



<b>Subject:</b>	<b>Update on Belfast Region City Deal</b>
<b>Date:</b>	15th April, 2022
<b>Reporting Officer:</b>	John Walsh, Chief Executive
<b>Contact Officer:</b>	Ronan Cregan, Deputy Chief Executive and Director of Finance and Resources

<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>Sometime 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/Summary of Main Issues</b>
1.1	This report seeks to update the Committee on the progress of the Belfast Region City Deal (BRCD) which was formally signed on 15th December 2021 by the Belfast region partners, the UK Government and the Northern Ireland Executive. The report also includes an update on development of the Outline Business Cases (OBCs) and an overview of next steps in the implementation of the deal.
<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 the signing of the Belfast Region City Deal in December 2021.</li><li>• note the programme overview and the next steps in the implementation of the deal.</li><li>• note the update in respect of the BRCD Council Panel.</li></ul>

3.0	<b>Main Report</b>
3.1	<p><b>Programme Update</b></p> <p>The Belfast Region Deal Document and Governance Framework was approved by the SP and R Committee in October 2021 and individual BRCD partners also sought approval through their own governance structures in tandem. Following these formal approvals by partners including UK and NI Government the deal was formally signed on 15 December 2021 at the ICC Belfast, representing a key milestone for the Belfast region.</p>
3.2	<p>As Members will be aware, the original planned event had to be scaled back and moved to an online format due to the emerging revision of Covid-19 restrictions at that time. Whilst this was not how partners had envisaged marking the signing of the Deal, moving to an online format allowed for a wider audience than would have been possible with an in-person event. Over 200 people viewed the event online on the day, including partners, Elected Representatives, Government officials and representatives from the business community.</p>
3.3	<p>It was a momentous day for partners across the Belfast region, with the first ever signed City Deal for Northern Ireland securing £1billion co-investment to help transform the region's economy over the next decade. On the day of the signing the Secretary of State for Northern Ireland, the First Minister and deputy First Minister and the Finance Minister signalled their full support for the implementation of the deal and for the partners' aim to deliver a "Decade of Opportunity", resulting in significant press and media coverage for BRCD both on the day of the announcement and in the days following.</p>
3.4	<p>A number of communications products were developed in line with the announcement, including a programme video and an updated BRCD Summary document which is attached at Appendix 1. Plans for strategic engagement and programme communication reflecting the new phase of the deal are currently being developed and Members will be updated as this progresses.</p>
3.5	<p><b>Investment Priorities</b></p> <p>BRCD Partners have now developed Business Cases for their projects across the programme and Business Cases representing a majority of programme expenditure are now at an advanced stage.</p>
3.6	<p><b>Innovation</b></p> <p>There has been significant progression in the Innovation Pillar with all five Innovation projects at an advanced stage of development, with a number of the projects having been progressed to RIBA stage 2 (design), through substantial investment at risk by the project sponsors.</p>

3.7	The Queen's University led Advanced Manufacturing Innovation Centre (AMIC), Global Innovation Institute (GII) and the Institute for Research Excellence in Advanced Clinical Healthcare (i-REACH) projects have all received OBC approval from the Economy Minister and the Department of Finance.
3.8	The OBC for the Ulster University led Studio Ulster (formerly Screen Media Innovation Lab (SMIL)) project has been approved both by the Economy Minister and Department of Finance and the OBC for the Centre for Digital Healthcare Technology (CDHT) has approval from the Economy Minister but is awaiting approval from the Department of Finance.
	<b>Digital</b>
3.9	Following Programme Business Case approval, the Digital pillar is commencing a new phase of work through the development of project OBCs. The Digital Programme is at an earlier stage of development, with one project, the i4c Innovation Centre at St Patrick's Barracks in Ballymena at a more advanced stage with Economy Minister approval for its OBC received in early April. OBCs for other projects, including investment in advanced wireless and Regional Innovation Hubs in Newry, Mourne and Down and Ards and North Down have commenced.
3.10	An OBC for a proposed Digital Twin project, led by Digital Catapult with support from industry, is also being progressed and is due to be further considered by the Digital Advisory Board in summer 2022.
	<b>Tourism and Regeneration</b>
3.11	OBCs for all three regeneration projects, Carrickfergus, Newry City Centre and Bangor Waterfront, have received approval from the Communities Minister and Department of Finance.
3.12	In relation to the Tourism projects the Mourne Mountains Gateway project has received approval from the Economy Minister and Department of Finance. Casework for the Gobbins Phase 2 is now complete with feedback pending and Destination Royal Hillsborough casework is scheduled for June.
3.13	Belfast Stories is being progressed by BCC and it is expected that following engagement with the Department for the Economy, Tourism NI and BCC, that BCC will now progress design to RIBA 2 to enable a full OBC to be developed, with Casework review in summer 2023.

## **Infrastructure**

3.14 Following signing of the Deal and confirmation of funding, the Lagan Pedestrian and Cycle Bridge will now progress to the next stage of project delivery which involves development of the procurement strategy to procure a Design and Build Contractor to develop the project.

3.15 Belfast Rapid Transit (BRT) Phase 2 and the Newry Southern Relief Road are at an earlier stage of development. The public consultation on BRT2 is now complete, with a Belfast City Council response agreed by CG&R Committee in October 2021. The project team are now preparing the draft consultation report for consideration by the Minister and following Ministerial decisions an Outline Business Case will be prepared.

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

3.16 The Employability & Skills Board has been reconfigured as we move into the next phase of the Deal with a focus on delivery and responding to collaboration opportunities aligned to priority sectors where city deal investment is focused. The new Board initially focused on the programme of work, with the Action Plan for Year 1 now agreed set within the thematic priorities of the deal's E&S Proposition i.e. skills for inclusion, skills for growth and skills for a digital future. The work programme will integrate the contribution made by partners through alignment of their E&S interventions, including through Labour Market Partnerships, as well as seeking to create new opportunities for partnership working to drive improvements in employability prospects and increase skill levels in priority areas. A more flexible way of working that remains closely aligned to the priorities of DfE in terms of the 10X Skills Strategy and will continue to respond to the changing economic landscape resulting from the pandemic and other changes as they occur.

3.17 Recognising the scale of employment potential created via the city deal investment, partners are forming a dedicated project team who will have a key role in assessing the need for future skills intervention, working collaboratively to secure new funding in this area and to ensure that inclusion opportunities are maximised across the deal. In this regard work is underway across the programme of investment to integrate social value requirements within upcoming procurements, reflecting local and regional procurement policies and guidance.

3.18 The BRCD partners have already responded to the collaboration opportunity with new interventions such as Digital Futures, led by the FE Colleges and Digital Surge, led by Councils resulting in new interventions being offered within the market. Further success has also been achieved through the City & Growth Deal Complementary Fund with a up to £7.1m pot of funding ring fenced for a Digital Transformation Flexible Fund project. Work is currently underway to develop a business case for this project on a cross deal basis, offering grant support for small businesses to invest in hardware/software to support digital transformation.

## **Next Steps – Delivery Phase**

### **Accountable Body**

- 3.19 Members will be aware that Belfast City Council is the Lead Authority for the BRCD, which means it carries out a range of functions that support and enable regional partnership working, such as employing the Programme Management Office and providing administrative, professional and technical support as required to support the Deal.
- 3.20 Now that the deal is signed, Belfast City Council will act as the Accountable body for the Deal ensuring that the partnership makes decisions in accordance with all legal, financial, and administrative requirements. Steps are being taken to put in place the financial and budget management arrangements and processes to ensure the BRCD funding is managed and accounted for appropriately. Appropriate accounting and reporting arrangements in line with specified requirements will also be established. Arrangements are also being made with partners to fund and establish programme management arrangements on a permanent basis

### **Memorandum of Understanding**

- 3.21 As part of the long-term arrangements for working together across the BRCD partnership a Memorandum of Understanding is being developed to reflect partners' commitments to invest collectively and work collaboratively to achieve the ambitions for inclusive growth through delivery of the Deal. Once finalised and agreed this will then sit alongside the formal Deal Documentation.

### **Implementation and Financial Plans**

- 3.22 The overarching deal document is supported by both an Implementation Plan and Financial Plan and the committee were provided with an update on both in the update to November committee. The Programme Management Office has been engaging closely with the Department of Finance and project leads to finalise both documents.

### **Contracts for Funding**

- 3.23 Before funding can flow directly to projects Contracts for Funding (previously referred to as Letters of Offer) need to be agreed between Departments and the Accountable Body and between the Accountable Body and Project Sponsors. The BRCD Partners have been working intensively with Departments over recent months to agree key commercial and practical issues and the BRCD Executive Board had previously written to the relevant government departments to emphasise the need for the issue to be prioritised. Following agreement on the key framework for the Contracts for Funding, it will need to be reviewed by all partners, contracts developed in relation to individual projects and appropriate legal advice will need to be taken.

	<b>BRCD Council Panel</b>
3.24	Members will be aware that the BRCD Council Panel provides a forum for members from all six partner councils to meet to jointly discuss issues, progress and benefits of the BRCD. Each council is represented on the Forum by four members and, as previously agreed by this Committee, the four BCC nominees are the party group leaders (or their nominees) from the four largest parties.
3.25	A virtual meeting of the Panel was held on 23 February 2022 hosted by Antrim and Newtownabbey Borough Council. At this meeting the Panel received an update on the signing of the Deal, progress on the overall BRCD programme of activity and key next steps. Members also received a presentation from Professor Paul Maropoulos on the Advanced Manufacturing Innovation Centre (AMIC), one of the five Innovation centres of Excellence to be delivered by BRCD.
3.26	The minutes of the April and November meetings have also been approved and are attached at Appendices 2 and 3. The next meeting will be hosted by Lisburn and Castlereagh City Council on 22 June 2022.
	<b><u>Financial and Resource Implications</u></b>
3.27	All costs associated with the BRCD are within existing budgets.
	<b><u>Equality or Good Relations Implications/Rural Needs Assessment</u></b>
3.28	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>
<b>4.0</b>	<b>Documents Attached</b>
	Appendix 1 – BRCD Summary Document Appendix 2 – Minutes of the BRCD Council Panel of 28th April, 2021 Appendix 3 – Minutes of the BRCD Council Panel of 4th November, 2021