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| Subject: | Northern Ireland Affairs Committee: Suggestions for the next Brexit Inquiry |
| Date: | 7 February 2018 |
| Reporting Officer: | Suzanne Wylie, Chief Executive |
| Contact Officer: | Donal Durkan, Director of Development |

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| 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"/> |

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

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| 1.0 | Purpose of Report or Summary of main Issues |
| 1.1 | The Northern Ireland Affairs Committee has opened a call for suggestions for themes for their next Brexit and Northern Ireland Inquiry. The call for suggestions will close on 22 February 2018. Suggestions are to be submitted electronically, and should set out the theme and why Brexit poses a particular challenge or opportunity in that area. |
| 1.2 | The Northern Ireland Affairs Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Northern Ireland Office and its associated public bodies. It consists of 13 Members of Parliament and works principally by undertaking inquiries. For the inquiries, evidence is sought from a wide range of groups and individuals |

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| <p>1.3</p> <p>1.4</p> | <p>with relevant interests and experience to inform the Committee’s findings and recommendations. The NI Affairs Committee has carried out Brexit related inquiries into the land border between Northern Ireland and Ireland and has opened a sub-inquiry into the implications of Brexit for the fishing industry in Northern Ireland.</p> <p>On 21 November 2017, the Committee held a Special meeting to focus on Brexit in order to explore the potential economic impact and to consider Belfast’s resilience to meet the challenges and to take advantage of the opportunities for the future to ensure the economic growth and regeneration of the city. With input from a range of external expert perspectives, the Committee noted a number of potential areas of impact of particular relevance to achieving the ambitions for inclusive growth, attracting investment and growing the Belfast economy at its meeting on 6 December 2017.</p> <p>The Northern Ireland Affairs Committee’s request for suggestions provides an opportunity to highlight the issues and opportunities of particular relevance to Belfast, and to have the Northern Ireland Affairs Committee apply its resources to investigate it.</p> |
| <p>2.0</p> | <p>Recommendations</p> |
| <p>2.1</p> | <p>Based on the Committee’s consideration of Brexit, the Committee is asked to:</p> <ul style="list-style-type: none"> - Note the NI Affairs Committee themed approach to its next Brexit and NI Inquiry; and - Consider and approve the suggested themes outlined at paragraph 3.6 to be submitted to the NI Affairs Committee as topic areas for the next Brexit and Northern Ireland Inquiry. |
| <p>3.0</p> | <p>Main report</p> |
| <p>3.1</p> | <p><u>Key Issues</u></p> <p>At its meeting on 21 November, this Committee considered the potential impact and opportunities of Brexit within the context of the Belfast Agenda and Local Development Plan which have 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.</p> <p>The potential impacts of Brexit are wide-reaching and there may be other issues that</p> |

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| 3.2 | <p>impact more directly on other Committees, such as regulatory and legislative changes. This Committee has acknowledged the following broad areas 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 designation and funding |
| 3.3 | <p>The Committee has noted that the growth and diversification of the Belfast economy is critical to maintaining its resilience in order to manage future economic changes, potential shocks and stresses. 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 employers, visitors, investors, students etc to ensure economic prosperity for the city and the region as a whole.</p> |
| 3.4 | <p>While further clarity and detail will be required to enable a full assessment of the impacts and opportunities as a result of Brexit; the following summary points have been noted by Committee at its December 2017 meeting:</p> <ul style="list-style-type: none"> - The need for clarity on the movement of people in terms of attracting and retaining talent for the city's high growth sectors/knowledge economy as well as cross-border workers, researchers, students etc. and boosting tourism; - The importance of growing the local business base and accelerating alternative models such as social enterprises, co-operatives etc; - The need to encourage social innovation to promote and secure prosperity across the city; - The importance of harnessing the city's anchor institutions, such as universities, to maximise the local impact of their procurement as well as attracting investment; - There are ways in which Belfast may benefit in certain sectors due to its location and proximity to Dublin; its competitive cost base may be an advantage; - The professional services 'axis' of Belfast – Dublin - London offers a real opportunity to position the city; - Ensuring connectivity (air, road, rail and digital connections) and appropriate infrastructure are crucial for growth; |

- The Belfast Region City Deal is both a vehicle to improve prosperity and quality of life in the city-region as well as making the city-region more globally competitive;
- The vital role played by Council in demonstrating leadership to drive inclusive economic growth and the importance of delivering the programmes and plans to progress the ambitions for the city outlined in the Belfast Agenda.

3.5

The NI Affairs Committee request for suggestions for future themes for the Brexit and Northern Ireland Inquiry provides a timely opportunity to highlight the issues and opportunities of particular relevance to Belfast and to inform the focus of work for the NI Affairs Committee.

3.6

Focusing on delivering the Belfast Agenda ambitions to secure sustainable inclusive growth and position Belfast successfully in a more globally connected world, it is proposed that the following themes are submitted to the NI Affairs Committee for the next Brexit and Northern Ireland Inquiry:

- Assessment of the impacts, measures and incentives to ensure Belfast remains competitive in attracting and retaining investment especially Foreign Direct Investment
- The impacts and opportunities for attracting and retaining EU and international students and staff; and their contribution to the regional and city economy.
- The impacts and opportunities for the key growth sectors (including business and professional services, financial services and fintech, creative and digital sector, clean tech, cyber security). There are around 32,000 people employed in the Financial Services sector, this focus would enable consideration of the potential to maximise the professional services 'axis' of Belfast – Dublin – London
- The vital work on peace and social inclusion
- The Erasmus Programme of exchange
- The future role of the tourism sector in terms of connectivity (particularly air routes), labour supply, ease of movement and contribution to the economy (in 2016, over 1.5m overnight trips to Belfast, contributing £334m to the economy).
- Exploring opportunities to incentivise exports and priorities for trade (e.g. geographically and/or sectorally) to support and develop small business growth post-Brexit.
- Consideration of the impact and opportunities of EU funding and any replacement funds to support social, economic and cultural regeneration in the city.

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| 3.7 | <p>There is currently no clear information available as to how the Committee will select the subject for the inquiry; however, it is likely to be based on the judgement of the committee members, influenced by lobbying and the volume of support for each potential subject area. Therefore the suggested themes at paragraph 3.6 cover a range of areas that the Committee have raised when considering Brexit.</p> <p><u>Financial & Resource Implications</u></p> <p>There are no financial costs for the Council associated with this report.</p> <p><u>Equality or Good Relations Implications</u></p> <p>There are no equality or good relations implications associated with this report.</p> |
| 3.8 | |
| 3.9 | |
| 4.0 | Appendices – Documents Attached |
| | None |