

INVEST NI SCORECARD AND OPERATING PLAN 2018 / 19

1. INTRODUCTION

Strategic Context

One year into our [Business Strategy 2017-2021](#), Invest NI has made steady progress towards delivering outcomes aligned to the achievement of Northern Ireland's [Draft Programme for Government](#) and the associated [Industrial Strategy – Economy 2030](#) whose objective is to deliver a stronger, more competitive, regionally balanced economy where more people are working in better jobs.

Over the period 2017 - 2021, Invest NI will act as a catalyst for economic growth by supporting local businesses to create jobs, innovate and grow their exports and by attracting new inward investors by:

- Supporting and encouraging 30,000 – 40,000 additional jobs;
- Increasing business expenditure on Research and Development by between £160m and £200m;
- Supporting our customers to increase their total sales by between £3.2bn and £4.2bn, of which between £2.4bn and £3.1bn will be sales outside Northern Ireland, including £0.8bn and £1.2bn of new export sales.

Our Business Strategy was formally endorsed by the Economy Minister in March 2017, but was done so in the absence of a Programme for Government, Industrial Strategy and longer term Northern Ireland budget. Therefore the targets within our Business Strategy and this Operating Plan may need to be realigned when Executive priorities and budgets are agreed. Despite increasingly constrained public resources and resultant departmental pressures, the prioritisation of the drivers of economic growth should remain central tenet of Northern Ireland public policy as economic growth and prosperity are key to addressing many societal issues.

Invest NI accepts our central role in the development of the Northern Ireland economy, but real societal transformation requires greater engagement,

collaboration and partnership with our stakeholders. We will continue to develop and implement engagement strategies with key partners regionally, nationally and globally to ensure businesses have access to the most appropriate support for their development.

As a Statutory Partner in the Community Planning process, Invest NI will work with Councils, and other public bodies, on the implementation of the 11 Council Community Plans published during 2017 and play an active role in implementation of the economic development aspects of these Plans. Through our International Strategy, we have increased our international presence in key markets by opening new offices and we have plans to establish international trade, investment and innovation hubs. In this way we will continue to ensure that Northern Ireland remains a UK location of choice for inward investors¹ and create a favourable environment for local companies to grow their sales beyond Northern Ireland.

Whilst the UK labour market remains strong with low unemployment², the growth expected in the UK economy in 2018 is likely to be at a slightly subdued pace. Economic and business surveys indicate stronger global growth in 2018/19, coming in particular from emerging markets³. However a potentially challenging macro-economic environment (Brexit associated risks, higher interest rates, protectionist trade policies overseas and UK government spending plans) supports a cautious outlook for the UK economy, with Northern Ireland growth projected to be even more modest⁴. Irrespective of the final terms of the UK's withdrawal from the EU, Northern Ireland is likely to be more heavily impacted than other UK regions, given the structure of our economy, our land border with Europe and the close integration of business across all parts of the island.⁵

The specific activities within our Scorecard and Operating Plan for 2018-2019 (below) have been included because their measurement will explicitly provide indication of the achievement of the strategic milestones at the core of our the

¹ <https://www.gov.uk/government/news/foreign-investors-see-opportunities-in-northern-ireland>

² <https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/unemployment/timeseries/mgsx/lms>

³ <http://www.worldbank.org/en/publication/global-economic-prospects>

⁴ <http://www.ey.com/ie/en/issues/business-environment/ey-economic-eye-2017>

⁵ <http://www.ey.com/ie/en/issues/business-environment/ey-economic-eye-2017>

Business Strategy 2017-2021, and in turn help us contribute to transforming Northern Ireland into a leading, internationally competitive economy providing opportunities for all.

People will be at the heart of all of our activities. We will ensure our staff have access to the skills, knowledge, systems and processes to deliver an enhanced, customer-led service culture. Following our fifth annual Cabinet Office approved [Customer Service Excellence](#) (CSE) assessment in 2017/18, Invest NI retained full compliance against all elements of the CSE Standard and extended our position as the highest accredited organisation in NI. Coupled with our Investors in People Gold Award, these tremendous achievements demonstrate a “best in class” approach to leading, managing and communicating with our people.

This Scorecard and Operating Plan for 2018-2019 outlines the key financial and non-financial objectives for Invest NI. Increasing business investment, stimulating innovation, developing workforce skills and driving export focused growth across our business base remain critical to our success in achieving these objectives.

2. Financial Resources

Invest NI continues to operate within an increasingly constrained public sector finance environment in which strong competition for decreasing resources prevails. Despite these pressures, Invest NI will work closely with the Department for the Economy to ensure that sufficient resources are available to meet the requirements outlined within the draft Programme for Government and associated Industrial Strategy, and our existing legal commitments. The targets within this Corporate Scorecard and Operating Plan have, therefore, been set on the basis of access to the necessary resources to deliver these outturns in order to maximise Invest NI's contribution to the local economy.

Invest NI Divisional Budget Allocations

The initial budget allocations by Division within Invest NI reflects a forecast of the financial resources required to deliver the activity measures outlined within the Scorecard and Operating Plan for 2018/19.

This forecast 2018/19 Budget may be subject to change once final budgets are agreed and allocated by the Department for the Economy. The following divisional budget allocations are, therefore, provided for indicative purposes only.

Division	2018/19 Total Budget (£'000)				
	Resource	Capital Grant	Direct Capital	FTC	Total Allocated
Food & Drink	1,809	4,790	-	1,250	7,849
Advanced Manufacturing & Engineering	5,985	4,011	175	-	10,171
Technology & Services	6,750	-	-	-	6,750
Life Sciences & Scaling	3,527	634	-	-	4,161
Business & Sector Development Group	18,071	9,435	175	1,250	28,931
International Business	14,209	-	-	-	14,209
Trade	3,620	-	-	-	3,620
NI Connections	98	-	-	-	98
International Business Group	17,927	-	-	-	17,927
Innovation Research and Development	39,123	230	-	-	39,353
Skills & Competitiveness	10,406	1,775	200	-	12,381
Property Solutions Unit	2,400	33	349	-	2,782
Business Growth - excl PSU	1,376	500	16,543	8,883	27,302
Business Solutions Group	53,305	2,538	17,092	8,883	81,818
Internal Operations	309	-	1,824	-	2,133
Business Appraisal, Offers & Claims	330	-	-	-	330
Financial Management	-	-	-	-	-
Business Performance, EU & Risk Management	467	-	-	-	467
Legal Services	300	-	-	-	300
Finance & Operations Group	1,406	-	1,824	-	3,230
Regional Business Group	6,938	2	-	-	6,940
Communications	5,000	-	-	-	5,000
Human Resources	5,000	-	95	-	5,095
Strategy	414	75	-	-	489
Business Strategy Implementation	150	-	-	-	150
Board & CEO	220	-	-	-	220
Grand Total	108,431	12,050	19,186	10,133	149,800

Notes:

1. These figures reflect the opening divisional forecast for 2018/19.
2. The opening DfE Programme allocation is £136.8m. Budget forecasts will be reviewed as the year progresses and any pressures or easements will be submitted to DfE through the Monitoring Round process.
3. £41.65m of Invest NI's Total Allocated Budget is from ERDF

3. Invest NI Corporate Scorecard 2018/19

Customer Quadrant

1. Maintain a minimum quarterly customer satisfaction rating amongst customers of at least **90%**.
2. Maintain a minimum quarterly customer satisfaction as a result of our key wider business base engagements of at least **85%**.
3. Deliver improvement in our 'Net Promoter Score' increasing it to **63%** through positive engagement with our customers.

People and Culture Quadrant

4. Manage staff absenteeism levels at a maximum of **3.70%** (12 month rolling average).
5. Increase the number of staff with an agreed Personal Development Plan to **60%**.

Processes Quadrant

6. Maintain median controllable casework processing at **15 days**.
7. Maintain customer payments within **30 days** through the claims processing system.
8. Manage programme budget to within agreed tolerances (**1% Revenue / 1% Capital**) and within **10%** of profile on a quarterly basis.

Performance Quadrant (Approved Offers)

9. Secure **4,000 - 6,000** Total New Assisted Jobs through our interventions with companies.
10. Secure **2,250 - 3,400** New Assisted Jobs through our interventions with **Locally-owned** companies;
 - (a) Of which a minimum of **1,350** New Jobs will pay salaries above the **NI PSM**.
11. Secure **1,750 - 2,600** New Assisted Jobs through our interventions with **Externally-owned** companies;
 - (a) Of which a minimum of **1,050** New Jobs will pay salaries above the **NI PSM**.
12. Secure **1,200 - 1,800** New Assisted Jobs through our interventions with **Externally-owned** companies that are **'New to NI'**;
 - (a) Of which a minimum of **720** New Jobs will pay salaries above the **NI PSM**.
13. Secure **£195m* - £260m*** of Total Investment through **'R&D'** related projects (£m).
14. Secure **£15m - £20m** of Total Investment through **'Innovation'** related projects (£m).
15. Secure **£32m - £42m** of Total Investment through **'Skills Development'** projects (£m).
16. Support **150 - 200** companies to enter a **'New Market'** to exploit Trade Opportunities.
17. Support **75 - 100** companies to engage in **'Selling outside of Northern Ireland'** for the **'First Time'**.

* Includes Bombardier Project at £110m

4. Invest NI Operating Plan 2018/19

NIIS Theme	Activity	Business Strategy Target 2017/21	Year 1 2017/18 Target	Year 1 Year-end Outturn	Year 2 2018/19 Target	Lead Official	PfG Outcome Reference
Cumulative Targets	1. Secure new Total Assisted Jobs through our interventions with companies; (Target 8 + Target 14)	16,000 - 24,000	4,000 - 6,000	5,160	4,000 - 6,000	Alan Wilson Brian Dolaghan Bill Montgomery John Hood Grainne McVeigh Moira Loughran	PfG 1 PfG 3 PfG 6
	2. Of which a minimum will pay salaries above the NI PSM.	9,600	2,400	3,437	2,400		PfG 3 PfG 5 PfG 6
	3. Secure Total Investment in 'Research & Development & Innovation' (£m). (Target 4 + Target 5)	464 - 780	136 - 265	150	210 - 280	Vicky Kell	PfG 5
1. Accelerating Innovation and Research	4. Secure Total Investment through 'R&D' related projects (£m).	400 - 700	120 - 245	131	195 - 260	Vicky Kell	PfG 5
	5. Secure Total Investment through 'Innovation' related Projects (£m).	64 - 80	16 - 20	19	15 - 20	Vicky Kell	PfG 5
	6. Support companies to engage in Innovation activities for the 'First-Time'. (No. of companies)	1,225 - 1,625	325 - 425	355	250 - 400	Vicky Kell	PfG 5
2. Enhancing Education, Skills and Employability	7. Secure Total Investment through 'Skills Development' projects (£m).	130 - 170	32 - 42	24	32 - 42	Niall Casey	PfG 6

NIIS Theme	Activity	Business Strategy Target 2017/21	Year 1 2017/18 Target	Year 1 Year-end Outturn	Year 2 2018/19 Target	Lead Official	PfG Outcome Reference
3. Driving Inclusive Sustainable Growth	8. Secure new Assisted jobs through our interventions with ' Locally-Owned ' Companies;	8,800 - 13,400	2,300 - 3,450	2,934	2,250 - 3,400	Brian Dolaghan Bill Montgomery John Hood Grainne McVeigh Moira Loughran	PfG 1 PfG 3 PfG 6
	9. Of which a minimum will pay salaries above the NI PSM .	5,200	1,380	1,904	1,350		PfG 3 PfG 5 PfG 6
	10. Support High Potential Start-up (HPSU) companies with the potential to grow significant sales in global markets. (No. of companies)	40 - 48	10 - 12	16	10 - 15	Moira Loughran	PfG 1 PfG 3 PfG 6
	11. Identify and work with ' Scaling ' companies to accelerate their Development. (No. of companies)	18 - 24	4 - 6	4	4 - 6	Grainne McVeigh	PfG 1 PfG 3 PfG 6
	12. Identify and work with ' Pre-Scaling ' companies to accelerate their Development. (No. of companies)	40 - 48	10 - 12	11	10 - 15	Grainne McVeigh	PfG 1 PfG 3 PfG 6
	13. Secure investment by SMEs through funding provided by Invest NI funds. (£m including leverage)				25 - 35	William McCulla	PfG 1 PfG 3 PfG 6
4. Succeeding in Global Markets	14. Secure new Assisted jobs through our interventions with ' Externally-Owned ' Companies;	7,200 - 10,600	1,700 - 2,550	2,226	1,750 - 2,600	Alan Wilson Brian Dolaghan Bill Montgomery John Hood Grainne McVeigh	PfG 1 PfG 3 PfG 6 PfG 10
	15. Of which a minimum will pay salaries above the NI PSM .	4,320	1,020	1,533	1,050		PfG 3 PfG 5 PfG 6
	16. Support Externally-Owned Companies that are ' New to NI ' to invest in Northern Ireland for the ' first time '. (No. of companies)	75 - 100	16 - 20	23	17 - 25	Alan Wilson	PfG 1 PfG 3 PfG 6 PfG 10

NIIS Theme	Activity	Business Strategy Target 2017/21	Year 1 2017/18 Target	Year 1 Year-end Outturn	Year 2 2018/19 Target	Lead Official	PfG Outcome Reference
	17. Secure new Assisted jobs through our interventions from Externally-Owned Companies that are ' New to NI ';	5,340 - 7,700	1,200 - 1,800	1,297	1,250 - 1,800	Alan Wilson	PfG 1 PfG 3 PfG 6 PfG 10
	18. Of which a minimum will pay salaries above the NI PSM .	2,880	720	964	750	Alan Wilson	PfG 3 PfG 5 PfG 6
	19. Support companies to enter a ' New Market ' to exploit Trade opportunities. (No. of companies)	600 - 800	150 - 200	261	150 - 200	Alison Gowdy	PfG 1 PfG 3 PfG 10
	20. Support companies to engage in ' Selling outside of Northern Ireland ' for the ' First Time '. (No. of companies)	300 - 400	75 - 100	107	75 - 100	Alison Gowdy	PfG 1 PfG 3 PfG 10

5. Risk Management

The following identified risks may have an impact on the successful delivery of this Invest NI Scorecard and Operating Plan for 2018/19. They will be regularly reviewed and assessed by our Executive Leadership Team as part of our ongoing risk management arrangements.

Risk	Impact	Mitigating Actions
Operational system data integrity	Potentially less reliable information available for operational reporting and to support evidence based strategy development.	Additional resources have been put in place to look at options to ensure that data entry, accuracy and maintenance of information is appropriate and consistent going forward.
Uncertainty over budget allocations beyond 2018/19	Programmes may have to be suspended and projects in progress may not be able to be delivered. This would have a significant impact on Invest NI's ability to deliver on its targets.	Continue to engage with DfE in the budget bid process. Continue to explore best use of other funds including Financial Transactions Capital, EU funds etc.
Failure to maximise the FDI and business growth benefits of a reduced rate of Corporation Tax (CT)	Poor communication/engagement/ research planning and/or poor targeting could result in limited additional investment in NI from CT reduction.	CT Action Register established covering research, communications, sales propositions and customer targeting. Ongoing INI involvement with DfE and DoF in a cross Government CT Action Plan. Preparatory work remains on hold pending the re-establishment of the NI Executive.
Failure to recognise the risk of insufficient skills availability to meet demands of existing and potential Invest NI customers	Insufficient skills availability to meet demand of customers will impact on (1) productivity of indigenous and established companies (2) ability to attract new inward investment to NI; (3) growth of indigenous and established companies.	Ongoing engagement with existing client base, potential new investors, Universities and DfE. Collaborative approach with DfE on the Assured Skills Program to create pipeline of available skills. Engagement with Employer Engagement Group and Future Skills Group.
Uncertainty over nature of the UK's exit from the EU	Potential for adverse impact of NI levels of exporting.	EU Exit Response Plan is in place and continues to be refined and enhanced. Business Liaison Group meets to discuss key issues. A range of activity is now being delivered to help customers prepare a relationship with the EU.
Risk of non-compliance with General Data Protection Regulation (GDPR)	Non-compliance with GDPR following its introduction in May 2018 may result in significant financial penalty, regulatory audit or reputational damage	A robust, compliance programme is in place to address GDPR obligations, including the appointment of the Information Governance Manager, staff training, awareness sessions.

Risk	Impact	Mitigating Actions
Failure to develop and implement a Digital Strategy that meets Invest NI's corporate aspirations	Failure to develop and implement an appropriate strategy may prevent Invest NI from realising its digital ambition in driving efficiency and increasing engagement with customers and stakeholders	Digital team, including Chief Digital Officer now in place and work streams progressing well.

6. Programme for Government Alignment

A thriving and prosperous economy is the critical driver to the [Draft Programme for Government](#). The provision of job opportunities can lift people from poverty, promote social mobility, reduce health inequalities, improve life chances and wellbeing – and ultimately ease long term pressure on public expenditure. On that basis, Invest NI will contribute to all proposed outcomes, but will, however, play an integral, direct and specific role in the achievement of the following outcomes:

- ❖ **Outcome 1:** To prosper through a strong, competitive, regionally balanced economy;
- ❖ **Outcome 3:** To have a more equal society
- ❖ **Outcome 5:** To be an innovative, creative society, where people can find their potential;
- ❖ **Outcome 6:** To have more people working in better jobs;
- ❖ **Outcome 10:** To have created a place where people want to live and work, visit and invest.

Progress towards successful delivery of the PfG outcomes will be measured through the regular monitoring of identified, associated indicators; of which many will impact multiple outcomes. The primary outcomes and associated indicators that Invest NI have the potential to influence are detailed in Section 4. A PfG reference is provided for each Operating Plan target to illustrate the activity's alignment with desired PfG outcomes.

As the PfG and associated delivery plans are finalised it may be necessary to revisit the outcomes and indicators that Invest NI can influence.