



1.0 Foreword

The signing of the Financial Deal for the Derry ~Londonderry and Strabane City Deal and Inclusive Future Fund marks the next step in our journey of delivery of the largest ever single investment package by Government into this region. Together we have secured a funding package of £210m through the City Deal and Inclusive Future Fund from the UK Government and Northern Ireland Executive which will drive innovation and physical regeneration in the City and District, stimulate further private sector investment and deliver more and better jobs.

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Derry City and Strabane District Council and its project delivery partners, Ulster University, the North West Regional College, the Western Health and Social Care Trust and C-TRIC, are contributing additional funding which will bring the total investment to over £290m. This funding will significantly develop three world-class centres of innovation, health and life science excellence currently operating in the City, enhance and maximise our digital connectivity, deliver two major transformational city and town centre regeneration schemes and provide an advanced School of Medicine teaching and research facility space to be located at Ulster University's Derry~Londonderry campus. This investment will also catalyse delivery of several projects featured within the City and District's inclusive Strategic Growth Plan 2017-2032 and will progress in parallel with projects in our communities across the City and District.

The City Deal investment will support our next generation digital capabilities, enable us to boost tourism and support our region's regeneration. Our plans are ambitious and transformative and represent a new way of working that will see central and local government collaborating with regional partners and the private sector to accelerate real growth in an inclusive and sustainable way and provide us with a mechanism to further deliver on our strategic vision of a thriving, prosperous and sustainable City and District with equality of opportunity for all.

The focus will now move to projects implementation. This will see us progressing with the next important milestones including – detailed design, stakeholder engagement, private investment leverage and full Business Case approval. Signing of the Financial Deal brings the City and District one step closer to project delivery, realising our ambitions and the significant transformational benefits this investment will bring.

Our signing of this document confirms our joint commitment to full implementation of the Derry ~ Londonderry & Strabane City Region City Deal and Inclusive Future Fund. This Deal Agreement is the statement of commitment by all parties to support and deliver the Derry ~ Londonderry & Strabane City Region City Deal and Inclusive Future Fund in accordance with the terms and conditions of funding and is underpinned by a suite of detailed supplementary documents.

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Signature:		

Caoimhe Archibald MLA Minister of Finance on behalf of the Northern Ireland Executive



Signature:

Councillor Lilian Seenoi-Barr Mayor of Derry City & Strabane District Council



Signature:

The Rt Hon Hilary Benn MP Secretary of State for Northern Ireland on behalf of the UK Government



Signature:

John Kelpie Chief Executive of Derry City & Strabane District Council Chair of City Deal Board



Partner signatures

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Signature:		Signature:				
	Professor Paul Bartholomew Vice Chancellor, Ulster University	Neil Guckian Chief Executive, Western Health & Social Care Trust				
	Ulster University	Western Health and Social Care Trust				
Signature	Đ: 	Signature:				
	Leo Murphy Principal and Chief Executive, North West Regional College	Aaron Peace Chief Executive, C-TRIC				
	north west regional college	C-TRIC Citation Translational Research and Interestion Centre				



2.0 Introduction

This **Financial Deal** is an historic and transformational agreement between the UK Government, Northern Ireland Executive and Derry City and Strabane District Council, together with its delivery partners - Ulster University, Western Health and Social Care Trust, Clinical Translational Research and Innovation Centre (C-TRIC) and the North West Regional College.

It sets out a commitment to an over £290m City Deal and Inclusive Future Fund Investment Plan to deliver on a suite of integrated and complementary catalyst projects in the areas of innovation, digital and health together with a number of major transformational regeneration, tourism and renewal projects all of which are derived from and will contribute to the objectives of the region's Inclusive Strategic Growth Plan 2017~2032. It is underpinned by a cross-cutting commitment by the delivery partners to lever the opportunity of the investment to further job creation, skills and employability and to develop and deliver the projects inclusively and sustainably.

Innovation, Digital and Health Pillar

- £39m: Cognitive Analytics and Digital Robotics Innovation Centre (CADRIC), comprising new Centres of Excellence for Innovation in Data Analytics and in Advanced Manufacturing and Robotics to be developed by Ulster University in a combined new facility on a site along the Strand Road campus frontage opposite the Derry City and Strabane District Council headquarters building.
- £61m: School of Medicine and Personalised Medicine Centre comprising new teaching and Research accommodation at Ulster University's campus at Magee, Derry~Londonderry, a new MedEdWest teaching facility at Altnagelvin Hospital and a new build extension to the existing Clinical Translational Research Centre (C-TRIC) facility at the Altnagelvin site.

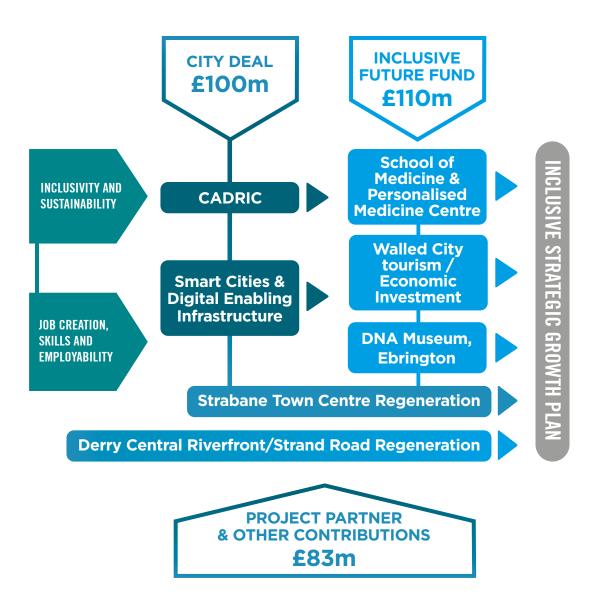
• £15m: Smart Cities and Digital Enabling Infrastructure Programme comprising the development of digital enabling infrastructure, a SMART energy pilot, digital transformation challenge funding and a new Innovation hub to be developed in or adjacent to Ulster University, Derry~Londonderry at Strand Road and the North West Regional College.

Regeneration, Tourism and Renewal Pillar

- £102m: Strabane Town Centre Regeneration project on the Canal Basin site comprising a new North West Regional College Campus, a new Strabane Health Hub, a new Pedestrian / Active Travel Bridge (Dfl), a new Council leisure facility as well as associated public realm and environmental improvements.
- £45m: Derry Central Riverfront Regeneration comprising roads realignment, streetscape enhancement and creation of an active travel corridor along Strand Road and Queens Quay. The creation of new civic spaces including University Square, Harbour Square/ Victoria Market, Peace Bridge Landing Point & Whitaker Street. This will provide a catalyst for the development/redevelopment of a number of significant vacant and underutilized sites to drive investment and economic growth.
- £13m: Derry~Londonderry on the North Atlantic (DNA) Museum ~ a new iconic museum visitor attraction on the Ebrington site.
- £18m: Walled City Tourism / Economic Investment creating reimagined spaces & places within the Walled City including pedestrian priority, lighting, animation, public realm and wayfinding investment as well as the repurposing of the Tower Museum and integration with the Craft Village.

The total combined investment package of over £290m comprises a funding commitment by the UK Government of £50m City Deal and £55m Inclusive Future Fund; £105m match funding by the Northern Ireland Executive and contributions by Derry City and Strabane District Council and project delivery partners of £83m.





2.0 Introduction

A summary of all projects together with a breakdown of costs and allocations of funding across projects by the UK Government, N.I Executive and delivery partners/other sources is set out in the table below:

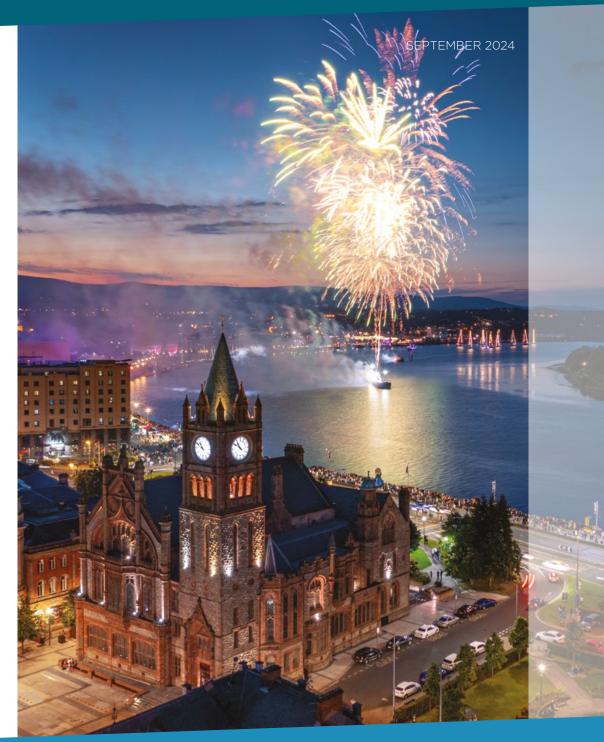
Table 1. Summary of allocation and source of funding for all projects

			PROJECT Promoter	INDICATIVE ALLOCATION (£m)						
PROJECT		LEAD Department		N.I. EXECUTIVE		UKG		PARTNER & OTHER	TOTAL	
				CITY DEAL	IFF	CITY DEAL	IFF	CONTRIBUTIONS	TOTAL	
CADRIC INNOVATION PROJEC	TS	DfE	UU	0	0	35.1	0	3.9	39	39
SMART CITIES & Digital enabling Infrastructure	DIGITAL INNOVATION HUB	DfE	DCSDC			8.4			8.4	14.9
	DIGITAL ENABLING INFRASTRUCTURE	DfE	DCSDC			3			3	
	CHALLENGE FUNDS	DfE	DCSDC			1			1	
	DIGITAL TRANSFORMATION FLEXIBLE FUND	DfE	DCSDC			0.5			0.5	
	SMART ENERGY PILOT	DfE	DCSDC			2			2	
SCHOOL OF MEDICINE / CTRIC EXPANSION	SCHOOL OF MEDICINE / HEALTH INNOVATION CENTRE	DfE	UU				30.6	15.6	46.2	61.7
	ALTNAGELVIN TEACHING SPACE	DoH	WHSCT				4.6		4.6	
	PERSONALISED MEDICINE CENTRE, ALTNAGELVIN	DoH	WHSCT				9.8	1.1	10.9	
	PEDESTRIAN BRIDGE	Dfl	Dfl	6				4.4	10.4	102
STRABANE TOWN CENTRE REGENERATION	HEALTH HUB	DoH	WHSCT	21.5				18.2	39.7	
	PUBLIC REALM, SITE ENABLING WORKS, LAND ACQUISITION	DfC	DCSDC	7.3					7.3	
	NWRC CAMPUS RELOCATION	DfE	NWRC	5.2			10		15.2	
	LEISURE CENTRE	DCSDC	DCSDC					29.4	29.4	
STRAND ROAD / DERRY CENTRAL RIVERFRONT REGENERATION		Dfl	Dfl	10	35				45	45
WALLED CITY TOURISM / ECONOMIC INVESTMENT		DfC	DCSDC		14.7			3.1	17.8	17.8
DNA MUSEUM EBRINGTON		DfE	DCSDC		5.3			7.4	12.7	12.7
TOTALS				50	55	50	55	83.1	293.1	293.1

Since completion of the 'Heads of Terms' agreement, Council and Project Partners have been advancing the development and submission of business cases for all projects to the Northern Ireland Executive and UK Government. Despite significant global financial challenges (including increasing construction, materials and energy costs and inflation) contributing to rising project costs, these issues have all been overcome and business cases have now all been submitted to the Northern Ireland Executive and UK Government for consideration. This has enabled the signing of this 'Financial Deal'. 'Financial Deal' means that Government funding can commence flowing to the projects once submitted business cases have been approved. Funding for the DNA Museum project has been fully approved in advance of this signing and is expected to start on site early in 2025 - the first DCSDC City Deal/ Inclusive Future Fund project to progress to site/construction and one of the first City Deal projects to advance to this stage across Northern Ireland.

This new and unprecedented investment builds on a significant programme of investment already completed or underway including the A6 roads project, the multi-modal transport hub and Council's ambitious capital programme of over £180m of community capital investment.

The catalytic impact of this will result in the single biggest ever combined and integrated funding injection in the City and District that will enable progress and delivery of a wide range of key infrastructure, tourism and regeneration projects.



2.1 Economic Impacts

Investment through the City Deal is being prioritised to support and achieve growth in a number of high potential innovation assets in the City and District and seeks to deliver the greatest economic impact as well as helping to deliver on our vision for inclusive growth. It is an integrated programme of investment that cuts across the responsibilities of local, NI and UK Governments with each project building on, complementing and supporting the others.

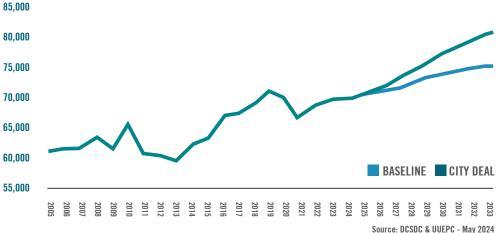
Summary - Forecast City Deal Economic Impacts by 2033

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%

Derry City and Strabane District is securing this financial deal whilst on a positive upward economic trajectory. The City and District experienced an increase in new jobs between 2015 and 2019 of 8,000 (63,000 to 71,000). Despite the pandemic in 2020 and 2021, there were still 5,760 more jobs and almost £500 million more in GVA than was the case in 2015. Unemployment numbers and rates have both fallen albeit not far enough or fast enough and regrettably progress on economic inactivity has been slower.

The investment through the City Deal and Inclusive Future Fund is forecast to lead to a step change in the transformation of the economy within the Council area and the North West region more generally. Within Derry City & Strabane itself the City Deal projects are projected to deliver a potential 6,300 net additional jobs by 2033, with nearly 70% filled by residents, and up to £240m of additional GVA within the next decade. The table and charts below provide a summary of these impacts.

Employment Growth. Baseline vs City Deal. Derry City & Strabane, 2005~2033

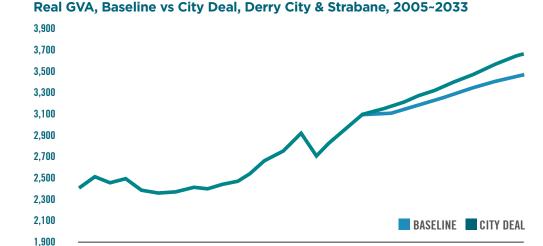


These impacts, though significant, are likely to understate the full effect on the City and region more generally. The investment will add confidence, stimulating accelerating additional private sector activity which is envisaged as part of the wider Inclusive Strategic Growth Plan. The combination of these investments and the boost to regional stakeholders will see the City Deal investment result in a transformative step-change in the trajectory of the Derry City & Strabane District economy. The jobs and GVA benefits are substantive in and of themselves, increasing over the decade the scale of the labour market by around 12%, with larger increases in some sectors such as healthcare and tourism.

This level of employment increase means that the City Deal should remain closely aligned to the inclusive growth ambitions within Derry

City & Strabane District. For example, the reduction of more than 3 percentage points in the inactivity rate compared to the baseline is an indication of the transformative impact of the City Deal on local citizens. The skills demand for the additional City Deal jobs will require a significant and pro-active effort to upskill and reskill the local workforce in order to avoid any skills mis-match that might occur.

These forecasts of the immediate economic impacts do not include the potential catalytic effect of the investment in knowledge capital in the region in tandem with greatly improved infrastructural linkages, in particular digital connectivity. It will thus create a City Region that is a significant driver for a rejuvenated NI economy.



Source: DCSDC & UUEPC - May 2024

3.0 Delivering our vision of inclusive and sustainable growth

Our Inclusive Strategic Growth Plan

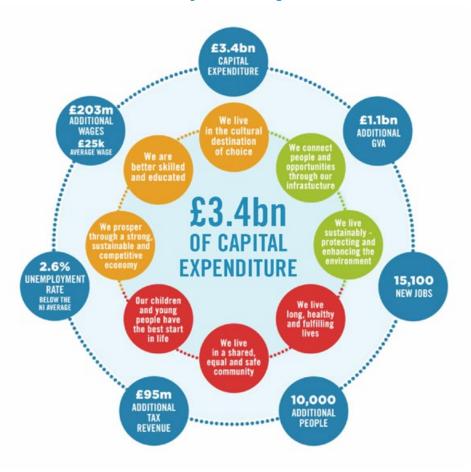
Derry City and Strabane District Council and its partners approved an Inclusive Strategic Growth Plan in November 2017. The plan – a Community Plan was developed and agreed following a significant co-design and consultation process. The plan has been designed to improve the social, economic and environmental wellbeing and to deliver a vision of a:

...thriving, prosperous and sustainable City and District with equality of opportunity for all.

Inclusive Strategic Growth Plan (Nov. 2017)

The City Deal and Inclusive Future Fund have been developed within this framework to deliver core elements of the Derry City and Strabane District's Inclusive Strategic Growth Plan. The plan is reviewed on an ongoing basis to ensure complementarity with government's key social and economic policies. The inclusive Strategic Growth Plan was forecast to create 15,000 new jobs, reduce economic inactivity to the Northern Ireland average and to generate £1.1bn additional GVA to the economy by 2032.

Inclusive Strategic Growth Plan impacts by 2032



*An ongoing review by DCSDC on the specific impact of significant University expansion on cities, including Lincoln in the UK and Limerick in the Republic of Ireland has indicated that this UUEPC forecast of 6,800 could be conservative and as such DCSDC has amended the figure for additional people with ongoing analysis

A number of key interventions within the Inclusive Strategic Growth Plan with the greatest impact on social, economic and environmental wellbeing have been included as part of the City Deal and Inclusive Future Fund. Our analysis indicates that investment in innovation assets, digital infrastructure, strategic regeneration sites and regional infrastructure will help address the unique circumstances and challenges that Derry City and Strabane Region faces.

These investment priorities are fully integrated and interdependent on each other:

- Long-term inclusive economic impact: In order to address the region's systemic economic weaknesses the projects which will deliver the greatest long term economic gains and transformative impacts have been prioritised
- Regeneration: Projects were also considered in terms of their place-making impact, their ability to leverage additional private sector investment and to drive social, economic and environmental regeneration
- Physical location and sequenced delivery: In order to fully
 maximise the impact of any investment the physical location
 and the ability to sequence delivery of the prioritised projects
 was considered. This sequencing will compound the level of
 economic stimulus and generate the critical mass needed to
 transform the City and Region.

The challenges that are constraining the growth of this unique Cross-Border City Region are well established and recognised. The benefits of addressing these long-established challenges through targeted investment are substantial and transformative.



3.1 Our Challenges

The North West City Region has faced a complex range of interrelated, geo-political and historic circumstances which have led to economic decline and stagnation. Many of these challenges continue to impede wellbeing outcomes and the development of the City and region today. These circumstances include:

- The location of the City on the border between Northern Ireland and the Republic of Ireland resulting in the fragmentation of its functional economic area, fluctuating currency levels and differing regulatory and statutory controls and environment.
- Its peripherality as the most westerly City within the UK and situated on an EU border.
- A legacy of underinvestment in infrastructure with poor local and sub-regional connectivity, inadequate intercity road, rail and transport connections to Belfast, Dublin and other cities/regions and to/from the Island's ports and airports.
- Inadequate third level education places proportionate to the size and ambition of the City Region.
- A disproportionately low number of regional and sub-regional public and government offices, services, economic assets, anchors and headquarters for a city of its regional scale, significance and location.
- The weak breadth and diversity of its retail, manufacturing and industrial base.
- The 'Troubles', their historic impact and their ongoing legacy.
- The impact of the UK's departure from the EU has created uncertainty economically and socially.

The result is a City and region is not fulfilling its maximum potential and the gap in performance between Derry City and comparable Cities continues to diverge.

A sub-regional population living outside the Council area travels to work in Derry~Londonderry. The further deepening of the Region's long established challenges, and the impacts of the Covid-19 pandemic, make it critical that all opportunities to rebuild, rebalance and grow the economy in the North West are taken.

The City Deal and Inclusive Future Fund therefore represent a very significant opportunity to address these challenges and to create a step change and transform the City and Region.

3.2 Key Parallel Regionally Significant Investment

Key Parallel Regionally Significant Investment

Progression and delivery of the projects enabled by the City Deal and Inclusive Future Fund will greatly contribute to the outcomes within the Inclusive Strategic Growth Plan. Their potential and that of the many other exciting projects and investments currently being planned and delivered across the City and District will however be limited without full implementation of the key strategic commitments to significant expansion in University/3rd level provision and to delivery of critical strategic enabling road, rail, air and port infrastructure.

University Provision

Full implementation of the commitments by Government in the New Decade New Approach agreement to the provision of a minimum of 10,000 university places in the City must be realised in parallel with the planning and delivery of the City Deal and Inclusive Future Fund projects to provide maximum opportunity for young people from across the City and District and beyond to avail of the opportunities arising from the investment and to ensure long-term sustainable employment growth.

Roads Infrastructure

High quality road connectivity providing fast, reliable and safe journeys to/from the City and District is critical and while the majority of A6 Derry to Belfast route has been developed – the remaining section of this important route needs to progress together with delivery of the full A5/N2 Western Transport Corridor to Dublin. Within the City it is vital that the A2 Buncrana Road scheme is delivered to unlock the currently constrained economic development along its length from Fort George to the border.

Rail

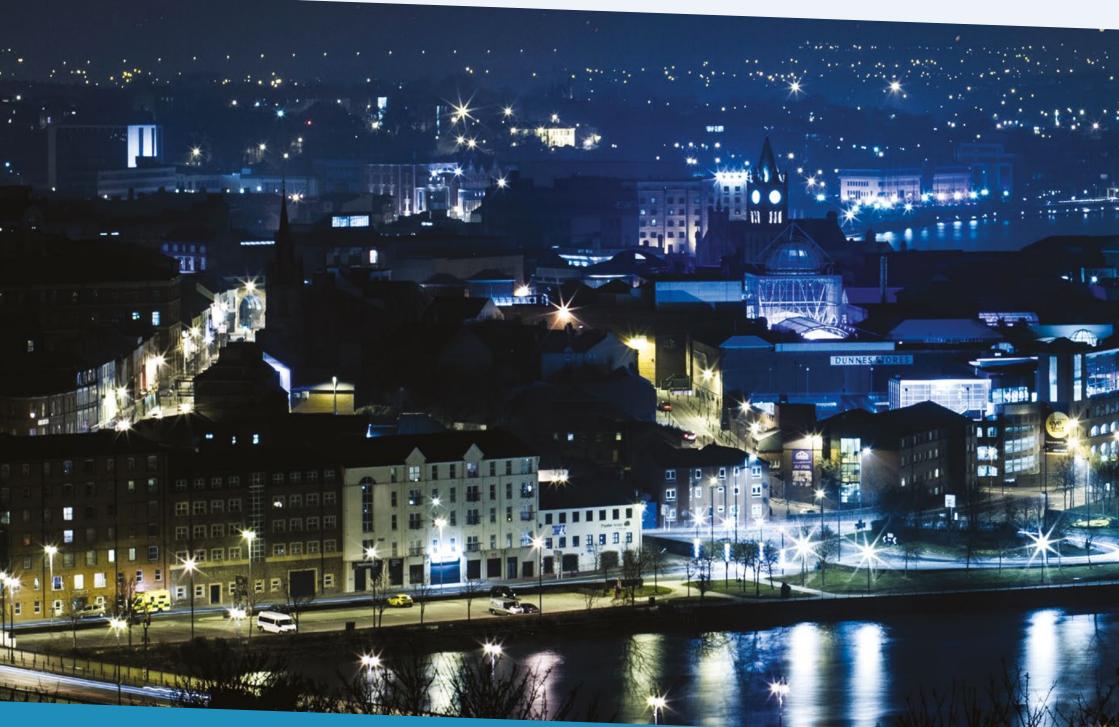
Recent improvements to the North West rail network and facilities must now be further built upon to include the delivery of the planned phase 3 works between the City and Coleraine, progression of half hourly services to Belfast and a halt at Eglinton/City of Derry Airport. Feasibility studies arising from the All Island Strategic Rail Review recommendations for the Derry - Dublin route via Strabane and Omagh and from the City to Letterkenny and beyond must now be initiated and completed to ensure future sustainability and maximum connectivity.

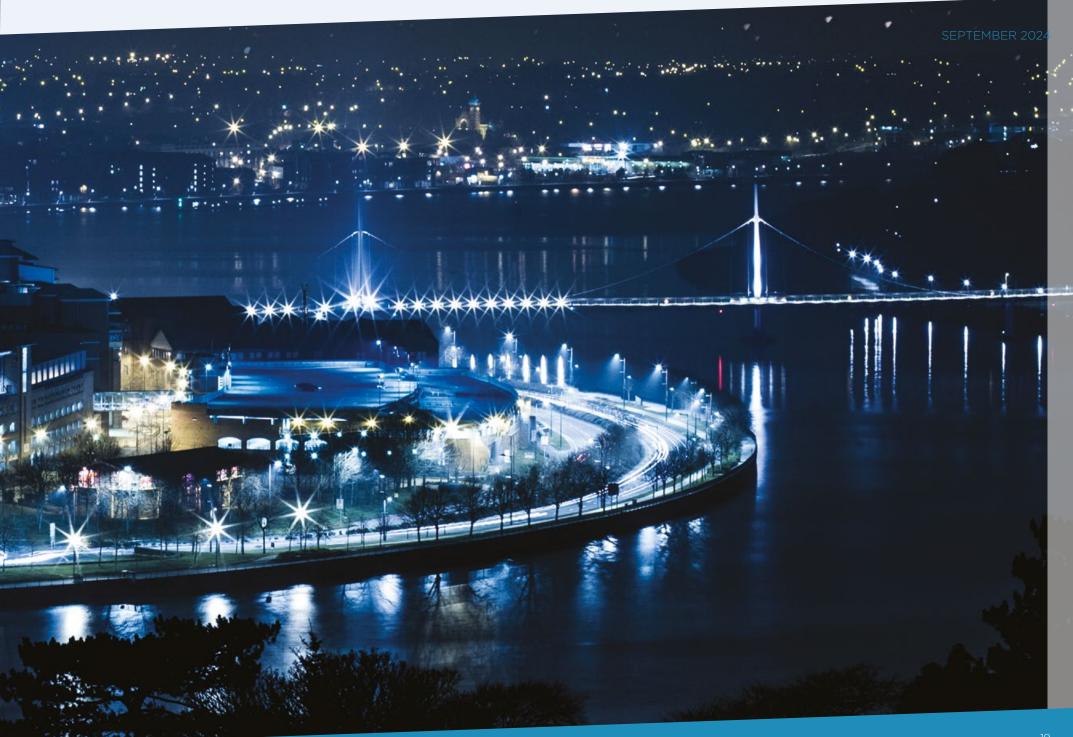
City of Derry Airport (CODA)

Ongoing development and support of City of Derry Airport is required to enable affordable air connectivity for Derry~Londonderry and the wider North West City Region. The continued operation of CODA is important to ensure regional connectivity and to provide access to markets so that business and tourism can continue to grow and drive the economic performance of the region.

Foyle Port

Foyle Port is the key marine gateway to the North West of Ireland for both commerce and tourism. The Port handles approximately two million tonnes of cargo per annum and offers a diverse range of services including towage, dredging, engineering and steel fabrication. Supporting in the region of 1000 jobs, the Port makes a vital contribution to the North West regional economy and its further development will ensure that it continues to play a significant role in the regeneration of the City and Region.





4.0 Progressing the Deal

Overview and progress

This financial deal has been secured after many years of working with government and partners to define the ambition and agree the scope, scale and details of the projects. Since 2017 Deal partners have been working collaboratively to develop and agree a vision and outline bid, secure a formal Heads of Terms, set up governance arrangements and develop business cases. During this time partners had to navigate the Covid pandemic, the cost of living crisis and the impacts these global events have had on construction inflation.

As a result, all projects had to be continuously reviewed to mitigate against escalating costs and to ensure they have remained within the agreed government funding envelope. This has been achieved with substantial redesign and securing additional partner funding while retaining the overall vision, nature and mix of projects and projected outcomes and benefits.

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

5.0 Investment Pillar 1 Innovation, Digital & Health Innovation

Digital and Health investment sits at the very heart of the Derry-Londonderry and Strabane City Deal and Inclusive Future Fund Investment Plan and is aimed at transforming the City Region's innovation and digital capability and capacity. This will be achieved through the establishment of research and innovation centres that build on the Ulster University and Western Health and Social Care Trust's strong track record of research excellence in data, health and life sciences and advanced manufacturing. This growth shall be supported by enhanced digital capability, connectivity and smart infrastructure.

The City Deal will create an Innovation Corridor, located on the City's Riverfront/Strand Road which will become home to a fast-growing cluster of Ulster University research centres of excellence and a strong collaborative space for researchers, business and the local community. The Derry and Strabane City Region will be super-charged with cutting-edge hubs focused on Health and Life Sciences and data-driven innovation to drive the City's regional economy, enhance health and wellbeing and futureproof local industry. Ulster University is working with partners in the Western Health and Social Care Trust and Derry City and Strabane District Council on these transformative projects that build on existing capabilities.



5.1.1 School of Medicine/CTRIC Expansion

The School of Medicine / CTRIC expansion will enhance the ability to provide integrated teaching facilities at Ulster University, Derry~ Londonderry and at the Altnagelvin Hospital site.

The newly established Ulster University School of Medicine with the first dedicated Graduate Entry Medical Programme in Northern Ireland will help meet the region's need for increased medical student places to address the wider issue of a shortage of doctors whilst also developing and deepening Ulster University's position as an entrepreneurial civic university, embedded within and serving the local community.

The proposals include plans for the expansion of the three partner clinical research facility, C-TRIC as well as the development of future research at Ulster University, Derry~Londonderry with a new School of Medicine to be located on the existing vacant site adjacent to the Council offices on the Strand Road/ Riverfront, along with built educational facilities at Altnagelvin Hospital campus. The expansion of C-TRIC will grow Clinical Academic Partnerships attracting high quality personnel to the Western Trust and improving the quality of healthcare provision.

The proposal comprises three components:

 The first is The School of Medicine Teaching and Research at Ulster University, Derry-Londonderry which will include a fully equipped facility to host the annual intake of medical students and associated teaching laboratory space and equipment for Personalised Medical programmes in the areas of translational experimental research, clinical medicine and public and population health.

- The second is the Medical Training at Altnagelvin Hospital and the MedEdWest teaching facility which will be enhanced by a new build, increasing the medical teaching space and providing provision for possible future expansion to respond to any future teaching needs. Included in the provision will be two new lecture theatres, two clinical skills rooms, three tutorial rooms, a stimulation room and a virtual reality room.
- The third and final element of the proposal is the Personalised Medicine Centre, which will comprise of a new build extension to the existing Clinical Translational Research Centre (C-TRIC) at Altnagelvin Hospital, aimed at providing facilities for increased clinical trials and research opportunities to support research, development and innovation. It will promote research and community based research and create a centre of research excellence.





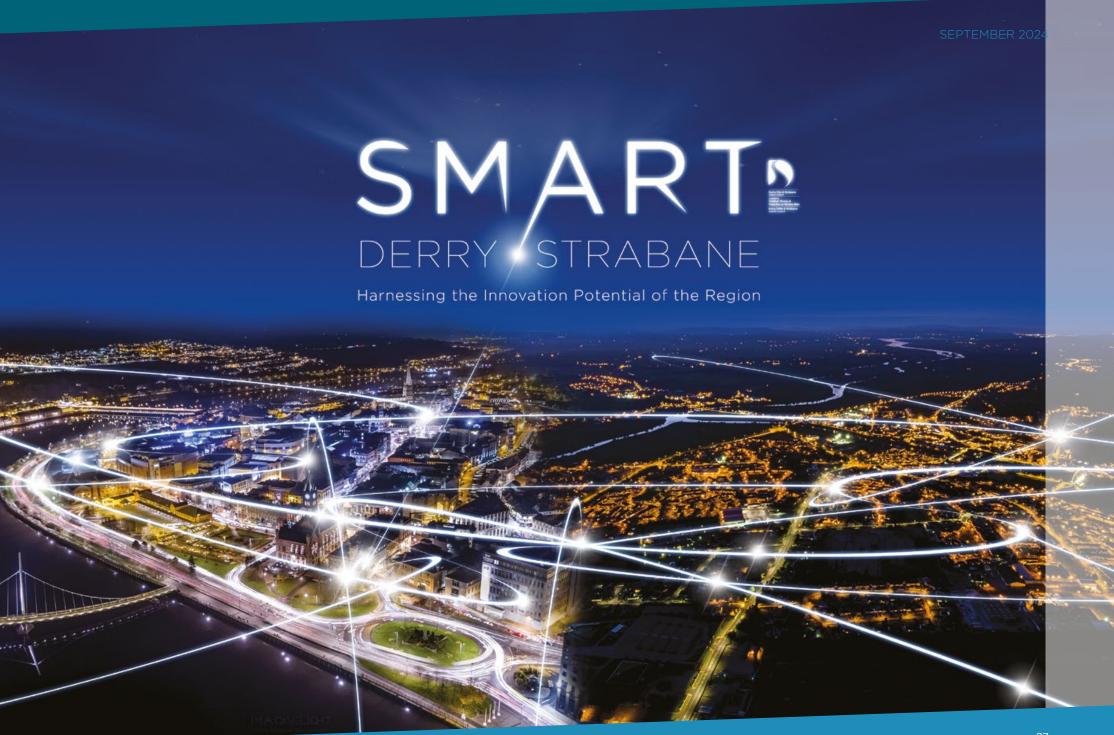
5.1.3 Smart Cities & Digital Enabling Infrastructure Programme

The Smart Derry Strabane project will place our City Region at the leading edge of urban innovation. It will use data, emerging technology and next generation connectivity to build a more efficient and liveable environment and support our green transition. Through the project the City Region will become an experimental site that supports pre-market testing and validation of smart technologies in a secure/controlled environment enabling the deployment of new products and services, at scale, and within a whole innovation ecosystem. Through the project we will:

- Establish a **Digital Innovation Hub** that will become home for our community of student entrepreneurs, researchers, and innovators, providing a single point of access for business to Ulster University's research community, including the region's City and Growth Deals
- Invest in **Digital Enabling Infrastructure**, to boost regional innovation through investment in advanced connectivity and data infrastructure
- Deliver a Challenge Fund focusing on public sector innovation, green transition and digital transformation with the key aim of creating a more prosperous, inclusive and sustainable society
- Create a "Living Laboratory" in Strabane Town Centre that will provide a platform that allows energy generation, distribution, storage and forecasting to be intelligently carried out across different energy sources including public sector, residential and business properties

- Deliver a series of "Internet of Things" pilots to demonstrate the capabilities of the digital enabling infrastructure that we are investing in, we will also establish an "Internet of Things" grant scheme to allow public sector bodies, schools, businesses and community organisations to deliver their own pilot initiatives
- Invest in a **Digital Transformation Flexible Fund** to support SMEs and microbusinesses with capital investments to support their digital transformation ambitions.





5.1.2 CADRIC

The Cognitive Analytics & Digital Robotics Innovation Centre (CADRIC), comprising the Cognitive Analytics Research Laboratory (CARL) and the Centre for Industrial Digitalisation and Robotics Automation (CIDRA) Centres of Excellence, will be delivered by Ulster University in Derry~Londonderry as part of the Derry City & Strabane District Council City Deal.

CADRIC (CARL-CIDRA) will drive the multi-disciplinary innovation necessary to translate the benefits of Ulster University's leading-edge research in Cognitive Analytics, Artificial Intelligence (AI), Machine Learning, Industrial Digitisation, Robotics & Automation and Smart Manufacturing, into economic, environmental, and social benefits for Northern Ireland.

CADRIC will drive the multi-disciplinary innovation necessary to translate the benefits of Ulster University's leading-edge research in data driven disciplines such as bio-inspired Artificial Intelligence (AI) and cognitive robotics, into economic, environmental, and social benefits for Northern Ireland.

The unique combination of domain knowledge, technological expertise and research translation capabilities within CARL and CIDRA means that they will play a pivotal role in establishing the North West region of the island of Ireland as a key location for development of innovative products and services.

CADRIC (CARL-CIDRA) will complement and enhance the activities of other centres of innovation that are being developed as part of City Deal and related funding initiatives across Northern Ireland.





Investment Pillar 2 Regeneration Derry City

Derry City and Strabane District Council has been engaging with NI Government Departments to develop a programme of investment in infrastructure, place-making and tourism-led regeneration that will support the ambitions to deliver economic recovery and inclusive growth. The Central Riverfront and the historic Walled City present an opportunity for the city, its people and the region to energise the economic, social and physical regeneration of the city.

The City Deal and Inclusive Future fund will create a world-class cultural, business, civic, learning and innovation district through transformational investment. It will create new opportunities for employment, while making the city a dynamic and exciting place in which to visit, study, work, invest and live.

The Central Riverfront and Strand Road areas play a crucial role in connecting all elements of the City centre, old and new whilst also reinforcing the positive relationship between the city and both sides of the river.

The City Deal investment also will unlock private sector development opportunities along Queens Quay and Strand Road as well as opening up the opportunity for civic and commercial development on Foyle Street.

The Derry/Londonderry North Atlantic (DNA) Maritime Museum at Ebrington and investment in the core of the Walled City will act as catalyst for the regeneration of the wider city centre and riverfront.

The City Deal Central Riverfront project will also release an axis of investment along the riverfront that includes Ulster University's new School of Medicine and Personalised Medicine Centre and the proposed Innovation Centres of Excellence – CADRIC (incorporating CARL and CIDRA). It will facilitate the expansion of the University Campus to the Riverfront as well as complementing innovative development at Fort George and elsewhere along the Riverfront.

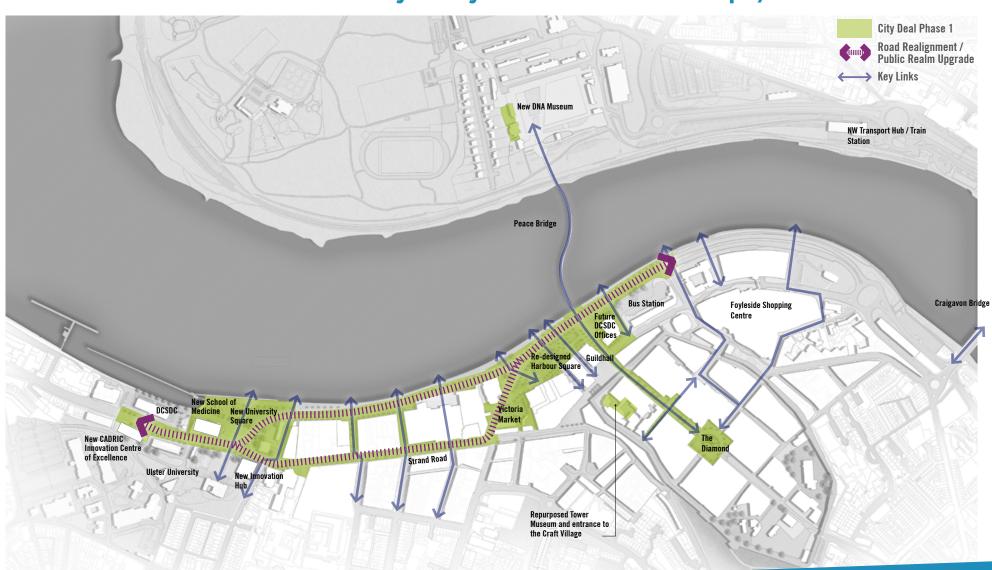
The Central Riverfront will be a dynamic and re-invigorated urban waterfront that positions the City as a vibrant European destination.

The waterfront will become an animated and accessible place for residents and visitors to enjoy through a focus on active travel and high-quality place making. This project seeks to re-imagine the Derry Central Riverfront area so as to secure a shift from the private car to more sustainable and active travel modes by maximizing opportunities for people to make environmentally friendly and healthy travel choices for their daily journeys and for leisure. The project area extends from Whittaker Street to Queens Quay Roundabout. The design will be developed following public and business consultation and engagement to include the provision of repurposed, high quality public spaces / public realm at:

- Harbour Square (former Harbour Roundabout)
- University Square (former Queens Quay Roundabout)
- Whittaker Street including Peace Bridge Landing Point
- Victoria Market / Iower Strand Road
- and eventually Queens Quay (in parallel with future replacement of quay structure).

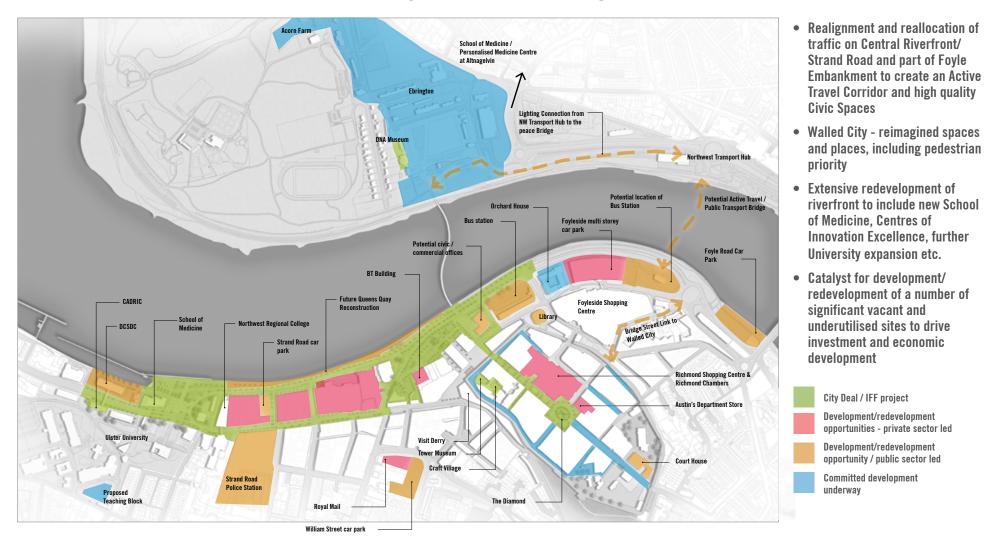


Central Riverfront and Walled City ~ City Deal Investment Scope/Extent



5.2.1 Regeneration Derry City

Central Riverfront and Walled City ~ wider development view



Potential new remodelled Whittaker Street / Harbour Square / Victoria Market

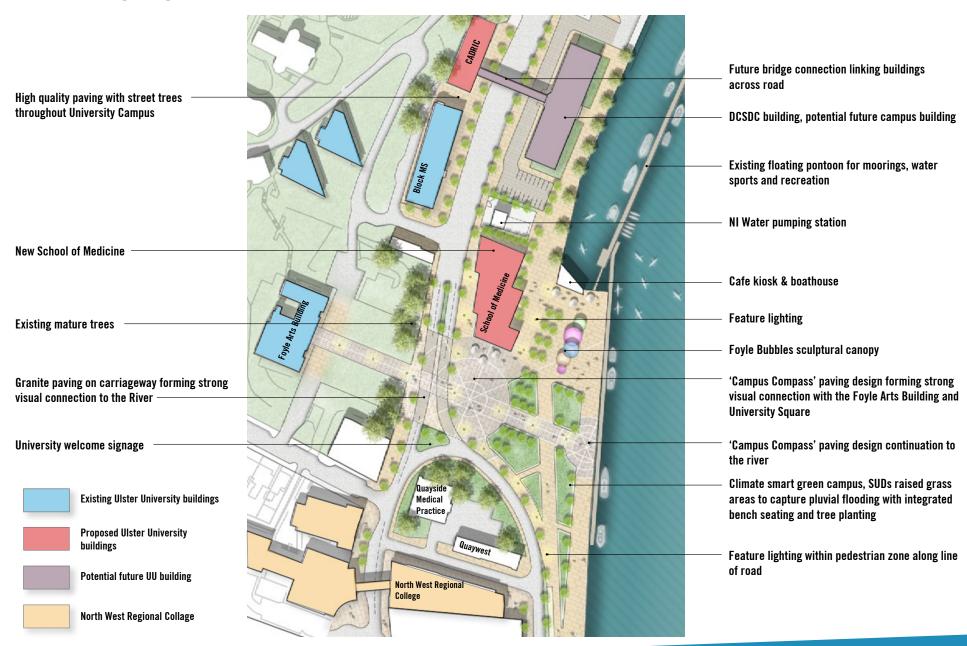


Regeneration Derry City

Potential new 'University Square'



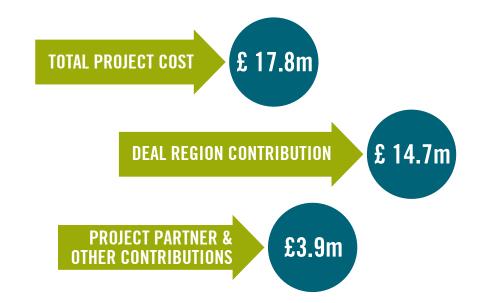
University Square ~ Vision

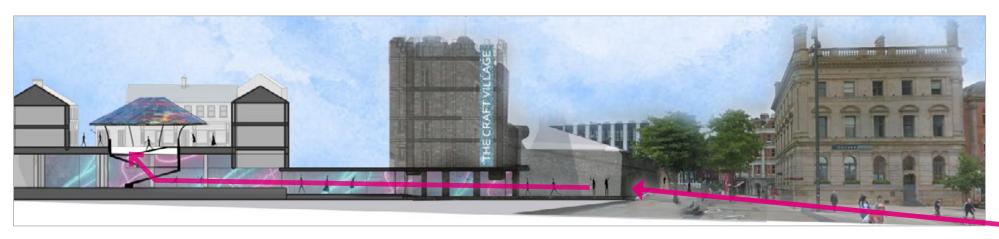


5.2.2 The Walled City

Investment in Walled City Tourism / Economic led regeneration is a key priority and recognizes that in order to capture the very significant opportunities to strengthen the regional economy's offering, investment in culture, heritage and tourism is an integral part of the City Deal and Inclusive Future Fund Investment Plan.

The **Walled City Regeneration Project** is an integrated regeneration proposition that will create a rejuvenated and re-imagined city centre destination. The project will facilitate a shared approach to creating a more vibrant, safe, attractive, resilient, sustainable and accessible city centre and examine how our streets and places are better utilized to achieve this through a renewed focus on high quality place-making and iconic lighting projects along with repurposing of buildings within the City Centre. It will build on the strong cross sectoral partnership work amongst key city centre stakeholders that has been and continues to be ongoing in terms of re-imagining our city centre and which the City has become renowned for.





5.2.2a: Repurposing of the Tower & New Access to Craft Village

The Tower Museum, once vacated, is proposed to be refurbished to create a new shared, multi-functional, flexible space to meet the demand for commercial space within the city centre. The building will be refurbished to a Category A fit out standard. The project is also proposed to comprise the creation of new shared civic space using high quality materials (natural stone) to the rear of and adjacent to the Tower building with access via the ground floor of the Tower building as well as directly from Union Hall Place. This project will be developed and delivered in partnership with the Inner City Trust.







5.2.2 The Walled City

5.2.2b: Lighting Strategy

Lighting can deliver a wide range of economic, social, environmental and regeneration benefits. It is widely acknowledged that it can have a positive impact on a city in terms of growing the evening and night time economy, enhancing the visitor experience, increasing footfall, assisting with wayfinding and improving people's perception of safety during the evening and at night. It can also encourage more people to visit out of season whilst also contributing to a city's events and cultural offer. Good lighting is integral to the look and feel of the city after dark. It provides vibrancy to the city for the evening and night time economy and opens the city to a wide range of social and physical activities after dark.

DCSDC have been working with DfC, TNI and a number of other stakeholders to develop a Lighting Strategy and action plan for the city. The draft strategy sets out a cohesive approach to lighting within the city centre, acknowledging the importance lighting plays as a key driver of the evening and night time economy, as well as addressing the carbon footprint as a result of energy consumption. The funding provides an opportunity to enhance lighting within the Walled City and along the Central Riverfront and deliver something that is unique. innovative, distinctive and transformative. It has the potential to reimagine the city's nightscape creating a more legible city and revealing its character after dark, whilst also promoting safety. It will produce positive changes in the city's environment that will enrich people's experience and enhance their understanding of the city whilst also making the City at night a place of interesting and connected spaces. Sustainability and the use of smart technologies will be a key feature of this project.

Some examples of priority actions to be considered include:

- Feature lighting & signature lighting sculptures in University Square, Harbour Square, the Tower, Guildhall Square
- Enhanced feature lighting on a number of buildings in the Walled City, including the Guildhall
- City Walls ~ upgrades to existing lighting, external faces and the gate arches
- Access lighting on the Walls Lighting of murals and public artwork



5.2.2 The Walled City

5.2.2c: Public Realm

Placemaking is a key element of the Walled City Regeneration project, particularly given the historic value of the Walls and the central role they play in supporting our local and visitor economy. This element of the project seeks to complement and extend the high-quality surfaces, street lighting and furniture used elsewhere in the city centre into the Diamond, Shipquay Street and Castle Street, which all form part of the Historic City Conservation Area within the City Walls. The plan is to deliver high quality streetscapes in these areas which will contribute

positively to the economic, environmental and social vitality of the city and enhance the experience for those who visit it.

The scheme will aim to safeguard the setting and features within the conservation are and deliver optimal positive impact. The public realm improvements will also create physical and visual connections and linkages within the Walled City and across its wider environs including, in particular, the Central Riverfront area and across to Ebrington.

The Diamond proposed design









5.2.3 DNA Museum

Derry City & Strabane District Council (DCSDC) is leading on the delivery of the Derry~Londonderry on the North Atlantic (DNA) Museum located in the former military barracks site in Ebrington. **This** investment will create an interactive, all year-round visitor attraction, showcasing the significant heritage of the city and region, in particular highlighting the important role of the city and wider Foyle Basin in a range of global historical events. It will consist of six galleries, a dedicated archive discovery zone, access to genealogy advice, a temporary exhibition space, a multi-purpose learning and events space, café and external interpretation space.

The DNA Museum will see buildings 45/46 and 49 on the Ebrington site developed and repurposed into a modern, state of the art museum. The location of the new DNA museum at Ebrington enables the overall tourism and heritage product and visitor experience to be widened to include Ebrington and set the scene for the overall enhancement of the visitor experience along the axes of the riverfront and Ebrington into and beyond the Walled City via the Peace Bridge.

Siting a key heritage and cultural attraction as a key attraction within the Ebrington site allows the overall visitor journey to begin on the Waterside. It will present the history and heritage of Ebrington and uncover the transformation of the site from a 19th military barracks to the vibrant and welcoming space it is today.

The new DNA Museum will highlight Derry's relationship with the world, and the city's significance and role in an international dimension. It will be a must-see visitor attraction which will establish international linkages and attract out of state visitors to Derry, North West Region with economic, social and cultural benefits to NI and to the city itself.

Construction is expected to commence on-site early 2025.





5.3 Strabane Regeneration

The Strabane Town Centre Regeneration Programme will revitalise Strabane Town Centre by delivering a new modern further and higher education campus of the North West Regional College and an exciting new leisure centre in the historic canal basin site. It will also improve town centre connectivity with the development of another foot bridge and enhanced high quality public realm.

A modern, accessible and purpose-built health hub to support the delivery of high quality integrated primary and community care services within Strabane is another major element of the scheme.

The new pedestrian footbridge will become an integral part of supporting the Council's active transport ambitions through enhanced accessibility for residents, providing vital connectivity to leisure, health and education services located in a town centre strategic location. Derry City and Strabane Council's major investment in a new modern leisure centre in the heart of the town will provide an anchor that will generate footfall and activity seven days a week and high quality public realm and new car parking will transform and renew the heart of Strabane Town.





5.3.1 WHSCT Health & Care Centre

The provision of a Health & Care Centre in Strabane as part of the Strabane Town Centre Regeneration Project will provide fit for purpose accommodation to support the delivery of high quality, integrated primary and community care services within the Strabane area.

Primary and community care services in Strabane are currently delivered from 3 main buildings. This project aims to combine all services located within these individual facilities into one integrated, flexible space, to meet the identified operational need together with associated parking infrastructure. The result will be a purpose built facility on a site which will accommodate future expansion if required, and multi-disciplinary working across the sector.

The objectives of this project are:

- 1. Improve Quality of Care, Safety and Clinical Effectiveness
- Strategic Fit Achieve Delivery of Strategic Policies and Sustainability of Health and Social Care Services
- 3. Improve Accessibility and Compliance with Statutory and Regulatory Standards
- 4. Improve the Quality of the Built Environment



5.3.2 North West Regional College Campus

The North West Regional College (NWRC) is the main provider of professional and technical education and training in the North West region. Enriching lives, building careers and supporting communities, the NWRC has been at the heart of life in the North West of Northern Ireland for more than 100 years. During this time, the College has delivered an extensive range of learning and career opportunities to thousands of learners. The College continues to play an integral role in support of the social, economic and cultural development of the North West Region and takes great pride in celebrating the achievements and successes of its students and staff during and after their experiences at the College.

The Strabane Campus Relocation Project aims to address preexisting issues associated with accommodation at the current Strabane Campus. Additionally, it will ensure that the College plays a full and central role in a once-in-a-generation opportunity to bring considerable economic and social regeneration to Strabane, NWRC wishes to relocate the campus to the Canal Basin site as part of the overall Strabane Town Centre Regeneration Project. The project will provide a new modern fit-for-purpose NWRC further and 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.

NWRC will enhance the opportunities for engagement with local employers and will seek to develop a skills pipeline in a range of professional and technical areas. The College will prioritise economic development, aiming to improve the skills level of the workforce, both current and future, to support employers to innovate and grow and to address skills barriers to employment and employability by the development of bespoke training for local industry in response to their emerging needs.



5.3.2 Pedestrian / Active Travel Bridge

This project will promote Active Travel in Strabane, reducing the overreliance of private vehicle use for short and medium distance trips.

Historically Strabane has suffered from low levels of car ownership, resulting in those households without access to a car being reliant on public transport and walking and cycling to reach goods and services. The proposed project will attract investment and development, improve the health and wellbeing of local residents and create a better connected town and region which caters for all.

A pedestrian bridge across the Mourne River will be developed with the associated improved active travel access. Although referred to as a footbridge, the bridge is intended for both pedestrian and cycle users. The Bridge and associated works are to be located to the east of Strabane Town Centre between the existing Mourne and Strabane Bridges.

This new facility will link the western and eastern banks of the Mourne River providing pedestrian and pedal cycle access to goods, services, employment and leisure.

The Bridge will provide new and improved connections to public transport to revitalise Strabane and will enhance accessibility of key services for residents.

The project will maximise the benefits of the proposed Canal Basin Regeneration Scheme and remove barriers to connectivity enabling the entire community to access jobs and services.





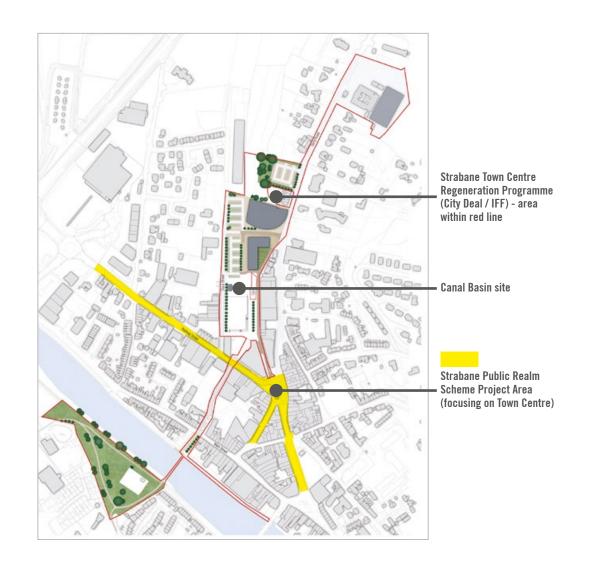
5.3.4 Canal Basin Public Realm and Enabling Works

High quality public realm improvements will be incorporated into the Canal Basin site providing a modern streetscape setting for the new health, leisure and education centres. It will result in improvements in the wider environment within the Canal Basin thereby improving the experience for users of the new facilities and local residents. This will help create a new town centre shared, civic space for local residents and visitors - a space that will facilitate and encourage intergenerational use and high footfall.

This project will:

- Create a destination space and a critical mass of activity;
- Provide improved accessibility and connectivity to essential services; and
- Leverage economic, health and social benefits for the people and businesses of the area.





5.3.5 Strabane Leisure Centre

This element of the project comprises a 6,000 sq. metre sports and leisure facility encompassing swimming pool, café, multi-use studios, spin/fitness suites, wellness facilities and associated wet and dry changing facilities along with plant and office accommodation.

This new facility will provide essential opportunities for leisure and physical activity thereby increasing the health and wellbeing of residents in Strabane. It will replace the existing Riversdale Leisure Centre which, was constructed over 40 years ago and is in need of significant modernisation and refurbishment to meet the needs of its increasingly discerning client base.





6.0 Sustainability, Inclusivity & Employability

6.1 Job Creation, Skills & Employability

The skills strategy for Northern Ireland sets out the strategic framework for the development of Northern Ireland's Skills system to 2030. Despite some fluctuations, key labour market indicators in Northern Ireland have broadly returned to the same position as before the pandemic. The Northern Ireland employment rate is offset by rates of economic inactivity. Economic inactivity has also been a stagnant and ongoing feature of Derry City and Strabane District's labour market. Derry City and Strabane District also has a high proportion of working age population with low or no qualifications. This is particularly concerning as the City Deal economic forecast and indeed the Northern Ireland Skills Barometer anticipates a decline in the number of jobs for individuals with no or low qualifications and an increasing demand for graduates.

Within Derry City & Strabane District the City Deal projects are projected to deliver 6,300 net additional jobs by 2033, with nearly 70% filled by residents.

Skills and Employability Pathways are therefore a crucial element - cross cutting the City Deal and Inclusive Future Fund Investment Plan. They will create the inclusive conditions and interventions required for local citizens to take full advantage of the opportunities that growth will bring and prevent individuals being left behind. There already is a strong and proactive focus on creating a skills pipeline for the employment opportunities that will be created by the City Deal with Deal partners. The Department for the Economy, the Labour Market/ Skills Partnership and the Tertiary Education Cluster are working proactively to enable local people to upskill and reskill, thereby promoting inclusive growth and assisting with economic recovery.

As projects progress through Full Business Case stage, the skills and the employability interventions that will deliver the greatest impacts will be implemented. Within this catalyst programme a number of indicative actions are currently being developed in partnership with local stakeholders and regional partners. Complementing and enhancing existing programmes, indicative actions will include a pilot life-long apprenticeship scheme; a skills hub, intermediate labour market programmes, interventions to support young people and those who are economically inactive as well as digital skills, re-skilling and upskilling initiatives. These interventions are crucial to support local job creation opportunities, reduce unemployment and improve wellbeing outcomes.

6.2 Sustainability ~ A Financial Green Deal

The Derry City & Strabane District Council area declared a climate emergency in July 2019 followed by the Climate Emergency Pledge. Deal partners undertake to:

"Ensure that all strategic and policy decisions and budgets will immediately fall in line with the shift to Net Zero greenhouse gas emissions by 2045 while also ensuring that the Derry City and Strabane District Council area as far as practically possible is prepared for and resilient to the effects of climate change."

Derry City & Strabane District have also committed to a number of declarations including the UN Race to Zero. The City Deal is therefore being implemented in accordance with the Green Transformation of the City and District by assisting the transition towards a smart, low carbon, sustainable and inclusive economy. The investment will support green growth, sustainable transport systems and climate change mitigations. Flood and infrastructure protection will be in built into capital and infrastructural developments where possible. The region's precious natural heritage and biodiversity will be protected, restored, and enhanced. Growth will be channelled through circular, zero-waste and resource-efficient initiatives.

In 2019 Deal Partners commissioned a sustainability assessment of the green growth opportunities arising from City Deal. The report entitled 'Derry City Central Riverfront and Strabane Town Centre Climate Change Risk and Opportunities Assessment Principles for Low Carbon Climate Resilient Development' enables partners to understand the risks and opportunities presented by future climate change in order to guide design to both respond effectively to climate hazards. Within the Outline Business Case process projects are also required to meet the Department of Finance (DoF) - Better Business Cases NI (Oct 22) which stipulates that it is important that environmental/climate impacts are considered when developing all high-level strategies/policies, or strategic portfolios. DoF require that business cases give early consideration to the potential impacts of a proposal on the environment in its widest sense through a high level screening exercise.

Partners have also established an Environment and Climate Change Task & Finish Group with the initial purpose to establish the overarching environment and climate vision and ambition (Statement of Intent) and undertake the DoF Better Business Case Supplementary Guidance Oct 22. It is intended that the group will evolve into a dedicated Environment & Climate Task Team to lead on the journey to sustainability, net zero and climate resilience across the projects.

Deal partners are aware that biodiversity losses are bad for our health and well-being with studies reflecting that connection with nature has significant benefits. Within the City Deal proposals, Deal partners have been making space for biodiversity which includes, integrating green and blue infrastructure into developments on land, planning for integrated environmental and socio-economic outcomes, ensuring biodiversity net gain, enabling contact with nature, so that it becomes part of citizen's daily experience and incorporating nature-based solutions for climate change mitigation and adaptation.



6.2 Sustainability ~ A Financial Green Deal

University Square: Environment & climate nature based solutions

Climate hazards, including flooding and extreme heat, threaten Derry's Central Riverfront, historic buildings, tourist destinations, retail and Increased amount of vegetated, permeable and tree covered surfaces mitigating against climate hazards, such as extreme rainfall and heat office space. Increased public access to green and blue space for recreation, education and cultural programming Climate smart design offers positive social and environmental Flood resilient landscapes to absorb floodwater with SUDs and elevated opportunities including: landscape features to block critical flood entrance points Space for stormwater pumping infrastructure Pluvial flood risk reduction and storm weather attenuation Water storage and reuse Proposed Climate Smart, carbon neutral buildings, opportunity for rooftop gardens, rainwater harvesting etc. Carbon storage and sequestration Cafe kiosk and Cycle Path - improved active travel, connectivity boathouse Air and water pollution regulation Greenway active travel and mobility Heat stress reduction Pontoon access to river for watersports and Increased biodiversity recreation Active travel, social interaction, recreation and tourism

6.3 Inclusivity

The cross cutting focus on inclusive growth is driven by a strong intention to address high levels of economic inactivity, notable gaps in skills and educational attainment and health inequalities. Deal partners commit to ensuring that community wealth building will be built into the development, design and implementation of this investment programme to ensure that there is socially-inclusive growth in the local economy and that local people upskill, benefit and prosper.

Purchasing and procurement will create maximum social value encouraging diverse supply chains and a living wage economy. In July 2021, the Northern Ireland Executive published a new procurement policy note (PPN01/21) which will see mandatory scoring of social value within public procurement contracts.

Inclusive growth metrics will be agreed as part of the overall monitoring and evaluation framework for the Deal. This will include the use of social value criteria in the award of contracts required to deliver the transformational projects and collaborating to develop HR policies that promote inclusion such as the public sector apprenticeship programme.

SUSTAINABLE G ALS









































7.0 Governance Arrangements

Strong and effective leadership and governance are paramount to the successful implementation of the overall programme, and in providing assurance to funders and Deal partners. The City Deal and Inclusive Future Fund projects have all been developed through joint working between the Council, UK Government, the Northern Ireland Executive and local delivery partners. All have consulted and engaged extensively to develop proposals and a governance approach that will deliver transformative economic growth for the North West.

A model of regional governance was set out by the Executive in May 2020. Deal partners have developed and agreed detailed local governance arrangements to dovetail with these regional structures following agreement of Heads of Terms. These structures provide the necessary assurance that decisions will be made in accordance with the requirements and commitments detailed within the Heads of Terms. Formal governance structures provide clear lines of accountability – reporting on the expenditure of public funds and demonstrating how local decision making will drive inclusive economic growth across the region. Deal partners will also develop new structures and approaches to intensify direct engagement with the business sector, both to deliver co-investment to maximise economic benefits and job creation opportunities.

Derry City and Strabane District Council is the **Accountable Body** for the delivery of the City Deal Fund programme of projects and the reporting arrangements, structures and governance proposed reflect this.

Each layer of the overall structure will support and contribute to the delivery of the City Deal:

- The Council will provide overall accountability and transparency
- The City Deal Board will provide direction
- The Strategic Hub (Programme Management Unit) will provide day-to-day support to drive delivery of the deal
- Pillar Programme Boards will provide coherence in projects across each pillar
- Project Boards will implement individual projects
- Separate Finance and Governance frameworks will provide assurance and guarantee a consistent approach across the City Deal Programme
- A Communications and Engagement forum will support the delivery of strategic communications on the City Deal Programme

City Deal Organisational Structure



8.0 Monitoring and Evaluation

Performance Reporting

A transparent project and programme management regime is in place which oversees and drives progress. Quarterly performance reports are provided at City Deal Board Meetings. A detailed communications and engagement plan is in place. Business cases will demonstrate value for money for each of the projects throughout the life cycle of the projects. Projects will then be subject to scrutiny in terms of how projects will contribute to the vision of inclusive growth before funding is made available.

The City Deal performance reporting process is also closely linked to the performance reporting process of the Inclusive Strategic Growth Plan whereby an agreed set of social, economic and environmental wellbeing indicators are reported on publicly every two years. These indicators clearly chart progress in the City and District from a 2015 baseline and allow comparison between how the City and District is performing to the Northern Ireland average. For further information on this please see www.growderrystrabane.com.

Risk

A robust risk management framework has been developed for the programme to Financial Deal state. Risk Registers have been compiled and considered by the Programme Board every quarter throughout this development phase of the programme. All partners to the City Deal are responsible for responding to any recommendations set out by the Northern Ireland Audit Office in relation to any audit recommendations undertaken on the Deal.

The partners will also take into account (where appropriate) recommendations in relation to audits of the wider City/Growth Deals programme and put in place and adhere to their own internal audit arrangements. The partners commit to working collaboratively to respond to recommendations in a constructive and proportionate way.

Benefits Realisation Plan

At Full Business Case Stage each project will specify the benefits to be realised from each project. Once all projects have reached Full Business Case Stage a deal level benefits realisation plan will be produced.

Change Process

A change management plan will be developed and agreed with the Northern Ireland Executive and UK Government which will provide consistency and transparency to project scope variances with appropriate tolerances and thresholds.



