industry, procuring next generation technology and equipment and moving fully into operation in 2024, 2025 and 2026.</p>
3.2	<p>To date a total of 15 Outline Business Cases (OBC's) have been approved with a combined approximate project value of £660m and 10 Contracts for Funding have been signed for projects with an approximate value of £505m. To date over £5m of claims have been paid to individual projects.</p>
3.3	<p>Also following significant local market engagement local businesses have been awarded contracts to support delivery of the BRCD. For example Henry Brothers were recently appointed to deliver a significant contract for the Queen's University led Advanced Manufacturing Innovation Centre (AMIC) and the aim this year as outlined in BRCD's first annual report is to have awarded 15 major contracts for design, support for delivery and construction.</p>
	<p>Progress across BRCD Pillars since previous update in January</p>
	<p>Innovation</p>
3.4	<p>Innovation has seen a number of key milestones since the last update with the Advanced Manufacturing Innovation Centre (AMIC) receiving Full Business Case (FBC) approval in early March and with construction works commencing on site at Global Point in Newtownabbey on 25th March. A significant recruitment drive is also underway with 21 new roles advertised including senior engineers and roles relating to sustainable manufacturing.</p>
3.5	<p>Studio Ulster also received FBC approval in March and is well on course to open fully for business this Autumn, leading the way in creative industries. The construction of the Studio Ulster facility at Giant's Park in North Belfast is due for completion in July. A recruitment drive is also underway for the project. The procurement process in relation to specialist virtual production equipment has also been completed.</p>

3.6	<p>iREACH Health received planning approval in March, full planning permission was granted for the erection of four and five storey clinical research buildings on either side of the Lisburn Road replacing the existing Russell court buildings currently at the site. The FBC has been significantly drafted and formal submission is anticipated in June ahead of construction commencing in Autumn.</p>
3.7	<p>In relation to Momentum One Zero, the planning application has been formally submitted and Stage 4 Detailed Designs are progressing well.</p>
3.8	<p>The CDHT OBC2 was submitted to Government partners by Ulster University and following detailed review has now successfully received DoF Supply approval. The drafting of the Contract for Funding is now well underway, following legal consideration of Subsidy Control.</p>
	<p>Digital</p>
3.9	<p>The Digital Twin Centre project led by Digital Catapult signed its Contract for Funding at the end of March and a formal launch has now taken place. The City Deal is funding £15m towards the project, with £15m of funding from Innovate UK and an additional £7.6m from industry partners. Digital Catapult are seeking rental accommodation within Belfast and a significant recruitment drive is underway.</p>
3.10	<p>The Augment the City Challenge Fund opened in April 2024 for applications from local SMEs who wish to explore the future role of immersive technologies in visitor experiences, with the ability to utilise and exploit the benefits of 5G technology – with learnings for Belfast Stories and all tourism & regeneration projects across the Deal. A separate report on the Smart Cities innovation programme which includes a detailed update on the fund is also on the agenda for Members consideration.</p>
3.11	<p>The i4c Cleantech Centre at St Patrick's Barracks, led by Mid & East Antrim Borough Council, is progressing procurements for a centre operator and progressing detailed designs for the facility.</p>
3.12	<p>An OBC for the AND Innovation Hub, an innovation centre based in Holywood, focused on the creative industries and led by Ards & North Down Borough Council, which will utilise £8.9m of City Deal funding has been formally submitted to Government partners for consideration. Discussions are underway to maximise integration with Studio Ulster and South Eastern Regional College.</p>

Tourism and Regeneration

- 3.13 As reported previously Contracts for Funding are in place for the Carrickfergus, Newry City Centre and Bangor Waterfront regeneration projects. Newry are now progressing with the procurement of contractors, Carrickfergus are developing RIBA 2 designs and Bangor Waterfront have progressed the appointment of the design teams for Ballyholme Yacht Club and Pickie Fun Park.
- 3.14 The Tourism projects have also seen significant progress since the last update in relation to Contracts for Funding.
- 3.15 The contract for funding for **Mourne Mountain Gateway Project** has now been approved through Newry Mourne & Down District Council governance arrangements. Approval for the OBC addendum from the Department of Finance has also been received meaning the contract can now proceed to signing, which is a significant milestone for this project. Procurement of design team is also reaching final stages of approval, with design team expected to be appointed this month.
- 3.16 The **Gobbins Phase 2** contract for funding has now been signed. The design team procurement has concluded and the design team has been formally appointed.
- 3.17 **Destination Royal Hillsborough** has received final Council and Historic Royal Palaces approval for the Contract for Funding and will now progress to signing. Procurement of the Lisburn and Castlereagh City Council and Historic Royal Palaces design teams have commenced with first appointments expected in the summer. Lisburn and Castlereagh City Council have continued to engage with a number of statutory bodies to progress the planning application for the public realm.
- 3.18 A detailed report on the progress to date on **Belfast Stories** was considered by Members in March 2024. The RIBA 1 stage has completed and development on the Stage 2 concept designs for both the visitor experience and the build has now commenced.
- 3.19 **Subsidy Control**
In line with the requirements of the Subsidy Control Act, the subsidy assessments for Mourne Gateway and Gobbins, were referred to the Competition and Markets Authority, which concluded that a well reasoned case for the subsidies had been made. The PMO continue to work closely with projects and Government Departments and take appropriate professional advice to ensure that the requirements of the Subsidy Control Act are fulfilled.

Infrastructure

- 3.20 Feasibility studies are being completed **Belfast Rapid Transit Phase 2** on the extensions to Glengormley and Carryduff as requested by the last Minister. Following completion of these studies the OBC will be updated.
- 3.21 The OBC Addendum for **Lagan Pedestrian and Cycle Bridge** has now received approval from the Department for Finance. Approval is now being sought from the Minister to progress to procurement of the design and build contractor.
- 3.22 The minister has reaffirmed the previous decision that the preferred option for the bridge on the **Newry Southern Relief Road** is a non-opening 50m fixed bridge and work is proceeding to finalise Statutory Orders

Employability and Skills (E&S)

- 3.23 Work has been progressing on the cross deal skills assessments in order to align the plans of partners, industry and government to meet the needs of the high-quality jobs that will be created through BRCD investments. The first assessment focusing on construction opportunities has already informed recommendations for BRCD partners and other stakeholders. Since the last update the advanced manufacturing assessment has now been completed and the Creative Industries (Virtual Production) assessment is at an advanced stage of preparation. A digital skills assessment has also commenced and work is ongoing.
- 3.24 The £7.5m **Digital Transformation Flexible Fund** is a cross-Deal project, funded by the NI Complementary Fund and offers eligible businesses and social enterprises help to fund their digital transformation project. The DTFF grants are worth between £5,000 and £20,000 and are designed to help small and micro businesses accelerate their digital transformation ambitions. Demand has been strong as the project progresses through its second call for applications.

Annual Report 2023/24

- 3.25 As previously reported the agreed reporting arrangements for all City and Growth Deals requires the production of an Annual Report and the requirement to meet with the Northern Ireland Delivery Board in order to discuss deal progress as part of an 'Annual Conversation'.
- 3.26 The annual report for 2023/24 is currently being compiled by the Programme management office who have been actively engaging with partners on project specifics where required in

	<p>advance of consideration of by the Executive Board in June and by partners through their own governance structures.</p> <p>Communications & Engagement</p> <p>3.27 Partners held their first Industry Engagement breakfast event, at Belfast City Hall on 29 February 2024. The session set the Deal in its wider political and economic context, offered greater visibility of the full programme of investment and outlined the significant opportunities being created for local businesses. Attended by a diverse range of heads of NI business and industry bodies, sectoral representative organisations, representatives from NI and UK Government, and elected members from the partner councils, the event offered an excellent opportunity to showcase the pillars of investment.</p> <p>3.28 Participants learned how the Deal's long-term investments will help overcome embedded economic challenges in order to enhance the region's productivity and generate more and better job opportunities.</p> <p>3.29 Attendees were encouraged to help engage their members and partners by amplifying key messages and opportunities in their own communications and events.</p> <p>3.30 Further political and business engagement is planned for the months ahead and Members will be kept updated as this work progresses.</p> <p>BRCD Council Panel</p> <p>3.31 The next meeting of the Council Panel will be held on 29th May 2024, hosted by Antrim & Newtownabbey Borough Council. At the meeting members will be provided with a programme update and presentations on the Advanced Manufacturing Innovation Centre (AMIC), the advanced manufacturing skills assessment and the Digital Transformation Flexible Fund.</p> <p>3.32 The minutes from the meeting hosted by Ards & North Down Borough Council on 27 September 2023 are attached at Appendix 1 for information.</p>
3.34	<p><u>Financial & Resource Implications</u></p> <p>All costs associated with the BRCD are within existing budgets. As outlined additional resources have also been leveraged from other funding sources to extend the impact of the deal.</p>
3.35	<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>
4.0	Appendices – Documents Attached
	Appendix 1 – Minutes of the Council Panel Meeting 27 September 2023