



<b>Subject:</b>	City Region Growth Deal – update
<b>Date:</b>	24 November 2017
<b>Reporting Officer:</b>	Suzanne Wylie, Chief Executive
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<b>Restricted Reports</b>	
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"/>

<b>Call-in</b>	
Is the decision eligible for Call-in?	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	To update Committee on next steps on the development of a Belfast Region City Deal including the allocation of resources and a proposed visit from Sajid Javid Secretary of State for Communities and Local Government.
<b>2.0</b>	<b>Recommendations</b>
2.1	The Committee is asked to; <ul style="list-style-type: none"><li>note the next steps in the development of the Belfast City Region Deal</li><li>note that committee will consider as part of the revenue estimates report for 2018-19 a growth proposal of £1,000,000 of capital financing to support the delivery of</li></ul>

	<p>BCC city region deal projects.</p> <ul style="list-style-type: none"> <li>• Recommend that £500,000 is allocated on a non recurrent basis to support the development of the city region deal and considered as part of the half year finance report 2017 -18.</li> <li>• Agree to the attendance of Party Group Leaders and the chair of SP&amp;R at the meeting with SoS for Communities and Local Government on 7<sup>th</sup> December 2017.</li> </ul>
<b>3.0</b>	<b>Main report</b>
3.1	<p><u>Key Issues</u></p> <p>At its meeting in September, members the proposed geography for the Belfast City Region Deal, the overall objective of “more and better jobs; inclusive growth; improved skills and and growth of domestic business and FDI”; and the key themes of Infrastructure, Innovation and Skills.</p>
3.2	<p>The other five councils that make up the city region have also received approval for the above and work is continuing on the development of an overall programme of work to ensure the region has the evidence base, information and emerging projects to make the best possible case for an overall programme that will support the city region’s economy. Given the ambition for the deal is to secure between £700 k - £1b it is important that the overall ask is comprehensive and has sufficient level of detail to demonstrate the economic benefits. Learning from other councils has shown that this will build confidence with both central and regional government and secure a better overall deal. All the city region councils will therefore need to allocate a budget to help develop the proposition and in particular to support the areas outlined below.</p>
3.3	<p><b>Policy Context</b></p> <p>Through the community planning process each council has developed a wealth of evidence for their own areas and the plans themselves outline key projects and programmes that focus on their specific needs. It is important that this evidence base is built up at a city region level so that we can identify those areas that will benefit most from collaborative working and will have the greatest impact on delivering the city region deal objective. It is also important to identify the regions contribution to the Programme for Government and the UK and NI Industrial Strategies and as a first step towards this the City Region has commissioned the development of an Industrial Strategy. The out workings of this strategy will help focus on our emerging growth sectors and may lead to more specific detailed research. It will also complement work already ongoing in relation to Infrastructure and</p>

Digital / Smart Belfast.

3.4 A further key evidence piece is the requirement to access employability and skills intelligence to shape priorities and targeting of interventions. It is proposed the initial stage in the creation of this intelligence is to develop a localised skills barometer for the Belfast Region area. This will help to better inform, target and measure employability and skills interventions in the future. Further work on identifying programmes and specific interventions will also be required once the evidence base is developed.

3.5 **Project Development**

Through the Belfast Agenda the council has already identified an ambitious plan for the city and it is envisaged that the city deal will be one mechanism to help deliver the plan. As the evidence from the Industrial Strategy emerges it will be important to align and develop specific projects which could form part of the city deal proposition. Clearly only projects that demonstrate economic benefit and inclusive growth will be considered and therefore work will need to be undertaken to develop business cases on a project by project basis. It is envisaged that some projects such as Employability and Skills will be done on a regional basis, and therefore funding for its development will be done across the region, but others for example the Belfast Story will need to be done on an individual council basis and funded at a local level. The council will also be working with its partners, eg the universities on a number of innovation projects which again will require joint funding.

3.6 **Programme Management**

The development of a city deal requires us to not only work up individual projects and priorities but to develop a comprehensive 10 year programme of investment for the city region that ensures a geographic spread of benefits and supports ongoing partnership working across the region. To facilitate this appropriate governance and programme management structures need to be put in place.

3.7 As a first step a senior officials group has been set up with the 6 council Chief Executives and senior officials from DCLG, HMT, NI Executive and NIO as well as programme management support from BCC including the Deputy Chief Executive who has been designated SRO for the overall deal. Senior Officers from BCC have been agreed as the key contacts with central government are now working on an ongoing basis with officials from DCLG on the development of the programme and it is anticipated that this will be a full time resource requirement going forward.

3.8	<p>In addition, work streams across all the priorities are now being set up and will be co-ordinated by BCC through the overall programme. The council will also have to have appropriate officer representation on each group.</p>
3.9	<p><b>Governance</b></p> <p>Decisions on the content of the emerging deal will be considered and agreed by the city region councils. However ongoing joint engagement across the six councils, the NI government departments, central government and city deal partners will also be critical and require officer support from all councils but again with a degree of co-ordination through BCC. As the detail of the deal emerges proposals for governance and programme management arrangements for the delivery of the deal will also need to be developed.</p>
3.10	<p><b>Financing the Delivery of the City Deal</b></p> <p>Council is also working up a suite of proposed projects for inclusion in the overall city region deal. All city deals to date have required councils to make a financial contribution to the delivery of their own capital projects. At this stage there is no provision in the current capital financing budget for this and the council will need over the next few years to build a city deal fund. It is therefore recommended for 2018 -19 that an allocation of £1,000,000 is considered as part of the rate setting process.</p>
3.11	<p><u>Visit of SoS for Communities and Local Government</u></p> <p>As highlighted the key central government partner in the development of city deals is DCLG and the SoS for Communities and Local Government would like to meet with politicians and partners to receive an update on progress. We are liaising with the NIO on the logistics and agenda for this visit but a date of 7<sup>th</sup> December 2017 has been agreed. As all of the six councils will be represented at the meeting it is recommended that, as at the previous joint city deal councillors meeting, Party Group Leaders and the Chair of SP&amp;R represent Belfast City Council at the event.</p>
3.12	<p><u>Financial &amp; Resource Implications</u></p> <p>Exact costs for the development of specific areas of the city deal are still being developed but it is recommended that £500,000 is allocated to the development of the programme to cover strategy develop and research, provision of business cases for individual projects, financial and economic modelling, additional staff resources for programme and project management. In addition £1,000,000 of capital financing from 2018 -19 budget will be</p>

3.13	required to support the delivery of BCC city region deal projects.  <u>Equality or Good Relations Implications</u> To be considered in preparation of Belfast City Region Deal.
4.0	<b>Appendices – Documents Attached</b>
	None