



Subject:	City Region Growth Deal – update
Date:	February 2020
Reporting Officer:	Suzanne Wylie, Chief Executive
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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"/>

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

1.0	Purpose of Report or Summary of main Issues
1.1	To update Committee on the progress of the Belfast Region City Deal (BRCD).
2.0	Recommendations
2.1	The Committee is asked: <ul style="list-style-type: none">• To note the progress in the further development of the BRCD• To note the proposed NI Funding and Governance Arrangements and BRCD partner response• To note the minutes of the BRCD Council Panel held on 29th January 2020.

3.0	Main report
3.1	<p>Programme Update</p> <p>Members will be aware that the BRCD proposition contains 22 projects across Digital, Innovation, Infrastructure and Tourism & Regeneration investment pillars, which will be underpinned by an integrated employability and skills programme.</p>
3.2	<p>Robust Outline Business Cases (OBCs) demonstrating the ability of each project to support the BRCD's stated objectives are required for each project in order to release the BRCD Funding. The main focus of this stage of the process, Phase 2, is therefore the development of the OBCs. Projects are being progressed by individual partners with the guidance and support of Advisory Boards and an update on each investment pillar is provide below.</p> <p>Investment Priorities</p> <p>3.3 Tourism and Regeneration</p> <p>Plans for the development of many of the OBCs within the agreed timeframes have been reviewed by the Advisory Board, which is now receiving monthly updates on the progress of each project. Project teams have confirmed that they are largely on course to produce OBCs between February and May, but there is limited room for slippage if deadlines are to be achieved. To ensure projects align with emerging government strategies and tourism priorities the Advisory Board includes representation from Tourism NI, the Department for the Economy and the Department for Communities. Tourism NI is now examining possible market testing options for projects in order to assess their potential tourism 'appeal' - this will provide important evidence for inclusion in the OBCs. To complement this Tourism Ireland has also offered to produce analysis of the strengths/weaknesses of each project.</p> <p>3.4 Innovation</p> <p>The Innovation Board is continuing to oversee the development of plans for five global centres of excellence in the digital and creative industries, life and health sciences and advanced manufacturing growth sectors, aligned with the priorities of the UK industrial strategy. Business cases have now been drafted in consultation with government stakeholders. The Board has also been working with the E&S pillar to consider how to ensure the skills will be in place for the jobs emerging as a result of these projects. The challenges of minimising carbon emissions were the subject of a recent workshop and work to consider potential synergies with the digital pillar has also commenced. The Innovation strand continues to be furthest advanced with the completion of the first draft OBCs for the following centres of excellence;</p>

- The Advanced Manufacturing Innovation Centre which will provide high quality innovation support to manufacturing and advanced engineering industry by bringing together early stage research and education delivery (AMIC Campus) together with a new Factory 4.0 facility (AMIC Factory 4.0) that brings multiple industries, sectors and technologies to address major industrial challenges within advanced manufacturing.
- A Global Innovation Institute will be an analytics innovation centre, incorporating AI and Machine Learning which builds on the success of the NI cyber ecosystem. It will support the development of a new One Health business cluster in which Northern Ireland will lead the world, and working with key partners, help to anchor the creation of a distinctive Innovation District, from central Belfast extending to Titanic Quarter.
- I-Reach an ecosystem for clinical trials and evidenced based decision making in healthcare. It will transform the ability to test new drugs, pathways and societal interventions and determine the redundancy of current practice following the introduction of transformative medicines and practice.

These will now be submitted to UK and NI government departments for consideration and review.

Digital

3.5

The Fraunhofer/BABEL Institute, a global leader in digital innovation and smart districts/testbeds, is progressing the development of an implementation plan for the highly ambitious digital pillar. A Digital Advisory Board has been established comprising central and local government, universities and colleges and intends to enhance its membership with additional technical and commercial capability. Technical support is also being commissioned with a view to developing a programme level OBC for this pillar by June 2020. At the same time BABLE will support BRCD Partners to identify and develop proposals for specific and viable digital projects. Examples of international good practice will be used to help inform proposals for regional innovation hubs and testbeds.

Infrastructure

3.6

As the Department with responsibility for the delivery of the infrastructure projects, the Department for Infrastructure is leading the Infrastructure investment pillar. The first meeting of the newly established Infrastructure Advisory Board took place in December. The Board includes representation from the BRCD partners with an interest in the three infrastructure projects. OBCs will also be required for these projects to enable the financial strategy and implementation plan to be agreed and it is expected that the OBCs will take account of

	<p>linkages with plans for investment in digital and employability and skills. The infrastructure projects will also play an important role in ensuring improved accessibility to the new jobs created within the Deal.</p> <p>Employability and Skills (E&S)</p> <p>3.7 Unlike the other BRCD strands this area of work does not itself have ‘capital projects’ but focuses instead on:</p> <ul style="list-style-type: none"> (a) Providing support to the capital projects to ensure that they design and develop their projects to create pathways to deliver the skills that will be needed; (b) Developing and applying an agreed approach to social value across the City Deal so that the investments maximise the contribution to the delivery of employability and skills requirements; (c) Integrating and aligning the resources and plans of the partners and government departments to help create an employability and skills pipeline in the growth sectors targeted by the BRCD. <p>Specialist support is now in place to help support the development of the E&S programme with an initial focus on assisting projects to draw out the skills requirements of the direct and indirect jobs that are being created. Partner organisations are continuing to engage with each other and with our government partners to consider opportunities to develop a more integrated approach to the planning and prioritisation of E&S interventions going forward. A recent workshop identified the scale and scope of employability and skills interventions taking place through the 6 local councils, spanning across employability, educational provision, business support and sectorally focused activities. Opportunities for collaboration and alignment of interventions have been identified and will be explored with councils, colleges, universities, government departments and key sectoral partners in the coming months.</p>
	<p>NI Funding and Governance Arrangements</p> <p>3.8 The BRCD Partners received the NI Funding & Governance Arrangements paper (attached at Appendix 1) which sets out the high-level governance structures that will be applied to all NI City & Growth Deals including the Belfast Region City Deal.</p> <p>3.9 The arrangements and governance structures proposed have been based on other City Deals and lessons learned across the UK, but have also taken account of the model developed for the Belfast Region City Deal which were developed in advance of this</p>

<p>3.10</p> <p>3.11</p> <p>3.12</p>	<p>document. The document has been developed by NI Civil Service (NICS) in regular consultation with UK Government, through the Ministry of Housing, Communities and Local Government (MHCLG). The NICS and UK Government agreed the attached paper prior to it being shared with the Executive Board in December.</p> <p>The BRCD Partners considered the proposed arrangements in December 2019 and drafted a proposed response (attached at Appendix 2). The comprehensive response set out areas requiring clarification and requests for amendment/reconsideration by NICS.</p> <p>In addition to commenting on a range of specific points of detail, the draft response emphasises the importance of constructive ongoing engagement with the NICS in developing a robust programme that is capable of delivering the ambitions of the BRCD Partners. This response was considered and agreed by the BRCD Council Panel at its meeting on 29th January 2020.</p> <p>Members should also note that the Governance and Funding Arrangements was drawn up in advance of the restoration of the Northern Ireland Executive and the BRCD Partners will also seek clarification on what impact, if any, this will now have on future governance arrangements for NI City and Growth Deals.</p>
<p>3.13</p> <p>3.14</p>	<p>BRCD Council Panel</p> <p>The BRCD Council Panel provides a joint forum for members from all six councils to meet to jointly discuss issues, progress and benefits of the BRCD. Each council has four members on the Forum and as agreed by this committee the four nominees from BCC are the party group leaders (or their nominees) of the four largest parties.</p> <p>The second meeting of the Panel was held in Antrim and Newtownabbey Borough Council on 29th January 2020. At the meeting the members received an update on the programme of work, considered the proposed NI Funding and Governance Arrangements (as outlined at above), and discussed proposals for future stakeholder engagement, in particular with the restored NI Assembly. A large focus of the meeting was on the Employability and Skills element of the BRCD and the Chief Executive of Belfast Metropolitan College provided a detailed update on work to date as well as an outline of proposals to ensure that the employability and skills challenges were being addressed across the programme. The minutes of the Panel meeting are attached at appendix 3.</p>

	<u>Next Steps</u>
3.15	Partners will continue to progress the OBC development in line with the predicted timeframe and processes are being put in place to review the OBCS as they emerge with a view to draft OBCs being sent for first consideration to both UK and NI government departments. At this stage no funding is being committed to an individual project as more work is required to understand the finances.
3.16	Communication and engagement continues to be a priority both at a project and programme level and specialist support is being commissioned to support strategic engagement, including both business and political engagement. It is envisaged that this specialised support will be in place by February 2020 and that with the Assembly now back in operation an early priority would be engagement with Ministers and political representatives from across the Belfast Region.
3.17	The BRCD Partners will also continue to liaise with colleagues in NICS to clarify outstanding issues raised in the response to the NI Funding and Governance Framework and commence work on the development of the next set of deal documents, including the financial plan.
	<u>Financial & Resource Implications</u>
3.18	All costs associated with the BRCD are within existing budgets.
	<u>Equality or Good Relations Implications/Rural Needs Assessment</u>
3.19	The Approach taken to develop the City Deal has been subject to independent equality screening and rural proofing and states that; <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>
4.0	Appendices – Documents Attached
	Appendix 1 – NI funding and Governance Arrangements Appendix 2 – NI funding and Governance Arrangements – BRCD Response Appendix 3 – Minutes of BRCD Council Panel 29 th January 2020