CITY DEAL & INCLUSIVE FUTURE FUND

Delivering Inclusive & Sustainable Growth for the Derry~Londonderry & Strabane City Region



Annual Report 2025/26

Derry City & Strabane District Council
Comhairle Chathair Dhoire & Cheantar an tSratha Báin
Derry Cittie & Stràbane Destrick Cooncil

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Ulster University

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1 Background and Overview

The Derry City and Strabane Region City Deal and Inclusive Future Fund represents a transformative economic investment package that now stands at approximately £308 million which is designed to catalyse economic growth, boost innovation, and build a more prosperous, united community across the Northwest.

Derry City and Strabane District Council (DCSDC) acts as the Accountable Body, leading the bid and delivery of the projects in partnership with Ulster University, the Western Health and Social Care Trust, and the North West Regional College.

The UK Government made an initial commitment of £105m (£50m City Deal and £55m Inclusive Future Fund). The funding package was substantially increased through equal matched funding of £105m from the Northern Ireland Executive, raising the core government commitment to £210m. Additional capital contributions of approximately £97m from DCSDC and regional project partners expanded the total investment to circa £290m.

In February 2021, The UK Government, NI Executive, Council, and partner organisations signed the Heads of Terms agreement. In September 2024 the formal signing of the Financial Deal took place at the Guildhall which unlocked the implementation stage, moving all 18 projects into detailed design, procurement, and active delivery phases.

The core investment pillars portfolio is categorised under three strategic pillars – Innovation, Digital and Health; Derry City Regeneration and Strabane Town Regeneration. A series of integrated projects are assigned to each pillar. An update is provided on each project in the following section and it is noted that these narratives will have changed by the date of publication of this annual report.

Innovation, Digital, and Health

- **CADRIC -** A Cognitive Analytics and Digital Robotics Innovation Centre supercharging industry collaboration to translate AI and robotics into real world environmental and economic benefits.
- **Ulster University School of Medicine -** delivering a state-of-the-art facility to train the next generation of doctors in compassionate, whole person care
- **WHSCT Research & Development Facility -** expanding the C-TRIC facility at Altnagelvin to launch Ireland's first fully accredited, panel-based pharmacogenomic testing service, personalising medicine to reduce side effects.
- **Altnagelvin Teaching Facility -** A modern, purpose-built space featuring simulation areas and lecture theatres, to provide high quality and localised training for medical students.
- **Smart Derry Strabane -** driving urban transformation through a new Digital Innovation Hub, SME growth funds and the Strabane Smart Energy District Living Lab.

Derry City Regeneration

- **The Central Riverfront Project** will transform the riverfront from the Peace Bridge along Queen's Quay into a vibrant, pedestrian-focused public space. The project will deliver enhanced green infrastructure, an active travel corridor along the quay, and complementary improvements to Strand Road, improving connectivity between the university campus, city centre and historic core.
- **DNA Museum** at Ebrington will create a state-of-the-art visitor attraction (Derry~Londonderry on the North Atlantic). Six thematic galleries will showcase local artefacts and serve as a tourism hub celebrating our maritime history.
- **Walled City Public Realm & Lighting -** will rejuvenate the historic core with high quality streetscapes, pedestrian priority measures and striking architectural lighting sculptures to drive evening footfall.
- **Repurposing of the Tower Museum** will remodel the space in partnership with the Inner City Trust to seamlessly link Union Hall Place, Guildhall Square and the Craft Village, while transitioning key historic collections to the new DNA Museum.

Strabane Town Regeneration

- **Public Realm & Infrastructure -** will deliver high-quality natural stone streetscapes, a new Derry Road entrance, and essential car parking to frame the entire Canal Basin site.
- **Strabane Pedestrian Bridge -** A striking new active travel link across the River Mourne, connecting residential areas and the bus station directly to the town centre.
- **NWRC Strabane Campus -** A modern, purpose-built educational hub equipping local students with demand-led skills in digital and green tech.
- **Strabane Health and Care Centre -** A new modern 5,690m^2 integrated facility bringing together three local GP practices and WHSCT services into a single campus.
- **Leisure Facility -** A state-of-the-art sustainable facility replacing the aging Riversdale Leisure Centre, featuring premium wet and dry facilities.

In parallel with the City Deal, DCSDC is actively advancing with essential but complementary strategies with relevant government departments that include a city and district transport plan that will align regional travel networks and promote active sustainable travel infrastructure, a car parking strategy that will balance city centre vehicle access to assist with public space enhancements and plans for Queen's Quay replacement works that will see a major structural engineering project that is essential to securing the riverfront's long term stability.





Derry City & Strabane District Council

The aim of the City Deal and Inclusive Future Fund is to increase and realise the economic potential of the City Region to support a more prosperous, united community and stronger society. The Derry City and Strabane City Deal investment will help boost innovation and the digital potential of the city region and unlock local partner funding, whilst the Inclusive Future Fund is aimed at bringing greater prosperity and social benefits to the whole of the community.

The investment package for the Derry City and Strabane City Region will enable us to take forward a range of regionally significant strategic projects across Innovation, Digital and Health and Regeneration, Tourism and Renewal. This investment will be underpinned by a programme for job creation, skills and employability and by the principles of sustainability and inclusivity.



Impacts

It is anticipated that we will triple the expected baseline rate of employment growth, adding 6,300 new jobs by 2032 and generating an additional £230m per annum in Gross Value Added by the end of the decade which in turn will boost the regional annual payroll by £126m by 2032 and help to harness knowledge capital and digital connectivity to drive long-term regional rejuvenation.

PROJECT	BASELINE FORECAST	CITY DEAL	DIFFERENCE (#/PPS)	DIFFERENCE (%)
JOBS	74,500	80,800	6,300	8.4%
GVA (£m)	3,640	3,880	240	6.6%
INACTIVITY	24.6%	21.2%	-3.4%	-13.8%
POPULATION	152,800	154,500	1,700	1.1%

Our Timeline

APRIL 2015 - NOVEMBER 2017
Formation of the new Council. Development of the Strategic Inclusive Growth Plan.

DECEMBER 2017
Submission of a Statement of Intent to UK Government and the invitation to submit a proposal.

SEPTEMBER 2018
Vision and outline bid proposal submitted to UK Government.

MAY 2019
Announcement from the Chancellor of the Exchequer of a £105m economic investment package

MAY 2020
UK Government investment matched by £105m Northern Ireland Executive investment & £40m contribution from project partners to raise the total investment package to £250m

FEBRUARY 2021
Heads of Terms Signing

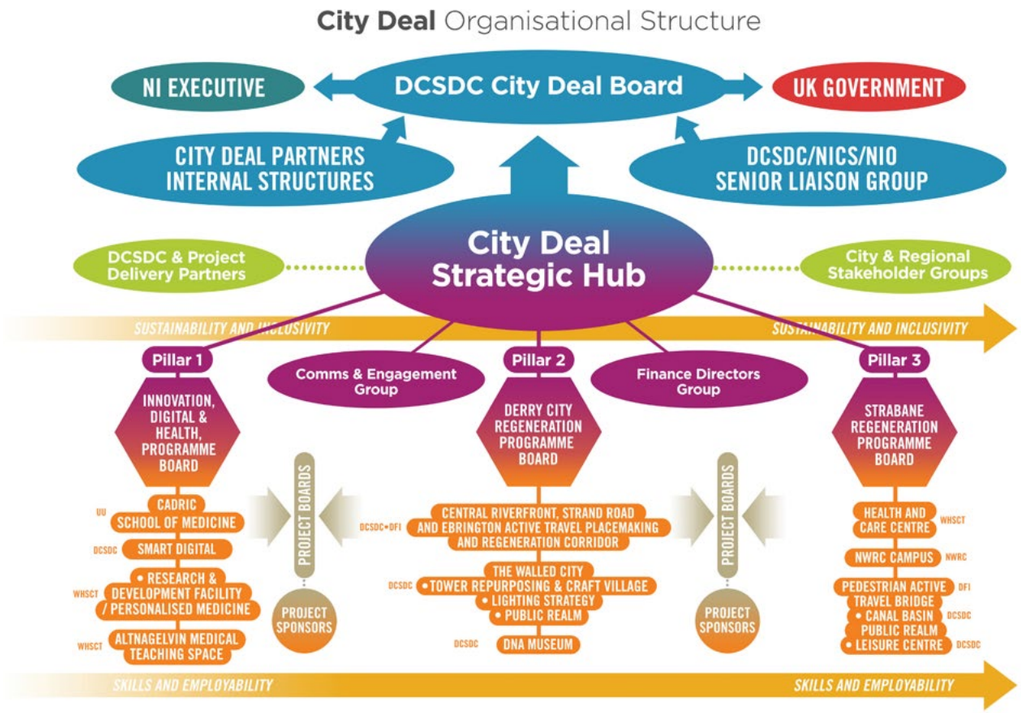
2021-2023
Establishment of Governance arrangements and resources. Development of projects, feasibility, costings and business cases

2023-MID 2024
Securing additional partner funding, finalisation and submission of business cases

SEPTEMBER 2024
Financial Deal

2 Governance Arrangements

The Derry Strabane City Deal operates under a set of governance arrangements which align with those established for all Northern Ireland City and Growth Deals. The governance arrangements agreed by the partners are regularly reviewed to ensure the appropriate assurance frameworks are in place.



City Deal Boards

The principal function of the City Deal Board is to provide oversight, ensure compliance and provide assurance in the development and delivery of the DCSDC City Deal programme in accordance with the requirements of the Financial Deal and agreed governance arrangements. The Board will be responsible for issue resolution and for oversight of stakeholder negotiations and engagement. The Membership of the Board is drawn from the City Deal partners along with observers from DfC, DfI and DfE, and the Lead Risk and Assurance Officer DCSDC.

Programme Boards

The principal function of the Programme Board is to provide coordination, communication and engagement and relevant reports to the City Deal Board on the delivery status of the totality of the programme pillar functional area. It is responsible for driving the development of a coherent set of projects that can support the delivery of the DCSDC City Deal partners' ambition for inclusive economic growth. In particular, this includes:

- guiding the development of a coherent programme of Project Business Cases aligned with the overall DCSDC City Deal portfolio;
- delivering measurable benefits in relation to business case objectives and;
- meeting the requirements of the agreed business case frameworks.

Project Boards

The principal function of the Project Board is to provide oversight, ensure compliance and provide assurance in the development and delivery. Project Boards retain responsibility for decision making in relation to the implementation of individual DCSDC City Deal Projects. They are also required to approve decisions on their proposed investments in-line with agreed DCSDC City Deal governance arrangements.

DCSDC as the Lead Authority for the City Deal is responsible for enacting functions that support and enable the partnership working, such as employing the Programme Management Office and providing administrative, professional, and technical support as required to support the Deal.

It is also the Accountable Body for the Deal, ensuring that the partnership makes decisions in accordance with all legal, financial, and administrative requirements. The Accountable Body manages the overall range of projects to ensure the Deal remains within the overall funding envelope available. It also has the authority to hold to account any of the members of the bodies within the governance structure or projects, should they present a risk to the overall programme.



3.1 Innovation, Digital & Health Pillar

CADRIC - Cognitive Analytics & Digital Robotics Innovation Centre

Location

Ulster University's Derry~Londonderry campus

Project Overview

The Cognitive Analytics & Digital Robotics Innovation Centre (CADRIC) is a Centre of Excellence in Innovation that will be delivered by Ulster University at its Derry~Londonderry Campus.

CADRIC will comprise AIPlus (previously referred to as the Cognitive Analytics Research Laboratory (CARL)) and the Centre for Industrial Digitalisation, Robotics and Automation (CIDRA). It is an industry-facing project, developed in response to the identified strategic needs of areas such as Neuro-Artificial Intelligence (Neuro-AI) and Cognitive Robotics, which are projected to grow significantly in the years ahead.

AIPlus is multi-sectoral and will seek to exploit the advances that Neuro-AI, Cognitive Analytics (CA) and Machine Learning (ML) techniques can deliver for a range of sectors including Advanced Manufacturing, Life & Health Sciences, Personalised Medicine, Creative Industries, Legal-Tech, Fin-Tech, Reg-Tech, Agri-Tech and Green-Tech.

CIDRA has a specific focus on manufacturing with a particular emphasis on the use of smart robotic systems, by recognising that five core technologies; Robotics, Automation, AI, Industrial Internet of Things (IIoT) and Additive Manufacturing, have now reached sufficient maturity that can provide huge opportunities and challenges for the manufacturing industries across a range of areas.

Current Status Year end 2025/2026

CADRIC had its Outline Business Case approved in August 2024 and the Funding Agreement was delivered in December 2025.

The Integrated Consultant Team (ICT) has been formally appointed and has progressed through Stage 2 Concept Design.

The project team is actively progressing early planning, design development and procurement related activities.



£39 million
value

Trust R&D Expansion Project – Altnagelvin Hospital



Location

Altnagelvin Hospital Site – Adjacent to the Trust's existing Clinical Translational Research & Innovation Centre

Project Overview

This project will increase Research and Development accommodation capacity at Altnagelvin Hospital site, to enable implementation of following work streams:

Pharmacogenomics Testing - Development of a Precision Diagnostic Laboratory to establish the first fully accredited Pharmacogenomics (PGx) panel testing service in UK/Ireland. This test (PGx) enables drug treatments to be tailored to an individual's genetic makeup. This is currently undertaken for patients with cancer or rare diseases but has the potential for much greater use. Having this test performed benefits the patient as the most suitable drug can be chosen at the correct dosage so the treatment will work better and there is less chance of any adverse reactions. It benefits the wider health and social care system as it improves the management of the patient's condition and avoids waste.

Clinical Trials - Increase the volume of commercially relevant Clinical Trial Investigations of a Medicinal Product (CTIMPs) at the Altnagelvin site through the creation of clinical research partnerships. This workstream will require collaboration with academia and industry, with strong industry engagement with local, regional and global pharmaceutical companies.

Research Participation – BioResource - Creation of a research participant BioResource (sample database), through encouraging public participation in research to enable growth and development programmes locally through ethical recruitment, whilst improving health literacy in the community.

This project is being implemented with the full support of C-TRIC Limited, a partnership arrangement between the WHSCT, Ulster University and Derry City and Strabane District Council, established to work together to encourage and promote growth in research and innovation in the North West region.

This critical partnership arrangement is essential to creating an environment which stimulates ideas, encourages innovation and identification of research opportunities. It facilitates joint working and collaboration, bringing the right minds together from the right organisations, to formulate solutions to challenges and ensure maximum benefits are realised from research undertaken, for the betterment of local populations.

Current Status Year end 2025/2026

The Outline Business Case for the project was approved in March 2026, enabling the Trust to appoint an ICT for the project and begin the design process, both of which will move forward in 2026/27.

£10.9 million
value

Smart Derry Strabane

Location

Derry and Strabane

Project Overview

The Smart Derry Strabane programme will create the core foundations required to establish a smart city and district - a place that uses innovation, digital technologies and data to enrich residents' lives, support businesses and visitors, improve public services, drive sustainability and enable inclusive economic growth. By building these foundations, the programme will position the City Region to become better connected, more efficient and capable of responding to local needs.

The programme includes four distinct areas of investment:

i. Digital Innovation Hub & Challenge Funds

The Digital Innovation Hub (DIH) will serve as a launchpad where students, graduates, and entrepreneurs can transform big ideas into scalable enterprises. By combining flexible workspaces - hot desks, private offices, meeting rooms and event areas - with cutting edge technology, expert mentorship, and strong industry partnerships, the Hub will support student led innovation, drive new business start-ups and boost local economic growth.

Key objectives of the DIH include:
- Innovation driven entrepreneurship
- Build a world class talent pipeline
- Boost graduate employability
- Unlock access to emerging technologies/ testbeds
- Forge high impact partnerships

The Digital Innovation Hub (DIH) will serve as a launchpad where students, graduates, and entrepreneurs can transform big ideas into scalable enterprises.

A standalone element of the project is the £1m Challenge Fund. The aim of the fund is to bring together public bodies, industry, academia and the research community to develop practical, breakthrough solutions to complex local issues and global challenges.



ii. Digital Enabling Infrastructure

This programme element recognises that before a location can become smart it needs to be well connected, this requires robust digital infrastructure, including data-gathering sensors, advanced wireless networks, and platforms for storing and sharing data. The Digital Enabling Infrastructure Programme will therefore invest in three key areas:

- Advanced Wireless Connectivity
- Data Infrastructure
- IoT Pilots & IoT Grant Scheme

iii. Strabane Positive Energy District (PED)

A key ambition for Strabane is the creation of a PED - an energy efficient and energy flexible urban area that not only reduces carbon emissions but generates more renewable energy than it consumes. The PED project will establish an 'at scale' living laboratory in Strabane town centre, this will enable real world testing of new approaches to local energy generation, distribution, storage, forecasting, and balancing.

iv. Digital Transformation Flexible Fund (DTFF)

The DTFF is a Northern Ireland wide programme that provides capital support to SMEs and micro businesses to accelerate their digital transformation ambitions. The fund enables investment in advanced technologies including Smart Tech / IoT, Robotics, Big Data Analytics, Immersive Technologies, and Artificial Intelligence, helping firms to innovate, improve productivity, and enhance competitiveness.

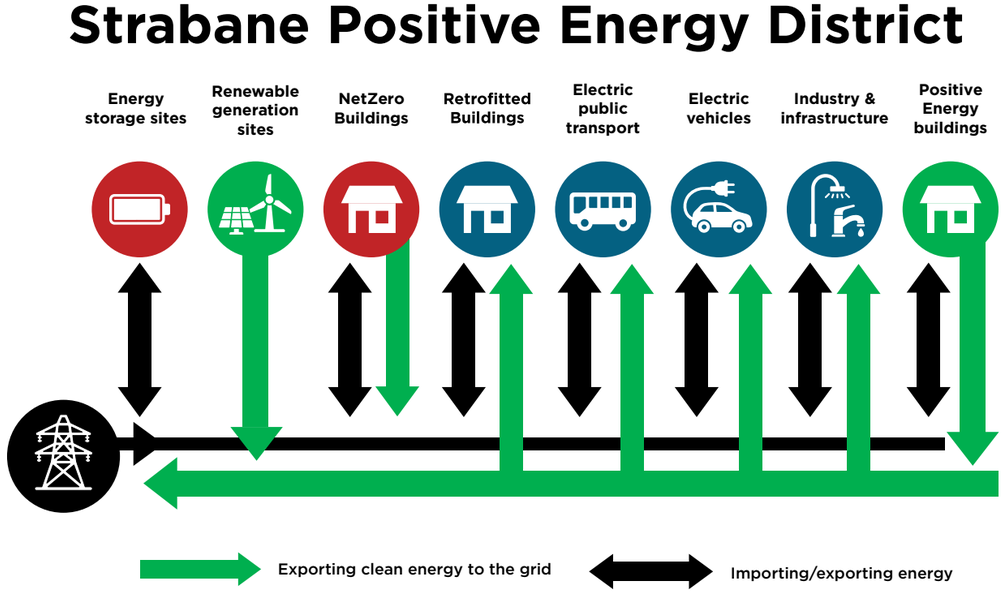
Current Status Year end 2025/2026

Digital Innovation Hub & Challenge Funds
Considerable work was undertaken to progress the development of the proposed Digital Innovation Hub and associated Challenge Funds programme. Activity during the year focused on the preparation of the Outline Business Case. As part of this process, a new option appraisal was required on potential locations as the preferred location became unavailable. This work has helped to refine the project scope and delivery approach, providing a clear pathway towards securing OBC approval, which is currently anticipated in April 2027.

Digital Enabling Infrastructure
Progress was also made on the Digital Enabling Infrastructure project, with efforts concentrated on the development of the Outline Business Case. This work has involved defining the infrastructure requirements needed to support wider digital transformation ambitions and establishing the investment rationale for the project. The OBC development process has provided an opportunity to engage stakeholders, assess delivery requirements, and identify the technological capabilities required to support future innovation activities.

Positive Energy District
The Positive Energy District (PED) initiative also achieved an important milestone during the year with the successful completion of the Pre-Market Engagement exercise. This engagement process provided valuable market intelligence, helping to inform the project's scope, delivery model, and future procurement approach. Building on the outcomes of this exercise, preparations were completed for the procurement of specialist support to undertake the PED feasibility study, develop the investment roadmap, and produce the Outline Business Case.

Digital Transformation Flexible Fund
The programme is currently live and has already supported 44 projects across Derry and Strabane, representing a total investment in excess of £670k.



£14.9 million
value

School of Medicine

Location

Strand Road, Derry~Londonderry

Project Overview

The proposal for the next stage of development of the School of Medicine, incorporates the transformation of the 'book-to-bedside' training of the next generation of doctors with further investment in state-of-the-art accommodation, teaching, and research facilities. A nationally and internationally excellent medical school, it is training doctors to deliver whole person care with skill and compassion, to meet future long-term workforce needs in the healthcare system in Northern Ireland and fulfil commitments made under the New Decade, New Approach (NDNA). It attracts graduates from a variety of disciplines to study medicine and live in the Northwest, with the ambition that they will ultimately work there as doctors.

The completed initial phase, in refurbished accommodation on the Ulster University's Derry~Londonderry campus, has already celebrated the first cohorts of graduates in June 2025 with 84% accepting a place on the NI foundation programme where they are continuing their journey in medical settings across the region. The School of Medicine's Research Strategy to advance medical treatments which improve health outcomes is built on three Research Clusters – Translational Experimental Research, Clinical Medicine, and Public and Population Health. As part of the wider Digital, Innovation and Health Programme, there will also be a Medical Education Facility developed for the WHSCT on the Altnagelvin Hospital site and the expansion of the existing CTRIC Research Facility at Altnagelvin.

Current Status Year end 2025/2026

DoF approval of the Outline Business Case (OBC) was received by DfE in May 2025 with a draft Funding Agreement issued to the University in October 2025. A procurement process was initiated for the appointment of the integrated consultant team. This process was paused pending a review of project milestones, dependent primarily on confirmation of budgets, OBC assumptions, and sustainable funding provision.





£46.2 million
value

Medical Teaching Altnagelvin Hospital Project

Location

Multi Disciplinary Education Centre (MDEC)
Altnagelvin Hospital

Project Overview

This project will provide fit for purpose accommodation to support the delivery of high quality, integrated teaching accommodation, for Ulster University Medical School students at the Altnagelvin site.

This project aims to provide a service that supports an integrated teaching model for medical students from two Universities, Queen's University Belfast and Ulster University School of Medicine i.e. one integrated medical teaching service. Key to success will be the provision of flexible space, providing site capacity for future expansion if required. Sized at approx. 650m2, the project will accommodate the current approved model of 70 students (+10%) per annum.

The facilities to be delivered will incorporate lecture, tutorial and clinical skills rooms with associated support space. The new build project is an extension to the existing MDEC, which is located in very close proximity to the existing Med-Ed-West education facility and immediate adjacent to the clinical library area within the MDEC building. This location ensures the project is fully aligned with the Trust's strategic vision clinical educational facilities at the Altnagelvin site.

Current Status Year end 2025/2026

Following OBC approval, the Trust appointed an ICT for the project in 2025/26 to lead the design process. This work progressed steadily throughout the year enabling a planning application to be lodged to support construction commencement (currently scheduled for late 2026).





£4.6 million
value

3.2 Derry Regeneration Pillar

Derry Central Riverfront Project

Location

Derry city centre, focused along the River Foyle waterfront.

Project Overview

The Central Riverfront Project will deliver a transformative programme of public realm and transport improvements along the River Foyle, creating a vibrant, accessible and re-invigorated city centre waterfront.

The scheme will enhance connectivity through high quality pedestrian and cycle infrastructure, improved public transport, and integrated civic spaces, supporting a shift toward sustainable travel.

Central to the project is the delivery of world class placemaking, building on established destinations such as University Square, Harbour Square, Queens Quay area, Whittaker Street including the Peace Bridge Landing Point and Victoria Market.

The project will reconnect the city with the River Foyle, improve environmental quality and support regeneration, unlocking development opportunities and positioning Derry as a competitive European waterfront destination.

Current Status Year end 2025/2026

The Central Riverfront Project continues to build momentum as it progresses through the development phase. Extensive engagement with statutory bodies, local partners and the wider community has helped shape the emerging vision for this transformational city centre scheme. A public information event held in February 2026 generated valuable feedback and increased awareness of the project's ambitions.

Significant progress has been made in developing and assessing highways and placemaking options, laying the foundations for a more connected, accessible and attractive riverfront. A further public information event is planned for Autumn 2026, providing an opportunity to showcase emerging proposals and gather further stakeholder input. The project is moving forward through preliminary design development, supported by ongoing traffic modelling and environmental surveys to inform the Environmental Impact Assessment (EIA). Together, these activities are helping to advance the scheme towards planning, while ensuring it is well-positioned for future delivery.



£45 million
value

Walled City Public Realm and Lighting Project

Location

The project is located within the Historic City Conservation Area of Derry including key streets and civic spaces within the Walled City and its interfaces with the Central Riverfront.

Project Overview

The Walled City Public Realm and Lighting Project is aimed at transforming the historic city centre into a vibrant, attractive and well-connected destination.

The project will deliver high-quality public realm improvements at the Diamond, Shipquay Street and Castle Street, alongside Phase 1 of a strategic Lighting Enhancement Plan. Together, these interventions will improve accessibility, strengthen connectivity, and create a safer and more engaging city centre environment, supporting both daytime activity and the evening economy.

The project responds to identified challenges within the Walled City, including declining streetscape quality, high vacancy levels and reduced evening activity, while recognising the significant opportunity to enhance the city centre's role as a vibrant destination.

Targeted investment in public realm and lighting will address these issues by enhancing place quality, improving perceptions of safety, and encouraging greater footfall, dwell time and business activity.

Current Status Year end 2025/2026

The Outline Business Case has been approved, with the project progressing to procurement of an Integrated Consultant Team.

Delivery will be supported by established governance structures and will align with wider City Deal investments, including the Central Riverfront project.





£11.3 million
value

Tower Repurposing and Craft Village

Location

The Tower / Craft Village project is located within the historic Walled City of Derry~Londonderry.

The project sits at a key gateway within the city centre, linking the Guildhall, city walls and core retail and cultural areas, and forms an important connection between the Walled City and the Central Riverfront.

Project Overview

The City Deal investment in the Tower Museum and Craft Village is a key component of the Walled City Tourism and Economic Investment programme, strengthening the cultural offer and improving connectivity within the historic core.

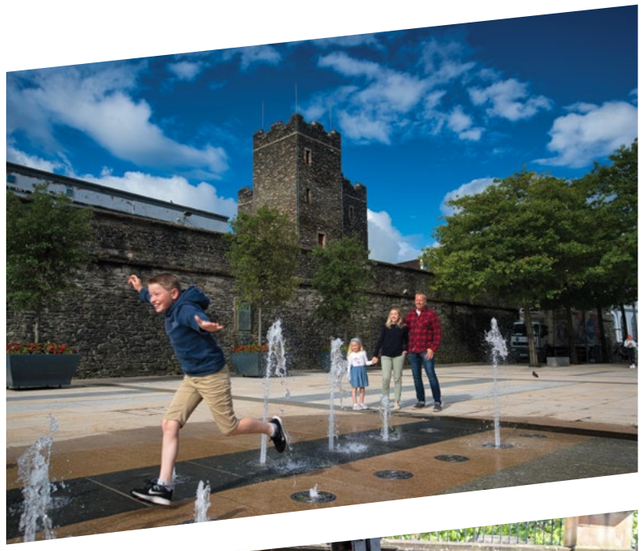
The project focuses on enhancing the visitor experience and better linking Guildhall Square, Union Hall Place and the Craft Village in partnership with the Inner-City Trust. It is designed to enhance and provide greater integration of the cultural and visitor offering, whilst improving the physical and visual connectivity within the Walled City. Key benefits will include increased footfall and dwell time in the Tower/Craft Village/Union Hall Place area and repurposing of a key civic asset to meet future needs

The project represents an opportunity to build on the legacy of the Tower Museum while repositioning the building and surrounding area to better support the city's evolving tourism and cultural offer.

Current Status Year end 2025/2026

Work is underway to prepare and transfer key collections from the Tower Museum to the new DNA Museum. The Story of Derry exhibition closed at the end of February 2026 as part of this transition.

The Tower Museum building is remaining in Council ownership and continue to operate in the short term, including the Derry Girls Experience. Discussions are ongoing with the Department for Communities and the Inner-City Trust to progress the next phase of the project.



£5.2 million
value

DNA (Derry ~ Londonderry on the North Atlantic) Museum

Location

Ebrington Square, Derry ~ Londonderry

Project Overview

The DNA (Derry ~ Londonderry on the North Atlantic) Museum is located on a former military base with panoramic views of the River Foyle, dating back to 1841, the new state of the art facility is the latest exciting development in the regeneration of the site. The Square is currently being transformed into a busy and vibrant shared community space for work and recreation that is fast becoming one of the city's most popular sites and a major heritage and cultural landmark.

The project includes the refurbishment and modification of 3 no. Grade II Listed Buildings linked by a new iconic modern extension forming the entrance foyer of the museum, the design and construction of a new museum building and purpose designed exhibition space and archive.

The DNA Museum will showcase some of the city and district's most significant local historic artefacts and archives sourced mainly from the Council's extensive collections. The new facility will offer six galleries, a dedicated archive discovery zone, reading room, access to genealogy advice, a temporary exhibition space, multi-purpose learning and events space, café, retail and external interpretation space.

Current Status Year end 2025/2026

Approval of the Full Business Case for the project was secured in July 2025 and the official announcement of commencement of work was made on September 24th 2025.

Construction is well underway with detailed co-ordination being carried out between the main build and fit-out design teams and the Client to ensure that the overall design is developed and constructed to the agreed scope and delivery targets.





£14.4 million
value

Strabane Public Real and Enabling Works

Location

Canal Basin Strabane

Project Overview

The scope of the project includes public realm enhancements, site enabling works, car park provision, and land acquisition, all of which are essential to facilitating the delivery of the £115 million City Deal/IFF Strabane Town Centre Regeneration Programme (STCRP). The STCRP will be anchored on the Canal Basin site, and the public realm works form a critical foundation for the new leisure centre and the North West Regional College (NWRC) campus. These works will significantly improve the wider environment, enhancing the experience for users of the new facilities as well as local residents whilst also creating a new streetscape within the Canal Basin.

The project places a strong emphasis on high quality design and place making, with investment proposed in the public realm within the Canal Basin site. This investment is intended to create an attractive and functional setting for the new leisure and education facilities, while also strengthening connections to the proposed new health hub and the wider town centre.

This is a critical component of a wider City Deal funded regeneration programme, which aims to establish a destination space and new civic heart for the town centre, revitalising a key strategic site through the development of modern physical infrastructure centred around the historic Canal Basin. This integrated approach brings together a health and care hub, a further and higher education campus, a leisure centre, and high quality public realm, all located adjacent to existing arts and cultural assets such as the Alley Theatre. Connectivity will be further strengthened through the construction of a new pedestrian bridge, improving links to the public transport hub and surrounding residential areas, and supporting a shift towards active travel by encouraging walking and cycling. The programme is expected to act as a catalyst for economic growth and play a significant role in reversing the town's long term decline.

Current Status Year end 2025/2026

The Outline Business Case for the project was approved in September 2024 and the Contract for Funding was signed in March 2026.

Formal governance arrangements are in place with a Project Board established in March 2025 which reports to the Strabane Regeneration Board.

The Council has purchased the site of the former Boys Academy School on the Derry Road to facilitate the development of a car park.

The procurement of a professional services team was completed in February 2026. The team are now progressing designs for the car park and the wider public realm as well as assessing the impact of the wider programme on utilities and traffic and transport as well as car parking demand.

Stakeholder engagement has been ongoing throughout the year with a Stakeholder Engagement Plan now in place.

£7.3 million
value

North-West Regional College (NWRC) Strabane

Location

Strabane Town Centre

Project Overview

The project involves the construction of a new modern fit-for-purpose NWRC Further & Higher Education Campus, of a quality to enable the implementation of a professional and technical curriculum which meets current and emerging needs for technical education and vocational training.

The size of the campus is approximately 2,100m2 with anticipated training relating to:

- Hospitality
- Electrical Services
- Renewables
- Science
- Dental Nursing
- Information Technology

The new NWRC Campus, with an overall value of circa £15m, is being delivered within the Canal Basin site in Strabane Town Centre and forms part of an overall regeneration scheme which includes a new Leisure Centre and public realm works. Once the new Campus is complete NWRC will be vacating the current site on the Derry Road which will enable the progression of the new Strabane Health and Care Centre.

Current Status Year end 2025/2026

The project ICT, McAdam Design, were appointed in March and are currently progressing through the formal design stages with a key milestone for the end of the calendar year 2026 being that our planning application is formally submitted.



2 3D Sketch- View from Derry Road
Scale:



3 3D Sketch- View from Car Park
Scale:

£15.2 million
value

Strabane Health and Care Centre

Location

At the current North West Regional College location 39 Derry Rd, Strabane

Project Overview

This project will deliver a new Health and Care Centre for the population of Strabane. The building will enable co-location of essential primary and community care services on a single, integrated site. This facilitates service redesign, improving patient pathways, experiences and outcomes. The new site also provides capacity for future expansion to support changing health and social care needs. The preferred option is a combined new building and refurbishment solution, utilising the existing listed building on the site as a functional and sustainable infrastructural asset. The location of this site also has a positive impact through its close adjacency to other public services such as the new leisure centre and new education college, creating opportunities for cross sector working to maximise benefits for the local community. The value of the project is approx. £40m with an assumed operational delivery date of 2032, due to a programme dependency which determines the site access and subsequent construction commencement date.

Current Status Year end 2025/2026

The project is currently at design stage, following the appointment of the Integrated Consultancy Team (ICT) in late 2025.

Since appointment, the ICT has engaged with the Historic Environment Division (HED), in relation to the listed building on the site to help inform RIBA Stage 1 and to ensure that the emerging design reflects operational requirements, heritage considerations and the wider strategic objectives.



The Western Trust project team has continued to engage with the Strabane Town Regeneration project partners in relation to the programme and have met with key stakeholders to discuss the broader economic and social benefits this regeneration programme is bringing. Social value considerations have been embedded within the project approach, with opportunities being explored to maximise community benefit, support local economic development and deliver positive social outcomes throughout the project lifecycle.

Staff have been engaged and moving to RIBA stage 2. There will be a structured engagement process to inform design development, identify opportunities for service improvement and ensure that the facilities are aligned with end-user needs through already well developed partnership models.

The project team continues to work closely with project partners and stakeholders to identify and manage interdependencies, mitigate delivery risks and ensure alignment with related initiatives across Strabane.

£40.1 million
value

Strabane Footbridge

Location

Across the River Mourne in Strabane, connecting areas on either side of the town's riverfront.

Project Overview

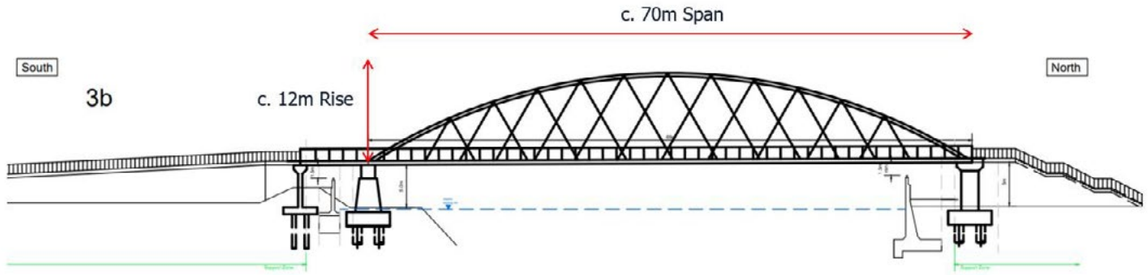
The Strabane Footbridge project proposes the construction of a new pedestrian and cycle bridge, providing a key crossing point within the town centre and improving connectivity across the river. The bridge will make it significantly easier for people to access central town amenities, including the new health hub, leisure centre, and college campus and improved access for the bus station, from residential areas.

This enhanced accessibility will encourage more residents to walk and cycle, leading to healthier lifestyles and reduced car dependency. As a core component of the wider town centre regeneration plan, the bridge serves as a catalyst for urban renewal, physically connecting and complementing other major investments to create a more vibrant and cohesive town centre.

The priority will be to work with ICT led by Amey to progress the project through the next design stages. Key activities include ongoing stakeholder engagement with statutory bodies and local partners, together with the completion of the bridge options appraisal process to confirm the preferred solution.

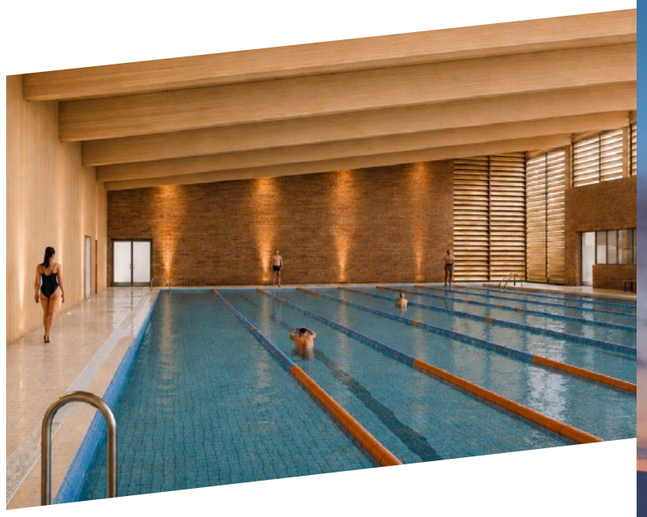
The project is advancing through preliminary design development of the bridge and associated active travel connections, alongside the progression of flood modelling and Flood Risk Assessment, to inform the planning process and statutory approvals. Further work is continuing to support progression toward planning submission and delivery readiness.

- Similar Examples: Omagh Oasis Bridge, Pennyburn Bridge, Derry.



£10.4 million
value

Strabane Strategic Leisure Project



Location

15 Derry Rd, Strabane BT82 8DT

https://maps.app.goo.gl/Zi7djx5XVPsDvKS56

Project Overview

The new leisure centre is being relocated within Strabane Town Centre. The proposed site on Derry Road, Strabane will replace Riversdale Leisure Centre, which was built in the mid-1970s. Council are proposing a modern leisure and wellbeing centre that supports increased participation in sport and physical activity, improves public health outcomes and provides long-term operational and financial sustainability.

The project will support also the Council's wider environmental and climate commitments through sustainable design and operational efficiency. As such, sustainability is a key project driver is of the project and the leisure centre and spectator pavilion buildings will be designed to industry-leading Passivhaus net-zero standard, with the design approach focusing on operational energy efficiency, environmental performance and long-term resilience. The project brief identifies a requirement to minimise operational and embodied carbon while integrating renewable energy technologies, sustainable drainage measures and climate resilience strategies as part of the overall development approach.

Current Status Year end 2025/2026

- ESC Construction Consultants were awarded the commission for Strabane Leisure centre in July 2025.
- Elected members of Derry City and Strabane District Council endorsed plans for the development of the new Strabane Leisure Centre in January 2026 at a Special meeting of Council.
- To address specific needs raised by local groups including Riversdale Otters Swimming Club and Ulster Squash, plans were revised to include an 8-lane 25m main pool (increased from the original 6-lane concept), a dedicated squash facilities integrated through efficient floor planning and a state-of-the-art fitness suite, wellness spa, and a separate leisure/ teaching pool. Members of Council gave their approval to an upgraded facility mix and the associated capital budget.
- In February 2026, a section of the site was purchased from DfI and the building on site was demolished in April 2026.
- Statutory pre-planning engagement will commence in May 2026

£42 million
value



4 Financial Statement

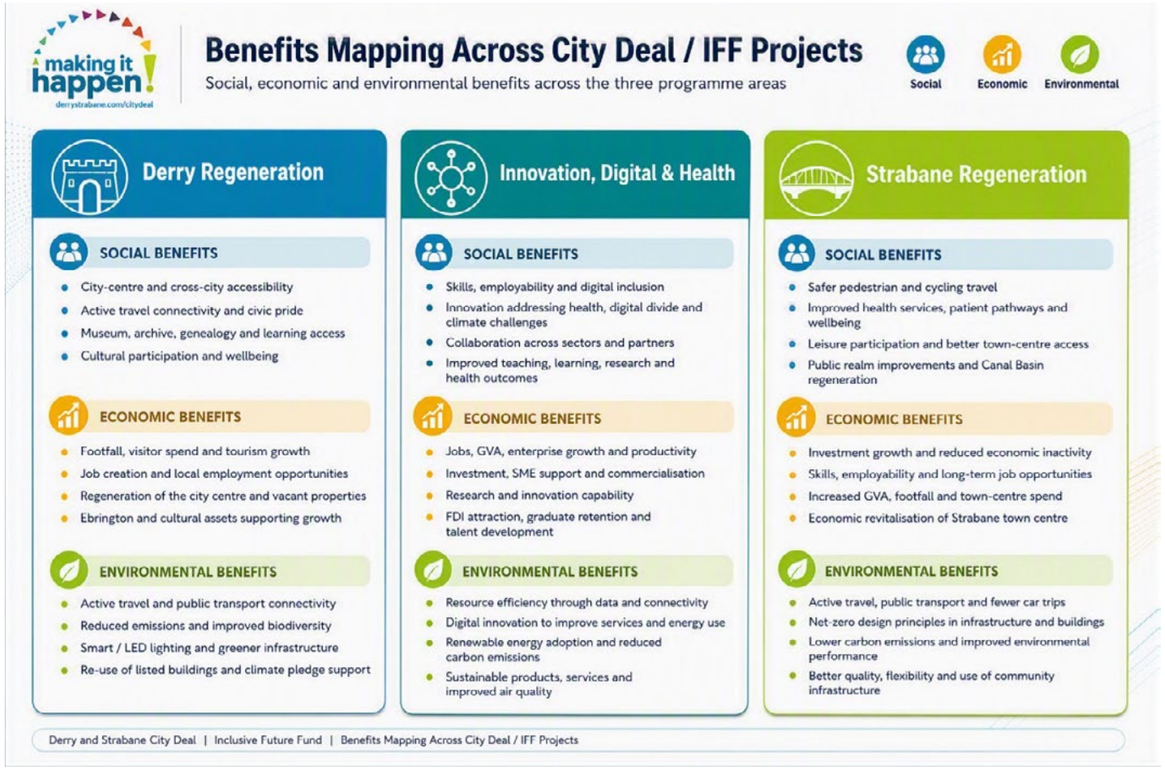
Project		Status	Source of Funding	Heads of Terms Budget £000	Updated approved budget £000	Current Forecast £000	Variance £000
INNOVATION, DIGITAL AND HEALTH							
CADRIC		OBC approved	City Deal/ IFF	35,042	35,042	35,042	
			Partner/ Other	3,958	3,958	3,958	
			Total	39,000	39,000	39,000	0
SMART CITIES	DIGITAL INNOVATION HUB	OBC Development	City Deal/ IFF	8,000	8,000	8,000	
			Partner/ Other	0	0	0	
			Total	8,000	8,000	8,000	0
	CHALLENGE FUNDS	OBC Development	City Deal/ IFF	1,000	1,000	1,000	
			Partner/ Other	0	0	0	
			Total	1,000	1,000	1,000	0
	DIGITAL ENABLING INFRASTRUCTURE	OBC Development	City Deal/ IFF	2,868	2,868	2,868	
			Partner/ Other	0	0	0	
			Total	2,868	2,868	2,868	0
	SMART ENERGY PILOT - POSITIVE ENERGY DISTRICT (PED)	OBC Development	City Deal/ IFF	2,010	2,010	2,010	
			Partner/ Other	0	0	0	
			Total	2,010	2,010	2,010	0
	DEVELOPMENT & PROJECT MANAGEMENT COSTS	OBC Development	City Deal/ IFF	628	628	628	
			Partner/ Other	0	0	0	
			Total	628	628	628	0
	DIGITAL TRANSFORMATION FLEXIBLE FUND	Contractor on site	City Deal/ IFF	452	452	452	
			Partner/ Other	0	0	0	
			Total	452	452	452	0
SCHOOL OF MEDICINE AND PERSONALISED MEDICINE CENTRE	SCHOOL OF MEDICINE	OBC approved	City Deal/ IFF	30,543	30,568	30,568	
			Partner/ Other	15,659	56,274	56,274	
			Total	46,202	86,842	86,842	0
	ALTNAGELVIN TEACHING SPACE	ICT appointed	City Deal/ IFF	4,626	4,601	4,601	
			Partner/ Other	0	25	25	
			Total	4,626	4,626	4,626	0
	PERSONALISED MEDICINE CENTRE C-ITRIC (WHSCT R&D EXPANSION)	OBC approved	City Deal/ IFF	9,831	9,846	9,846	
			Partner/ Other	1,092	1,094	1,094	
			Total	10,923	10,940	10,940	0

Project		Status	Source of Funding	Heads of Terms Budget £000	Updated approved budget £000	Current Forecast £000	Variance £000
STRABANE TOWN CENTRE REGENERATION							
STRABANE TOWN CENTRE REGENERATION	PEDESTRIAN BRIDGE	ICT appointed	City Deal/ IFF	6,000	6,000	6,000	
			Partner/ Other	4,400	4,400	4,400	
			Total	10,400	10,400	10,400	0
	HEALTH HUB	ICT appointed	City Deal/ IFF	21,500	21,500	21,500	
			Partner/ Other	18,200	18,690	18,690	
			Total	39,700	40,190	40,190	0
	PUBLIC REALM, SITE ENABLING WORKS, LAND ACQUISITION	ICT appointed	City Deal/ IFF	7,300	7,300	7,300	
			Partner/ Other	0	0	0	
			Total	7,300	7,300	7,300	0
	NWRC CAMPUS RELOCATION	ICT appointed	City Deal/ IFF	15,200	15,063	15,063	
			Partner/ Other	0	0	0	
			Total	15,200	15,063	15,063	0
	LEISURE CENTRE	ICT appointed	City Deal/ IFF	0	0	0	
			Partner/ Other	29,400	40,000	42,804	
			Total	29,400	40,000	42,804	2,804
CENTRAL RIVERFRONT AND WALLED CITY							
DERRY CENTRAL RIVERFRONT REGENERATION		ICT appointed	City Deal/ IFF	45,000	45,000	45,000	
			Partner/ Other	0	0	0	
			Total	45,000	45,000	45,000	0
WALLED CITY TOURISM / ECONOMIC INVESTMENT	LIGHTING & PUBLIC REALM	OBC approved	City Deal/ IFF	10,376	11,285	11,285	
			Partner/ Other	0	0	0	
			Total	10,376	11,285	11,285	0
	TOWER MUSEUM	OBC Development	City Deal/ IFF	3,312	2,110	2,110	
			Partner/ Other	3,100	3,100	3,100	
			Total	6,412	5,210	5,210	0
	PROGRAMME / PROJECT MANAGEMENT	OBC Development	City Deal/ IFF	1,007	0	0	
			Partner/ Other	0	0	0	
			Total	1,007	0	0	0
DNA MUSEUM EBRINGTON		Contractor on site	City Deal/ IFF	5,305	6,605	6,605	
			Partner/ Other	7,370	7,815	7,815	
			Total	12,675	14,420	14,420	0
OVERALL TOTAL			**City Deal/ IFF**	**210,000**	**209,878**	**209,878**	
			Partner/ Other	**83,179**	**135,356**	**138,160**	
			Total	**293,179**	**345,234**	**348,038**	**2,804**

5 Benefits Realisation

A Benefits Realisation Plan for the City Deal Programme is a requirement of the Financial Deal. The Benefits Realisation approach adopted by the City Deal Board is embedded within programme governance as a core requirement, ensuring that this significant investment delivers measurable outcomes. Through a structured Benefits Management and Realisation approach, City Deal partners will be able to demonstrate the impact of the Deal and secure long-term value for the region. The overarching objective is to ensure that intended benefits are achieved and that the transformational ambitions of the City Deal and Inclusive Future Fund are fully realised.

To support this objective, a Benefits Realisation Task and Finish Group was established, bringing together representatives from all City Deal project partners, government departments, Invest NI and the Strategic Investment Board. Facilitated by Council, the Group agreed a Benefits Realisation Framework that sets out a step-by-step methodology for identifying, measuring and tracking benefits consistently across all projects. A suite of standardised templates was also developed to support the consistent recording and reporting of project benefits. This represents an important milestone for the Programme, providing a clear and agreed approach to how benefits will be delivered, monitored, measured and ultimately realised.



Achieving Inclusiveness

The Financial Deal contains a clear commitment to deliver a cross-cutting programme focused on inclusivity, social value, employment and skills. This commitment is intended to ensure that the benefits of investment are shared widely and are aligned with local priorities. Within the Derry City and Strabane District Council area, City Deal projects are projected to generate approximately 6,300 net additional jobs by 2033, with almost 70% expected to be filled by local residents. The programme is also forecast to generate an additional £230 million in Gross Value Added (GVA) for the local economy over the next decade.

This investment will support the delivery of several projects identified within the Inclusive Strategic Growth Plan 2017-2032. In doing so, the City Deal Programme seeks to contribute to the OECD's definition of inclusive growth: economic growth that creates opportunities for all segments of society and distributes the benefits of increased prosperity fairly across communities, both in monetary and non-monetary terms.

In addition, the Council has committed through a range of motions and policy decisions to developing a Social Value Policy, achieving Carbon Neutrality by 2040 and implementing its Anti-Poverty Action Plan. These strategic priorities are intrinsically linked, presenting a significant opportunity to maximise synergies and deliver a coordinated approach to implementation.

Project partners are actively incorporating approaches to social value within procurement extending across project design, delivery and post-completion phases. To support the design of the social value priorities engagement has taken place with the NW Community Wealth Building Partnership, the Local Growth Partnerships and the Equality, Assurance and Oversight Group. Community groups and organisations from both urban and rural District Electoral Areas were invited to identify local needs and priorities and consider how social value initiatives could contribute to addressing these challenges. A Combined Social Value Community Priorities Report has now been prepared, capturing the feedback received and presenting a shared narrative of community priorities. This approach ensures that social value delivery is informed by common needs across the Council area rather than being driven solely by place-based interests.

Community engagement in Strabane has also informed the development of a dedicated Social Value Community Priorities Report to support the Strabane Regeneration Programme. Furthermore, targeted engagement activities have enabled community representatives to meet directly with project partners on a bi-monthly basis to discuss project progress and social value delivery. This approach has proven highly effective, with community stakeholders reporting increased involvement in, and enthusiasm for, regeneration projects within the area.

A Social Value Working Group has been established, comprising representatives from the Council's Skills and Procurement functions, the Labour Market Partnership, the Chamber of Commerce, the North West Community Wealth Building Partnership and community representatives. The Group will work collaboratively to identify and promote opportunities to embed social value across all City Deal projects. Facilitated discussions between the Group and appointed Integrated Consultancy Teams are also being arranged to support this objective.



Priorities for 2026/27

Following the formal signing of the Financial Deal, the City Deal Board remains steadfast in its commitment to fostering strong, collaborative partnerships with local communities, regional stakeholders, and Central Government partners. We remain committed to working together on our shared objective to translate this historic capital investment into tangible social, environmental, and economic benefits across the Derry-Londonderry and Strabane city region.

As we move from statutory approvals into active delivery and physical transformation, our primary focus for 2026/27 is for our Board to accelerate with the advancement of individual projects to the various delivery stages. In partnership with delivery partners, a key priority is to unlock the current challenges with the progression of three of our flagship projects namely the School of Medicine, CADRIC and the Digital Infrastructure Hub.

We remain committed to securing the final sign-off for updated Business Cases and achieving planning approval for at least 3 projects. In terms of our technical design teams, we intend to appoint Integrated Consultant Teams (ICTs) across a further two major capital projects to enable progress on detailed spatial, architectural, and engineering design work.

Council, in partnership with DfI, will continue to focus on progressing the strategic enabling projects that will best support the successful delivery of City Deal priorities, including the NW Transport Plan and Car Parking Strategy. The Queen's Quay structural replacement, which would enhance the delivery of the Central Riverfront project, is being considered separately by DfI.. For the Strabane Regeneration Programme we will continue to pursue with DfC, and other funding sources, the additional £10m required to complete the Public Realm project at the Canal Basin.

From a Communications and Stakeholder Engagement point of view, we intend to continue with our multi-channel communication strategy, ensuring local residents, businesses, and civic organisations remain fully informed and engaged on the projects and that they are able to access the long-term career and community opportunities that are generated by each pillar.

There is also a firm commitment that all projects align with local climate strategies and national decarbonisation targets, and that all project designs incorporate modern methods of construction and sustainable solutions that will contribute directly toward our net zero obligations.

In terms of navigating the economic challenges and inflationary pressures, we are committed to work in close partnership with all our partner organisations and the Northern Ireland Executive to proactively manage challenging economic conditions, specifically significant construction cost inflation, through rigorous commercial management and strategic planning.

The key priority for the Board is that it will continue to provide transparent governance and accountable stewardship of all the projects, and we remain committed to maintaining a robust, fit-for-purpose governance framework across every pillar and project. We will continue to oversee clear reporting lines, transparent oversight, and strict risk management to protect this public investment and ensure that we achieve maximum value and social impact for the region.

During 2026/27 we will:

- DELIVER STRONG PARTNERSHIP WORKING
- PROVIDE TRANSPARENT & ACCOUNTABLE GOVERNANCE
- SEEK TO UNBLOCK DELIVERY CHALLENGES FOR THREE FLAGSHIP PROJECTS
- CONTINUE TO PROGRESS PROJECTS THROUGH OBCS, ICT APPOINTMENTS AND STATUTORY APPROVALS
- WORK WITH OUR PARTNERS ON KEY STRATEGIC INTERDEPENDENCIES RELATING TO INFRASTUCTURE AND FUNDING
- CONTINUE TO DELIVER ON BEST PRACTICE FOR SOCIAL VALUE, NET ZERO AND COMMUNITY ENGAGEMENT





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