

Northern Ireland City/ Growth Deals: Complementary Fund Bid

Only information contained within the first four pages of this template will be considered ; **please** do not add supplementary information. Please use Arial font, size 11.

PROJECT TITLE	Glengormley Integrated Economic and Physical Regeneration scheme		
LEAD ORGANISATION	Antrim and Newtownabbey Borough Council (ANBC)		
CITY/ GROWTH DEAL	Belfast Region City Deal		
LEAD NICS DEPARTMENT	Department for Communities (DfC)		
LEAD DEPARTMENT AGREEMENT IN PRINCIPLE SECURED?	YES		
DELIVERY PARTNERS	ANBC, DfC, Private Sector		
TOTAL COST	£17,422,978 (Costs are inclusive of all optimised Capital, Net Operating, lifecycle, professional and statutory costs and the cost of finance over 34 years (4 years project implementation period and an operational life of 30 years for the proposed workspace (the assumed lifecycle of the asset)). Funding Profile: £11,048,124 from ANBC and the private sector, £3,871,661 from the Complementary Fund specifically for workspace element and £2,503,192 from DfC.		

Bid over next 4 years (£000s):

2022-23	2023-24	2024-25	2025-26
£229,006	£872,837	£1,107,927	£1,661,891

Future Annual Funding Profiles

Complementary Fund	DFC	ANBC & Private Sector	Notes:
£0	£0	£5,654,492	Funding relates to the 30-year operating period of the project and relates to the project's net operating costs and lifecycle costs (approved by ANBC).

Indicative Timeframes

SOC Submitted	OBC Submitted	Delivery Commencement	End Date
N/A	October 2021	Jan 2022	March 2026

Complementary to City/ Growth Deal

The proposed project offers the potential to make a significant contribution to the four pillars underpinning the Belfast City Region Deal (BCRD) which the Council is a collaborative partner in. The Project's anticipated contribution to each BCRD pillar is outlined below.

- **Innovation and Digital** – The layout of the proposed workspace and associated programming has been designed to stimulate levels of collaboration and 'open' innovation between businesses. The project's proposed integration of SMART into the public realm as a testbed for new sustainable technologies and practices and the proposed enhancement of the area's infrastructure is wholly complementary to the 'Enabling Capabilities' theme under this pillar and the project will seek to stimulate the creation and growth of businesses alongside the entrepreneurial pipeline in sectors identified by the BCRD as being strategically important for the region (e.g., Financial, Business & Professional Services, Digital & Creative Technology, Life & Health Sciences and Advanced Manufacturing, Materials & Engineering). Given the project's focus on stimulating innovation through the proposed workspace, the project offers the potential to complement the 'Regional Innovation Hubs' and 'Enabling infrastructure' projects of the BCRD;
- **Regenerating Our Region** - At its heart, the proposed scheme aims to drive long-term economic growth by supporting the regeneration and revitalisation of the economic and physical town centre environment. In doing so, the scheme seeks to re-establish Glengormley as a vibrant location for people to visit, live and work and a key destination for inward investment;
- **Infrastructure** - Aligned with the objectives of the infrastructure pillar, the scheme will serve to address the historic disjointed development in the town, enhance both the aesthetic appeal and functionality of the town's physical infrastructure and create greater locational connectivity. The

development of workspace infrastructure will serve to attract inward investment and support productivity, exports and business growth and stimulates business activity to sustain existing jobs and create new employment opportunities; and

- **Employability and Skills** - The project's proposed workspace, programming and community outreach activities will serve to enhance levels of entrepreneurial skills and employability, particularly amongst marginalised groups (including females, the economically inactive and disaffected youth from both sides of the political divide), supporting the Council to address the high levels of deprivation which exist in areas such as employment, skills, crime and anti-social behaviour, as well as encouraging the engagement of all groups in public life. As such, the project offers the potential to complement all three of the themed skilled areas supported under the BCRD i.e., 'Skills for Inclusion', 'Skills for Growth' and 'Skills for a Digital Future'.

In doing so, the project offers the potential to contribute to the wider BRCD by addressing a number of sub-regional challenges thereby supporting the region to increase productivity, address existing skills gaps, spur innovation, modernise infrastructure and ultimately foster inclusive growth (all of which are key tenets of the BRCD).

Complementary Fund Criteria

Specific Complementary Fund criteria which the project offers the potential to contribute to, and the manner in which it would contribute, include:

- **Demonstrable local benefit, preferably aligned to local Economic strategies, where available - High Impact** - Independent quantitative and qualitative analysis has indicated that the proposed scheme will provide a range of local benefits. *Immediate/Short-Term Outcomes* include enhanced visitor welcome/experience, increased civic pride, increased visitors, footfall and visit duration, increased employment (during the construction phase), increased utilisation of historically under-used town areas and increased expenditure. *Intermediate/Medium-Term Outcomes* include reduced town vacancies, lower levels of crime/anti-social behaviour, improved mix/quality of the visitor-orientated offering, increased investment, increased rental returns, enhanced capital values, enhanced levels of entrepreneurship, employment, innovation and enhanced skills and employability. *Longer-Term Outcomes* include reduced levels of deprivation, increased economic, physical and mental well-being of residents and local traders, increased community inclusion, cohesion and enhanced social capital and increased environmental sustainability. Through the realisation of these outcomes the project offers the potential to make a significant contribution to the strategic imperatives articulated at a localised level including the Council's Corporate Plan "Our Borough, Your Vision 2015-2030" (including its Vision and underpinning themes of 'Place, 'People and Prosperity'), Economic Development Strategy 2018-23 (including the strategic imperatives to stimulate entrepreneurship, enhance skills and employability and local wealth building, Community Plan, as well as aligning with the regeneration imperatives identified in the emerging Glengormley Masterplan.
- **Considers regional balance and takes account of economic disadvantage of the region - High Impact** – The scheme offers a potential long-term solution to addressing persistent socio-economic issues. For example, the Council area and Glengormley, falls well below average in most business metrics, with low levels of entrepreneurship, innovation, business birth, business survival and business growth, which will continue to inhibit the Council area from becoming a regionally balance centre with neighbouring Council areas like Belfast and Lisburn & Castlereagh. There is serious deprivation in crime & disorder, education, skills & training and health deprivation and disability; while there is above-average deprivation in employment and living environment respectively. High levels of crime and low levels of skills are likely to dissuade private investment, increasing the likelihood that a cycle of socio-economic deprivation will continue without intervention.
- **Demonstrating Additionality and does not replicate other Regional proposals - High Impact** - Independent research has confirmed that the project is highly additional (at 83%) due to a range of project-specific market failures including the public good nature of the proposed public realm scheme, commercial viability, the availability development finance and developer financial ability and appetite for risk and information asymmetry. The Council has engaged with relevant stakeholders (e.g., BRCD partners, Invest NI, LEAs, the private sector) to ensure that the proposed project to not replicate/duplicate other regional proposals (including the 22 integrated projects supported through the BCRD).
- **Complements City/Growth Deals, not displacing previous proposals – High Impact** - As noted above, the proposed project offers the potential to make a significant contribution to the other City/Growth Deals (and in particular the BCRD), with little/no potential to duplicate/displace existing or planned provision.

- **Aligned to wider regional strategies – High Impact** - Given the above anticipated outcomes, the project offers the potential to contribute to a range of regional strategies including (inter alia) the PfG, draft Industrial Strategy Climate Change, ERAP, NI Innovation Strategy, anti-poverty (discussed further below). Other national strategic imperatives include responding to the Government's 'Levelling Up' pledge to address regional imbalances across the UK.
- **Sustainable and affordable including recurrent running costs – High/medium Impact** - Given the project's strategic importance, the Council has gained the necessary internal approvals for the Council to financially contribute to the project and in-principal commitment to derive financial support from the Department for Communities. The project has been assessed as being viable and sustainable in the long term.
- **Alignment with Zero Carbon Commitments - Medium Impact** - The project would contribute to other strategic imperatives including transitioning to net-zero emissions, improving air quality and supporting green innovation and growing a sustainable and environmentally responsible greener economy. Specifically, the public-realm aspect of the project would develop blue/green infrastructure encouraging greater engagement in Active Travel; the workspace would use environmentally sustainable eco-friendly building materials in its construction, renewable energy resources and make provisions for environmentally friendly travel options through the provision of a dedicated bike shelter and on-site recycling. Furthermore, the workspace site is adjacent to public transportation linkages which will encourage it wider usage and lower private vehicle dependence.
- **Leverages in private sector investment - Medium Impact** - As noted, a key market failure underpinning the need for intervention relates to the fact that the proposed workspace would not be commercially viable (due to the low rental levels and high capitalisation yields). This coupled with the public good nature of the project, and ongoing affordability constraints particularly given the adverse operating environment created by the COVID-19 pandemic serves to act as a deterrent for the private sector to substantively contribute to the scheme (hence the need for public sector intervention). the Council will continue to engage with the private sector to garner financial towards the lifecycle costs associated with the façade works and road but commits to providing the funding if this financial support is not forthcoming.

Links to PfG Outcomes/ Departmental Priorities

Given the nature of the project and the anticipated short, medium and long-term outcomes from the project (as detailed above), the proposed project offers the potential to contribute to the following PfG Outcomes and Departmental Priorities.

- **PfG & Outcomes Framework** - We prosper through a strong, competitive, regionally balanced economy (Outcome 1 - **High Impact**), we are an innovative, creative society where people can fulfil their potential (Outcome 5 - **High**), we have created a place where people want to live and work, to visit and invest (Outcome 12 - **High**), we have more people working in better jobs (Outcome 6), we connect people and opportunities through our infrastructure (Outcome 11 - **High**), we live and work sustainably - protecting the environment (Outcome 2 – **Medium**)
- **Department for Communities** - Regeneration (**High**), Employability and skills (**High**), Engaged Communities (**High**). Accordingly, the project offers the potential to complement DfC regeneration programmes (e.g., Improving Places, Neighbourhood Renewal, the Covid-19 Recovery Revitalisation Programme) that target social needs through social, economic and physical regeneration of towns.
- **Department for the Economy** - *10X Decade of Innovation* including its overarching vision and in particular the 'Clusters', 'Talent' and 'Diffusion' steps to realising this Vision and enabling people and businesses to reach their potential (**High**); the *Economic Recovery Action Plan (ERAP)* including the Stimulating Research & Development and Innovation theme (**High**), Promoting Investment, Trade and Exports (**High**), Supporting a Highly Skilled & Agile Workforce (**High**) and Building a Greener Economy (**Medium**) priorities. Achieving net-zero carbon and affordable energy in line with the priorities outlined in the Energy Strategy consultation (**Medium**), Skills for a 10x Economy 'Addressing Skills Imbalances, Driving Economic Growth' (**High**); Innovation Strategy including the 'Cultural Change', 'Knowledge Generation', 'Knowledge Exchange' and 'Knowledge Exploitation' themes (**High**)
- **Department for Infrastructure** - Connecting People and Communities (**High**), Addressing regional imbalance (**High**).

Narrative

Overview of the Project - The Glengormley Integrated Economic and Physical Regeneration project aims to create: "A Physically and Economically Revitalised and Regenerated Glengormley town where people want to visit, live and work and a key destination for inward investment; a town which enhances

the quality of life and life chances of those who visit it.” The scheme contains three interdependent components:

- **Development of collaborative office/workspace at a former Police Station site** - This element of the project proposes to demolish a former police station located in a prominent central location in the town centre and replace it with an inspiring signature gateway building providing a suburban flexible business workspace hub (Grade A/B) which have been identified as an important alternative to city locations in a post-COVID-19 pandemic environment. The project will meet the work accommodation needs of businesses along with the breadth of the entrepreneurial pipeline, providing the necessary wrap-around business development support to facilitate their growth. The project will also deliver youth interventions with an economic, jobs and skills focus to re-engage youth and indirectly help address antisocial behaviour in the locality;
- **Façade and Enhanced Town Accessibility/Connectivity Works** - Given its strategic positioning to access the town's main leisure and retail offering, this element of the project proposes to enhance the facades of a core retail and leisure block of buildings adjacent to the office/workspace to enhance their aesthetic appeal and drive footfall to the area. This element of the project will help attract future investment, build civic pride, maximise an underutilised site and address anti-social behaviour in its vicinity. The Project will also undertake key improvements to the road network and car-parking facilities adjacent to the retail and leisure block to maximise the free flow of traffic in the town and make parking as convenient as possible whilst making pedestrian access a safe and inviting option. The accessibility/connectivity works will enhance the road network and car-parking facilities to maximise the free-flow of traffic, reduce congestion, make parking convenient, whilst making pedestrian access both safe and inviting; and
- **Public Realm Scheme** – The Public Realm Scheme focuses on providing an improved commercial core of the town which will include enhancing the public realm including paving, street furniture, art, lighting and planting. An element of SMART will be incorporated into the public realm as a testbed for new sustainable technologies and practices.

Need for the project - Independent research indicates that the town's physical structure and environmental quality has suffered as a result of historic disjointed and piecemeal development. There are significant issues relating to the availability of car parking, vehicular access, flow and congestion (particularly around the leisure and retail areas), and significant clusters of vacancies exist in the town centre. The public realm is in general of poor quality, and the current existence of narrow pavements and a number of busy street crossings inhibits general pedestrian movement around the centre. There is a need to enhance the physical appearance of a number of core buildings including the former police station and the adjacent buildings in the core leisure area off Glenwell Road which have dated facades, disjointed and unattractive signage and poor road access layout with limited segregation between cars and pedestrians. Combined these issues have created an unwelcoming 'shop front' for those visiting Glengormley, limited the variety of service provision, reduced footfall and the amount of time spent by visitors in the town and levels of expenditure.

The need to enhance the current nature, scale and quality of workspace in the town has also been identified. From a supply-side perspective, the research has indicated that existing quality work accommodation (which is Grade B) which is typically offered in the LEAs is fully occupied. All other available stock has been assessed as being of low quality (<Grade C), offering limited/no opportunities for co-working/collaborative working and ultimately unable to meet businesses' needs. Of those businesses that are occupying workspace in the Borough, a significant cohort indicated that they were dissatisfied with their current provision with evidence that businesses have had to locate outside the town and the Council area to access quality provision. On the demand side, research indicates that there is strong latent and emerging demand for flexible, co-working space in the area. The research suggests that the ongoing pandemic is likely to result in significant changes in working practices including the need for: 'Mix-mode' flexible working, workplace mobility programs emphasizing remote-working which is anticipated to result in a shift of workspace back out from city/major town centres, the rise of satellite offices and the 'hub and spoke' workplace model; and more agile/flexible accommodation in terms of the diversity of the accommodation portfolio, time-usage and leasing arrangements.

Monetary and non-monetary benefits - When the significant wider distributional monetised benefits that are anticipated are included, the project would provide a considerable additional NPPV (of c.£17m) and a BCR of 1.9 illustrating its potential to provide high VFM from a monetary perspective. Other significant non-monetised benefits from the project include increasing entrepreneurship and business creation, addressing deprivation, skills development, enhancement of the local environment and building of civic pride and attraction of inward investment.

COMPLEMENTARY FUND CRITERIA

Bids will be considered against one or more of the following criteria:

- Demonstrable local benefit, preferably aligned to local Economic strategies, where available;
- Alignment with zero carbon commitments;
- Sustainable and affordable including recurrent running costs;
- Demonstrates additionality and does not replicate other Regional proposals;
- Considers regional balance and takes account of economic disadvantage of the region;
- Leverages in private sector investment;
- Complements City/Growth Deals, not displacing previous proposals; and
- Aligned to wider regional strategies to maximise benefits of investment across the North. This includes strategies such as the draft Industrial Strategy Climate Change, Economic Recovery, Anti-Poverty etc.

Note: This list is not mutually exclusive and the Oversight Group has a wider discretion to consider bids to the Fund that fall outside these broad criteria should sufficient justification be made on a case by case basis.

DEPARTMENTAL PRIORITIES

Department for Communities

- Regeneration – creating and maintaining town centres that are attractive, safe and appealing to those who live, shop, visit, and work there.
- Employability and skills – aimed at assisting people into sustained and meaningful employment.
- Engaged Communities – delivering services to the voluntary and community sectors and across Culture, arts, leisure, sport and historic environment.
- Housing – providing decent, affordable, sustainable homes and housing support.

Department for the Economy

- 10X Decade of Innovation
- Economic Recovery Action Plan (ERAP)
- Tourism which positions Northern Ireland as a must-see destination; generates earnings for the NI economy and contributes to balanced sub-regional growth & job creation
- Achieving net zero carbon and affordable energy in line with the priorities outlined in the Energy Strategy consultation

Department of Health

- Rebuilding and transforming the Health Service - the delivery of modern, fit for purpose services through the creation or maintenance of sustainable models of care that support communities and contribute to improved health, well-being and quality of life, and the provision of appropriate physical environments.

Department for Infrastructure

- Fulfilling our statutory duties
- Connecting People and Communities
- Addressing regional imbalance and growing the all-island economy
- Tackling the Climate Emergency
- COVID 19 - Green Recovery