



<b>Subject:</b>	<b>Belfast Innovation and Inclusive Growth Commission 'Reset for Growth' Report – Council Response</b>
<b>Date:</b>	20th August 2021
<b>Reporting Officer:</b>	Suzanne Wylie, Chief Executive
<b>Contact Officer:</b>	John Greer, Director of Economic Development

<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	To update Members on the final recommendations stemming from within the Innovation and Inclusive Growth Commission, 'Reset for Growth' report and consider the Council's response.
<b>2.0</b>	<b>Recommendations</b>
2.1	The Members of the Committee are asked to recommend that, in accordance with the Council decision of 4 May, the Chief Executive exercise her delegated authority to:  i. note the contents of the 'Reset for Growth' report and its recommendations; ii. endorse the contents of the 'Reset for Growth' report; iii. note the associated implementation plan; and iv. note the proposed expenditure of £25,000 from existing departmental provision for research to assist with the implementation of the Commission's recommendations.

<b>3.0</b>	<b>Main Report</b>
3.1	The Innovation and Inclusive Growth Commission was set up to support the Council and city partners in the further development and implementation of the priorities as set out in the Belfast Agenda. A particular focus has been given to the priorities of (1) growing the economy and (2) city development. The Commission will seek to deliver the core objective of inclusive growth.
3.2	Regular reports on the work of the Commission have been brought to this Committee and to party group leaders, with Members regularly attending meetings of the Commission.
3.3	<p>The Commission is made up of Independent, Authoritative, and knowledgeable voices from a range of relevant backgrounds. Brought together to develop constructive, deliverable and challenging proposals that are focused on delivering radical change to Belfast and Northern Ireland's long-standing challenges in areas including:</p> <ul style="list-style-type: none"> <li>- Lack of productivity</li> <li>- Economic inactivity</li> <li>- High levels of deprivation, and</li> <li>- Poor health</li> </ul>
3.4	The commission is unique in that its independent and is viewing these challenges in the round, recognising the interrelated nature of the causes and effects.
3.5	It was initially envisaged that the Commission would be convened for one year. However, as COVID-19 took hold the Commissioners thought it was appropriate that it considered how it could be used as a potential recovery mechanism.
3.6	<p>Commissioners seen the significant impact of the pandemic in terms of:</p> <ul style="list-style-type: none"> <li>- Increasing unemployment,</li> <li>- Increasing deprivation and social isolation, and</li> <li>- accelerating decline in some critical industries, such as retail, tourism and hospitality</li> </ul> <p>and noted that Belfast and Northern Ireland's prolonged structural weaknesses mean these impacts are likely to be concentrated and longer lasting.</p>
3.7	Because of the impacts of Covid-19, and the presence of some strategic funding opportunities including Levelling UP, the Comprehensive Spending review and the Belfast

Region City Deal. The Commissioners concluded that Belfast and Northern Ireland stood at an inflexion point. A point where if the long running structural weaknesses were not addressed it is likely that the standard of living for the people of Belfast and Northern Ireland could be eroded further.

3.8 The 'Reset for Growth' report was launched by the Innovation and Inclusive Growth Commission on 28th June 2021. A copy of the report is attached

3.9 The report focused on five areas that were informed by Belfast and Northern Irelands structural weaknesses. These proposals are aimed at delivering the Commissions overarching aim of: *'An inclusive sustainable, open and resilient city economy that functions effectively and provides good employment opportunities for its residents and others'*

3.10 Under each of these strands were a series of ambitious proposals that recognised some of the underpinning challenges that have contributed to the structural weaknesses. These areas of focus, the proposals and the underpinning rationale are listed below.

#### Renewed Future City

- More than 8,000 households in housing stress
- Lack of residential development in Belfast with only 3,700 units completed in the last five years
- Lack of city centre population
- **Target of 11,500 sustainable homes to be built in 10 years, creating new sustainable communities**

#### Sustainable Future

- Belfast will use up its carbon budget by 2030
- Reliance on fossil fuels exposes are most vulnerable communities to high levels of population and energy price volatility resulting in 1 in 6 families in Belfast living in fuel poverty
- **Implement a carbon reduction programme in the city to reduce carbon emission by 66 % by 2025**
- **To do this commence delivery of housing retrofit programme that will impact on our emissions and provide inclusive jobs**

- **To ensure that Belfast and Northern Ireland businesses and residents benefit from the economic opportunity of the transition to net zero, provide funding and a strategy for developing green businesses and jobs**

#### Intelligent Future

- Current levels of investment are £300m less annually than other UK regions
- Lack of digital catapult
- Despite this strong performance in attracting FDI
- For every £1 of public money invested in R & D and return on investment of £7
- **Secure the commitment to a digital catapult and £300m of annual ringfenced R and D funding**

#### Global Belfast

- Strong FDI record
- Strong networks globally
- Diaspora
- Existing relationships Boston & China
- **Maximise unique opportunities from Northern Ireland's unrestricted access to two markets and regulatory environments by growing the share of exports as percentage of GDP from the current level of 23% to 50% by 2025, similar to comparable economies.**
- **Develop and agree with partners a city to city trade and investment strategic action plan by 2022.**

#### Inclusive Futures

- Changes in labour market
- Displacement as a result of Covid – 19
- Lack of skills in critical areas
- Growth in green and digital sectors
- **Create a comprehensive programme of inclusive pathways to new growth areas**

3.11 The proposals above do not recognise all of the recommendations contained in the report, each of the core proposals articulated above are supported by a range of steps to accelerate the delivery of these ambitious goals. The Commission also identified several foundation pillars which are listed below.

	<ul style="list-style-type: none"> <li>- Investment in education and skills to drive attainment and address economic imbalances and deprivation, and power economic growth and innovation</li> <li>- Place-based multi-annual financing model supported by a more agile and risk-based approach to decision making</li> <li>- Pursuing and inclusive growth agenda to ensure that economic benefits and success accrue to all residents</li> </ul>
3.12	<p>These recommendations are closely aligned to several council policies and current initiatives, including:</p> <ul style="list-style-type: none"> <li>- Bolder Vision</li> <li>- SSA/Housing Regeneration</li> <li>- City Centre Living</li> <li>- BCRIS</li> <li>- City Imagining Strategy</li> <li>- The Belfast Resilience Strategy</li> </ul>
3.13	<p>Given this alignment officers would recommend the formal endorsement of the recommendations contained within the Innovation and Inclusive Growth Commission report, 'Reset for Growth'.</p>
	<p><b><u>Next Steps</u></b></p>
3.14	<p>Commission members were acutely aware that their proposals are far-reaching and involve system-wide change. They recognised that, while their proposals are borne of their collective experiences in other cities and places, they also recognise they cannot simply be transplanted into Belfast. For that reason, the Commission have suggested that implementation is co-ordinated through lead departments and agencies. These lead departments and agencies will convene small groups of senior officials and stakeholders to bring forward these proposals. In terms of governance regular updates on progress will be of course brought back to committee.</p>
3.15	<p>During the implementation phase there is a need to undertake research to develop work programmes related to implementation. This work as a value of £25,000 and would be drawn from the existing Innovation and Inclusive Growth Commission budget. The work involved includes:</p>

	<ul style="list-style-type: none"> <li>- Developing projects and policies to deliver the Innovation City Belfast ambitions specifically around ensuring jobs in growth sectors are inclusive and open to all residents of Belfast.</li> <li>- Assessing the economic, environmental and social benefits associated with the delivery of the IIGC's recommendations.</li> </ul> <p><b><u>Financial and Resource Implications</u></b></p> <p>3.16 Note the £25,000 funding request for research into the implementation of the 'Reset for Growth' report drawn from existing departmental budgets. This funding will be combined with partner contributions. This research will be used to educate departmental engagement and submissions.</p> <p><b><u>Equality or Good Relations Implications/Rural Needs Assessment</u></b></p> <p>3.17 There are no equality or good relations requirements related to this activity.</p>
<b>4.0</b>	<b>Document Attached</b>
	'Reset for Growth' A report by the Belfast Innovation and Inclusive Growth Commission