



Subject:	Update on Belfast Region City Deal
Date:	19th August, 2022
Reporting Officer:	John Walsh, Chief Executive
Contact Officer:	Ronan Cregan, Deputy Chief Executive and Director of Finance and Resources

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"/>
Sometime 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/Summary of Main Issues
1.1	This report provides an update on the progress of the Belfast Region City Deal (BRCD), including an update on the Funding and Governance arrangements for Belfast City Council, as the Lead Authority and Accountable Body for the Deal.
2.0	Recommendations
2.1	The Committee is asked to: <ul style="list-style-type: none">i. note the update on progress being made to agree the Contracts for Funding which are required for each of the capital projects delivered through the Deal;ii. approve the revised Financial Agreement with the Treasury and Department of Finance, as set out in Appendix 1;iii. note that the work to formalise permanent structures and resources to allow the Council to carry out its role as Lead authority and Accountable Body has been completed;

	<ul style="list-style-type: none"> iv. note the overview on key pieces of work in relation to the Social Value, Net Zero and Sustainability elements of the Deal; and v. note the update in respect of the BRCD Council Panel as provided in Appendix 2.
<p>3.0</p>	<p>Main Report</p>
	<p>Contracts for Funding</p> <p>3.1 Since the last Committee update in June, intensive work has continued with government departments, departmental solicitors and partners on the development of a consistent framework for the Contracts for Funding in order to inform the individual funding agreements. This work has been guided by BCC’s legal team and has now resulted in the finalisation of the first individual contract for Studio Ulster. All clauses have been agreed with back to back contracts signed between the Department of the Economy (DfE) and BCC as the Accountable Body and then BCC (as accountable body) with Ulster University representing a key milestone for deal delivery.</p> <p>3.2 Work is ongoing with Queens University Belfast for the Advanced Manufacturing Innovation Centre (AMIC), with the contract for funding and funding agreement nearing completion. Engagement is also now progressing with the Department for Communities (DfC) and partners in relation to the Regeneration Projects.</p> <p>3.3 Members are asked to note that subsequent Contracts for Funding will be developed using the same framework and agreed clauses and as agreed by the BRCD Executive Board future agreements will be made between the relevant parties without needing specific individual Board approvals. As part of the regular BRCD update reports, the Committee will be advised of progress to agree the funding agreements for each project (following business case approval).</p> <p>Financial Agreement</p> <p>3.4 The tripartite Financial Agreement between BCC, the Department of Finance (DoF) and HM Treasury sets out the financial commitments and protocols in relation to funding the BRCD. The agreement formalises arrangements between the governments and the Accountable Body that have been set-out in other deal documentation. A copy of this agreement was presented to Members at the June Committee meeting. Subsequently DoF proposed an amendment to Annex A which now contains the total financial contributions over 15 years rather than the annual profiles set out in the previous version. This will help with flexibility in financing the deal over the period to enable matching of BRCD profiles as much as possible. Members are asked to approve the updated Financial agreement attached at Appendix 1.</p>

BRCD Programme Office

3.5 Members will be aware that, following the signing of the deal, Belfast City Council (BCC) took on the role of the Accountable Body ensuring that the partnership makes decisions in accordance with all legal, financial, and administrative requirements. At its June meeting the committee noted that the Programme Management Office (PMO) had been working with partners to formalise permanent structures and resources for the delivery of the deal. The committee delegated authority to the Director of Finance and Resources to formalise these structures and members are asked to note that this has now been completed.

Social Value

3.6 Work is continuing on the delivery of the Employability and Skills Action Plan including the social value approach for BRCD projects which will follow the Strategic Investment Board (SIB) new 'points-based model'. To support the integration of this requirement within relevant contracts training sessions facilitated by SIB have been delivered with Project Sponsors with nearly 50 individuals completing the training to date and further sessions scheduled for late August 2022. A process for integrating and managing social value, in line with BRCD monitoring arrangements has also been developed, engagement has taken place to inform this process with BRCD sponsors and contract managers which will ensure mechanisms exist to manage social value delivery at a project, pillar and programme level. In specific reference to employability and skills related social value delivery, work is underway to provide through the BRCD Employability & Skills team a social value co-ordination service which will essentially work with contractors to connect them with appropriate interventions available through councils, colleges and universities assisting them to source the people to meet social value obligations in this area.

Sustainability / Net-Zero

3.7 Work has commenced on strengthening the environmental sustainability of the Deal and Members are asked to note that partners have commissioned an assessment of the decarbonisation priorities for the region. Professor Andy Gouldson, Leeds University has been appointed to produce a Belfast Region Mini Stern to develop a robust evidence base for the Belfast City Region Partners. Members will be kept updated as this work progresses.

3.8 The PMO has also continued to examine how Net-Zero consideration can be more effectively integrated into programme and project development and engagement has been ongoing with the Climate Commissioner and with colleagues in the Scottish Government where Net-Zero proposals are more developed. The Scottish Government City Deal Sustainable Development Manager has agreed to lead an awareness session for BRCD Partners at the end of September.

<p>3.9</p> <p>3.10</p>	<p>BRCD Council Panel</p> <p>A hybrid meeting of the BRCD Council Panel was held on 22nd June, hosted by Lisburn and Castlereagh City Council. Panel Members were updated on the development of the key documents underpinning the deal and the key governance and assurance processes being put in place to support delivery. Members also discussed the emerging investment opportunities and contribution to tourism recovery in Northern Ireland. The minutes of the February meeting hosted by Antrim and Newtownabbey Borough Council were approved and are attached at Appendix 2.</p> <p>The next meeting is to be hosted by Mid and East Antrim Borough Council on 28th September.</p>
<p>3.11</p> <p>3.12</p>	<p><u>Financial and Resource Implications</u></p> <p>All costs associated with the BRCD are within existing budgets.</p> <p><u>Equality or Good Relations Implications/Rural Needs Assessment</u></p> <p>The approach taken to develop the City Deal has been subject to independent equality screening and rural proofing and states that:</p> <p><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></p>
<p>4.0</p>	<p>Documents Attached</p>
	<p>Appendix 1 – BRCD Financial Agreement – RESTRICTED</p> <p>Appendix 2 – Minutes of the BRCD Council Panel of 23rd February 2022</p>