



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

10X DELIVERY PLAN 2023/24

JULY 2023

Permanent Secretary Introduction

This plan outlines work progressed across both the Department and partner organisations and sets out the work schedule that will be undertaken over the next year.

The difficulties of operating in the current environment are well known. I wanted to take this opportunity to outline how we are working through these administrative difficulties. In light of the continued lack of Ministers and the difficult budget decisions that have been required, I am more aware than ever of the responsibilities on civil servants to work in line with the Nolan Principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership.



Without an Executive, Assembly accountability does not function in the normal manner. Therefore, civil servants need to be much more transparent in the decision-making process to enable accountability. Publishing this plan is part of this effort to create a more open culture within DfE and our partner organisations. I know that much of this information could potentially be gleaned from different sources, by looking at the business plans of various different organisations. However, in a context where we do not have ministerial or committee scrutiny, I believe we must make it easier for those with an interest in our work to find out what departmental officials are doing.

Being objective about our current economic status is also important. Our economy remains a poor performer on a number of key measures. This is not to say that we haven't made progress but it does indicate that progress alone is not sufficient; we need a step-change in economic performance to be on a par with exemplar small advanced economies. We need a more productive and innovative economy and this enhanced economic activity must be diffused throughout the region. I think it is beyond dispute that we need to see dramatic change on this level of performance. This step-change in growth must also be inclusive in nature or else we will continue to see certain sections of society that simply do not benefit in the same way from the positive effects of a more productive and innovative economy.

At the same time, we also need to recognise the imperative of building an economy that is sustainable for future generations. If our economy is not environmentally sustainable, we know that the next generation will simply inherit further economic difficulties as well as environmental ones. The 10X "triple bottom line" of innovation, inclusive growth and sustainability therefore captures this need to think about these three issues simultaneously as we progress policies.

Having a core set of objectives that apply across the work of the entire Department and partner organisations is a new way of working for DfE. This is also the first time this Department has tried to do this type of plan - setting out workstrands that cut across the Department and partner organisations. This was a difficult exercise. As a Department, we and our partner organisations are more used to doing things in policy silos.

That cannot continue. We need to change approach to have a bigger scale of impact. We have to do better, and this is a first step in leading this change. It is not perfect, but if I wasn't willing to publish the imperfect, I would not be living up to the values of openness and accountability. The implementation of the recommendations of the Invest NI Review and reviews of other partner organisations will bring further change.

The public expenditure context is very difficult. This plan outlines what we can deliver in this financial year with the budget we have been allocated. The overall context has been set out clearly in the media and the scale of cuts has been clear to everyone in NI. This has created and is likely to continue to create real challenges for policy delivery.

In this role, I have been impressed at the value of our human capital – something which is often hard to define. I meet a wide range of people through doing this job. From the small business owners whose ambitions go far beyond Northern Ireland, to those running hugely successful social enterprises as a way of funding important work in their communities. The imagination and capability of our young people is inspiring when you spend time with them in FE Colleges and Universities, and I recognise the important work of our lecturers and other staff who dedicate themselves to seeing those young people progress. Within the Department I am constantly impressed by the dedication of our officials. Given all that we have been through in recent years, the desire to deliver public service deserves full recognition. Our current situation especially demands a lot from staff and I believe DfE officials have the capacity to deliver significant impact.

Introduction




This document sets out the delivery plan for the Department for the next financial year. This will act as the Department's business plan for the year ahead. We have structured this plan around our 10X Performance Management Framework as this is the overarching framework of what the Department and our delivery partners aim to achieve. This work will be advanced by all areas of the Department and our delivery partners, and this plan represents the first step in delivering on those objectives.

In the absence of an Executive and Assembly there needs to be greater transparency on policy delivery and this plan is an effort to make it easier for people to see what the Department will be focusing on over the next year. Some of this information will be available through other means, such as through the business plans of partner organisations but it can be a complex task to bring this together. For this reason this plan includes not only the work of the Department but also the work of our delivery partners. This is a new way of business planning for our Department and we will need to have a new way of monitoring performance to go along with this.

This publication is our first year of trying this way of communicating our work. This will assist in the provision of advice to a future Minister on what lessons can be learned and implemented in the next financial year.

In delivery of 10X there have already been many challenges, including delays due to the need to allocate staff resources to schemes to address the impact of Covid lockdowns. The budget challenges this year have delayed this work, as it was difficult to plan without knowledge of our budget position. Challenges are likely to delay us at times, however we remain committed to delivering on our objectives.

Our Objectives

Our objectives are:	
Innovation 	<ul style="list-style-type: none"> • Increase total R&D expenditure by 55% • Increase the number of R&D performing businesses by 450 • Increase number of innovation active firms to 55% of NI businesses • 10% of NI businesses receiving Innovation Accreditation • Increase proportion of individuals leaving NI HE institutions with first degrees and post-graduate qualifications in narrow STEM subjects from 24% to 27%
Inclusive Growth 	<ul style="list-style-type: none"> • Increase Northern Ireland Household Disposable Income above the SAE average while maintaining NI as one of the top performing SAEs in relation to the Gini-coefficient (a measure of income equality) • Close the employment gap between men and women; people with disabilities and people without; and most deprived area of NI and the least deprived area of NI • Increase the proportion of the working age population with qualifications at level 3 and above from 57.2% (2020) to 70%-75%
Sustainability 	<ul style="list-style-type: none"> • 80% electricity consumption from renewable sources • Greenhouse gas emissions 48% lower than baseline • Double the size of NI's low carbon and renewable energy economy to more than £2bn turnover

Our People

The Department has over 1,200 staff at various different grades as follows:

Analogous Grades	Headcount	FTE
Senior Civil Servant	28	27.44
Grade 6	8	7.8
Grade 7	125	120.08
Deputy Principal	291	274.29
Staff Officer	270	256.53
Executive Officer 1	227	202.07
Executive Officer 2	143	131.29
Administrative Officer	167	150.76
Administrative Assistant	26	23.3
Grand Total	1285	1193.56

Our Indicative Budget

The Department for the Economy (DfE) has been allocated funding of £772 million Resource DEL (RDEL) and £246 million Capital DEL (CDEL) for 2023/24. This represents a reduction of 1.3% against its 2022/23 year-end position. In addition, DfE's one-off savings, totalling £75 million, delivered in 2022/23, must now be replicated in 2023/24, and additional new pressures including pay and price must also be funded. When comparing the Secretary of State's budget to the Draft Budget 2022–25, DfE must deliver its services with £100 million less and in addition, fund pressures of £30 million identified for 2023/24. Therefore, DfE's overall resource spending power is reduced by £130 million, or 16%.

Partner Bodies

The Department has five partner bodies that focus on economic development:

- Invest NI
- NI Screen
- Tourism NI
- Tourism Ireland
- InterTradeIreland

We have twelve partner bodies that focus on education and training:

- Belfast Metropolitan College (BMC)
- Northern Regional College (NRC)
- North West Regional College (NWRC)
- Southern Regional College (SRC)
- South West College (SWC)
- South Eastern Regional College (SERC)
- Construction Industry Training Board (CITB) NI
- The Open University
- Stranmillis University College
- St Mary's University College
- Ulster University
- Queen's University Belfast

We have four partner bodies that focus on statutory responsibilities that are fundamental to the operation of our economy and labour market:

- Consumer Council for Northern Ireland
- Labour Relations Agency (LRA)
- Health and Safety Executive for Northern Ireland (HSENI)
- Office of the Industrial Tribunal and Fair Employment Tribunal (OITFET)

Opportunity for Change

In recent years businesses have faced a number of economic shocks, from the pandemic to the UK's exit from the EU and the surging cost of doing business. These have been hugely challenging for individual businesses and the stress and pressure on those managing businesses through these challenges should not be underestimated. Our businesses have shown resilience throughout and despite the recent challenges faced there are growing signs of optimism for the Northern Ireland economy. While NI did enter a technical recession in Q3 of 2022, it returned to growth in Q4 and that momentum has been sustained into Q1 2023 with economic output increasing by 1.2% over the quarter and by 1.7% over the year. The NI labour market also continues to perform well:

- the number of payrolled employees increased by 1.7% over the year to May 2023 (NI's increase was larger than that of the UK as a whole (1.6%));
- economic inactivity decreased by 2.0pps over the year (to 25.8%, 0.1pps below the pre-pandemic position);
- at 72.4% the employment rate is 2.1pps higher than last year (0.1 pps above the pre-pandemic position); and
- the unemployment rate decreased by 0.2pps over the year (now at parity with the pre-pandemic position).

The resilience of our private sector gives us a strong foundation to build on. The Head of the Civil Service has outlined the opportunity that we have to transform our economy through her *Our Giant Ambition* initiative. Our 10X objectives have been created to drive achievement of this transformational ambition.

We can also recognise the profound and stubborn economic problems we have. Our starting position includes:

- the highest rate of working-age economic inactivity in the UK for the past 30 years;
- the lowest median wage of the UK nations – over 8% lower than the UK average;
- the fewest people with third-level qualifications and more with no qualifications than the UK as a whole; and

- one of the worst performing UK regions in terms of productivity, 10-20%¹ below the UK average, and 40% lower than Ireland.

We need to marry the economic opportunities to the economic problems we face. We have seen how damaging dependence on diminishing fossil fuel markets has been to households, and the damage this brings to our environment. We can be part of the solution that helps our households, our environment and our economy. This will mean building on what's working, and driving towards achievement in areas where we need to do better. While we do this, we must look outward not only to international markets but also to learn from international best practice.

The realisation of these opportunities has the potential to transform our society. This is complex work and will require us all to think about all dimensions of the problem at once. The challenges and opportunities we face are long term, we will not achieve them over the course of one year. But we must start.

How will we deliver significant change?

Our 10X objectives provide clarity on what we need to achieve. Their ambition is challenging and will mean that we need to see significant change in our delivery processes. Delivering on our objectives will mean relentlessly pursuing these objectives and building mutually reinforcing policies and activities to support their achievement.

A significant proportion of the DfE budget is directed towards Invest NI, Further Education (FE) and Higher Education (HE) Institutions. Achievement of our objectives will require major contributions from all three. Work is underway on the implementation of the recommendations of the Invest NI Review. Work is also underway on a Review of the FE Delivery Model. We are also progressing the development of Outcome Agreements with our Higher Education Institutions to ensure that they contribute to our 10X policy outcomes.

The need to evaluate and review existing activities and policies and develop new policies and activities will involve significant development work including public consultation, for example on priority sectors, clusters and technologies where we have not had a policy previously. In parallel, we will also need to review current policies in place and evaluate the extent to which they contribute to 10X. These results will provide an evidence base for advice to an incoming Minister.

Robust systems and policies alone will not be sufficient to achieve the ambitious objectives we have set out. We also need 'buy-in' and in some cases cultural change within organisations towards achieving these objectives. Alignment with the Head of the Civil Service priorities of *People, Planet, Prosperity* should also help us work with other departments to identify common priorities.

¹ Latest ONS regional labour productivity estimates (June 2023) report NI output per hour worked as 10.6% lower than the UK average – an improvement from 15.8% lower in 2020 and 17.7% lower in 2019.

Government alone will not achieve what we have set out here. The private sector has an important role to play and we will need to collaborate with business on the shared priorities which align to 10X objectives. We know that we already have very strong performers, whether in investing in new processes or products, recruiting a more diverse workforce or investing in becoming more environmentally sustainable. On many issues, business has led the way. There is common interest between government and business on many of these issues. In all of these things we also recognise that businesses will learn more from one another than they will learn from government. We need those who are already active in developing best practice in their own business to communicate and lead on these issues so that others can learn from them. The decisions made in individual businesses have the potential to transform our economy.

What would a changed economy look like?

Our 10X objectives set out what we need to achieve to transform our economy. Achieving these would mean that we would have a more innovative economy displaying characteristics such as Denmark. This ultimately will result in higher paying jobs and greater GVA per capita.

Achieving our inclusive growth objectives would mean a performance like Switzerland. What this means for people is that households have much higher disposable income. For women and people with disabilities this means that there are not big employment gaps when compared to men and people without disabilities respectively. Ultimately this means that more people are benefiting from economic growth that is dispersed in a more equitable manner across NI.

Achieving our sustainability objectives would mean a performance like New Zealand or Sweden. This would see households witnessing energy prices that are decoupled from fluctuating international fossil fuel prices. It would also see households and business with a lower carbon footprint. The wider net zero journey is one that every economy is on, and we will keep looking for benchmarks of how we can improve.

Achieving on all three would mean that we create an NI economy that is genuinely one of the best small advanced economies in the world. There is no doubt that this is a difficult task, but it is possible.

Delivery Plan

This plan encompasses only the work that will most directly contribute towards achievement of 10X objectives. It does not describe the totality of work that will be undertaken within the Department. There is of course a range of other activity undertaken by the Department and our partner organisations where we deliver on statutory commitments that underpin the operation of the economy (e.g. the work Trading Standards Service, Health and Safety Executive for Northern Ireland, Consumer Council, and Industrial Tribunals). These statutory commitments also include resourcing the ongoing delivery of the non-domestic RHI support scheme.

The plan is divided into sections, with actions grouped under the pillars that they most strongly relate to:

- Innovation
- Inclusive Growth
- Sustainability
- Cross-cutting policy

Delivery of each of these 10X pillars is led by workstreams within DfE, but it is important to note that each relates to activity across the whole of the Department and its partner organisations. The actions set out under each section reflect a consistent approach to delivery, with the actions reflecting the differing focusses of each workstream and its stage of development.

Whilst some interventions cut across more than one area of focus, for the purposes of avoiding duplication they have been included within the pillar in which they are deemed to contribute most significantly.

Common goals with other Departments

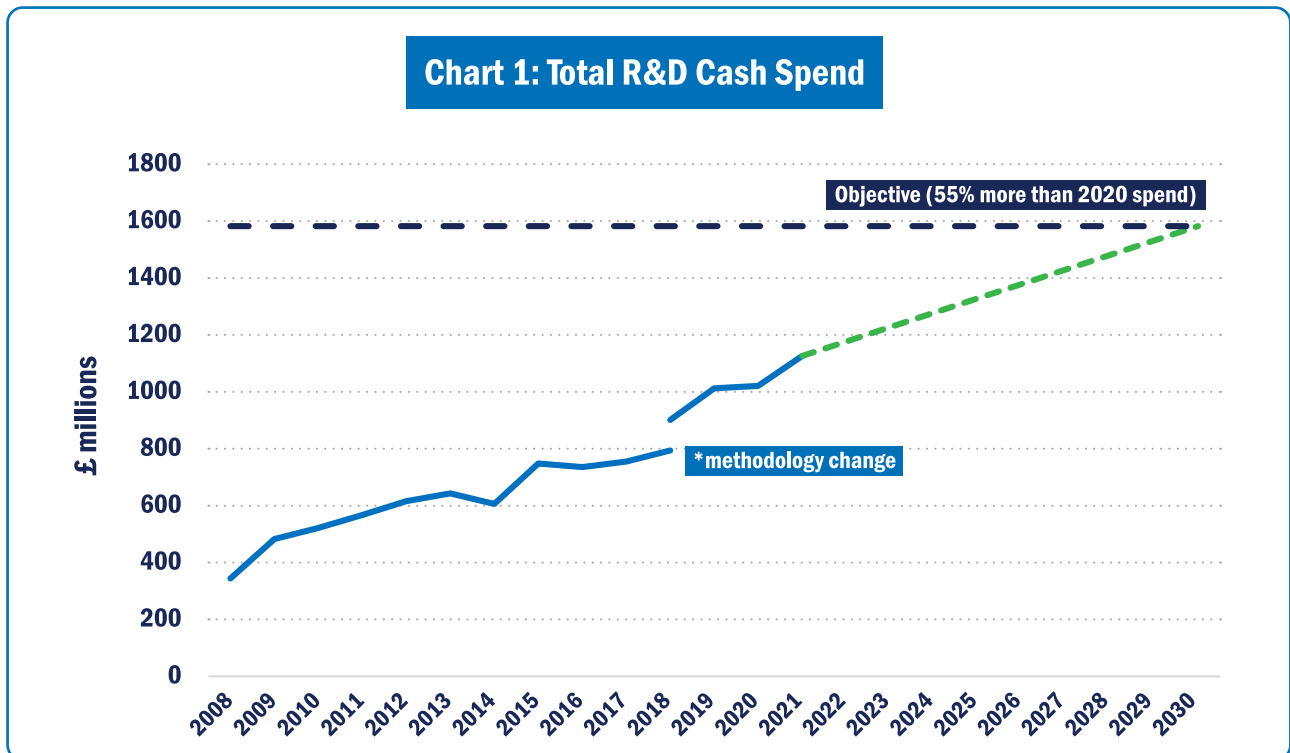
There are areas where to be most effective our work will need to integrate with the work of other departments. We appreciate that increasing work with other departments to ensure our activities support one another will also deliver greater positive impacts than departments working alone. In many cases this work is ongoing and the structures already exist to enable departments to work together towards a common goal, for example on climate change. While this work is ongoing, we cannot commit other departments to specific actions, and so this work is not described here.

Performance Against 10X Objectives

We have set out our objectives and the wider series of performance metrics that underpin this. The following charts provide a visual indication of the challenge or current performance on some of our objectives or metrics. An awareness of the need to improve performance goes to the heart of our mission on 10X. We are currently working on building better systems of performance monitoring to enable us to gauge performance throughout the year. Many indicators are only available annually and so there is a body of work needed to identify leading indicators that can be used to indicate progress.

Innovation

The chart below (Chart 1) shows the total cash spend on research and development in Northern Ireland. This incorporates business, higher education and government Research and Development (R&D). A methodological change from the ONS has resulted in R&D spend figures being revised upwards from 2018 onward.



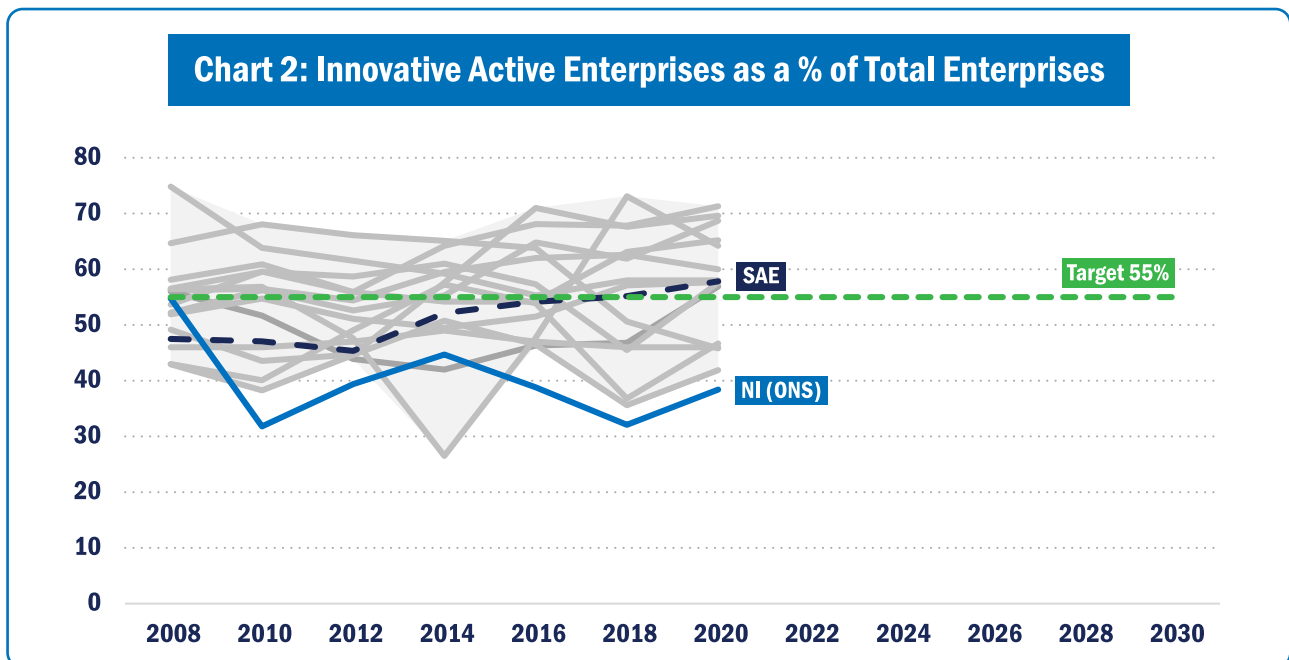
Sources:
[NISRA NI Research & Development 2019 Detailed](#)
[NI Research & Development 2021 Detailed Results](#)

Work is ongoing in the Department to consider the outworking of the ONS revisions of R&D statistics and whether we need to revise the targets set before ONS revised these figures.

Robust revisions to business R&D expenditure estimates are currently only possible at the NI level. The most recent edition of the R&D Survey therefore does not include a breakdown of revised R&D spend by NI sub-region. Previous editions of the R&D Survey (using unrevised estimates) have shown significant gaps in relative business R&D expenditure between different NI sub-regions. Council areas such as Belfast, Mid-Ulster and Armagh City, Banbridge & Craigavon typically outperform the NI average in terms of business R&D spend as a proportion of total sub-regional output (average of 1.8%). Causeway Coast & Glens, Mid & East Antrim and Fermanagh & Omagh typically see lower ratios of expenditure to total regional output (0.7% average).

It is likely that such gaps in performance will remain apparent when revised sub-regional R&D spend estimates are published. While some sub-regions will continue to outperform the NI average (due to a tendency for R&D performing firms to cluster), improving the performance of areas that have traditionally not had as many R&D performing firms will be important to ensuring that the benefits of such activity are as widespread as possible.

If we are to deliver our 10X aims and objectives then we will need all businesses to engage in more types of innovation activity to help them become more productive. The chart below (Chart 2) shows that our performance on this measure is at the bottom of the league table of small advanced economies.²

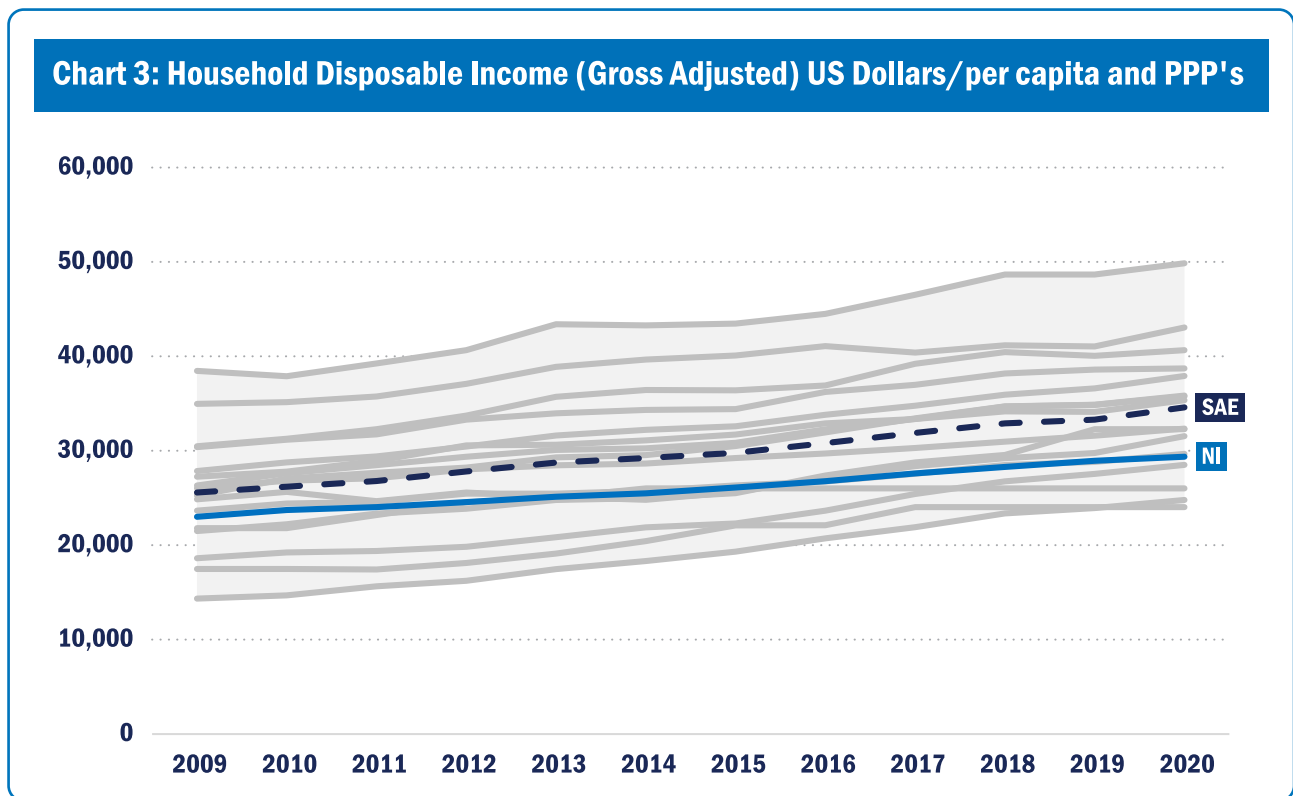


Sources:
[Eurostat \(Statistics | Eurostat \(europa.eu\)\)](https://ec.europa.eu/eurostat/)
[Gov.UK Innovation Survey \(UK Innovation Survey - GOV.UK \(www.gov.uk\)\)](https://www.gov.uk/government/collections/innovation-survey)

² Note that issues of comparability may exist between ONS data (UK regions) and Eurostat. More detail on the group of small advanced economies is available in DfE, [Measuring Success 10X Metrics to Achieve a 10X Economy](#).

Inclusive Growth

Our overall objective under inclusive growth is to increase household disposable income to the small advanced economy average while not worsening our performance on income equality in society (Gini coefficient). Chart 3 shows our performance compared to other small advanced economies since 2009 on household disposable income. We consistently rank below the average for the small advanced economy group.



Sources:

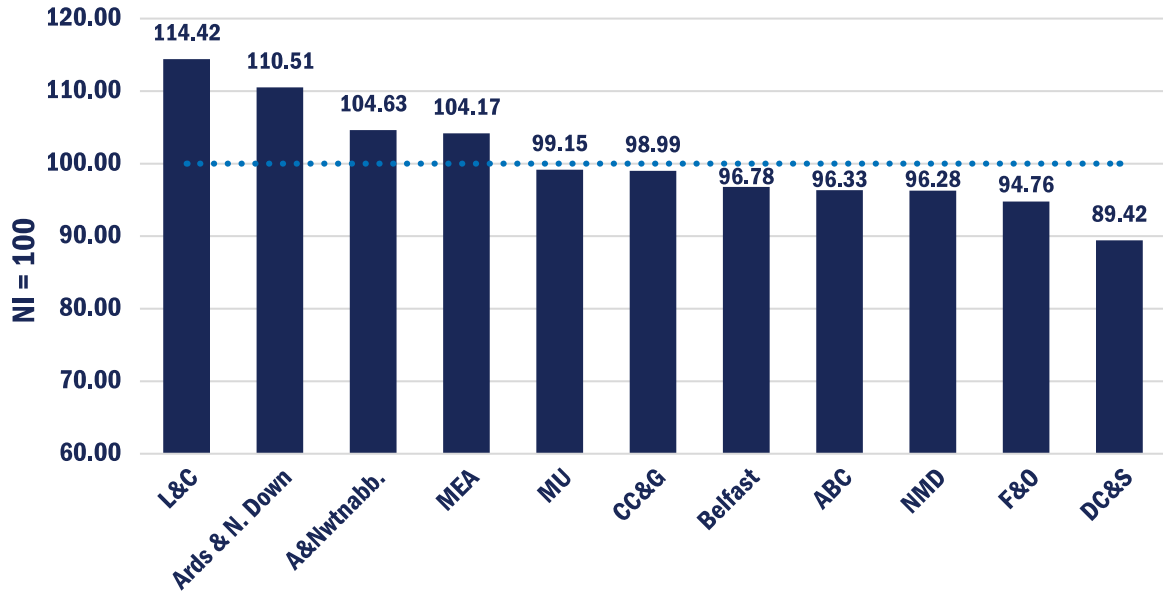
OECD [Household accounts - Household disposable income - OECD Data](#)

ONS GDHI <https://www.ons.gov.uk/economy/regionalaccounts/grossdisposablehouseholdincome/datasets/regionalgrossdisposablehouseholdincomegdhi>;

ONS regional price differences [Relative regional consumer price levels of goods and services, UK - Office for National Statistics](#)

We know that there are also significant differences across NI in terms of household disposable income. Chart 4 below plots gross disposable household income per head for each NI Local Government District relative to the NI average (£17,301 in 2020). There is a 25% difference between the LGD with the highest average disposable income (Lisburn and Castlereagh) and the lowest (Derry City and Strabane), equivalent to £4,325 per year (£360 per month).

Chart 4: Household GHI Per Head Relative to NI Average (2020)



Sources:

[ONS](#)

[Regional gross disposable household income, UK - Office for National Statistics \(ons.gov.uk\)](#)

Sustainability

Chart 5 shows NI emissions have decreased by 6.8 MtCO₂e (23%) since the base year (1990). They have to decrease by a further 7.3 MtCO₂e to meet the target of an overall 48% reduction from the base year.

Chart 5: NI Greenhouse Gas Emissions

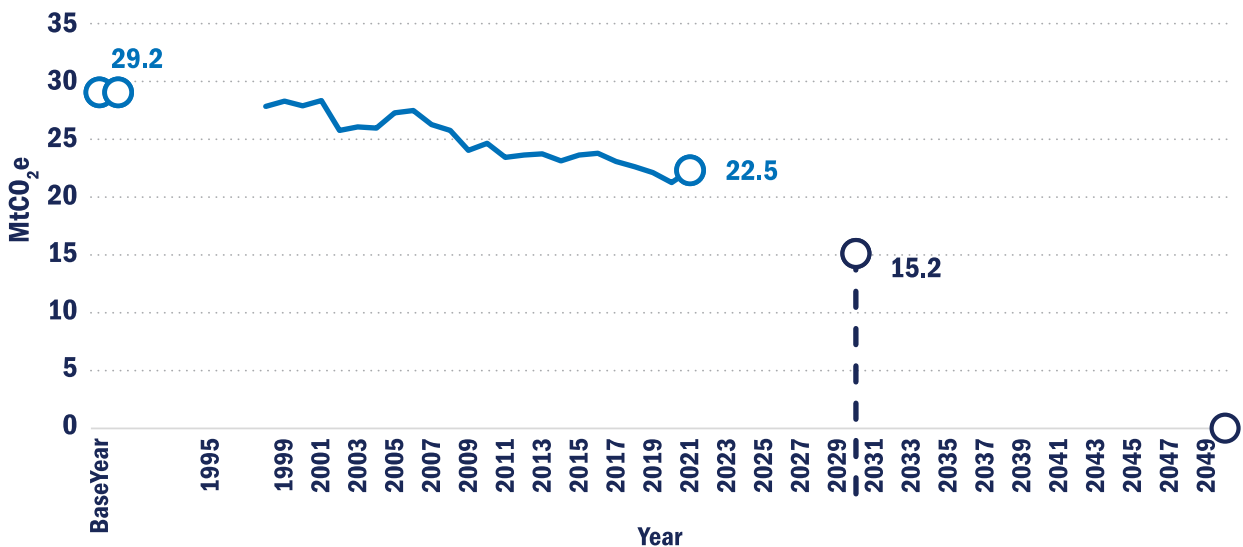
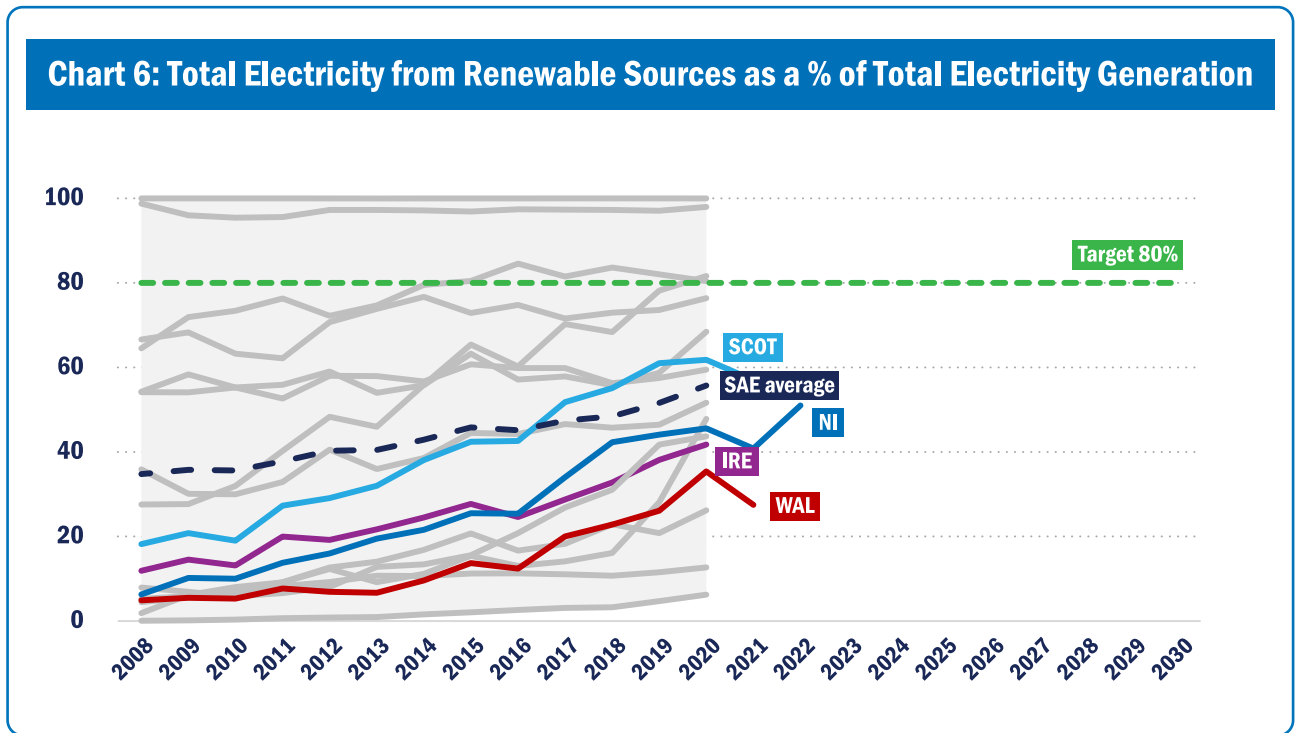


Chart 6 below shows total electricity generated from renewable sources as a percentage of total electricity generation. The NI performance is set against the performance of other small advanced economies. We can see here that we need significant step change in performance to achieve our 80% target by 2030.



Sources:

IRENA Renewable Energy Statistics [Renewable Energy Statistics 2022 \(irena.org\)](https://www.irena.org/publications/2022/01/renewable-energy-statistics-2022)

Gov.uk Electricity Generation and Supply [Energy Trends: December 2022, special feature article - Electricity generation and supply in Scotland, Wales, Northern Ireland and England, 2017 to 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/energy-trends-december-2022-special-feature-article-electricity-generation-and-supply-in-scotland-wales-northern-ireland-and-england-2017-to-2021)

DfE Electricity Consumption and Renewable Generation [Electricity Consumption and Renewable Generation in Northern Ireland \(economy-ni.gov.uk\)](https://www.economy-ni.gov.uk/electricity-consumption-and-renewable-generation)

Innovation

What is 10X Innovation?

Innovation is “doing something different that creates value”.³ In its most basic form, innovation simply means the development of creative ideas into new products, services or ways of doing things.

When thinking about 10X Innovation, we must go beyond ‘just technology’. Whilst innovation includes areas like emerging technologies, and digital advancements, it also includes process improvements, data and analytics, skills and talent, flexible delivery and introducing new more agile ways of working, to name a few.

The 10X Vision places innovation at the heart of economic policy, with innovation acting as an engine for growth with positive outcomes for all our people and places.

The overarching objective for innovation is for “Northern Ireland to have a high performing economy driven by innovation underpinned by high levels of collaboration across business, academia, government and civil society”.

Fundamental to delivering this objective will be increasing total R&D expenditure by 55% by 2030.

10X Indicators

The [10X Performance Management Framework](#) sets out indicators that will enable the Department to highlight its performance in achieving innovative growth. The Tier 1 innovation indicators are set out below:

1. Gross expenditure on R&D (GERD)
2. Innovation-active enterprises
3. Tertiary level educational attainment
4. Labour productivity

These and the Tier 2 metrics underpin the 10X objectives for innovation-led growth, measured by:

1. Total investment in R&D
2. Number of R&D performing businesses in NI
3. Percentage of innovation-active businesses as per the Innovation Survey
4. Number of NI Businesses with an Innovation Recognition
5. The proportion of individuals leaving Northern Ireland higher education institutions with first degrees and postgraduate qualifications in narrow STEM subjects

³ Forbes – Back to Basics: What is Innovation?

Innovation Policy Development

During 2022/23 the Department's Innovation Workstream has, through engagement with key partners and working with a dedicated Co-Design Group, identified three areas of focus which will collectively help drive a more innovative economy. These focus areas are aligned with the 10X objectives for innovation growth set out above.

- Research and Development – increasing our R&D activity to support those areas of strength where NI can be a global leader, and in turn, support our whole economy and people.
- Innovation Driven Enterprises – increasing the pipeline in the formation and development of high growth technology driven companies in NI will be central to our future competitiveness and prosperity.
- Comprehensive Innovation – expansion of innovation is needed for more businesses beyond innovative and knowledge intensive sectors and into those sectors that typically innovate less or have lower productivity.

The three areas of focus do not sit in isolation but are interconnected with success in one area relying on success in the others. The actions set out in this plan provide a balance between these three key areas, as well as aligning with a series of supporting innovation policy enablers which are areas we recognise we have to improve on in order to overcome challenges and barriers to innovation.

- Better promotion of, and signposting to, innovation support for businesses across all stages of their innovation journey.
- Increased collaboration between support providers to enhance support offerings, reach a wider audience and avoid duplication of support.
- Making the most of our skilled and talented people to support innovation and ensuring that we have the right pipeline of skilled individuals to support specific needs of innovating companies.
- Making better use of funding and increasing the number of applications to, and success in, competitive calls from NI businesses.
- Building a world class innovation ecosystem with better Public Sector Leadership to bring together its many actors and contributors.
- Supporting more effective technology adoption for businesses to improve processes, reach new customers or reduce costs.
- Promoting an enhanced culture of innovation in the workplace to encourage and value new ideas.

The areas of focus are complemented by work being undertaken within the Department's skills portfolio. Skills and innovation go hand in hand and there are synergies to explore including the role of human capital and the skills of the workforce in driving innovation, how digital skills will help shape success and the importance of enhancing our entrepreneurial cultural ambition to grow innovation driven enterprises.

We also recognise that innovation policy should not be developed in isolation from our trade and investment policy. Our investment in innovation won't have transformational impact without the transmission mechanism of internationalisation, through trade and investment. Similarly, export promotion will be constrained if innovation capability in Northern Ireland is not supported. That is why we are seeking to ensure that export promotion is integrated fully into our enterprise policy activities, notably around innovation policy.

The actions outlined below contribute most directly to innovation, however, we also want to ensure that they contribute strongly on inclusive growth, sustainability and sub-regional economic development.

Interventions in the Delivery Plan

Extensive activity is being undertaken within the Department, its delivery partners and partner organisations which contributes both directly and indirectly to innovation. This plan captures the major contributors towards our innovation objectives and metrics. It is not possible to reflect all activity within this plan. These wider actions will be captured within supporting divisional plans, and delivery partner and partner organisation business plans.

The interventions within this Delivery Plan have been assessed for how they align with the 10X innovation areas of focus; how they will impact upon the innovation indicators set out in the 10X Performance Management Framework and the wider supporting policy objectives.

They have been categorised into four areas:

- the three innovation areas of focus; and
- Skills and Talent.

Achieving a marked change in innovation performance requires us to not only build upon success in this area to date but also to do something different to what we have already been doing, recalibrating existing actions to ensure they are more 10X focused, and developing new actions where there are gaps, challenges and opportunities. The actions in this Plan therefore are a mixture of existing, recalibrated and new actions.

Actions 2023/24

Action 1 Improving our Research and Development performance

R&D is an essential component of a strong and sustainable economy. Actions within this section are focused on increasing our total R&D expenditure in Northern Ireland as well as the number of R&D active companies. Achieving our R&D objectives will require substantial increases across Business, Higher Education and Government R&D expenditure, with particular need for an increase across Business expenditure given the current financial landscape. Increased R&D activity will support those areas of strength where Northern Ireland can be a global leader and, in turn, support our whole economy, providing opportunities for all our people. That is because investment in R&D helps drive increased innovation, leads to increased productivity and higher levels of economic growth. Additionally, increased R&D activity can also lead to a range of wider societal and economic benefits.

R&D jobs are typically better paid and higher skilled jobs which further helps to boost investments, ignite job growth in the economy and provide opportunities for all our citizens. Increased levels of R&D will also create greater business resilience, which is especially important in times of economic crisis. Initiatives to meet our sustainability objectives will also contribute to this goal, particularly work on the Green Innovation Challenge Fund and Hydrogen demonstrator and accelerator.

Action 1.1 DfE – Develop an Innovation Partnership with Innovate UK

Working with Innovate UK to establish a strategic collaboration on an Innovation Action Plan for Northern Ireland, building on the work we have done together in areas such as the 'Blue Zone' strategic agreement. This new Action Plan with Innovate UK will focus on increasing our R&D activity to support those areas of strength where NI can be a global leader, and in turn, support our whole economy and people. Working with Innovate UK and local partners we will drive innovation activity across Northern Ireland while embedding inclusive growth and sustainability across the strategic collaboration interventions.

Action 1.2 Invest NI – Using its programmes to support companies to invest £70m - £90m in Research and Development

Provide support to encourage businesses to develop new products, processes and services to improve company competitiveness and drive increased productivity to benefit the NI economy.

Action 1.3 Develop and deliver City and Growth Deals

This is part of the UK government's levelling up agenda to promote sub-regional economic growth, with a total estimated investment of £1.3 billion in Northern Ireland, it is a key priority for DfE and the Executive. DfE is the department accountable for innovation, digital and tourism projects. Across 2023/24 Invest NI aims to work with delivery partners to support 6 - 10 Innovation & Digital projects and secure total investment of £100m - £140m.

Action 1.4 Invest NI – Support 10 - 20 Companies to invest in Research and Development for the First Time

Through Invest NI's bespoke R&D programmes, proactively identify and support companies to invest in R&D for the first time to drive successful commercialisation and realise increased competitiveness and productivity. Focus on those companies located in areas of NI and/or from sectors with historically low rates of R&D activity.

Action 1.5 DfE – Deliver Quality-related (QR) Research Funding

Supports the research infrastructure for universities to maintain dynamic research bases and distribute funding according to strategic priorities. Most funding is distributed according to universities' performance in the Research Excellence Framework (REF).

Action 1.6 Invest NI – Develop and Deliver the Artificial intelligence Centre (AiCC)

Proposed £16.3m centre delivered by Ulster University in partnership with Queen's University, AiCC will focus on technology diffusion and upskilling. It will have 4 workstreams: Community and Collaboration, Talent Pipeline and Future Workforce, Research and Innovation Services and Data Accessibility, Governance and Ethics.

The centre will address market failures concerning lower levels of AI awareness and activity in Northern Ireland, through targeted actions to increase the adoption of AI by 15% over 5 years and to secure £10m of AI related R&D investment. The Centre will work closely with other AI-related City & Growth Deal projects, such as Momentum One Zero (formerly GII) and the Cognitive Analytics Research Laboratory (CARL).

Action 1.7 DfE – Deliver the US-Ireland Research and Development Partnership

Designed to increase the level of collaborative R&D among academic researchers in US, Ireland and NI. The agreed tri-jurisdictional focus is on nanotechnology, sensors, telecommunications, energy and sustainability, and cybersecurity.

Action 1.8 DfE – Deliver the Collaborative Research Support Fund (Horizon Europe)

Horizon Europe is the EU's competitive R&D and Innovation framework programme. Through the Collaborative Research Support Fund, a range of hands-on support, guidance, practical information, and assistance on all aspects of participation in Horizon is provided to all potential NI applicants interested in engaging with the programme which aligns well with the priority clusters and technologies of 10X. The aim is not only to increase the level of NI activity but to enhance the quality of applications submitted ultimately leading to success from the programme.

Action 1.9 DfE – Deliver the Small Business Research Initiative (SBRI)

Pre-commercial procurement model, which enables public sector bodies to connect with technology organisations to stimulate innovative solutions to specific challenges and needs. DfE offers funding for the public sector to draw money for R&D and innovation activities.

Action 1.10 DfE – Deliver the Digital Catapult NI (DCNI)

Focuses on the provision of expertise and knowledge services to Northern Ireland's SME sector. Aims include supporting NI companies through the application of AI and immersive technologies, become recognised as a UK Centre of Excellence for immersive technology and develop a support ecosystem for early adopters of machine learning and AI.

Action 1.11 DfE – Deliver signature innovation projects, and ensure they are delivered in line with the inclusive growth aims

Work with other departments, delivery partners and partner organisations to identify and assess the viability of new high profile strategic and innovative projects within Northern Ireland.

Action 1.12 NI Screen – Increase R&D spend from screen industry

Increase annual R&D funding to approximately £2m to support new products and new processes to encourage new activity such as using augmented reality production tools in animation process.

Action 2 *Enabling more businesses across the economy to become innovative*

Companies who invest in innovation demonstrate greater job growth, more exports and a greater rate of survival, but with just 38% of businesses in the most recent innovation survey being classified as innovation active it is essential that we increase this proportion. This will go far beyond Research & Development (R&D) active companies and into the wider business base. We will be looking to encourage innovation beyond traditional R&D intensive sectors, including those identified as our 10X priority clusters and technologies, and into those sectors which are important for our economy but typically innovate less or have lower productivity, for example tourism and some elements of retail. We want to see more of our business base getting involved in innovation, whether that be by introducing innovative services or processes within businesses, the adoption of new technologies or new product development, developing new skills and talents which deliver new, more efficient ways of working and agile ways of thinking about business management and growth.

In an SME-rich economy, there are a number of challenges and barriers to address in doing this, including supporting our smaller businesses, start-ups and entrepreneurs to take their first steps into innovation via provision of the right support and guidance. The overall aim is that by widening the scale and profile of businesses engaged in innovation, the pipeline of businesses who will move on to become R&D active and Innovation Driven Enterprises, and thus increase the number of value-added jobs and NI's productivity, will increase.

Action 2.1 Invest NI – Encourage 350 - 400 companies to complete Innovate NI's Innovation Assessment and receive a level of recognition

Expand the Innovate NI Innovation Recognition (previously accreditation) Scheme to raise awareness of the importance of innovation, identify pathways and provide support for businesses to engage in innovation. Action will be targeted at delivering the 10X contributing objective of 10% of NI businesses receiving an Innovation Recognition by 2030.

Action 2.2 Invest NI – Utilising its programmes to support companies to invest £15m - £20m in innovation

Support to encourage businesses, particularly micro and small businesses and including those within the wider business base, to improve and develop new products, processes, systems and services to increase their competitiveness and productivity to the benefit of the entire NI economy. Programmes include Innovation Vouchers, Knowledge Transfer Partnerships, eBusiness, and Technical Development Initiative.

Action 2.3 Invest NI – Design, develop and launch a new Business Innovation Grant

Utilising NIO funding, deliver support to the wider business base of micro and SMEs across Northern Ireland to encourage them to innovate for the first time and, for those who are already innovating, provide the right support at the right time on their innovation journey to help deliver success. This funding is unique in that no other NI fund in place provides support which is directly aligned to planned activities of the Innovate NI innovation framework.

Action 2.4 Invest NI – Deliver bespoke productivity-focused interventions to support NI businesses to increase their competitiveness and profitability

Through a commitment to innovation, support businesses to review their operational approach, to identify and address barriers to efficiency, and improve their competitiveness and growth potential by implementing sustainable productivity improvement tools and techniques.

Action 2.5 InterTradelreland – Deliver Innovation Boost Programme

Technology transfer programme providing business with new products or process developments and access to three-way partnerships, including a third level knowledge centre with specialist expertise and high-calibre science or technology graduates.

Action 2.6 Invest NI – Develop and deliver the Complementary Fund – Digital Transformation Flexible Fund (DTFF)

Aligned with City & Growth Deals, establish a capital grant fund to support micro and SME businesses across Northern Ireland to invest in capital equipment (hardware, software/ bespoke system development) critical to strategic digital transformation ambitions.

Action 2.7 InterTradelreland – Deliver the Synergy Programme

Cross-border cluster/network collaboration programme that aims to solve common problems through innovation and capitalise on joint opportunities that exist in NI and Ireland.

Action 2.8 Invest NI – Develop and introduce a new productivity-focused SFA intervention

In line with the recommendations of the Independent Review of Invest NI and the 2022 evaluation of its Selective Financial Assistance (SFA) scheme, Invest NI will work with DfE and DoF to develop and launch a productivity-focused investment strand of SFA to support companies to invest in new technology, machinery, processes and equipment. This initiative will learn from the COVID response Productivity Investment Capital Grant scheme. Suitable cost controls and hurdle rates for projects will be developed to ensure VfM.

Action 2.9 DfE – Connected Programme

Continue to deliver this knowledge exchange programme, giving businesses (particularly SMEs) access to a full range of services from the HE and FE sectors to assist in their innovation journey, with a view to enabling HE and FE sectors to identify and meet the knowledge exchange needs of businesses and the needs of the wider community.

Action 2.10 DfE – Higher Education Innovation Fund

Continue to provide the HEIF to encourage the higher education sector to increase their capability to respond to the needs of businesses and the wider community, thereby improving Northern Ireland's innovation performance.

Action 2.11 InterTradelreland – Future Programme

Rescoping of All Island Innovation Programme (innovation diffusion & capability development activities to SMEs) to engage in collaborative innovation activities.

Action 2.12 Tourism NI – Tourism Innovative Growth Programme

A new pilot scheme in development to drive competitiveness and productivity in tourism businesses. Participants will be encouraged to engage with Innovate NI so their innovative activity is formally recognised, with support aligned across the two schemes.

Action 2.13 Tourism NI – Experience Development Programme

Support to tourism experience providers with an increased focus on innovation and sustainability. Direct links will be made with the Innovate NI framework where appropriate. A subset of businesses will participate in an accelerated growth initiative which will seek to optimise business performance and drive long-term growth.

Action 2.14 Tourism NI – Tourism Enterprise/Industry Development

Supports the delivery of 10X objectives through masterclasses, workshops and advisory sessions. There will be a focus on innovation in a tourism context, using external experts and mentors. Individual workstreams will be delivered to meet the needs of specific segments of the tourism sector.

Action 2.15 DfE – Peace Plus

Provide policy input and support to exploit the funding opportunities from the Peace Plus programme, aligning with the aims of Comprehensive Innovation and innovation more broadly.

Action 2.16 DfE, FE and Invest NI – Shared Prosperity Fund

Provide policy input and support to the implementation of the UK Shared Prosperity Fund under investment priorities of Communities and Place, Supporting Local Business, and People and Skills. This will include exploring opportunities for collaboration with City and Growth Deal partners.

Action 2.17 NI Screen – Studio Ulster

Development of Ulster University’s Studio Ulster, the virtual production centre of excellence at Belfast Harbour Studios. Studio Ulster is the only industry/academia collaboration to maximise the application of virtual production in the UK. These technologies are designed to promote inclusive economic growth, including the creation of 470 new jobs in the screen sector and an increase in the economic measure, Gross Value Added (GVA) of £374.6million. Invest NI will work in partnership with the project promoters and NI Screen to attract additional international partners, jobs, collaborative R&D investment and contribute to the collaborative work led by Belfast Region City Deal (BRCD), to upskill the industry.

Action 3 *Making Northern Ireland a world leading place for Innovation Driven Enterprises to establish and prosper*

Northern Ireland has a proud and rich history of innovation and entrepreneurship, but our comparative performance over the past decade has lagged behind the rest of the UK and other small advanced economies, with historically low numbers of tech start-ups, scale-ups and high growth companies compared to other higher performing UK regions. Whilst we now have the highest share of start-ups reaching £1million turnover of all the UK nations, as well as the second highest rate of businesses scaling to £3million, in terms of high growth, we remain lagging behind both England and Wales.

Two of our closest economies, Scotland and the Republic of Ireland have placed, or are positioning, high growth technology Innovation Driven Enterprises (IDEs) at the forefront for their continuous or future economic prosperity. Ireland is currently ranked in the top five competitive regions in Europe due to its focus and support for digital and deep technologies sectors over the past decade.

There are many companies in NI that are already at the leading edge of technology, and have built significant technology hubs in Northern Ireland that showcase internationally the deep technology and engineering capability in our ecosystem. We also have some outstanding locally built and globally ambitious companies. These are in a range of sectors including software, FinTech and life sciences.

Building on our own thriving innovation technology ecosystem, we are seeking to improve the birth rate, growth and the health of innovation-driven entrepreneurship and enterprises here.

Action 3.1 Invest NI – Through the delivery of its bespoke Access to Finance Solutions support 80 – 120 IDEs to invest £40m - £60m in their future growth

Invest NI Access to Finance programmes aim to provide entrepreneurs in Northern Ireland, from early-stage conceptual businesses to established innovation driven enterprises, with the finance they need to achieve their growth ambitions.

Action 3.2 Invest NI – Support the growth of 10 - 15 High Potential Innovation Driven Start-ups

Utilising Invest NI's financial interventions, support innovation-driven start-ups with high-growth potential to accelerate their growth and create the high-growth businesses of the future.

Action 3.3 DfE/Invest NI – Develop and Deliver the Regional Entrepreneurship Acceleration Programme (REAP)

DfE to research and develop an Entrepreneurship Strategy. This will include consideration of a “backbone organisation” that will be developed in consultation with the REAP group. REAP will seek to generate more and better NI IDEs by forging a bespoke, more proactive eco-system which focuses support on IDEs, both digital and deep tech.

Action 3.4 Invest NI – Review and Relaunch the Proof-of-Concept Programme

Supports the pre-commercialisation of new technologies developed in Northern Ireland’s research organisations – Queen’s University Belfast (QUB), Ulster University (UU), Agri-Food and Biosciences Institute (AFBI), and NHS Health and Social Care Trusts.

Action 3.5 Invest NI – Develop and relaunch a more focussed Business Accelerator Programme

Supports entrepreneurs becoming enterprise ready with the aim of increasing the number of IDEs. Connects and aligns wider activity focused upon IDEs within and across the local innovation ecosystem, including public, private and third sector stakeholders.

Action 3.6 Invest NI – Research, develop and implement new bespoke Spin-out Entrepreneurship Programmes

Work with local partners and stakeholders to design and implement new interventions to encourage large corporations, FE and HE within NI to pursue and create new ideas that have the potential to develop into new IDEs. It would also include the development of enhanced processes to support the creation and growth of these new spin-out businesses.

Action 3.7 Catalyst – Basecamp Boston⁴

Provides the opportunity for at least 20 NI scaling technology and innovation businesses to develop and execute their US go-to-market strategies.

4 To note this action does not currently have funding attributed and is dependent upon funding being made available.

Action 3.8 Catalyst – Develop and deliver co-design of Open Innovation model with Cambridge, Massachusetts⁵

3-day program in the Cambridge/Boston innovation ecosystem to provide an understanding of how different stakeholders interact, collaborate, and mutually support growth across innovation landscapes.

Action 3.9 InterTradeIreland – Funding for Growth Readiness

Investor Readiness supports (Seedcorn, venture capital conference, equity advisory service, Halo Business Angels Network (HBAN))

⁵ To note this action does not currently have funding attributed and is dependent upon funding being made available.

Action 4 Skills and Talent to support innovative growth

Having a readily available pipeline of skilled individuals is crucial for innovation to flourish. Appropriate investments in education and skills for those in the workforce and in education are essential in order to ensure that individuals are well equipped, flexible and resilient to technological change, global trends and specific localised challenges and that businesses have access to appropriately skilled individuals to meet their current and future needs.

We will be focusing on those interventions which support the growth of sectors at the cutting edge as well as ensuring we provide people and businesses that are in sectors that do not typically innovate with the necessary skills to become involved in innovation.

Action 4.1 DfE – Deliver and Review Post Graduate Awards Scheme

Supports Postgraduate studentships, which support students to achieve a postgraduate qualification such as a PhD. The scheme is designed to address a comparative deficit in postgraduate qualifications with other UK nations, and to provide a talent pipeline of postgraduate research students. The value of this award may include the cost of approved fees and, for the majority of students, provides a stipend to help students meet their living costs. A review of the scheme was commissioned in 2022/23 and in 2023/24 we will consider the review recommendations and alignment with the DfE 10X Economic vision.

Action 4.2 DfE – Develop Advanced Technical Award at Level 3

This will provide a pathway to the development of mid-level professional and technical qualifications which evidence highlights as being in increasing demand under a high economic growth scenario. Of the six Level 3 Advanced Technical Awards in development, four are being delivered in STEM subjects and will assist in increasing opportunities for individuals to access Higher Level Apprenticeships or other Higher Education opportunities, contributing to the 10X economy aim of increasing the number of STEM graduates and resulting in greater capacity for innovation.

Action 4.3 DfE – Develop action plan as part of the delivery of Digital Spine

The action plan will have two strands, the first considering digital skills for social and economic inclusion and the second focused on advanced digital skills in computer science and software engineering. The second strand will be vital to the development of all the key strategic clusters and enabling technologies set out in the 10X Vision. A Digital Skills Industry Reference Group has been established to assist with development of the plan. The Department of Education has also established a Digital Skills Oversight Group to consider the changes it needs to make to develop a Digital Spine.

Action 4.4 DfE/FE – Assured Skills

Deliver the Assured Skills Programme, which developed in partnership with Invest NI, is a demand-led, pre-employment training programme which helps individuals gain the skills they need to compete for guaranteed job vacancies with new Foreign Direct Investment (FDI) companies and expanding local based businesses.

Action 4.5 DfE/ Belfast Met/ QUB/ Stranmillis College – Centre for Digital Innovation and Technology (CDIT)

Further develop and deliver the collaborative proposal to establish the Centre for Digital Innovation and Technology (CDIT) to enhance the quality of software development approaches and collaborative college/university teaching and problem-based learning.

Action 4.6 DfE – FE – Skills Focus

Deliver the Skills Focus programme which aims to support, promote, and facilitate collaborative working between business and FE colleges, in order to provide tailored skills provision to small-to-medium size enterprises, increase the skills levels of their workforce to level 2 and above, and to increase Further Education's role in economic development. The programme has an increasing emphasis on qualifications at level 3 and above.

Action 4.7 DfE – InnovateUs

Continue to deliver the InnovateUs programme, which is aimed at helping small businesses (with fewer than 50 employees) gain the skills they need to engage in innovation activities. Fully funded by DfE and delivered by the six local further education colleges, the programme provides up to 60 hours of tailored training, either in the workplace or at the college, to develop new products, processes or services. InnovateUs establishes relationships between the college and small businesses, through which businesses can avail of college expertise and facilities, whilst also allowing colleges to better understand industry needs and thus inform curriculum developments.

Action 4.8 Invest NI – Support companies to invest £30m - £35m in Training and Skills and Leadership Development

Invest NI's Training and Skills Development programmes are designed to encourage companies to achieve increased productivity, competitiveness and export potential through investment in training and skills and leadership development activities linked to its capability improvement programmes. Assistance is provided to assist businesses to become more competitive by developing the skills of their staff and leadership, including through collaborative partnerships, to create a skilled, trained and adaptable workforce, thereby improving the capabilities of the businesses' people and processes.

Action 4.9 DfE – FE/HE Continue delivery of Skill Up programme

Deliver the Skill Up programme, supporting Further and Higher Education providers to deliver free short courses that are directly linked to 10X priority areas for future economic growth in Northern Ireland, including digital and green technologies. Ensure that emerging areas are supported with a new curriculum, and new ways of learning which embrace online flexible opportunities.

Action 4.10 DfE – FE/HE City and Growth Deals Skills and Apprenticeship Pipeline

Develop a collaborative skills pipeline to underpin the delivery of skills innovation which is key to the future success of City and Growth Deal investments (and will support delivery of Action 1.3). Colleges and universities will also work together through this approach to deliver or refine apprenticeship and higher level apprenticeship solutions in STEM areas.

Action 4.11 NI Screen – STEM promotion

Pursue partnership with tech stakeholders in adapting ScreenWorks (NI Screen's work experience model) for wider application, particularly the attraction of the games industry. Work more closely with the Software Alliance and seek opportunities for STEM promotion.

Action 4.12 DfE – Expand the provision of Higher Level Apprenticeships

Supporting new Higher Level Apprenticeship pathways, built with business to improve skills levels of the workforce at qualification levels 4-7, to enable a R&D capable workforce, with a focus on STEM subjects and economically advantageous areas.

Next Steps

This Delivery Plan is a first stage in the delivery of 10X innovation. It represents a snapshot of the activity being undertaken across the board to drive NI's innovation position. However, innovation activity goes much wider than within our Departmental family. The next stage of our work to deliver 10X innovation will seek to bring in the important work being done, or to be done, by partners across our entire innovation ecosystem. It will also build upon the short-term actions for 2023/24 identified in this plan, and develop a more detailed strategic plan for the medium and long-term. This plan will ensure we maximise our areas of competitive advantage and use the resources we have to best effect to deliver on the triple bottom line of innovation, inclusive growth and sustainability.

Development of the next stage plan will be completed using our Innovation Co-Design Group and will involve extensive engagement within the Department, our delivery partners and our partner organisations, other departments, external stakeholders and stakeholders across the UK. It will also explore international best practice, incorporating what is working well for other small advanced economies. This will enable further advice on medium and long term actions to be presented to an incoming Minister.

Inclusive Growth

What is Inclusive Growth?

Inclusive growth is defined in multiple ways, however, the OECD helpfully defines it as ‘Economic growth that is distributed fairly across society and creates opportunities for all’.

Reviews have shown that NI faces a number of challenges in respect of inclusive growth which this work strand will seek to address. Our incomes, and particularly the incomes of the most economically disadvantaged in our society are too low. In general, we have lower levels of qualifications than other regions and this inhibits accessing opportunities. Overall in 2019, we had the highest level of economic inactivity across the UK with some groups making up the majority of inactive citizens. This indicates particular labour market barriers for some groups, particularly women, people with disabilities and those from the most deprived areas in NI.

10X strives for growth through innovation and for this growth to be inclusive. It highlights the need to design policies and programmes so that the rewards are distributed fairly across people and places, creating opportunities for all. A more inclusive approach to growing our economy should benefit everyone. Evidence suggests that where economic growth is more evenly spread the overall rate of growth will be higher: a study by the OECD suggested that rising inequality was estimated to have reduced growth by 4 percentage points in more than half of the OECD countries in the two decades prior to 2014. It is therefore in everyone’s interest to support inclusive growth.

Tier 1 international indicators will provide a clear picture of the Department’s performance in achieving inclusive growth. These indicators are:

1. Household Disposable Income;
2. The Gini Coefficient;
3. Employment Rate with breakdowns by gender, disability and relative deprivation monitored as tier 2 metrics; and
4. Level 3+ Educational Attainment.

Current DfE Policies and Activities

Although much of DfE’s work already provides a significant contribution to the objectives we have set out for inclusive growth, to achieve our goals we know we will need to deliver a bigger impact from our work and that of other NI departments.

The Skills Strategy is seeking to address skills imbalances and promote lifelong learning which will help ensure more people have a level 3 qualification. Given the strong link between qualifications and earnings, this will help ensure more people can access the labour market and increase their earning potential. Underpinning this is a focus on equality, diversity and inclusion with a dedicated sub-group of the Skills Council thinking about how to ensure equality,

diversity and inclusion issues are addressed. Programmes such as Skills for Life and Work are targeting those who have left school without basic qualifications – an issue which is particularly acute in a small number of localities – while at the other end of the spectrum Widening Participation policy seeks to ensure under-represented groups can access Higher Education.

The joint DfE/DE 14-19 Framework aims to improve the awareness and understanding of the pathways available to young people to ensure that they are equipped to fulfil their potential and contribute to society, the economy and the environment. The Framework also seeks to review curriculum and qualifications across the education and training system so that they not only meet the needs of young people but ensure that they meet the needs of the NI economy with a refreshed focus on knowledge and skills.

The NI Traineeship was introduced in 2021 across the six Colleges and aims to increase the skills of the workforce by providing level 2 vocational education to those not currently in employment. There are currently 24 Traineeships available with additional subject areas coming onto the programme on a phased basis. This non-employed training pathway provides opportunities for progression to apprenticeships, further education and employment.

Further development of existing provision, for example through implementation of all age apprenticeships and the development of a Lifelong Learning Action Plan, could both help address the barriers to participation in education and employment from some groups.

These various initiatives are important in creating the pipeline of students to ultimately deliver our goal of increasing the number of people with level 3+ qualifications in Northern Ireland.

Importantly, future economic growth is likely be focused on a number of clusters where Northern Ireland has key strengths. These clusters require science, technology, engineering, and maths skills. However, we know that there are groups in society who do not currently have the opportunity or are unlikely to access these qualifications. For example, we know that women are less likely to take STEM subjects and qualifications, potentially creating a risk that existing employment rate differentials will be even harder to address.

There is also the issue of those with disabilities and those from disadvantaged areas who are less likely to gain qualifications in general, not just in STEM subjects. Our delivery plan includes a number of actions for both the Department and our delivery bodies, including the Widening Participation programme, to start to address this imbalance. We will not see an overnight increase in the skilled population, rather we aim to improve the pipeline over the coming years.

There are also interventions underway which can help to address significant differentials in growth opportunities between different places. For instance, the City and Growth Deals programme will ultimately see £1.3 billion of investment in bespoke packages that builds innovative capacity and capability throughout Northern Ireland. This will help ensure that, wherever people live, there is investment which will help drive growth and job opportunities, making the opportunities from growth available to the widest possible group.

Programmes such as Project Gigabit will also bring growth opportunities to communities right across Northern Ireland, likely to be focused around Armagh Banbridge & Craigavon, Causeway Coast & Glens, Fermanagh & Omagh, and Newry Mourne & Down - allowing businesses to be established and grow and ensuring that individuals in communities can access jobs which require remote working.

The recent conference organised by the Labour Relations Agency highlighted the link between improved productivity and good employment practices. The work of the Labour Relations Agency in promoting better work practices of job quality such as pay and benefits, terms of employment and life/work balance, including the development of a Good Employment Charter will help us work towards more workplaces being ones that will enable inclusive growth.

The Department is also responsible for delivering the social economy work programme and provides funding to Social Enterprise NI (SENI) to deliver support to the social enterprise sector in NI. Social enterprises make a significant contribution towards inclusive growth. A 2019 survey of Social Enterprises in NI carried out by Social Enterprises Northern Ireland found that:

- 43% of organisations were led by women, compared to 13.5% for all businesses in NI⁶; and
- 25% were based in the 50 most deprived areas of Northern Ireland.

Actions 2023/24

We recognise that we need to do more over the next financial year. The range of activities undertaken by DfE that contribute in some way towards inclusive growth are very wide, including activity in skills delivery and work around employment regulation or tourism. This is all important work, and as a department we intend to continue this activity in order to have a bigger impact on our objectives related to inclusive growth, rather than a whole range of new initiatives which we need to see inclusive growth considered as part of policy in every area.

The actions described below are centred around building a ‘golden thread’ of inclusive growth focus to cut across all policy areas.

⁶ <https://www.thegenderindex.co.uk/reports>

Action 5 *Reshaping Existing and Future Strategies and Funding Streams*

If we are to meet our ambitions, all policies, strategies or activities developed by or undertaken by the Department should consider inclusive growth. Actions set out describe how we will work with those developing new policies, strategies and activities, the development of guidance to drive better policy making in this area, and work with those implementing existing strategies to identify how they could better contribute towards inclusive growth.

Action 5.1 Work to ensure inclusive growth is embedded into existing and future DfE strategies and action plans

There are a very wide range of activities, strategies and policies that the Department is already implementing as well as those planned, for example:

- NI Tourism strategy;
- Entrepreneurship strategy for NI; and
- Widening participation policy for Higher Education.

We will work across the Department to ensure that all consider how they can better contribute toward inclusive growth.

Action 5.2 Ensure inclusive growth is embedded in ongoing and future funding programmes of DfE

Work alongside funding scheme owners as they are reviewed, planned or implemented this year to ensure they embed the inclusive growth aims and contribute as much as possible to the inclusivity metrics.

Action 5.3 Deliver programmes and strategies which focus on addressing the employment gap for women, disability and disadvantaged areas

- **Women In STEM** – The Department in conjunction with the Women in STEM Steering Group published a Women in STEM Action Plan in March 2022, setting out a programme of work to help inform delivery of “in demand” STEM skills to support the 10X vision and to ensure that women are represented in this workforce. The Department has funded a number of pilot projects which aim to create a collaborative culture of engineering across the local community, ensuring that young people can access a continuum of STEM interventions that raise aspirations and enrich the curriculum throughout the whole of their education.
- **Social Enterprise** – The Department is responsible for delivering the social economy work programme and provides funding to Social Enterprise NI (SENI) to deliver this. Social enterprises make a significant contribution towards inclusive growth in terms of gender, disability and place. A 2019 survey of Social Enterprises in NI carried out by Social Enterprises Northern Ireland found that:
 - 43% of organisations were led by women, compared to 13.5% for all businesses in NI⁷; and
 - 25% were based in the 50 most deprived areas of Northern Ireland.
- **The Step Up project** which is funded by New Deal for NI funding package will enable greater support to be put in place for individuals who need greater support to achieve their potential in FE and HE ensuring higher engagement, retention and progression rates.
- **NI Screen’s Creative Industries New Entrants (CINE)** programme, delivered in partnership with the BBC and funded by DfC, is a good example of an initiative in this area which aims to create a more diverse generation of new entrants of all ages.
- **The Construction Industry Training Board (CITB)** NI is actively promoting diversity within the sector, including initiatives such as:
 - The Women’s Tec #NotJustForBoys’ programme. In 2023, the initial All Female Plant Operator programme will take place to enable female entrants into the plant operator sector.
 - CITB, in partnership with NIACRO and Sentireal is also developing an innovative augmented reality training tool for those in the justice system to encourage those exiting the justice system to consider the construction sector as an employment destination on release.
 - Combined Utilities Programme - The programme will provide skills that would allow progression in all areas of the sector. The programme will have no entry requirements allowing access to individuals with no experience or qualifications to access the sector.

⁷ <https://www.thegenderindex.co.uk/reports>

Action 5.4 Further education - new partnership delivery models

Explore new partnership delivery models where community and voluntary sector and social enterprises can support mainstream programmes for particular targeted groups for entry level programmes.

Action 5.5 Development of 10X inclusive growth guidance

Guidance will be developed for policy and strategy colleagues which highlights the main things to consider when developing new initiatives to ensure they are as inclusive as possible, and contribute as much as they can towards the 10X Objectives and Metrics.

Action 5.6 Engage with other Departments responsible for strategies impacting on inclusive growth aims, to ensure economic growth reaches those groups currently under represented

This will include:

- Childcare strategy – DE
- Work with NILGA/SOLACE to consider Councils developing Inclusive Growth Strategies
- Procurement/expansion of social value clauses – DoF
- Fair Start – DE
- DfE/DE 14-19 programme
- Review of Education (DE)

Action 5.7 Legislation on employment standards

There is a need to ensure our employment relations framework remains fit for purpose and continues to work effectively for businesses and workers in a way that helps facilitate inclusive, sustainable and innovative growth and a 10X economy. To that end we will:

- Prioritise actions arising from the Retained EU Law (Revocation and Reform) Bill to ensure that employment legislation continues to operate effectively after 31 December 2023;
- Continue to benchmark the employment relations framework in Northern Ireland with those in other regions, taking account of new employment law developments elsewhere; and
- Continue to develop policy options to enhance the employment relations framework for consideration by Ministers when in post.

Action 6 *Conditionality of Funding and Support*

Ensuring we make full use of the tools available to us including by putting in place requirements for good employment practices will help us maximise our impact toward our inclusive growth objectives. This should include procurements, grants and schemes such as Skills Academies which provide a benefit to business.

Action 6.1 Develop an approach to embedding inclusive growth conditions for all organisations that DfE engage with, either directly or through its delivery partners, whether that is through contracts, grants or in-kind support

The Department of Finance introduced scoring for social value metrics into procurement contracts from 2 June 2022. This applies to public procurement tenders only, over a minimum threshold⁸, and those who score higher in other aspects of the tender and are subsequently successful, may not necessarily score highly on social value. The inclusive growth conditions under this delivery plan will focus on encouraging organisations to actively consider inclusive practices, such as inclusive recruitment and employment practices, over and above legal minimum requirements in those areas. They will not be optional, and will be a requirement to continue working with DfE. Timing and nature of the conditions will be explored fully under this delivery plan.

Action 6.2 Pilot conditionality of clauses

Timing and nature of the conditions will be explored fully under this delivery plan including consideration of exploring with Invest NI the potential to pilot some aspects of conditionality for example through the Ambition to Grow Initiative which focuses on real living wage. This pilot will include learning from NI Screen's introduction of innovation, inclusive growth and sustainability into the assessment criteria associated with funding from the Northern Ireland Screen Fund.

Action 6.3 Monitoring and data collection

Establish monitoring and data collection on the impact changes to procurement, grants and support. We will need consistent data collection across DfE and partner organisations to capture both the requirements and where possible the practical outcome this has had, to allow us to demonstrate the impact of the policy.

⁸ Services contracts valued above £138,760 (including VAT), and construction contracts valued above £5,336,937 (including VAT).

Action 6.4 Gather information and best practice on conditionality of funding and support

Gather information and best practice on conditionality of funding and support from other Government departments and agencies both in Northern Ireland and elsewhere (for instance, DfC and Scottish Government support for Real Living Wage) in order to inform the development of policy and practice within DfE.

Action 6.5 Monitoring uptake of the real living wage in NI

Real living wage uptake and monitoring in NI. Ensure NI data is being collected to enable effective monitoring of uptake across NI.

Action 7 *Making DfE the best place to work*

It is vital that NICS leads on delivering best practice. The NICS is one of NI's largest employers and we therefore have a great opportunity to contribute to our own objectives and enjoy a diverse and inclusive workforce. This also allows us to develop and maintain our credibility as policy makers. The NICS is positioned to lead the way and create positive case studies to promote inclusive growth across NI. NICS currently has five active staff networks:

1. Disability Staff Network;
2. LGBTQ+ Network;
3. Race and Ethnicity Network;
4. Women's Network; and
5. Student Network.

The networks are open to all staff and provide an opportunity for colleagues to come together to share experiences, information, support and learning. We will continue to work with the networks as well as the NICS Diversity Group to discuss experiences and understand what could make a difference.

Action 7.1 Working across the NICS to ensure it is delivering best practice to promote inclusive growth

This will involve working with NICS HR on a range of issues such as:

- recruitment practices, including methods, support for additional needs and marketing;
- ensuring that training and development is accessible;
- exploring expansion of the DFE/TEO skills academy to all of NICS;
- flexible working and job share; and
- consider an NICS Central point of contact for both budget and advice support for recruitment and retention advice and support, disability access and reasonable adjustment requests.

Action 7.2 Ensure DfE and its partner organisations are delivering beyond best practice to promote inclusive growth

This will involve DfE setting the baseline for other NICS Departments on Departmental best practice, including:

- Piloting additional initiatives in DfE that could be expanded into NICS;
- Identify under-employment within DfE, and support staff to develop, e.g. through skills academy or other bespoke routes developed internally to grades and roles appropriate to their qualifications; and
- Outworking of 5 Year Audit of Inequality Plan.

Action 8 *Building Understanding, Cooperation and Awareness*

Action 8.1 Undertake engagement events within DfE and partner organisations to build understanding of inclusive growth

Inclusive growth is a new area of focus for many in DfE and our partner organisations, this work will ensure that everyone in our organisations understands how their work can contribute to our objectives on inclusive growth.

Action 8.2 Scope data availability within DfE and delivery partners and determine future data needs to measure improvements in inclusivity

This includes data on uptake of the real living wage in NI. The aims of this are to:

- Reduce and avoid duplication of reporting essential data to and within the department, to ensure data can be reported once and consistently; and
- Use data to inform what further data needs to be collected and how measures can be put in place to do this in a way which minimises the reporting burden.

Action 8.3 Labour Relations Agency - Flexible Work

The Labour Relations Agency will highlight, through guidance and other channels, good practice in terms of supporting contemporary types of flexible working. Flexible working practices are important to the recruitment and retention of a wide range of employees who may not otherwise be able to remain in work.

Action 8.4 Labour Relations Agency: Development of a Good Employment Charter

Providing high quality jobs is critical to an effective and successful labour market and driving economic success and inclusive growth. The agency will develop a Good Employment Charter based on best practice measures of job quality: terms of employment; pay and benefits; health, safety and psychological wellbeing; job design and nature of work; social support and cohesion; employee voice and representation; and life/work balance. This tool will support employers in identifying ways in which they might improve the quality of the jobs they provide to support recruitment and retention and drive organisations' performance.

Action 8.5 Dissemination and expansion of successful projects

Promote dissemination or expansion of successful projects both within the scope of DfE and outside the Department. The aim is to firstly identify evidence of good practice in inclusive growth in NI, and secondly to provide opportunities for these to be shared with those with the potential to contribute to their scaling. This will include examination of good practice examples of conditionality applied within other organisations, such as DfC and UU.

Action 8.6 Guidance on positive action

Provide signposting to guidance on legislation and policies in NI, such as that provided by the Equality Commission for Northern Ireland⁹, which advise on positive action which can be taken by organisations to address underrepresentation within their workforce. This may include, for example action to address an underrepresentation of women or persons with disabilities.

Action 8.7 Undertake research into inclusive growth

The aim of this will be to build on existing knowledge and evidence on the benefits to the economy of the benefits to the economy of more inclusive growth, and increase awareness about effective measures needed to drive inclusive growth.

Sustainability

Sustainability means delivering a just transition to a fully decarbonised economy whilst achieving 'self-sufficiency in affordable renewable energy' so that households and businesses have access to essential and affordable energy.

Driven by the statutory obligations of the [Climate Change Act \(NI\) 2022](#) and the evolving strategic context across NI we can act to seize the opportunity to reshape our economy for the benefit of all our people whilst mitigating and adapting to the risks of Climate Change.

Through close, integrated, cross-departmental working and alignment of strategic objectives such as the 10X Economic Vision with the draft Green Growth Strategy we can collectively ensure that our natural assets can deliver their full economic potential on a sustainable basis.

Delivering on the 10X Sustainability strategic objectives will serve to decouple our economic growth from consumption of fossil fuels and disproportionate resource use. This radical and transformational change means a Northern Ireland that has better jobs with better wages for all our people in a low carbon and circular economy whilst delivering better overall health outcomes and quality of life.

Our Objectives and Current Position

- 48% Reduction in GHG emissions by 2030 in line with the Climate Change Legislation, on a 1990 baseline. *(2020 progress is at 24%)*
- 80% of Electricity Generation from Renewable Sources by 2030. *(For the 12 month period October 2021 to September 2022, 49.3% of total electricity consumption in Northern Ireland)*
- Double the size of our low carbon and renewable energy economy to a turnover of more than £2 billion by 2030. *(In 2021, turnover in the LCREE economy in Northern Ireland was estimated to be between £1.0 billion and £2.1 billion, with a central estimate of £1.5 billion)*

Policy and Policy in Development

The 10X Sustainability priority delivery outcomes are underpinned in the department by the Executive's Energy Strategy, the Skills Strategy and the Circular Economy Strategy which is under development. One of the main drivers for the development of a skills strategy was dealing with the impact of climate change and the need for green growth.

Actions 2023/24

Action 9 Understanding the Problem

We will not be able to make progress unless staff across our organisation and partner organisations understand the problem and how they can contribute.

The Climate Change and Circular Economy teams will lead Communications and Stakeholder Engagement across business areas and organisations to help address knowledge gaps and help build a better understanding of 10X Sustainability.

The departmental Climate Change sector leads and departmental lead will be required to work with partner organisations such as Invest NI, FE & HE to engage with key representatives from the energy supply and business & industrial processes sectors in the development of Sectoral Plans and to inform inputs into the first Climate Action Plan (CAP) for NI.

Action 9.1 DfE Intranet Hub

The DfE Climate Change team will take forward work to create a Hub on the DfE intranet that will provide practical information on Climate Change to support the department across its areas of responsibility. The Hub will be co-designed through departmental staff engagement across business groups. This will ensure that the resources provided will be targeted and informative to support and enable staff in embedding 10X Sustainability across work areas.

Action 9.2 Climate Change Training

All business areas in the Department will be provided with the opportunity to undertake Climate Change focused literacy training. This introductory training is aimed at improving the baseline level of awareness and understanding the level of need that exists, and will serve to inform the delivery of a suite of tailored training with the aim of participation of 25% of all DfE staff and 50% of SCS staff in the financial year 2023/2024.

As well as increased understanding within our own staff, increased awareness in the business community is also necessary to deliver our objectives.

Action 9.3 Business Climate Action Campaign - Business in the Community

Communications campaign to encourage sign up to Climate Action Pledge committing to take action on energy saving, and reducing their carbon footprint with support and guidance from BITC.

Action 9.4 Green Skills

Increasing understanding of the future green skills that will be necessary in delivering the net zero pathway is critical in future proofing the workforce. This will require the identification of gaps and the skills needed from the education and training sectors. The Department has launched a report that was carried out to investigate the skills that will be required for a transition to an advanced net zero, energy secure and circular economy in Northern Ireland. The Department will commence development and implementation of an action plan based on the findings of the report.

Action 10 Conditionality of Funding and Procurement

The NI Executive has previously promoted the use of public procurement to deliver social, economic, and environmental objectives in several ways. These included endorsing Equality of Opportunity and Sustainable Development in Public Sector Procurement in 2008 and including 'sustainability' as a component of Value for Money alongside cost and quality in 2011.

In October 2022, as a first step to enable the re-directing of financial assistance in the context of Climate Change the Department of Finance published Version 1 of [Better Business Cases NI Supplementary Guidance – Incorporating Environmental and Climate considerations into Business Cases](#). This business case guidance will be strengthened through the course of 2023/2024.

Action 10.1 Capital build projects

All major capital build projects should consider exemplar building standards such as BREEAM and Passivhaus and consider the whole life cost of construction materials and building operations in economic appraisal. Inclusion of innovative and renewable technologies should be assessed in the same manner whilst accounting for the Marginal Abatement Cost of Carbon on a whole life cost and life cycle analysis basis.

Action 10.2 Sustainability in City and Growth Deals

Net zero and the wider sustainability agenda will be considered in the development of the City & Growth Deals and their respective projects. Deal owners will be encouraged to consider measures that support the path to net zero and to seek appropriate environmental accreditations for their projects. The City Deals team has established a Working Group to drive increased awareness and knowledge sharing on climate and environmental considerations across the four Deals.

Action 10.3 Conditionality of Funding - Sustainability

As part of a wider piece of work on funding policy, the Department will consult on policy proposals about the conditionality of funding on contribution towards 10X sustainability objectives.

Action 10.4 DfE Asset Management Plan 2023-2027

Deliver the DfE Asset Management Plan 2023-2027 in the context of [Financial assistance](#) for the promotion of economic development and the purchase of goods and services being specified in the Climate Change Act as a key contributor to mitigating and minimising the impacts of Climate Change. Its inclusion is intended to position government procurement and financial interventions as an enabler as we set out to decouple emissions from economic growth.

Action 10.5 NI Screen: Albert Certification

All production supported by the Northern Ireland Screen through the Screen Fund will be obliged to seek Albert Certification. Albert Certification is the UK wide screen industry model to reduce the carbon footprint of production.

Action 11 Programme Delivery

The Department and its partner organisations will take forward a range of activities in 2023/24 to deliver our 10X objectives for a more sustainable economy. This will include the following actions, and we will also consider how to ensure existing innovation support targets market opportunities on net zero.

Action 11.1 Invest NI – Develop proposal for £15m Complementary Fund – HyTech NI Hydrogen Accelerator and Demonstrator

Located at AMIC and the ECOS Centre Ballymena, the QUB, UU and Mid & East Antrim Council collaboration will deliver a range of H2 technology innovations via the ECOS located Demonstrator facility, i4C and local manufacturers partnering with HyTechNI. The Accelerator will incorporate generation, storage and powertrain technologies. The Demonstrator focuses on heating, transport, H2 production and skills. Invest NI will work with DfE's Skills and Education team to implement an NI-wide Hydrogen Skills development framework linked closely to the UK Hydrogen Skills Alliance initiative and incorporating skills fore-sighting and skills forecasting activities.

Action 11.2 Launch Low Carbon Heat Consultation

Consultation during 2023/24 on a future scheme to test incentives for consumer adoption of lower carbon forms of heating systems and stimulate development of NI heat pump sector and supply chain.

Action 11.3 South West College – SME innovation and Sustainability and Passivhaus training

Net Zero-specific employer support and accreditation for the delivery of the Passive House EnerPHit Course with the Passive House institute in Germany. Development ongoing for Renewable Engine 2 to support approximately 30 SMEs in sustainable innovation.

Action 11.4 All FE Colleges – Sustainability programme

The FE sector in Northern Ireland has an important role to play in realising the economic and Net Zero sustainability ambitions outlined in the 10X Economic Strategy. Various industries such as construction, energy and transport will see changes in technology which will require new curriculum, skills development, knowledge exchange and innovation support, in particular for SMEs. The FE sector can lead on the development of a resource and short-course programmes to support innovation in this space and facilitate the establishment of a SME Sustainability Network. Encouraging the uptake of programmes which contribute to the SME community better understanding the opportunities to develop and participate in energy saving and sustainability programmes including circular economy. Programme is being designed to be rolled out across the FE Sector on a consistent basis with core common content and approach.

Action 11.5 NI Screen – Reducing carbon footprint of screen industry

Facilities and Sustainability Manager appointed within NI Screen to assist local screen industry in transforming to greener production approaches. Piloting of Hydrotreated vegetable oil as a diesel replacement in Titanic studios, Belfast Harbour Studios and Silverpoint studios is ongoing. In addition, investment in the low carbon value proposition of Studio Ulster to significantly reduce the carbon footprint of large-scale productions will be measured and marketed.

Action 11.6 Invest NI – Energy & Resource Efficiency Programme

Working in partnership DfE and Invest NI will launch a new programme to support businesses to lower energy demand and enable businesses to better control their energy use. Development of a business case is underway for launch later this year.

Invest NI will also deliver an upscaled allocation to the Resource Efficiency Capital Grant to support businesses to improve productivity and make the best use of natural resources and reduce their consumption of water, raw materials, and waste production.

Front end technical support for business is essential in the delivery of resource and energy efficiency projects. Invest NI will work to deliver an enhanced version of the existing technical consultancy support this year, helping businesses identify areas for increased efficiency and cost savings. This specialist support will work with businesses to complete bespoke technical audits and feasibility studies to allow informed decision making on potential investments.

Action 11.7 DfE – Deliver the Green Innovation Challenge Fund

Proposed £18m capital grant fund, with £10m in funding from DfE and £8m from DAERA. Includes the Net Zero Utility Fund, the Future Fuel Fund, Nutrient Separation Funding and Advanced Storage funding.

Action 12 *Our Estate and Higher Education Estates*

We must also reduce our own carbon footprint across the entire government estate and that operated by DfE, our partner organisations, or our universities.

Action 12.1 Central Government Invest to Save Fund

DfE will work to enhance and upscale delivery of an annual fund for all of central government, providing financial support in the deployment of energy saving projects focused at reducing energy, cost and carbon whilst also looking to generate revenue through renewables and energy storage. This fund has already been drawn upon by FE colleges with a focus to our own DfE estate both old and new to aid the delivery of focused energy projects across the sector.

Action 12.2 FE - Minor Works

FE colleges have been advised of the need to ensure that any future estate improvement works being delivered under its Minor Works programme across the sector should be prioritising those projects that will improve sustainability performance (e.g. installation of electric vehicle charging points, conversion of heating from oil and photovoltaics).

Action 12.3 Higher Education - Net Zero Strategies

UU, QUB and the Open University will take forward actions under their net zero strategies. Stranmillis will sign up for BITCNI's Climate Action Pledge thereby committing the University College to reduce our scope 1 and scope 2 greenhouse gas emissions by 50% by 2030 from the 2016/17 base year.

Cross-cutting areas that will deliver against innovation, inclusive growth and sustainability

Background

There are a range of activities that we plan to undertake during the next year that will contribute across our three pillars or build a stronger foundation for the implementation of future policy.

A strong foundation of policy, research and evaluation is necessary to ensure that we make an impact and continuously improve. Building a stronger policy base will enable greater mutually reinforcing activity to take place between a range of organisations to achieve our objectives. Two new policy areas where significant work is required to deliver on 10X objectives are in technologies, sectors & clusters and place. These are both areas where the Department has not previously had a unified policy.

Our previous Minister committed to the development of new strategies and these are being developed with the intention that they will drive contribution against 10X objectives and metrics. This means in some cases looking at policy areas differently and challenging ourselves on how traditional policy around exports for example can deliver a more innovative, inclusive and sustainable growth.

We also have a range of activity that focuses on communication infrastructure including projects gigabit and stratum, and new work on a careers portal.

Technologies, Sectors and Clusters

10X highlights the need to focus on areas where NI is, or can be, a global leader and a competitive small advanced economy. These key clusters or sectors include Life & Health Sciences, Agri-Tech, Software & AI (including cyber), Advanced Manufacturing & Engineering, Low Carbon, Fintech/Financial Services and Screen Industries (including Virtual Production).

Each cluster area is currently undertaking activity to identify a focused set of promising technologies or unique selling points (USPs) to be prioritised for further action. Choosing technologies where NI has a competitive edge and high growth potential will enable us to capitalise on opportunities presented by local and global trends, positioning NI at the forefront of development in these areas. An initial focus on technology will allow us to triangulate our efforts on these areas with the aim of scaling up activity and diffusing success across the economy.

Further work will be conducted to develop action plans to drive the growth and scaling up of technologies within and across the key sectors, whether that involves refocusing existing supports, enhancing collaboration, or supporting new interventions. This will have a focus on prioritising activity that drives sectors towards 10X triple bottom line outcomes. These will be subject to continual refinement taking into account changes to the landscape.

This work is not being carried out in isolation and we recognise that partnership will be vital towards achieving 10X aims in a complex, fast paced and fragmented environment where DfE does not hold all the policy levers. Therefore in parallel we are investing considerable effort in joining up and refocusing as necessary existing policy and delivery activity and encouraging collaboration to secure our outcomes. This includes engaging across DfE policy areas, delivery bodies, local councils, research institutions, industry, other NI and UK Departments, EU and international partners.

The approach to each key area may differ slightly due to the unique nature of sectoral ecosystems or may coalesce around technologies and activity that underpins multiple sectors. However, the aims for each remain the same: a focus on identifying and driving growth in key technologies and USPs where NI can be competitive, scaling up and diffusing success and ensuring activity continually drives towards the 10X triple bottom line.

Action 13 Policy development on these areas has been ongoing and the next steps for the following year will be:

- Consultation on Priority Technologies;
- Stage 1 Sector/Cluster Plans will be developed by the end of 2023/24 for implementation in 2024/25; and
- Policy & Analytical paper to be developed on the strengths and weaknesses of the 10X priority sectors.

Place

Place is an integral part of the 10X Economic Vision and runs through the triple bottom line of innovation, inclusive growth and sustainability. There are consistent sub-regional differences in outcomes across all three pillars and the benefits of policy and programme interventions have not previously been felt equally across NI. The Department has not previously directly applied a sub-regional policy focus to major policies and therefore new strategic direction is required. Building on the City and Growth Deals investment, Place interventions will create an inclusive space to remove systematic weaknesses and to identify and unlock potential. It can empower communities to take advantage of the benefits of being part of a high performing economy, to tackle environmental issues and remove disadvantage. Place provides us with the opportunity to create an approach which links regional 10X policy with sub-regional capital investment and local council economic development plans.

Action 14 Place

During 2023/24 we will:

- Issue a call for evidence to stakeholders with an ambition to consult on Place policy during 2023/24.
- Build a strong partnership approach to help deliver long-term improvements. This includes working with Departmental policy colleagues and partner organisations to consider how further investment around the four City & Growth Deals could accelerate innovative growth of existing business and support new businesses to emerge.
- Work with council and community partners to assess how the Department can support local area plans to maximise potential and develop inclusive and sustainable economic eco-systems.

Invest NI and Further Education Reviews

The contribution of Invest NI and Further Education will be critical to delivering 10X objectives. Therefore, the FE review and responding to the findings and recommendations of the Independent Review of Invest NI are a priority to ensure that we maximise the contribution of both to 10X objectives. For Invest NI this will also include a review of its appraisal criteria, including development of a productivity assessment tool, with further assessment being developed around inclusive growth, innovation and sustainability.

Further Education

Review of the current FE Delivery Model

In October 2021, Minister Lyons agreed to the Department initiating the first stage of a Review of the current FE Delivery Model in Northern Ireland. The overall purpose of the Review is to ensure that the FE sector is operating as effectively as possible and has the agility and flexibility to deliver its critical role in meeting the skills needs of both learners and employers and in delivering on the 10X Economic Vision and the new Skills Strategy.

Given the impact of the falling enrolments and increasing costs on the delivery of value for money, the Minister also gave a mandate for action to take place immediately on improving the performance of the sector and to develop options for a new FE Delivery Model.

The Minister agreed the following key priorities for the FE Sector:

- Improve the value for money provided by the sector through increasing enrolments and reducing costs;
- Ensure the FE sector is more clearly focused on delivering against the Department's objectives; and
- Ensure the FE Sector has the necessary capacity and agility to respond to the changes in the economic context.

The following are the objectives of the Review - that a future FE Delivery Model will:

- Improve FE strategic alignment with government priorities;
- Increase cross-sectoral FE decision making and delivery;
- Improve agility;
- Strengthen FE delivery at sub-regional level;
- Develop and empower the FE workforce; and
- Improve FE performance in terms of value for money and learner outcomes.

Action 15 During 2023/24 the Department will conduct further analysis of the findings from Stage 1 to develop a comprehensive evidence base, including stakeholder engagement, to consider various delivery model options to meet the objectives of the review.

Invest NI

The Department is working with Invest NI to fully understand the implications of the recommendations from the Independent Review of Invest NI. We recognise that fundamental change is required to ensure that Invest NI is strategically aligned with our 10X policy objectives, and that the agency is operationally equipped to deliver outcomes and interventions which will help to transform our economy. It is also acknowledged that the Review presents challenges for DfE and we are determined to act quickly on these.

We will develop a comprehensive and solution-orientated Action Plan that clearly defines the problems identified by the Independent Review, outlines the solutions which will be implemented to effect change, and confirms the metrics through which success will be measured. It is anticipated that this Action Plan will be published in September 2023.

Action 16 Implement recommendations of the Independent Review of Invest NI.

Higher Education Institutions

Our relationship with Higher Education Institutions is different to that with Invest NI and Further Education. Nevertheless the Department provides significant grant funding to HEIs and we need to ensure that this funding is delivering on our objectives.

Action 17 Engagement with Higher Education Institutions (HEIs) to examine the potential for developing and finalising, in advance of 2024/25, Outcome Agreements describing the contributions HEIs will make to the Department's strategic aims.

Initial Teacher Education

The Department funds initial teacher education at Stranmillis and St Mary's University Colleges. The Department of Education is responsible for setting the policy around teacher education, for example the curriculum in schools that teacher education colleges prepare students to teach and deciding the number of places in initial teacher education. High quality teaching across the curriculum, and particularly in STEM subjects, is vital to ensuring that our young people receive an education that prepares them to take advantage of opportunities in the economy. As such, initial teacher education is an important lever for economic development and the achievement of our 10X ambitions.

Policy process

It is important to ensure that within the Department we have a strong policy process, grounded in research and evaluated regularly.

Action 18 Work on research and a programme of evaluation over 2023/24 will ensure that we deliver better outcomes through stronger policy.

Action 19 We will update our internal processes and guidance on business cases to better capture contribution towards 10X, and particularly the statutory requirements of the Climate Change Act.

Alternative Funding

The funding ecosystem continues to grow in complexity with new competitive funding streams emerging which are in the control of Westminster departments, among others. Budget challenges and increasing availability of alternative sources of funding, together with the ambition of our 10X objectives mean that we have to better position Northern Ireland's public, private and third sector organisations to compete and be successful in competitive funding programmes.

Action 20 The Department will work with partner bodies and other stakeholders to undertake awareness raising, improved signposting and targeting of specific funds for the benefit of the NI economy.

Careers

The provision of impartial careers information on all available pathways and options clearly contributes to a better functioning labour market and better education and training outcomes. There is a critical need to align our careers service with the changing needs of the economy.

One of the key enablers to addressing need and improving the targeting, effectiveness and efficiency of all-age career guidance is the development of a bespoke standalone careers and skills portal. The development of a new careers and skills portal is considered the first step towards shaping a new modern careers service which works collaboratively with partners across the careers ecosystem to provide high-quality, tailored, and informed career guidance.

Action 21 Background policy work for development of Careers and Skills Portal for procurement in 2024/25.

Project Gigabit/Stratum

Project Stratum

Access to future-proofed, high-speed broadband will be a key technological and strategic enabler in delivering the 10X ambitions across the pillars of Innovation, Sustainability and Inclusive Growth. Northern Ireland is currently the best-connected region of the UK, in terms of Fibre to the Premises (FTTP) broadband availability, with overall connectivity standing at 92 percent coverage compared to the UK average of 50 per cent. However, coverage in rural areas still lags significantly behind urban areas. Project Stratum has already delivered gigabit-capable broadband to more than 60,000 premises across Northern Ireland, both business and residential, in predominantly rural areas.

Action 22 It is expected that during 2023/24 more than 25,000 additional premises will be connected by Project Stratum.

Project Gigabit

The Department, in collaboration with Building Digital UK, an Executive Agency within the UK Government's Department of Science, Innovation and Technology, has made significant progress in participating in the UK's £5 billion Project Gigabit. This project has the aim of delivering 'lightning-fast, reliable broadband to every corner of the United Kingdom', ensuring that everyone has access to the best connectivity, wherever they live, work and study. This will create a level playing field for hard-to-reach communities and businesses across Northern Ireland, bringing with it economic and social benefits for local people. Current assessments of the extent of Project Gigabit estimate that potentially 50,000 additional premises in Northern Ireland could be eligible to be included for delivery under the project.

Action 23 Project Gigabit

The goals for 2023/24 are:

- Carry out a public review of the potential Intervention Area;
- Secure approvals for the Outline Business Case;
- Launch an Invitation to Tender; and
- Evaluate bids from the telecoms industry with a view to awarding a contract in early 2024/25.

Trade and Investment

[Priorities for Trade and Investment in a 10X Economy](#) sets out the need to take a more focussed, strategic approach to trade and inward investment to deliver our 10X priorities. Trade and Investment will provide the level of scale and specialisation required to achieve our 10X objectives.

Action 24 Foreign Direct Investment (FDI)

Over the coming business year, in relation to inward Foreign Direct Investment (FDI), we will:

- Assess our recent performance on inward greenfield FDI and explore international best practice in the strategic, targeted use of FDI to develop sectors/clusters of strength and promote the diffusion of technological innovation.
- Develop strategic priorities for greenfield inward investment to support the transformation of our priority sectors, in the context of the development of our Stage 1 10X sector/cluster plans.
- In a year of opportunity for NI, continue to work with delivery partners to develop and refine our sales pitch for international investors, aligned with emerging USPs from the 10X Technologies, Sectors and Clusters work strand.

Action 25 Export Promotion

- We will establish the NI Export Forum to support greater collaboration and definition of roles and responsibilities in the export support ecosystem, agree and work towards a stretching set of targets and goals for 2030, aligned with our 10X ambitions.
- We will also continue to work with Invest NI as the key player in the export promotion ecosystem, to reshape how its export promotion activities can be better linked to innovation policy, learning the lessons from other successful small advanced economies.

The positive relationship between exporting and innovation is well documented, and history shows that sustained economic growth in other small advanced economies and regions is almost always export-led, built around an innovative business base. In effect, the actions we are taking to support our innovation objectives will not have transformational impact without the transmission mechanism of trade (export) and investment. Careful attention is being given to how we can do export promotion in a more effective and targeted manner.

New Strategies

Action 26 New Strategies on tourism and entrepreneurship

The previous Minister made a commitment to the development of new strategies on tourism and entrepreneurship. The Tourism Strategy will be consulted on during 2023/24, to enable advice to be provided to a new Minister. During this period, the Department will work with stakeholders and delivery partners to develop a draft Entrepreneurship Strategy, which will go to public consultation in 2024/25. Both strategies will contribute towards delivery against innovation, inclusive growth and sustainability.