



Department for the
Economy
www.economy-ni.gov.uk

DEPARTMENT FOR THE ECONOMY Business Plan 2019/20

Note: This Plan was approved by the Minister for the Economy on 21 February 2020 following her appointment, the Department is working towards delivery of the objectives specified in this Plan, within the limits of the financial and other resources allocated to the Department for the current financial year.



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PERMANENT SECRETARY'S FOREWORD

This draft Business Plan outlines the key work planned for the Department for the Economy in 2019/20.

As we prepare to commence another financial year without a functioning Assembly and Ministers, these are uniquely challenging times for the Northern Ireland Civil Service. There are things we would like to do in the year ahead, but cannot. Whatever the circumstances, we will continue to do our best to deliver for local people and the local economy.

This draft Business Plan seeks to frame our work for the year ahead first and foremost in relation to the Outcomes set out in the draft Programme for Government. Improvements to these Outcomes and the associated Indicators are what our work plans for 2019/20 and subsequent years should be geared towards achieving. This Department has particular contributions to make towards Outcomes 1, 5 and 6, and also contributes to several other Outcomes.

A major theme for the year ahead will be 'preparation'. We know there are things which we want to do but which will properly require Ministerial agreement. However, that will not stop us from undertaking necessary preparatory work. We will be progressing as far as we can with the development of various key Strategies, including an Energy Strategy and a Tourism Strategy. Ongoing work to manage the impact of EU Exit and to implement lessons learned from the Renewable Heat Incentive Scheme Inquiry will also feature heavily in our work plans.

In addition, work on one of the Department's biggest infrastructure projects – Project Stratum – will continue. The project aims to utilise the £150m additional broadband funding from the Confidence and Supply Agreement, and a further £15m contribution from the Department of Agriculture, Environment and Rural Affairs, to improve internet connectivity, using future-proofed technologies, for Northern Ireland premises currently unable to access speeds of 30 Mbps or greater. The intervention area will consist of around 100,000 premises, primarily in rural areas.

Internally, we will also be making a lot of changes. During the year we will be implementing the recommendations of a review of Departmental structures, with the aim of giving the Department a stronger 'centre' and improving the make-up of different business areas.

Our plans are ambitious in the context of ongoing political uncertainties and restricted budgets. Success will require us to collaborate more closely than ever with our key partners, adopt and embrace new technologies, and at times prioritise that work which can have the greatest impact on the Outcomes we want to realise. Together I am convinced that we can make a real difference to our economy and the wellbeing of our people.

Noel Lavery

1. OUR DEPARTMENT

1.1 Our Responsibilities

The Department for the Economy (DfE) was established in May 2016. Its responsibilities include:

- wider economic policy, including specific areas like Energy, Tourism and Telecoms;
- the operation of a range of employment and skills programmes;
- oversight and funding of the further and higher education sectors;
- various aspects of employment law; and
- the management and operation of various EU funding programmes.

We are also the lead Department on Outcomes 1, 5 and 6 of the [Programme for Government \(PfG\)](#), which are:

- Outcome 1 – We prosper through a strong, competitive, regionally balanced economy;
- Outcome 5 – We are an innovative, creative society, where people can fulfil their potential; and
- Outcome 6 – We have more people working in better jobs.

1.2 Our People

The Department's Leadership Team is committed to driving forward a significant programme of engagement in the 2019/20 year to create a positive change for staff to ultimately benefit the Department.

A challenging one year DfE People Plan will be implemented for the 2019/20 year which incorporates a wide range of objectives informed by staff through the People Survey and various staff engagement mechanisms. The Department will also continue to demonstrate its commitment to the change programmes associated with the implementation of the wider NICS People Strategy.

There will be a strong emphasis on increasing visibility and sharing information by senior management through vlogs, staff events, the intranet and attendance at meetings in their respective business areas. There will also be visual infographics displayed in buildings to show the Department's achievements against its business plan.

The programme of 'Inform You' sessions will continue and the newly launched Induction Package will be embedded. We will continue with our Volunteering programme and support for various wellbeing initiatives. The recommendations of the Reward and Recognition Task and Finish Group will be implemented. The Department will support corporate initiatives such as NICS Live and NICS Awards. The NI People Survey will launch in the autumn and the Corporate Engagement Team will work with Corporate Governance to contribute to its project on developing the DfE culture.

As a Department we will continue to strive to address the issues being raised in the People Survey and ultimately to see the results of this work reflected in our Employee Engagement Index.

The drive for this work is ably supported by the Staff Engagement Forum whose members represent the views of their divisional colleagues with interest and enthusiasm. The Forum will continue to meet quarterly with minutes of its meetings shared on the intranet.

The Department is also committed to complying with its statutory obligations under Section 75 of the Northern Ireland Act 1998, and has well established procedures to promote equality of opportunity and good relations. We also engage with staff through the Department's Diversity Group, which has an active programme of events to promote awareness of diversity-related matters among our staff.

Our Department has over 1,000 staff at various different grades as follows:

Grade 2 / Permanent Secretary	1
Grade 3 / Deputy Secretary	5
Grade 5	23
Grade 6	8
Grade 7	76
Deputy Principal	220
Staff Officer	193
Executive Officer 1	228
Executive Officer 2	150
Administrative Officer	186
Administrative Assistant	31
Total	1121

All staff within the Department work under one of five distinct Groups each led by a Deputy Secretary as shown below:

June 2019



NOEL LAVERY
Permanent Secretary

MIKE BRENNAN
EU Exit Preparation
and Transition Group
Grade 3

VICTOR DUKELOW
EU Exit Trade and
Migration
Grade 5

PAUL GROCOTT
EU Exit
Trade Negotiations
Grade 5

MARY MCIVOR
EU Exit Domestic
Readiness
Grade 5

SHANE MURPHY
Analytical Services
Grade 5

EUGENE ROONEY
Economic Strategy
Group
Grade 3

TREVOR CONNOLLY
Business Engagement
Grade 5

GERALDINE FEE
Tourism, Telecoms,
Minerals & Petroleum
Grade 5

DIARMUID MCLEAN
Strategic Policy
Grade 5

NIGEL ROBBINS
Project Stratum
Director
Grade 5

COLIN LEWIS
Management Services
and Regulation Group
Grade 3

MAEVE HAMILTON
EU Fund
Management
Grade 5 (Acting)

COLIN JACK
Business & Employment
Regulation
Grade 5

WENDY JOHNSTON
Central Services
Grade 5

STEPHEN MCMURRAY
Finance
Grade 5

RICHARD MONDS
Insolvency Service
Grade 6

COLIN WOODS
Corporate Governance
Grade 5

HEATHER COUSINS
Skills and Education Group
Grade 3

TREVOR COOPER
Higher Education
Grade 5

MICHAEL GOULD
Portfolio Management
Grade 6

BEVERLEY HARRISON
Further Education
Grade 5

LORNA WARREN
Quality Improvement
Grade 6

GRAEME WILKINSON
Skills Strategy & Policy
Grade 5

JIM WILKINSON
Apprenticeships, Careers
and Vocational Education
Grade 5

RICHARD RODGERS
Energy Group
Grade 3

THOMAS BYRNE
Energy Sustainability
and Infrastructure
Grade 5

JUNE INGRAM
Energy Markets and
European Relation
Grade 5

GRAHAM MILLER
RHI Operations &
Energy Co-ordination
Grade 6

JOE REYNOLDS
Energy Strategy
Grade 6

JAMIE WARNOCK
Renewable Heat Policy
& Legislation
Grade 6

1.3 Our Budget

The Department's budget allocation for 2019/20 presents a challenging position, with a Non Ring-fenced Resource Departmental Expenditure Limit (DEL) of £776.6 million which is a flat lined position from 2018/19, including allocations for pension pressures, £7.5 million, and EU Exit, £7.0 million. The challenge is to meet the Department's and Non Departmental Public Bodies' own pay and price increases of £6.1 million plus other inescapable pressures of £3.4 million and the Department will bid in year for circa £23.6 million which if not met will result in further financial pressures for the Department.

The Department also has Resource Ring-fenced budgets amounting to £151.7 million for depreciation and the Notional Student Loan Subsidy. This amount when combined with the Non Ring-fenced allocation of £776.6 million gives the Department a total Resource DEL allocation of £928.3 million for 2019/20.

In addition, the Department's DEL Conventional Capital budget for 2019/20 is £82.4 million, £52.4 million (net of capital receipts) to be allocated across the Department and £30.0 million specifically for the Gas to the West project. This Capital position is again challenging as £39.8 million (net of capital receipts) in DEL budget was already contractually committed prior to the start of 2019/20.

Appendix A sets out how this budget is allocated across our main spending areas.

1.4 Our Governance Arrangements

The Department should operate under the direction and control of the Minister for the Economy, who is responsible and answerable to the Assembly for the exercise of the powers on which the administration of the Department depends. He/she has a duty to the Assembly to account and to be held to account for all the policies, decisions and actions of the Department, including its Sponsored Bodies.

In the absence of a Minister and a formal Programme for Government, the Outcomes Delivery Plan has guided and continues to guide the work of the department by providing meaningful strategic direction to our business and financial plans.

The Permanent Secretary, as the Departmental Accounting Officer, is responsible for the overall organisation, management and staffing of the Department. He also has responsibility for maintaining a robust governance and risk management structure and a sound system of internal control that supports the achievement of departmental policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which he is personally responsible, in accordance with the responsibilities assigned to him in Managing Public Money Northern Ireland. He must also be satisfied that adequate financial systems and procedures are in place to promote the efficient and economical conduct of business and to safeguard financial propriety and regularity within the Department's Arm's Length Bodies.

The Departmental Board assists the Permanent Secretary in meeting his responsibilities as Accounting Officer for establishing and overseeing the corporate

governance arrangements of the Department. The Board which comprises of both senior Departmental officials (Executive Board members) and Independent members (Non – Executive Board members), provides corporate leadership to the organisation as a whole. It monitors performance against business plans, budgets and targets, and oversees the governance and risk management arrangements of the Department. The Board is chaired by the Permanent Secretary.

The Departmental Board is supported in its role by a Departmental Audit and Risk Assurance Committee. Its role is to support the Board on issues of risk, control and governance through provision of independent advice, information and assurance to the Board and Accounting Officer on the operation of the Department's system of internal control and the comprehensiveness, reliability and integrity of available assurance.

Other organisational structures that contribute to sound corporate governance in the Department include the Leadership Team, Senior Management Team, Casework Committee and Resourcing Group.

1.5 Our Partners

The Department's services are delivered in partnership with a range of other bodies. Our main delivery partners and a brief synopsis of what they do is outlined at **Appendix B**.

2. OUR PRIORITIES

2.1. Vision, Mission and Strategic Objectives

The vision, mission and strategic objectives developed for the Department are set out below. The strategic objectives have been designed to align with the Pillars for Growth outlined in the [draft Industrial Strategy](#) and relevant PfG Outcomes whilst also covering the Department's regulatory, governance and resource management responsibilities.

OUR VISION

A globally competitive economy that works for everyone.



OUR MISSION

To develop and implement agile policies and programmes which promote a competitive, sustainable and inclusive economy through investment in:

- skills
- economic infrastructure
- research and innovation; and
- business development.



STRATEGIC OBJECTIVES

1. Accelerate innovation and research.
2. Enhance education, skills and employability.
3. Drive inclusive, sustainable growth.
4. Succeed in global markets.
5. Build the best economic infrastructure.
6. Deliver a regulatory environment that optimises economic opportunities for business and commerce, while also protecting consumers and workers.
7. Ensure the Department has effective governance, including programme and project management arrangements, and manages its resources, both financial and staff.

2.2. EU Exit

The UK's preparation for leaving the EU continues to present a challenge to the Department. The Department has had a key role in ensuring, as far as possible, that the UK Government's negotiation strategy for leaving the EU has been informed by issues pertaining to the Northern Ireland economy, and ensuring that key stakeholders are informed and supported throughout the EU Exit process. This has been a complex and dynamic portfolio of work, being carried out against a backdrop of ever evolving negotiations and political uncertainty.

Working within the NICS-wide EU Exit preparation structures, the Department continues to take forward a considerable amount of work on a number of key areas, including: EU Exit contingency planning; research on the impacts of EU Exit on services and data, migration, access to skills and labour, trade, common UK frameworks and internal markets; business readiness; consideration of business mitigation measures; and stakeholder engagement and communications activity. It is critical that the Department is positioned to meet the challenges of EU Exit, and to build on any opportunities arising from it.

The Department continues to prioritise resources towards preparations for EU Exit. However, of increasing importance is the need to ensure that the Department has comprehensive plans in place for transitioning to the post EU Exit environment, ensuring that the Department and its ALBs are appropriately supported through the transition phase. A review of the existing EU Exit Work Programme will be carried out and proposals developed to ensure a managed transition process.

2.3. What we will Deliver

The tables below outline the Department's key planned deliverables for 2019/20 according to our seven strategic objectives. Many of the actions are designed to contribute directly toward PfG Outcomes.

Strategic Objective 1 – Accelerate innovation and research				
Main PfG outcome(s) we can make a difference in				
1 – We prosper through a strong, competitive, regionally balanced economy		5 – We are an innovative, creative society, where people can fulfil their full potential		
What are we going to do and when we are going to do it				
Action/Commitment	Target Date	Indicative Costs ¹		Lead Official / Business Area
		Capital Cost	Resource costs incl salaries	
1. Lead and manage the six further education colleges to deliver 350 projects in 2019/20 through the InnovateUs programme, enabling small businesses to engage in innovation and development activities	By March 2020		£1.774m	Graeme Wilkinson, Skills Strategy Division
2. Manage the NI Horizon 2020 Contact Point network to support local Universities to increase participation in, and maximise drawdown of funding from, Horizon 2020.	By March 2020		£0.630m	Trevor Cooper, Higher Education Division
3. Undertake a strategic review of the draft Industrial Strategy to identify emerging economic policy priorities post-Brexit.	By March 2020		£0.122m	Diarmuid McLean, Strategic Policy Division
4. Reconstitute the Matrix Panel , and agree a 3 year work programme.	By September 2019	£0.385m	£0.273m	Diarmuid McLean, Strategic Policy Division

¹ Indicative Costs outlined are only an estimate of the costs it would take to undertake/complete the associated action.

5. City Deals – coordinate the DfE engagement on the NI City Deals and manage DfE input to innovation elements.	By March 2020		£0.178m	Diarmuid McLean, Strategic Policy Division
6. Develop action plan for NI contribution to delivery of UK 2.4% R&D target by 2027.	By December 2019		£0.113m	Diarmuid McLean, Strategic Policy Division
7. Provide analytical support in order to prepare for and inform the shape of EU Exit in supporting Whitehall through a programme of research and analysis on migration, the Common Travel Area and trade related issues.	By March 2020	£0.260m	£0.500m	Shane Murphy, Analytical Services Division

Indicators / performance measures we can make a difference in

Indicators of Success	Reference
Rate of innovation activity (% of companies engaging in innovation activity)	PfG
UK Regional Innovation Ranking	Industrial Strategy
Northern Ireland Research and Development Survey	Industrial Strategy
Knowledge Economy jobs	Industrial Strategy
Business start-up rates	Industrial Strategy

Strategic Objective 2 – Enhance education, skills and employability

Main PfG outcome(s) we can make a difference in

6 – We have more people working in better jobs

Secondary PfG outcome(s) we can make a difference in

3 – We have a more equal society

What are we going to do and when we are going to do it

Action/Commitment	Target Date	Indicative Costs		Lead Official / Business Area
		Capital Costs	Resource Costs incl salaries	
8. To develop a skills strategy for implementation in 2020. This will include exploration with an internationally recognised organisation to assist in evidence based gathering, international benchmarking and international best practice.	By March 2020	£0.420m	£0.163m	Graeme Wilkinson, Skills Strategy Division
9. To have developed and agreed a new Pathways to Success Priorities and Action Plan (to reduce the number of young people who are NEET).	By March 2020	£0.100m	£0.316m	Graeme Wilkinson, Skills Strategy Division
10. Re-skill up to 320 people through the Assured Skills pre-employment training Academies.	By March 2020		£2.852m	Graeme Wilkinson, Skills Strategy Division
11. Lead and manage the Skills Focus programme to deliver 1,700 qualifications to SMEs to help meet business needs and increase the skills levels of the existing workforce to level 2 and above qualifications.	By March 2020		£1.572m	Graeme Wilkinson, Skills Strategy Division
12. Development of English for Speakers of Other Languages (ESOL) policy for NI	By March 2020		£0.085m	Beverley Harrison, FE Division

13. Develop with DE a more strategic joined-up approach for 14-19 year old education by progressing the development of joint DE/DFE Transition of Young People in Careers 14/19 Strategy	By March 2020		£0.357m	Beverley Harrison, FE Division
14. Support training delivery for circa 9,000 apprentices.	By March 2020		£27.600m ²	Jim Wilkinson, Youth Policy Division
15. Oversee and manage the delivery of Training for Success provision for up to 4,000 young people.	By March 2020		£33.200m	Jim Wilkinson, Youth Policy Division
16. Take forward the Youth Training Strategy through development of a full Traineeship Implementation plan	By March 2020		£0.400m	Jim Wilkinson, Youth Policy Division
17. Deliver the Careers Strategy ' Preparing for Success 2015-20 ' Action Plan for 2019/20, which will: offer face to face careers guidance interviews to all Year 12 pupils with the aim of accessing at least 95% of pupils in their final year of compulsory education; and deliver careers guidance to at least 12,000 adults through the delivery channel which best meets their needs including face to face interviews, webchat and telephony.	By March 2020		£5.800m	Jim Wilkinson, Youth Policy Division
18. Support up to 1,500 participants who are suitable to avail of the Peace4Youth offer during 2019/20.	By March 2020		£5.000m ³	Jim Wilkinson, Youth Policy Division

² Excludes ESF Income of £8.6m

³ Excludes PEACE IV Income of £3.4m and T:BUC funding of £0.5m

19. Continue to engage with our higher education institutions to protect and promote economically relevant subjects as part of the annual funding allocation process, drawing upon dynamic forecasting information to monitor progress in this area.	By March 2020		£0.058m	Trevor Cooper, Higher Education Division
20. To develop the understanding of Northern Ireland access to skills/labour issues in the context of EU Exit in order to inform decision makers.	By March 2020		£0.393m	Victor Dukelow, International Trade and Migration Division
21. Manage year 2 delivery of the 67 live European Social Fund supported projects which aim to combat poverty and enhance social inclusion by reducing economic inactivity and to increase the skills base and employability of potential participants in the workforce.	By March 2020		£25.390m ⁴	Maeve Hamilton, European Fund Management Division
22. To monitor employment law developments in respect of the "Good Work" Agenda and develop Northern Ireland policy proposals for a future Minister.	By March 2020		£0.098m	Colin Jack, Business & Employment Regulations Division

Indicators / performance measures we can make a difference in

Indicators of Success	Reference
Economic inactivity rate excluding students	PfG
Proportion of the workforce in employment qualified to level 1 and above, level 2 and above, level 3 and above, and level 4 and above	PfG
Proportion of local graduates from local institutions in professional or management occupations or in further study six months after graduation	PfG
Proportion of graduates qualifying from NI Higher Education Institutions with an economically relevant STEM qualification	Industrial Strategy
Number of companies new to productivity skills development	Industrial Strategy
Proportion of companies confirming a positive productivity impact post project	Industrial Strategy

⁴ This will be financed using £16.43m of European Commission (EC) funding which is additional to the DfE budget.

Strategic Objective 3 – Drive inclusive, sustainable growth				
Main PfG outcome(s) we can make a difference in				
1 – We prosper through a strong, competitive, regionally balanced economy			6 – We have more people working in better jobs	
Secondary PfG outcome(s) we can make a difference in				
3 – We have a more equal society			10 – We have created a place where people want to live and work, to visit and invest	
What are we going to do and when we are going to do it				
Action/Commitment	Target Date	Indicative Costs		Lead Official / Business Area
		Capital Costs	Resource costs incl salaries	
23. Develop a coherent programme for the Department to secure UK Shared Prosperity Funding for economic development activities.	By March 2020		£0.242m	Diarmuid McLean, Strategic Policy Division
24. Through a cross-departmental group, develop a policy framework for the Circular Economy ⁵ .	By March 2020		£0.091m	Diarmuid McLean, Strategic Policy Division
Indicators / performance measures we can make a difference in				
Indicators of Success			Reference	
Employment rate by council area			PfG	
Employment rate of 16-64 year olds by deprivation quintile			PfG	
Seasonally adjusted employment rate (16-64)			PfG	
A Better Jobs Index			PfG	
Jobs promoted via business start programme			Industrial Strategy	
Annual turnover of businesses			Industrial Strategy	
Total early-stage entrepreneurial activity rate			Industrial Strategy	

⁵ A circular economy is an alternative to a traditional linear economy (make, use, dispose) in which we keep resources in use for as long as possible, extract the maximum value from them whilst in use, then recover and regenerate products and materials at the end of each service life.

Strategic Objective 4 – Succeeding in global markets

Main PfG outcome(s) we can make a difference in

1 – We prosper through a strong, competitive, regionally balanced economy

Secondary PfG outcome(s) we can make a difference in

10 – We have created a place where people want to live and work, to visit and invest

What are we going to do and when we are going to do it

		Indicative Costs		
Action/Commitment	Target Date	Capital Cost	Resource costs incl salaries	Lead Official / Business Area
25. Develop and publish for public consultation a Draft Tourism Strategy to 2030 for Northern Ireland to increase visitor numbers and revenue and to support job creation.	By January 2020		£0.120m ⁶	Geraldine Fee, Tourism, Telecoms, Minerals & Petroleum Division
26. Support Tourism NI in its lead Operational role for the successful delivery of The 148 th Open	By July 2019		£0.040m	Geraldine Fee, Tourism, Telecoms, Minerals & Petroleum Division
27. To develop, inform and coordinate Northern Ireland's contribution to UK International Trade Policy.	By March 2020		£1.075m	Victor Dukelow, International Trade and Migration Division

⁶ To include Public Consultation exercise and associated Stakeholder engagement Roadshows.

28. To develop an International Engagement Protocol for DfE which supports delivery of the NICS International Relations Strategy.	By March 2020		£0.050m	Victor Dukelow, International Trade and Migration Division
29. Conclude with industry on the position on an agri-food marketing body	By March 2020		£0.107m	Trevor Connolly, Business Engagement Division
Indicators / performance measures we can make a difference in				
Indicators of Success			Reference	
External sales			PfG	
Total spend by external visitors			PfG	
Nation Brand Index			PfG	
Broad economy exports measure			Industrial Strategy	
Number of external businesses and employment in those businesses			Industrial Strategy	

Strategic Objective 5 – Building the best economic infrastructure

Main PfG outcome(s) we can make a difference in

5 – We are an innovative, creative society, where people can fulfil their full potential

Secondary PfG outcome(s) we can make a difference in

11 – We connect people and opportunities through our infrastructure

What are we going to do and when we are going to do it

Action/Commitment	Target Date	Indicative Costs		Lead Official / Business Area
		Capital Cost	Resource costs incl salaries	
30. To award contract for Project Stratum .	By March 2020		£0.870m	Geraldine Fee, Tourism, Telecoms, Minerals & Petroleum Division
31. Complete a consultation on a new Energy Strategy.	By March 2020		£0.300m	Joe Reynolds, Energy Strategy
32. Natural gas to be made available to all specified towns under the Gas to the West project.	By December 2019	£30.000m	£0.300m	June Ingram, Energy Markets & European Relations
33. In partnership with Department for Business, Energy & Industrial Strategy (BEIS) and working with key stakeholders, ensure effective arrangements are in place to support the continuation of the Single Electricity Market in the context of EU Exit.	By March 2020		£0.970m	June Ingram, Energy Markets & European Relations
34. Establish a project to meet the requirements of the Clean Energy Package and deliver against project plan (as required following the UK's exit from the European Union).	By March 2020		£0.200m	Thomas Byrne, Energy Sustainability & Infrastructure
Indicators / performance measures we can make a difference in				
Indicators of Success			Reference	

Proportion of premises with access to broadband services at speeds at or above 30 Mbps	PfG
Percentage change in security of supply margin as measured by SONI's Generation Capacity Statement	Industrial Strategy

Strategic Objective 6 – Deliver a regulatory environment that optimises economic opportunities for business and commerce, while also protecting consumers and workers

Main PfG outcome(s) we can make a difference in

1 – We prosper through a strong, competitive, regionally balanced economy	5 – We are an innovative, creative society, where people can fulfil their full potential	6 – We have more people working in better jobs
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Secondary PfG outcome(s) we can make a difference in

3 – We have a more equal society	10 – We have created a place where people want to live and work, to visit and invest	11 – We connect people and opportunities through our infrastructure
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What are we going to do and when we are going to do it

Action/Commitment	Target Date	Indicative costs		Lead Official / Business Area
		Capital Costs	Resource Costs incl salaries	
35. In preparation for the return of the Northern Ireland Assembly to draft a Bill to update and modernise insolvency legislation and regulation in line with developments in England and Wales and ensure effective arrangements are implemented to accommodate the UK's exit from the EU.	By March 2020		£0.195m	Richard Monds, Insolvency Service
36. To deliver effective administration and investigation of insolvent estates, take enforcement action to protect the public in appropriate cases, and publish performance details in an Annual Report.	By March 2020		£4.996m	Richard Monds, Insolvency Service

37. To introduce Early Conciliation for employment tribunal claimants and respondents.	By January 2020		£0.250m	Colin Jack, Employment Division	Business & Regulations
38. Set up a project to implement a root and branch review of mutual society legislation in Northern Ireland by June 2019.	By June 2019		£0.075m	Colin Jack, Employment Division	Business & Regulations
39. To set up a Regulators' Forum in Northern Ireland to ensure effective delivery of regulation post Brexit.	By March 2020		£0.010m	Colin Jack, Employment Division	Business & Regulations
40. To assess what consumer protection will look like outside the EU and develop proposals for action as necessary, in particular in relation to: changes to legislation; cross border enforcement and cooperation; funding for specific enforcement and inspection regimes; EU arrangements and frameworks; and Northern Ireland specific issues.	By March 2020		£0.200m	Colin Jack, Employment Division	Business & Regulations

Strategic Objective 7 – Ensure the Department has effective governance, including programme and project management arrangements, and manages its resources, both financial and staff

Main PfG outcome(s) we can make a difference in

1 – We prosper through a strong, competitive, regionally balanced economy	5 – We are an innovative, creative society, where people can fulfil their full potential	6 – We have more people working in better jobs
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Secondary PfG outcome(s) we can make a difference in

3 – We have a more equal society	10 – We have created a place where people want to live and work, to visit and invest	11 – We connect people and opportunities through our infrastructure
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What are we going to do and when we are going to do it

Action/Commitment	Target Date	Indicative Costs		Lead Official / Business Area
		Capital Costs	Resource Costs incl salaries	
41. Continue to implement the lessons learned from the Non Domestic Renewable Heat Incentive Scheme Inquiry, including the development of a comprehensive and effective response to the Inquiry's Final Report.	By December 2019, with implementation to follow thereafter.		£0.096m	Colin Woods, Corporate Governance Division
42. Agree a Governance Strategy to guide the Department's governance behaviours and activity in future years.	By December 2019, with implementation to follow thereafter.		£0.065m	Colin Woods, Corporate Governance Division

43. Oversee and promote good governance and accountability arrangements across all of the Department's Sponsored Bodies, including through: ensuring adherence to Framework Documents; approval of business plans; formal assurance reporting; and regular accountability meetings.	By March 2020		£0.802m	Colin Woods, Corporate Governance Division, and all Senior Sponsors
44. Deliver an effective system of internal assurance for the benefit of the Accounting Officer and Board, including formal assurance reporting, risk management procedures, and the work of internal and external audit.	By March 2020		£0.933m	Colin Woods, Corporate Governance Division
45. Implement a Departmental People Plan to respond to the findings of the DfE People Survey, with a range of specific actions and targets owned by all staff within the Department with a view to increasing the Department's Employee Engagement Index.	By May 2019		£0.137m	Wendy Johnston, Central Services Division
46. Effectively perform the role of Managing Authority for the delivery of European Regional Development and European Social Fund Programmes , to ensure that through appropriate governance and compliance with EC rules and regulations, financial allocations in excess of €1 billion are safeguarded.	By March 2020		£8.450m ⁷	Maeve Hamilton, EU Fund Management Division
47. To participate in relevant UK wide working groups to ensure that all operational issues are taken into account in EU exit planning and that impact on EU funded Programmes and projects is minimised following EU exit.	By March 2020		£0.093m	Maeve Hamilton, EU Fund Management Division

⁷ This will be financed using £7,283k of EC funding which is in addition to the DfE budget.

48. Ensure that provisional non-ring fenced outturn for each of Conventional Capital and Resource is at least 99%, but does not exceed 100%, of the final Budget. This will be completed through the effective operation of budgetary controls including the application of monitoring rounds.	By March 2020		£0.700m ⁸	Stephen McMurray, Finance Director
49. To monitor and deliver a business plan to assist with the delivery of the Presbyterian Mutual Society loan repayment within the agreed parameters.	By March 2020		£0.120m	Stephen McMurray, Finance Director
50. Provide strategic oversight for the delivery and governance of seven major Further Education capital build projects and the Systems Technology and Services (STS) IT project with a value £235m.	By March 2020	£44.011m ⁹	£1.000m ¹⁰	Beverley Harrison/Niall Murray/Sean Brolly (STS only), Further Education Division
51. Conduct an internal review of the Department's current EU Exit work programme, and develop proposals for the management of the EU Exit transition portfolio (to include the core Department and its ALBs) going forward	By June 2019		£0.050m	Mary McIvor, EU Exit Domestic Readiness Division
52. Undertake factual analysis of EU Exit issues and develop a clear understanding of related DfE stakeholder views in order that decision makers can be informed about the risks and opportunities for Northern Ireland as the UK prepares to leave the European Union	By March 2020		£1.445m	Paul Grocott, EU Exit Trade Negotiations Division
53. Coordinate input and analysis on a range of EU Exit issues including contingency plans, Common Frameworks, legislation, stakeholder engagement etc. to support delivery of services after Exit by the Department and its ALBs.	By March 2020		£2.163m	Mary McIvor, EU Exit Domestic Readiness Division

⁸ This is the total cost of the Budget Management Branch. It is not possible to extract the provisional outturn costs in isolation.

⁹ Includes £1.35m income from planned disposals

¹⁰ Relates to STS project only

<p>54. Continue towards completion of inspections at 100% of sites on the Non-Domestic Renewable Heat Incentive Scheme:</p> <ul style="list-style-type: none"> - Complete Phase 2 inspections at 250 sites. - Undertake inspections at a further 185 sites. 	By March 2020		£1.300m	Graham Miller, RHI Operations and Energy Co-ordination
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Indicators / performance measures we can make a difference in
Indicators of Success
DfE Staff Engagement Index
EU Drawdown Error Rates
Outturn as a percentage of budget

3. OUR PROGRESS

3.1 Key Performance Measures

The aim is that the actions/commitments outlined under objectives 1-5 of the Business Plan, and working in collaboration with our partner bodies, will help bring about improvements in a range of performance measures (indicators) identified in the draft Programme for Government and Industrial Strategy. Objective 6 is about our regulatory environment and Objective 7 is about our governance and management of resources. The most recent performance data available for relevant indicators is presented in the tables below. It is recognised that the nature of the indicators mean that improvements will take time, and that this business plan is focussed on actions to be delivered in 2019/20. The Department will continue to monitor and report on performance against the indicators in future years.

Strategic Objective - 1 Accelerate Innovation and Research		
Indicator	Description	Performance
Rate of Innovation Activity	% of companies engaging in innovation activity	Latest data is 2014-2016 which shows that 40% of firms engage in innovation activity.
UK Regional Innovation Ranking	NI Innovation Survey is subset of UK wide Innovation Survey based on proportion of innovative firms for the 12 UK regions.	NI Innovation ranking fell from 11th out of the 12 UK regions in 2012-2014 to 12th in 2014-2016.
Northern Ireland Research and Development Survey	Total expenditure on Research and Development in Northern Ireland.	Total expenditure on R&D in NI in cash terms was £759.2 million (m) in 2017. This was an increase of £23.3m (3.2%) in cash terms in NI total R&D expenditure between 2016 and 2017. Specifically, Business R&D spend rose by £18.9m (3.6%), with Higher Education and Government R&D spend increasing by £2.0m (1.0%) and £2.4m (13.2%) respectively.
Knowledge Economy Jobs	Supports direct, indirect and induced jobs locally.	In 2018, NI remained the 2nd fastest growing knowledge economy in the UK, for the fifth consecutive year. NI knowledge economy employment has grown at an annual average of 2% from 2009 to 2017, the 3rd fastest growth rate of the UK regions.
Business Start Up rates	The number of new businesses formed in NI.	In 2017, 6,855 new businesses were formed in NI, an increase of 15.5% compared to the previous year.

Strategic Objective 2 - Enhance Education, Skills and Employability		
Indicator	Description	Performance
Economic Inactivity Rate excluding students	The economic inactivity rate excluding students from NISRA's Labour Force Survey	Latest figures show that the inactivity rate excluding students has remained relatively unchanged from 2017 to 2018, standing at 20.0%.
Proportion of Workforce in Employment qualified to level 1 and above, level 2 and above, level 3 and above and level 4 above	Proportion of Workforce in Employment qualified to level 1 and above, level 2 and above, level 3 and above and level 4 above according to NISRA's Labour Force Survey	Proportions of the employed workforce qualified remain broadly unchanged in 2017 from the previous year. Level 1 & above - 89% Level 2 & above - 77% Level 3 & above - 62% (+1pp) Level 4 & above - 40% (+2pps)
Proportion of local graduates from local institutions in professional or management occupations or further study six months after graduation	Percentage of local graduates employed in professional/ management jobs or enrolled in further study 6 months after graduation.	A positive change in this indicator for 2016-17 at 75.5% relative to the previous year of 72.5%.
Proportion of graduates qualifying from NI Higher Education Institutions with an economically relevant STEM qualification	The number of students graduating from Northern Ireland Higher Education Institutions with Narrow STEM qualifications, as a percentage of overall qualifiers.	3,590 students in 2017/18 graduated with Narrow STEM qualifications, a decrease of 3.8% relative to the previous academic year. However, this accounted for 23.2% of total qualifiers in 2017/18 compared to 23.1% in 2016/17.

Strategic Objective 3 – Drive Inclusive, Sustainable Growth		
Indicator	Description	Performance
Employment Rate by Council Area	Employment rates in Local Council Areas	Rates remain mostly unchanged in 2017 relative to 2016. Antrim and Newtownabbey had the highest rate (76.0%) while Derry City and Strabane had the lowest rate (56.8%), compared to an overall NI average of 69.0%.
Employment rate of 16-64 year olds by deprivation quintile	Employment rates of working age individuals by multiple deprivation quintiles.	Rates have remained relatively unchanged in 2017 compared to 2016. The employment rate varied from 55.6% in the most deprived quintile to 77.6% in the least deprived quintile.
Seasonally Adjusted Employment Rate (16-64)	Results for seasonally adjusted employment rates for NI.	Rate has not changed substantially (69.3% in 2016 compared to 69.0% in 2017).
Jobs promoted via business start programme	RSI target of jobs promoted via the business start programme.	Over the 2018/19 period, 8 of the 11 councils exceeded their RSI target. In total, 1,805 jobs were promoted against a target of 1,625.
Annual Turnover of Businesses	Total turnover of NI businesses	According to the latest Annual Business Inquiry the total turnover of NI businesses in 2017 was £66.6bn, a decrease of 1.7% from 2016.
Total Early Stage Entrepreneurial Activity Rate	Northern Ireland's Total Early Stage Entrepreneurial Activity Rate according to the Global Entrepreneurship Monitor.	Rate was 6.5% in 2017, relatively unchanged from the previous year and there has been relatively little sustained change in this Indicator over time.

Strategic Objective 4 – Succeeding in Global Markets		
Indicator	Description	Performance
External Sales	External sales to markets outside Northern Ireland.	According to NI latest Broad Economy Sales and Exports Statistics (BESES) results, external sales to markets outside Northern Ireland fell by £2.4 billion (10.1%) to £21.4 billion in 2017.
Total External Spend by Visitors	Expenditure by external visitors in Northern Ireland.	Expenditure stood at £657 million in 2017, a 7% increase compared to 2016 (£613m).
Nation Brand Index	Northern Ireland's score on the GfK Nation Brand Index.	On a scale of 1 to 100 Northern Ireland's score was 58.71 in 2018, a decrease of 0.3 from the previous year.
Broad Economy Exports measure	Broad Economy Exports measure for NI.	Exports from NI in 2017 were valued at £10.1 billion, a 4.8% increase from the previous year and an increase of 11% compared to 2011.

Strategic Objective 5 – Building the Best Economic Infrastructure		
Indicator	Description	Performance
Proportion of premises with access to broadband services at speeds at or above 30 Mbps	Proportion of premises in Northern Ireland with access to superfast broadband	The proportion in Northern Ireland was 89% in 2018, an improvement of 4 percentage points from 2017. This represents a positive change in this indicator of success.

Strategic Objective 7 – Ensure the Department has effective governance, including programme and project management arrangements, and manages its resources, both financial and staff		
Indicator	Description	Performance
DfE Staff Engagement Index	The weighted average of the responses to the five employee engagement questions	2018-19 52%; 2017-18 50%
EU Drawdown Error Rates	Reducing the risk that funding is wasted and restricting the risk of error within a tolerable level.	2017-18 ESF: N/A (no claims) ERDF: 0.00% 2018-19 ESF: 0.82% ERDF: 0.22%
Outturn as a percentage of budget	The amount the department has spent as a percentage of its budget	2017-18 Non Ring Fenced Resource DEL: 99.5% Conventional Capital: 99.7% 2018-19 Non RF RDEL: 99.9% Conventional Capital: 99.9%

3.2 Monitoring of the Plan

Progress against this Plan will be formally monitored on a quarterly basis, with progress reports provided to the Departmental Board. Where necessary and appropriate, Report Cards will be maintained for those Actions contributing towards Outcomes and their associated Outcome Delivery Plans.

The indicative reporting schedule is set out below:

Reporting Period	Indicative Timing for Progress Report
Quarter 1 & 2 (April to September 2019)	October/November Board meeting
Quarter 3 (October to December 2019)	January/February Board meeting
Quarter 4 (January to March 2020)	April/May Board meeting
Year-End Performance Report (April 2019 to March 2020)	April/May Board meeting May/June Audit and Risk Assurance Committee meeting

HOW THE DEPARTMENT'S TOTAL BUDGET IS ALLOCATED



Summary per key policy areas	£million
Skills and Education	749.1
Economic Strategy and Development	159.0
Regulation	20.8
Energy	30.0
Other departmental spend areas ¹¹	51.8
Total	1,010.7

¹¹ Includes Departmental Salaries

APPENDIX B

DfE FAMILY OF BUSINESSES INCLUDING BUDGET ALLOCATIONS

In 2019/20 we have allocated £594.3m of our total budget to our sponsored and other bodies.



<u>Sponsored Bodies</u>	<u>Role of the Body</u>
<i>Non Departmental Public Bodies (NDPBs)</i>	
Invest Northern Ireland (Invest NI);	To grow the local economy by helping new and existing businesses to compete internationally, and by attracting new investment to Northern Ireland.
Northern Ireland Screen (NIS);	To accelerate the development of a dynamic and sustainable screen industry and culture in Northern Ireland.
Construction and Industry Training Board–Northern Ireland (CITB-NI);	Encourages the adequate training of those employed or intending to be employed in the construction industry and to improve the skills and productivity of the industry in Northern Ireland.
Tourism Northern Ireland (Tourism NI);	Responsible for the development of tourism and the marketing of Northern Ireland as a tourist destination to domestic tourists, from within Northern Ireland, and to visitors from the Republic of Ireland.
Health and Safety Executive for Northern Ireland (HSENI)	Promotes and enforces health and safety at work standards in Northern Ireland.
Consumer Council for Northern Ireland (CCNI)	Provides free, independent support and advice for all consumers and businesses in Northern Ireland. They also have powers to investigate complaints about energy, water, transport and postal services and undertake research to understand local consumer issues.
Labour Relations Agency (LRA)	To promote the improvement of employment relations in Northern Ireland.
Stranmillis University College	To identify, educate, and place highly qualified education professionals in schools and related professional settings. It also offers pre-service and in-service courses, undergraduate and postgraduate.
Further Education (FE) colleges: <ul style="list-style-type: none"> - Belfast Metropolitan College (BMC); - Northern Regional College (NRC); - Southern Regional College (SRC); - South West College (SWC); - South Eastern Regional College (SERC); - North West Regional College (NWRC): 	<p>The FE colleges are the main providers of vocational and technical education and training in NI and play a central role in raising levels of literacy and numeracy and in up-skilling and re-skilling through a broad range of courses.</p> <p>The colleges offer programmes which include foundation degrees, higher national diplomas, skills qualifications and level 3 diploma and certificates in a wide range of areas. They take a partnership approach in linking with employers and stakeholders. The six individual colleges develop their own links in their geographical area right across Northern Ireland.</p>
<i>Autonomous Higher Education Institutions</i>	
Ulster University	<p>A university with a national and international reputation for excellence, innovation and regional engagement, making a major contribution to the economic, social and cultural development of Northern Ireland.</p> <p>Their core business activities are teaching and learning, widening access to education, research and innovation and technology and knowledge transfer.</p>
Queens University Belfast	It is one of the leading universities in the UK and Ireland with a distinguished heritage and history. It conducts leading edge education and research focused on the needs of society. They

	are globally connected and networked with strategic partnerships across the world.
St Mary's University College	Provides degree programmes in teacher education – with the option to learn through Irish as well as English – and in Liberal Arts.
The Open University	Creates higher educational opportunities with no barriers to entry. Provides flexible, innovative teaching and understands the needs of part-time students. Their innovative, award-winning distance teaching credentials have seen over 2 million students receive an education, otherwise denied to them at campus-based universities.
North/South Bodies	
InterTrade Ireland	Helps small businesses in Ireland and Northern Ireland explore new cross-border markets, develop new products, processes and services and become investor ready.
Tourism Ireland	Responsible for marketing the island of Ireland overseas as a holiday and business tourism destination.
Other Bodies	
Office of Industrial Tribunal and Fair Employment Tribunal (OITFET)	Industrial Tribunals and the Fair Employment Tribunal are independent judicial bodies in Northern Ireland. The Industrial Tribunals, hear and determine claims to do with employment matters. The Fair Employment Tribunal hears and determines complaints of discrimination on the grounds of religious belief or political opinion.

GLOSSARY

ALBs	Arm's Length Bodies
Assured Skills	Programme which is funded by the Department for the Economy (DfE), seeks to assure potential investors, and existing employers considering expansion, that the skills they need to support a growing business can be found in Northern Ireland.
BEIS	Department for Business, Energy and Industrial Strategy
DE/DfE Transition of Young People in Careers 14/19	Strategy to support the transition of young people into careers by enhancing the 14-19 education and training landscape, so that our young people reach their potential and maximise their contribution to our economy and society.
DEL	Departmental Expenditure Limit
DEL Conventional Capital budget	Relates to the creation, purchase or sale of assets. It includes the purchase/construction of buildings, equipment and land. It also covers other items such as borrowing and principal repayments.
ERDF	European Regional Development Fund
ESF	European Social Fund
ESOL	English for Speakers of Other Languages
European Regional Development Fund	Aims to strengthen economic and social cohesion in the European Union by correcting imbalances between its regions.
European Social Fund	Aims to combat poverty and enhance social inclusion by reducing economic inactivity and to increase the skills base of those currently in work and future potential participants in the workforce
Further Education capital build projects	Ensuring that the further education estate is equipped to provide a quality learning environment capable of meeting the skills needs of the NI economy.
Gas to the West	Extending the natural gas network into the west of Northern Ireland
Horizon 2020	The biggest EU Research and Innovation Programme ever with nearly €80 billion of funding over seven years (2014-2020). The programme brings together all EU Research and innovation funding into one single programme
InnovateUS	Enabling small businesses, with fewer than 50 employees, to acquire the skills necessary to engage in innovation activities.
Matrix Panel	Bringing forward-focused advice on the future policies necessary for Northern Ireland to ensure economic growth and wealth creation through greater commercial exploitation of its science and technology capabilities.
NEET	Not in Education, Employment or Training
Non-ring Fenced Resource Departmental Expenditure Limit	Non-ring fenced is expenditure without specific restriction. Resource Departmental Expenditure Limit includes the most direct expenditure on providing services, e.g. higher education or tourism, reflecting continuing programmes financed each year. It includes public sector pay, operating costs and grants to other bodies.
Notional Student Loans Subsidy	Student loans are not made at commercial rates, Government subsidises them. The Notional Loans Subsidy reflects the fact that student loans are made at less than commercial rates, and

	adjustments to the value of the loan book. Treasury ring-fences this budget which means that it cannot be utilised elsewhere.
Outcomes Delivery Plan	Sets out the actions within the Programme for Government (PfG) that departments intend to take to give effect to the previous Executive's stated objective of improving wellbeing for all – by tackling disadvantage and driving economic growth.
Pathways to Success	Strategy to prevent exclusion and promote participation amongst young people that are not in education, employment or training (NEET), or at risk of becoming so.
Preparing for Success 2015-20	Provides the future direction of Careers education and guidance for the next five years and sets out the vision, aims, policy commitments and key actions to ensure delivery.
Project Stratum	Initiative to give premises access to superfast broadband capability in areas where there is market failure, funded predominantly from the Confidence & Supply Agreement.
Resource Ring-fenced budgets	Expenditure that is specific to a particular policy or programme and cannot be used for any other purpose. A ring-fence may be imposed by HM Treasury or locally by the Executive. This also includes depreciation/impairments and Student Loan Impairment.
Skills Focus programme	Provides an important service to meet the needs of employers through tailored skills provision, with Further Education (FE) Colleges as the Department's Non Departmental Public Body (NDPB), being the sole delivery arm of the programme.
SMEs	Small and Medium-sized Enterprises
SONI	System Operator Northern Ireland
STEAM	Science, Technology, Engineering, Art & Mathematics
STEM	Science, Technology, Engineering & Mathematics
Training for Success	Designed for young people aged 16 - 17, with extended age eligibility for young people with a disability up to age 22 and up to age 24 for those from an in-care background, Training for Success is all about giving young people the tools and confidence to find work.
UK Shared Prosperity Funding	The Shared Prosperity Fund was announced in July 2018 as UK Government's replacement for the EU Structural Funds programmes post EU Exit.
Youth Training Strategy	Outlines the future direction for youth training in Northern Ireland and sets out the new policy commitments and an implementation plan to ensure their delivery.