



Belfast: From City Deal to City Devolution

In February 2015, the Shadow Strategic Policy and Resources Committee considered a Notice of Motion entitled “City Growth”. The motion stated:

Belfast City Council: notes that the RSA City Growth Commission recognises that major city regions, including Belfast, are the main drivers of economic growth; and that the British Government has undertaken ‘City Deals’ with 28 cities outside London, including Glasgow, to boost infrastructure investment, promote economic growth and create jobs.

Accordingly, the Council will consider how the recommendations by RSA City Growth could be promoted to enhance Belfast’s position as a city region. The Council agrees to develop an action plan to seek to secure a ‘City Deal’ for Belfast which will support our ambitious plans, enhance the rate base, boost investment, promote economic growth, create jobs and ensure that the benefits of economic growth reach disadvantaged communities.

Building on its new powers, Belfast has set out an ambitious agenda to ramp up the city’s economic performance and the quality of its public services. The City Centre Regeneration and Investment Strategy sets out an exciting vision to develop a world-class city centre by 2030. To deliver this, Belfast now wishes to pursue an agenda of greater devolution to the city and the Council has recently recommended that further urgent work is undertaken in readiness for a new NI Programme for Government in 2016.

A Devolution programme for Belfast

A Belfast devolution programme would need to recognise the complexities of Northern Ireland’s political and institutional governance and the need for an incremental approach. In particular, Belfast’s economy and the social needs of its residents require serious interventions in three areas:

- *Employment*
- *Regeneration*
- *Transport*

These are areas in which devolution has produced positive results elsewhere in the UK, and ones in which the “Belfast effect” could spread the benefits to many of the surrounding areas and Northern Ireland as a whole.

This document sets out the powers that equivalent GB cities have in these areas or are currently in the process of negotiating. Cities that have agreed comprehensive devolution deals along these lines so far are: Greater Manchester, Sheffield, North East (Newcastle), Tees Valley, Liverpool, and the West Midlands (Greater Birmingham).



What does City Devolution look like?

Powers which have or are being devolved in the short term have been conferred on groups of councils working together as statutory city-regions. These are underpinned by a commitment to develop robust governance and public scrutiny arrangements across the city-region, with rigorous programme management and performance frameworks designed to ensure that public money delivers agreed outcomes.

Employment

- Some cities already hold:
 - Devolved responsibility for Troubled Families Support programmes to address areas with high levels of social need (Community Family Support Programme in NI)
 - Devolved responsibility for employment programmes i.e. Work Programme (but not administration and processing of benefit payments or advisory functions of Job Centres)
- Cities are currently negotiating:
 - Greater devolved responsibility for long-term unemployed and those not active in the labour market
 - Devolved responsibility (co-commissioning) for all employment and adult skills programmes including Further Education, apprentices and careers advice
 - Agreement for 'earn-back' deals with UK Government to accrue and invest savings on welfare benefits.

Regeneration

- Some cities already hold:
 - Urban regeneration powers via land assembly and purchase, either by themselves or via Joint Ventures with developers.
 - Devolved planning freedoms, including a Duty to Co-operate on regional spatial plans. This ensures that local authorities and other public bodies are involved in a continual process of active engagement to maximise the effectiveness of neighbouring spatial plans and the link between them and the urban regional centres which are the centres of growth.
- Cities are currently negotiating:
 - Devolved freedoms around capital borrowing and use of innovative finance models such as Land Value Capture and Tax Increment Financing for site preparation.

Connectivity and Transport

- Some cities already hold:
 - Revolving capital programme investment funds to unlock new infrastructure requirements including sites for housing and employment; and public transport improvements.
 - Decentralised bus and regional rail regulation, strategy and integrated ticketing.
- Cities are currently negotiating:
 - Fully devolved local transport subsidy
 - Earn-back and land value capture deals for major local transport and infrastructure funding. For example, Liverpool recently proposed to use Tax Increment Financing from National Insurance Contributions to fund a High-Speed rail link to Manchester and then on to southern England.