

Our signing of this deal confirms our joint commitment to achieve full implementation of the Belfast Region City Deal.

Cllr. Deirdre Hargey
Lord Mayor
Belfast City Council

Suzanne Wylie
Chief Executive
Belfast City Council

Cllr. P. Michael
Mayor
Antrim and
Newtownabbey Borough
Council

Jacqui Dixon
Chief Executive
Antrim and
Newtownabbey Borough
Council

Cllr. R. Smart
Mayor
Ards and North Down
Borough Council

Stephen Reid
Chief Executive
Ards and North Down
Borough Council

Cllr. Uel Mackin
Mayor
Lisburn and Castlereagh
City Council

David Burns
Chief Executive
Lisburn and Castlereagh
Borough Council

Cllr. L. Millar
Mayor
Mid and East Antrim
Borough Council

Anne Donaghy
Chief Executive
Mid and East Antrim
Borough Council

Mark Murnin
Chairperson
Newry Mourne and Down
District Council

Liam Hannaway
Chief Executive
Newry Mourne and Down
District Council

Ian Greer
Vice Chancellor
Queen's University Belfast

Paddy Nixon
Vice Chancellor
Ulster University

Karen Bradley
Secretary of State

Sue Gray
NICS Senior Official
On behalf of NI Departments



**Belfast
City Council**



Introduction

The UK Government has committed to working with Northern Ireland Government and Belfast Region partners to deliver a City Deal that builds upon the strengths and unique characteristics of the Region and addresses barriers to economic growth by delivering an integrated programme of investment that will deliver a step change in inclusive economic growth and productivity that will benefit all communities.

This document sets out the commitments of the UK Government and Belfast Region City Deal (BRCD) partners to invest up to £500 million in the Belfast Region City Deal. The projects outlined in this document cut across the responsibilities of local, NI and UK Governments and unlocking their full potential will also require a funding commitment of £350 million from Northern Ireland Government.

In the absence of the Northern Ireland Ministers, it is not currently possible to secure the commitment of the Northern Ireland Executive to specific funding commitments. However, the programme has been developed with the full engagement of Northern Ireland Departments and is consistent with the previous Executive's draft Programme for Government. Under the powers available to NI departments at present, and having taken into account the NI (Executive Formation and Exercise of Functions) Act 2018 and the guidance issued by the Northern Ireland Secretary of State, the NI Departments are empowered to and will continue to advance preparatory work as far as possible until such time as decisions can be taken by Ministers.

The delivery of this deal requires the UK Government and local partners from the Belfast Region economic area to invest up to £500 million in the Belfast Region City Deal and in due course, the Northern Ireland Executive match funding the UK Government contribution of £350m.

The Belfast Region

The Belfast Region is the home of Northern Ireland's capital city and accommodates a population of over 1 million people. The region is comprised of six local authorities: Antrim and Newtownabbey Borough Council; Ards and North Down Borough Council; Belfast City Council; Lisburn and Castlereagh City Council; Mid and East Antrim Borough Council; and Newry, Mourne and Down District Council. It is a young, ambitious and growing region, with more than 550,000 people under the age of 40 and two excellent universities supporting the education of 45,000 students within the Region as well as four Regional Colleges with a combined enrolment of more than 110,000 students.

In 2017, 56.8% of Northern Ireland's active business base was located within the region. It is Northern Ireland's key economic engine, generating total GVA of approximately £24,320m and provides critical access and transport links for trade and tourism.

A successful Belfast Region is vital to the future wellbeing of everyone living in Northern Ireland, and since the Good Friday Agreement twenty years ago has undergone visible transformation that has elevated its reputation as both an attractive national and global destination to visit and do business. Unemployment within the region has decreased, tourism is flourishing and significant and sustained business investment has underpinned robust economic growth.

Challenges

However, like many city regions, the Belfast Region faces a range of barriers to continued economic growth.

- **Productivity** levels historically fall below the UK national average and lag even further behind international competitors.
- Levels of **Economic inactivity** are amongst the highest in the UK and high levels of deprivation persist in many communities.
- Approximately 16% of adults have no qualifications and a potential **Skills Gap** is emerging as the nature of jobs in the region's economy increasingly require educational qualifications.
- Despite a strong research base at local universities and some highly innovative companies, there are comparatively low levels of regional investment in the drivers of **innovation** in both business and higher education.
- The capacity of **Tourism** infrastructure within the region is beginning to constrain the burgeoning tourist industry and investment is required in world class tourism products and attractions to increase visitors from new markets and grow new types of tourism.
- Many of the region's towns are in need of **Regeneration** to realise their untapped economic potential, attract and sustain greater visitor numbers and support job creation and investment in the local and regional economy.
- **Physical and Digital infrastructure** is in need of enhancement. Modernised transport links and utilities are necessary to service the increasing demands that regional economic growth is bringing and to ensure that the new jobs being created can be accessed by all our communities. It is also vital that the Belfast region's digital infrastructure can support the increasing demands of the region's targeted growth sectors.

Targeted Growth Sectors

Although there are a number of long-term and persistent barriers to growth, the Belfast Region has key assets in terms of its workforce, its colleges and universities and expanding businesses in a number of sectors in which it has competitive advantage and could be world class. On the basis of expert analysis of the Belfast Region's economic characteristics, the BRCD partners believe that they are particularly well placed to target the development of the following growth sectors:

- Financial, Business and Professional Services
- Agri-Food
- Digital and Creative Technologies
- Advanced Manufacturing, Materials and Engineering
- Life and Health Sciences
- Tourism
- Construction and Materials Handling

As part of the second fastest growing UK Knowledge Economy for five consecutive years, the Belfast Region has considerable strengths across these sectors. However, to sustain this progress and accelerate growth across all priority growth sectors, investment is required in research and development, innovation and digital capabilities, new technology, skills and infrastructure.

Recognising both the opportunities and challenges within the region, the UK Government is committed to working with the BRCD partners and Northern Ireland Government Departments to realise a vision of inclusive economic growth for the Belfast Region ***“That delivers more and better jobs, a positive impact on the most deprived communities and a balanced spread of benefits across the region”***.

The Deal

The BRCD partners have agreed an investment plan consisting of projects across four key Investment Pillars: Infrastructure, Tourism and Regeneration, Innovation and Digital and Employability and Skills. The Investment Plan will channel investment to support the Belfast Region's priority growth sectors and help to deliver a vision for inclusive growth. It is an integrated programme of investment that cuts across the responsibilities of local, NI and UK Governments with each pillar building on and supporting the others. The delivery of this deal requires the UK Government and partners from the Belfast Region to invest up to £500 million in the Belfast Region City Deal and in due course, the Northern Ireland Executive match funding the UK Government contribution of £350m.

The Belfast Region City Deal has the potential if implemented in full, to play a key role in delivering high growth ambitions for the Region that could deliver 20,000 jobs, with an annual GVA impact of £470m and create a Belfast Region that is not just self-sufficient but a driver for a rejuvenated NI economy.

Innovation & Digital

At the core of the Belfast Region City Deal is a proposal to transform the Belfast Region's innovation and digital capabilities. This will involve creating **global centres of innovation excellence** in our priority growth sectors that leverage the research capabilities within our universities, through new partnership structures and enhanced **digital capability and connectivity**, to extend their impact across the Belfast Region's economy. The vision is for an interconnected, innovation and digital ecosystem in which researchers and businesses are able to work together to test, develop and apply new technology to improve performance, productivity and, critically, bring new products and services to market.

Investment by the UK Government and the BRCD partners in innovation and digital would enable the delivery of transformative projects such as:

The Global Innovation Institute (GII) is a cross-disciplinary digital innovation hub that will draw together the leading-edge skill-sets of three of Queen's University's Global Research Institutes with the aim of expanding the regional cluster of hi-tech companies from 200 to 600.

The Centre for Digital Healthcare Technology (CDHT) will see the establishment of a high visibility, high quality centre for digital technology and associated living labs in the areas of cardiology, diabetes, respiratory and stroke and will support more than 550 jobs through spin outs and FDI.

The Institute for Research Excellence in Advanced Clinical Healthcare (i-REACH) is a transformative project that brings together existing clinical infrastructure from across the region to establish a state-of-the-art, integrated clinical research facility that will attract national and international investment into the region to conduct leading, large scale clinical trials.

The Advanced Manufacturing Innovation Centre (AMIC) will operate at the interface between academia and industry to accelerate the development of new manufacturing technology developments and ensure that real industrial challenges based on market need are solved through collaboration with the best university research.

The Screen and Media Innovation Lab will provide the Belfast region with a world-leading research and innovation centre to accelerate the growth of the creative industries sector with the aim of supporting the creation of the strongest performing screen Industries sector outside London.

The Regional Innovators Network will comprise a network of state of the art innovation spaces incorporating high quality, digitally advanced co-making spaces in each Council area that will offer technologists, local businesses and local communities the space and equipment to pursue innovation projects at small and medium scale and provide a platform for training and education for new economy skills and digitally enabled design.

The Digital and Innovation Platform and Partnership (DIPP) will consist of a common platform to share expertise and data capabilities across City Deal projects, along with a regional partnership to facilitate collaborations and a challenge fund to encourage businesses to test products in a cost-effective, secure and supported environment.

The Infrastructure Enabling Fund will deliver the next generation of digital connectivity required within and between the Belfast Region City Deal projects and make provision for connectivity needs in Belfast Region rural locations identified as testbeds for smart agriculture and tourism.

As well as being an area for dynamic industry and specific technology testing, the *Smart District* will act as the flagship for the *Regional Testbed Network*, including connectivity infrastructure, such as 5G networking, at a large enough scale for multiple large-scale use cases across different sectors. Technology-ready testbeds will be created to develop and attract investment in technologies related to key sectors: health, tourism, logistics, advanced manufacturing.

Subject to full business case approval of projects, the UK Government will commit up to £350m over a 15 year period from 2019/20 to support the Belfast Region deliver transformative projects that will position Belfast Region as a globally competitive destination for digital and innovation investment.

The Region's Universities and local authorities will support the UK Government's investment in the Belfast Region's digital and innovation capabilities with a joint funding commitment of at least £50m towards the development of digital and innovation projects and a commitment to underwrite the related future revenue costs.

The UK Government and the Northern Ireland Government Departments will support the BCRD partners to develop their full business cases, including through the development of assurance frameworks to ensure the value for money of the proposals. All funding will be subject to full business case approval.

Infrastructure, Tourism and Regeneration

The BCRD partners have been engaging with the NI Government Departments to develop a programme of investment in infrastructure, tourism and regeneration that will support the delivery of ambitions for inclusive growth. Delivery of the programme will require a future NI Government to invest £350 million in the overall infrastructure, tourism and regeneration programme. This will be supplemented by a further £100million investment by the six partner Councils in BCRD to support the Tourism and Regeneration pillars.

Infrastructure

The proposed infrastructure investment will play a critical role in helping to deliver inclusion by connecting people living in some of the most deprived areas of the region to key employment centres. Planned investments include the *Southern Relief Road*, a strategically important route that will connect the A1 Belfast and Eastern Seaboard Corridor with the A2 Warrenpoint dual carriageway. *Phase II of Belfast Rapid Transit* will improve the connections between North and South Belfast, neighbouring council areas including Antrim & Newtownabbey and Lisburn & Castlereagh and the wider Belfast

region and a pedestrian and cycle-bridge across the River Lagan will improve access to Belfast City Centre.

Tourism and Regeneration

Given the unique history, natural environment and cultural heritage of the Region, there is a real opportunity for a further step change in the tourism offering, building upon the significant success already achieved in terms of tourism growth. Through this City Deal the Belfast Region is seeking to deliver a series of internationally visible tourism products that will extend the tourist route from Belfast through Carrickfergus, towards the Causeway Coast and Glens along Ards and North Down and into the Mourne Mountains. In addition, if the Belfast Region is to achieve its potential it is also vital that investment is directed towards towns which have suffered from industrial decline and economic restructuring, so that they have the opportunity to play a full part in the Region's growth. Supporting major regeneration projects will help to transform the economic potential of key towns across the region. It is estimated that if fully implemented the following tourism and regeneration projects could deliver up to 2,800 permanent jobs across the region.

Investment by the Northern Ireland Executive and the BRCD Council partners in a BRCD Tourism and Regeneration fund would enable the delivery of transformative projects such as:

- *Belfast Destination Hub*, a multi-venue cultural destination inviting visitors to explore the many stories of the city and its people through an immersive, multigallery experience
- *Gateway to the Mournes*, redefining the visitor destination experience associated with the Mourne Mountains and coastline, including new adventure based attractions
- Creating a world class heritage attraction at *Hillsborough Castle and Hillsborough Village*
- Extending *the Gobbins* to create a "Must Do" adventure experience on the Antrim Coast
- The *Game of Thrones Legacy Attraction* at Moneyglass will transform the Winterfell Castle filmset into a unique visitor experience
- *Whitespots Regional Park*, opening up access to Strangford Lough and the Ards Peninsula
- Regeneration, repositioning and rebranding the town of *Carrickfergus*, placing the Castle and Walled Town firmly on the map as an authentic heritage-led tourism hub
- *Bangor Waterfront Regeneration* of a two mile stretch of coast from Ballyholme Beach to Bangor Town Centre, Marina and Waterfront, creating a seaside destination of choice
- Innovation led, phased regeneration of *St Patrick's Barracks* in Ballymena
- Delivering a thriving city centre through investment in *Newry City Centre Regeneration*

As devolved matters, new funding commitments in relation to infrastructure, tourism and regeneration in Northern Ireland will require the agreement of the Northern Ireland Executive. The proposed infrastructure projects have been developed with the input of the relevant Northern Ireland Government Departments and take account of the assessed infrastructure priorities for the region. Full business cases will be developed for these projects by the Department for Infrastructure. The Northern Ireland Government Departments will support the BRCD partners to develop the full business cases for tourism and regeneration projects, including through the development of assurance frameworks to ensure the value for money of the proposals. All funding will be subject to full business case approval. In due course, the Northern Ireland Executive will consider the proposals and set out their plans for investment in infrastructure, tourism and regeneration as part of the Belfast Region City Deal alongside the BRCD partners.

Employability and Skills

The Belfast Region recognises that nothing is more important to the delivery of sustainable economic growth and supporting social inclusion than the education and skills of our workforce. The BRCD partners, working with the Northern Ireland Departments, therefore propose to invest £30 million in

a strong, complementary employability and skills package to ensure that the right skills are available within the Region to support the growth created by the capital investment set out across the Investment Pillars of the Deal. This will involve measures such as establishing an Employability and Skills Partnership for the Belfast Region responsible for delivery of a transformative, inclusive employability and skills programme; a City Deal Apprenticeship Programme and a Digital Skills programme. It will also include the delivery of a major programme which targets support towards getting people who are economically inactive into sustainable employment. In addition, the programme will have a strong focus on careers enhancement and improving productivity in priority growth sectors through investment in skills. The breadth and depth of the employability and skills pillar will be subject to the strength of final business cases and the prioritisation of the £30m package in a way which maximises the impact of funding in a Belfast region inclusive employment and skills package.

Employability and skills is a devolved matter and the Northern Ireland Government Departments will support the BRCD partners to develop an integrated programme for employability skills, supported by a full business case that demonstrates value for money and which meets the dynamic skill requirements of business in priority sectors. In due course, the Northern Ireland Executive will consider the proposals and set out their plans for investment in employability and skills as part of the Belfast Region City Deal alongside the BRCD partners.

City Deal Governance

The Belfast Region has developed a clear governance structure to support the initial development of the Belfast Region City Deal. This includes a Joint Council Forum and a Programme Board supported by Steering Groups tasked with developing coherent, integrated programmes in each of the Investment Pillars. The formal governance structures have been supported by wider engagement with local and regional partners, across all sectors.

The BRCD partners recognise the need to strengthen governance following agreement of Heads of Terms to provide the necessary assurance to the UK and NI Governments and the local partners that decisions will be made in accordance with the requirements and commitments detailed in the Head of Terms. The governance structures must provide clear lines of accountability for expenditure of public funds and demonstrate how local decision making will drive economic growth across the Belfast Region. The partners also recognise the need to develop new structures and approaches that will intensify direct engagement with the business sector, both to deliver co-investment and maximise economic benefits and job creation.

The BRCD partners will establish robust frameworks for the development of business cases and will demonstrate value for money for each project and how projects will contribute to our vision of inclusive growth before funding is made available. Assurance will be required on effective accountability arrangements in respect of the UK Government's commitment of £350m to the satisfaction of all parties to the deal and in respect of the Northern Ireland Government's commitment of £350m to the satisfaction of the Northern Ireland administration.

The BRCD partners will work with the UK Government and the NI administration to develop a final Belfast Region City Deal Document, a financial plan, a detailed implementation plan incorporating monitoring and evaluation frameworks and business cases for all projects receiving funding from the UK and/or NI Governments.

The BRCD partners will also work with both governments to develop a communication strategy and operating protocol. These documents will set out how communications and the Belfast Region City Deal and its associated activities are taken forward in a way that meet the needs of BRCD partners as well as the UK and NI Governments.