



Department of

Finance

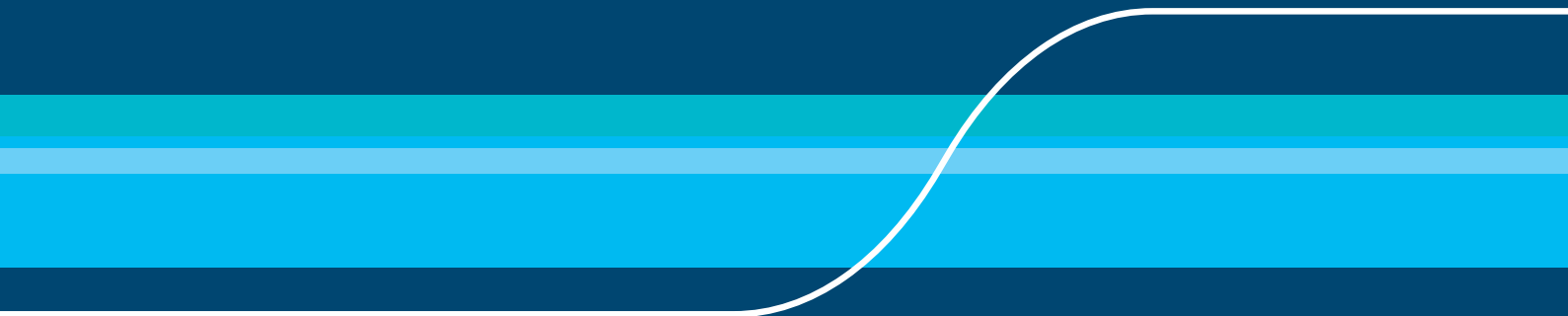
An Roinn

Airgeadais

www.finance-ni.gov.uk

NI CITY AND GROWTH DEALS

ANNUAL PROGRESS REPORT 2022-2023



FOREWORD

I am pleased to publish the first City and Growth Deals Annual Progress Report. This report reflects on progress to date across the very exciting City and Growth Deals initiative, and highlights some of the key milestones being worked on over the next year and beyond.

City and Growth Deals is a £1.3 billion package of capital investment by the NI Executive and the UK Government, both committing the same amount of funding to each Deal over a 10-15-year period.

There are four Deals covering every council area in Northern Ireland, with some 50 projects being developed and delivered. The projects range from cutting-edge innovation centres and research facilities to digital transformation projects, alongside developments in local infrastructure, exciting tourism offerings and regeneration of local cities and towns. At the heart of each Deal will be inclusivity, sustainability and employability.

This substantial capital investment will be truly transformative for local regions and for Northern Ireland as a whole, creating new and higher-paid jobs, attracting and retaining talent and speeding up inclusive economic growth. The investments will also attract additional private sector investments.

The initial phase of City and Growth Deals is a developmental stage, with projects being planned, business cases being written and the necessary approvals being sought. That means that the building work and the many benefits

won't be seen or felt just yet. Work to get to that stage is happening behind the scenes by a vast number of organisations all working together in a new, more collaborative way to deliver positive and transformative outcomes for our citizens, our local businesses and our visitors.

This year's Annual Progress Report will cover more detail on BRCD as the first Deal to be signed, although we have added some information on all four Deals to provide an overall picture of the initiative.

I look forward to sharing progress again next year.

In the meantime, if you have any queries or want to find out more about the City and Growth Deals initiative in Northern Ireland, please contact: CityDeals@finance-ni.gov.uk, or visit www.finance-ni.gov.uk/citydeals.

Later in the report you will also find direct contact details for each Deal.



Neil Gibson
Permanent Secretary
Department of Finance
NICS City and Growth Deals
Senior Responsible Owner



Transformative
for NI



Over £1.3
billion capital
investment



Economic
Growth



Partnerships
that lead to
Collaboration



Skills, Jobs,
Higher Wages



Innovation &
Creativity will
be a Game
Changer

BELFAST REGION CITY DEAL (BRCD)



BRCD is a six council City Deal receiving £700 million of central Government funding across 19 projects.

BRCD partners will contribute a further £150 million, and by leveraging additional private sector investment, BRCD will deliver a £1 billion programme.

BRCD signed its Deal in December 2021 and is now in delivery stage.

 belfastregioncitydeal.co.uk

 brcd@belfastcity.gov.uk

DERRY CITY & STRABANE DISTRICT COUNCIL (DCSDC)



DCSDC City Deal is a single council Deal receiving £210 million of central Government funding across seven projects. This includes both City Deal investment and investment from the Inclusive Future Fund. DCSDC partners will contribute at least a further £40 million.

DCSDC is currently working towards Deal signing, after which Contracts for Funding for each project can be signed and funding will begin to flow.

 www.derrystrabane.com/about-council/city-deal

 Eamon.Molloy@derrystrabane.com

CAUSEWAY COAST & GLENS (CCG)



Causeway
Coast & Glens
Borough Council

CCG Growth Deal is a single council Deal receiving £72 million of central Government funding.

CCG is working towards signing Heads of Terms to enable it to progress to developing Outline Business Cases for the different projects within the Growth Deal.

www.causewaycoastandglens.gov.uk/work/strategic-projects/growth-deal

Niall.McGurk@causewaycoastandglens.gov.uk

MID SOUTH WEST (MSW)



MSW Growth Deal is a three council Deal receiving £252 million of central Government funding.

MSW is working towards signing Heads of Terms to enable it to progress to developing Outline Business Cases for the different projects within the Growth Deal.

midsouthwestregion.org

info@midsouthwestregion.org

COMPLEMENTARY FUND



Northern Ireland
Executive

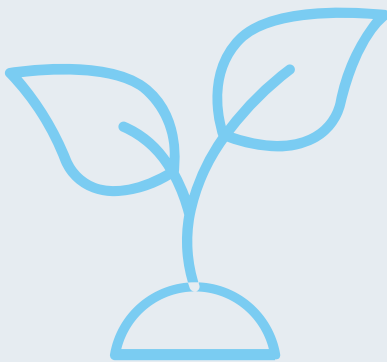
The Complementary Fund is a £100 million Executive capital fund designed to complement the three City and Growth Deals not in receipt of funding from the Inclusive Future Fund. The three Deals that will benefit from the Complementary Fund are: Belfast Region City Deal, Causeway Coast & Glens Growth Deal and Mid South West Growth Deal.

In the first round of funding, £52 million was allocated for a total of five projects, which are currently being developed.

SUSTAINABILITY, INCLUSIVITY, EMPLOYABILITY

GREEN GROWTH

A cross-Deal and NICS City and Growth Deals ‘Climate Environment Working Group’ has been set up. This group gives everyone involved in City and Growth Deals the opportunity to discuss how to best implement Net Zero targets into each project and ensure there is consistency and best practice across the four Deals.



City and Growth Deals recognise the need to consider how to respond to the Net Zero challenge.



BRCD

BRCD has carried out initial work to analyse Net Zero options to help inform its future plans. This will help BRCD partners in seeking new opportunities and resources associated with delivering Net Zero targets.



CCG

CCG’s ambition for Net Zero has been integrated early in the design of new buildings in its Growth Deal projects. Other opportunities for Green Growth are being actively considered across all its projects.



DCSDC

DCSDC City Deal has established an Environment and Climate Working Group and is engaged in a deep learning demonstration project to apply the system changes required to deliver climate and Net Zero targets.



MSW

MSW sees its Growth Deal as an opportunity to not only build Net Zero and sustainability into the delivery of capital infrastructure, but also to work with industry and focus investment in Green Growth opportunities.

SUSTAINABILITY, INCLUSIVITY, EMPLOYABILITY

SOCIAL VALUE



Social Value is a key priority within City and Growth Deals



BRCDC

BRCDC partners have been demonstrating their commitment to the inclusive growth ambitions of the Deal by ensuring that opportunities for social value are incorporated into procurement exercises as projects enter the delivery stage.



CCG

The CCG Growth Deal will facilitate wider non-financial benefits within the region by supporting the promotion of individual and community wellbeing, the creation of enduring social capital and safeguarding the environment.



DCSDC

DCSDC City Deal will embed into its projects the principles of social value in line with council, central Government and partners' policies.



MSW

MSW will ensure that social value will be an intrinsic contract management consideration.

SUSTAINABILITY, INCLUSIVITY, EMPLOYABILITY

EMPLOYABILITY AND SKILLS



Driving employability and developing new skills is at the heart of City and Growth Deals.



BRCD

BRCD is putting in place arrangements to enable a constant pipeline of talent to support the growth created by the BRCD investments. This will make sure that the right skills are available within the region to support emerging job opportunities.



CCG

CCG considers employability and skills as a critical element within its Growth Deal. This will ensure the longevity of key projects and future-proof its local workforce.



DCSDC

DCSDC City Deal is working with partners to ensure it creates a skills pipeline for employment opportunities arising from its projects.



MSW

MSW will continue to liaise with industry to ensure that the Growth Deal investment impacts positively on employability and skills. Future-proofing the skills base is an underpinning pillar of action identified in the wider MSW Regional Economic Strategy.

A cross-Deal Skills Group has been set up to consider the anticipated skills needed and job opportunities arising from the four City and Growth Deals. This group will recommend actions for City and Growth Deal partners and will work alongside industry, government Departments and relevant agencies.

BRC D ANNUAL REPORT

The signing of the Belfast Region City Deal (BRCD) in December 2021 secured the financial commitment of the NI Executive and UK Government, along with BRCD partners. The Deal was signed by partners to work with industry to deliver a £1 billion programme of investment that offers a ‘once in a generation’ opportunity to accelerate inclusive economic growth right across the region.



BRCD has now published its first Annual Report to provide an overview of how the Deal has progressed over the past year, a summary of which can be found below.

 [BRCD Annual Report](#)



DEVELOPMENT TO DELIVERY

BRCD has now moved many of its projects from business cases to signing Contracts for Funding. The contracts allow funding to flow, moving the Deal into Delivery Phase, a huge milestone.



DELIVERY CHALLENGES

Moving to delivery comes with new challenges, some of which have had an impact on the project timeline.

Inflation, economic and political uncertainty, new Net Zero targets and constraints on the public finances have all impacted the Deal.



CONTINUED COLLABORATION

Whilst there have been challenges, BRCD and central Government continue to develop positive ways of thinking and working, as well as a stronger, joint-up approach to delivering the Deal.

The four Deals also collaborate together and share best practice.



DELIVERY COMMENCES

The first BRCD Contract for Funding was signed in July 2022 for Studio Ulster, in partnership with Ulster University. Studio Ulster is scheduled to be the first project fully completed - target date of August 2024.

EMPLOYABILITY & SKILLS

BRCD undertook a skills assessment to understand and respond to the labour and skills implications and opportunities of its City Deal projects.

This has led to BRCD producing a 'First Year Employability & Skills Action Plan', supported by the partner-financed Employability & Skills team.

MILESTONES ACHIEVED

11

Eleven Outline Business Cases have now been approved, with an additional three at advanced stages of the approval process.

7

Seven projects have Contracts for Funding signed, equating to £207m of funding, 30% of the total central Government funding.

3

For the year 2022-2023, BRCD claimed £3 million across four projects.

1.3

The first paid claim was for the Advanced Manufacturing Innovation Centre (£1.3 million).

MILESTONES FOR 2023-2024

5

Obtain approval for at least another five Outline Business Cases.

7

Sign at least seven additional Contracts for Funding.

4

Obtain approval for four Full Business Cases.

15

Award at least 15 major contracts for design and delivery.

CITY AND GROWTH DEAL PARTNERS

CO-FUNDED BY



Northern Ireland
Executive
www.northernireland.gov.uk



UK Government

BELFAST REGION CITY DEAL (BRCD)



Belfast
City Council



DERRY CITY & STRABANE DISTRICT COUNCIL (DCSDC)



CAUSEWAY COAST & GLENS (CCG)



MID SOUTH WEST (MSW)

