

**INVEST NORTHERN IRELAND**

**OPERATING PLAN**

**2009/10**

**17 July 2009**

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## **SECTION 1: INTRODUCTION**

Invest NI's 2009/10 Operating Plan is the second of the annual plans falling within its three year strategy covering the period 2008-11. The Corporate Plan established the overall direction and thrust to be taken during this period and set associated high level objectives and targets to be achieved by 2011.

These align fully with the Northern Ireland Executive's Programme for Government, which has made the economy its highest priority. Performance against the PfG targets is measured through a series of Public Service Agreements, linked to Departmental Strategic Objectives. Within DETI, Invest NI's three-year targets replicate those appearing in the PSAs/DSOs, enabling our performance to contribute directly to the Department's Programme for Government targets. Invest NI's progress against these targets during 2008-09 is set out in Section 3.

Our PSA related Activities and Targets for 2009/10 are set out in Section 4, which also shows the equivalent 3-year target in each case. In addition, Invest NI has established a range of activities and associated targets which, although not directly PSA related, complement and contribute to the achievement of these objectives and targets. The activities established for 2009/10 are intended to build on those undertaken during 2008/09 and are set out in Section 5.

The economic downturn which rapidly gathered momentum during 2008/09 impacted significantly on client companies across a range of sectors. This could not have been foreseen when the Programme for Government targets were established, following the restoration of devolved Government in early 2007. While performance against the 2008/09 targets held up well in the first half of the year, during the final two quarters it became clear that the downturn was beginning to impact on a range of clients, with a significant number deferring or cancelling planned investments.

The Executive remains committed to meeting the 2008 – 11 targets set out in the Programme for Government despite the present economic downturn. The existing three-year targets therefore continue to be central to this Operating Plan and while the backdrop of a broadly-based global recession will make the pursuit and achievement of these targets more difficult, Invest NI will work to maximise the outcome achievable in these significantly altered economic circumstances.

Invest NI responded to the developing economic situation during 2008/09 by initiating a series of measures aimed at helping clients to deal with the increasingly challenging economic position. In particular, we developed and introduced our £5 million Accelerated Support Fund and we have rolled out an extensive programme of 'Credit Crunch' seminars at venues throughout Northern Ireland. Linked to the provision of 3-5 days free 'credit crunch' related consultancy for participating client companies, these have proved both popular and successful and we will continue to offer support, through

knowledge based business workshops and training interventions to support businesses, during 2009/10.

We have also developed and introduced, from June 2009, a new Short Term Aid Scheme to provide eligible businesses with the opportunity to plan and restructure for the future, while retaining key staff, to enable them to take advantage of an economic upturn by maintaining their capability and capacity.

Our broader ongoing response to the economic downturn will be further developed and expanded during 2009/10 and a new section has been included in this year's Operating Plan which sets out specific measures which we intend to put in place during the year to augment those already introduced. These details can be found in Section 6.

## **SECTION 2: THE PSA / OPERATING PLAN LINKAGE – OVERVIEW**

Invest NI activities contribute towards DETI's achievement against three Public Service Agreements. These are PSA 1: Increase Manufacturing and Private Services Productivity; PSA 3: Increasing Employment; and PSA 5: Tourism.

Under PSAs 1 and 3, we contribute towards Departmental Strategic Objectives aimed at: promoting a competitive and outward looking economy; attracting and supporting high quality foreign and locally-owned investment; promoting higher value activity through innovation and the commercial exploitation of R&D; increasing employment opportunities; and promoting business growth.

In 2009/10, the work to assist clients to be more competitive and outward-looking, and to grow businesses, will be taken forward on a number of fronts. Our comprehensive programme of trade initiatives aimed at new and existing exporters and delivered under 'Passport to Export' will be proactively marketed to maximise uptake and to help companies to grow and strengthen Northern Ireland's exporting capability, which makes an essential contribution to wealth creation. In working to stimulate new business starts, we will focus on supporting the establishment of companies capable of exporting to Great Britain in addition to Global Start companies which aim to export outside the UK.

The economic downturn is impacting on prospects for Foreign Direct Investment and it is expected to prove increasingly difficult to achieve the planned levels of investment, jobs and salaries during 2009/10. For this reason, this year's targets have been significantly reduced to reflect the present position while continuing to offer a challenging, although realistic, set of goals.

We are committed to maintaining our drive to stimulate investment in innovation and R&D and our new 'Grant for R&D' scheme is aimed at improving access to funding and making it much easier for companies to pursue this activity, which is increasingly recognised by businesses as being key to increasing their competitiveness. Our new Design Programme, also launched during 2008/09, will be strongly promoted to assist increasing numbers of companies to embrace this crucial component of the production cycle.

The downturn has also impacted on the tourism sector and this is acknowledged in a modest reduction in the PSA 5 targets, compared to last year, in respect of the number of tourism accommodation projects receiving support and the volume of referrals for assistance and/or advisory services related to capability and business development.

While Invest NI's performance against targets remained fairly robust during much of 2008/09, the increasing spread and depth of the economic downturn

is clearly impacting many sectors including, particularly, those on which Invest NI's FDI efforts are focused. This is reflected in a number of the targets in this Operating Plan, and is likely to feed through into the eventual outturn against the three year Corporate Plan and PSA targets by March 2011.

### SECTION 3: PROGRESS AGAINST KEY TARGETS IN 2008-09

DETI PRIORITY	KEY TARGETS (BY MARCH 2009)	OUTTURN FIGURES TO MARCH 2009	OUTTURN TARGET STATUS*
Improving Productivity (PSA1) & Increasing Employment (PSA3)	<ul style="list-style-type: none"> <li>• Support 30 inward investment projects, offering 2,200 new jobs, of which:               <ul style="list-style-type: none"> <li>○ 1,870 will provide salaries above the NI private sector median; and</li> <li>○ 930 will have salaries at least 25% above the NI private sector median</li> </ul> </li> </ul>	43 projects/ 4,055 jobs*	G
	<ul style="list-style-type: none"> <li>○ 1,870 will provide salaries above the NI private sector median; and</li> </ul>	2,342**	G
	<ul style="list-style-type: none"> <li>○ 930 will have salaries at least 25% above the NI private sector median</li> </ul>	1,125**	G
	<ul style="list-style-type: none"> <li>• Secure total annual wages and salaries of around £115m from inward investment and locally-owned clients</li> </ul>	£165m	G
	<ul style="list-style-type: none"> <li>• Create 100 'Exports Starts' and 15 'Global Starts'</li> </ul>	103 / 15	G
	<ul style="list-style-type: none"> <li>• Encourage 175 new first time exporters and support 375 companies to diversify into new markets</li> </ul>	251 / 539	G
	<ul style="list-style-type: none"> <li>• Deliver £40m investment in R&amp;D</li> </ul>	£66.7m	G
<ul style="list-style-type: none"> <li>• Acquire around 50 acres of land for industrial use</li> </ul>	140 acres	G	

\* The figures of 4,055 jobs includes 836 jobs promoted through the Bombardier C series project

\*\*Jobs figures above the NI PSM are provisional and will be subject to change up to Nov 2009

+ Refer to **Annex B** for explanation of the target status classification system

## SECTION 4: PSA / DSO ACTIVITIES AND TARGETS

<b>PSA 1: INCREASE MANUFACTURING AND PRIVATE SERVICES PRODUCTIVITY</b>			
<b>DEPARTMENTAL STRATEGIC OBJECTIVE</b>	<b>ACTIVITY</b>	<b>TARGETS 2008 - 11</b>	<b>TARGETS 2009 - 10</b>
<b>DSO 1: Promote a competitive and outward looking economy</b>  [Note that these activities and associated targets also contribute towards the achievement of PSA 3 DSO 4 where they are replicated]	<b>Trade initiatives</b>		
	Encourage new first time exporters	600 companies	240
	Support further companies to diversify into new markets	1,200 companies	500
	Support market research by responding to Business Information Service enquiries	7,000 enquiries handled	2,650
	Deliver Export Skills and Knowledge Workshops	1,300 delegates to attend	450
	Ensure company personnel receive advanced sales skills development	750 company representatives	250
	Support market visits	1,500 participants	650
	Provide in-market support to companies	1,000 companies	425
	Support graduate placements in companies	200 placements	75



**PSA 1: INCREASE MANUFACTURING AND PRIVATE SERVICES PRODUCTIVITY**

DEPARTMENTAL STRATEGIC OBJECTIVE	ACTIVITY	TARGETS 2008 - 11	TARGETS 2009 - 10
<p><b>DSO 1: Promote a competitive and outward looking economy.</b></p> <p>[Note that these activities and associated targets also contribute towards the achievement of PSA 3 DSO 4 where they are replicated]</p>	<b>Business Starts</b>		
	Support establishment of Export Start companies exporting to GB	300 companies	100 companies
	Support establishment of Global Start companies exporting outside the UK	45 companies	15 companies
	Networking of institutional investors to identify and create new global start businesses	30 investors	10 investors
	Host inward visits for potential new investors to encourage global start businesses set-up	12 visits	14 visits
	Participate in cross border initiatives to promote entrepreneurship activities / global starts	3 initiatives	1 initiative
	Attend international trade shows relevant to key sectors	12 trade shows	4 trade shows
	Hold liaison meetings with universities, technology transfer offices and research centres to identify potential global starts	9 meetings	3 meetings

	RON to issue e-zines to potential clients/stakeholders	60 e-zines	20 e-zines
	Give presentations to Banks, accountants, influencers	60 presentations	20 presentations
	Hold seminar events targeting potential client businesses	45 seminars	15 seminars

**PSA 1: INCREASE MANUFACTURING AND PRIVATE SERVICES PRODUCTIVITY**

DEPARTMENTAL STRATEGIC OBJECTIVE	ACTIVITY	TARGETS 2008 - 11	TARGETS 2009 - 10
<p><b>DSO 2: Attract and support high quality investment, both foreign and locally-owned.</b></p> <p>[Note that these activities and associated targets also contribute towards the achievement of PSA 3 DSO 3 where they are replicated]</p>	<p><b>New Foreign Direct Investment</b></p> <p>Value of total annual salaries and wages secured reflecting FDI success and growth of locally-owned clients</p> <p>Secure (no.) inward investment projects with associated job targets</p> <p>75% of land acquisition to be in economically disadvantaged areas</p> <p>Arrange inward visit programmes for potential investors</p>	<p>£345m</p> <p>90 projects;</p> <p>6,500 jobs: 5,500 with salaries over NI PSM; of which 2,750 to be at least 25% over NI PSM</p> <p>Aim to acquire / develop 200 acres by 2012</p> <p>360 investors</p>	<p>£96.5m</p> <p>48 projects</p> <p>1,600 jobs 1,360 with salaries over NI PSM; of which 680 to be at least 25% over NI PSM</p> <p>Aim to acquire cumulative total of 120 acres under this acquisition phase.</p> <p>100</p>

**PSA 1: INCREASE MANUFACTURING AND PRIVATE SERVICES PRODUCTIVITY**

DEPARTMENTAL STRATEGIC OBJECTIVE	ACTIVITY	TARGETS 2008 - 11	TARGETS 2009 - 10
<b>DSO 4: Promote higher value added activity through Innovation and the commercial exploitation of R&amp;D</b>	<b>Business Expenditure on R&amp;D</b>		
	Value of investment in R&D to be delivered by new BERD innovation business support programmes	£120m	£55m
	Encourage companies to engage in R&D for first time	300 companies	100
	Encourage companies to participate in Design Programme	300 companies	120
	Stimulate projects in: Knowledge Transfer Programme (KTP)	75	28
	Mini KTP	30	10
	Establish Centres of Excellence/Competence Centres	7 Centres	4
	Launch of Proof of Concept projects	60 projects	25
Launch projects through NIPSO VC fund	26 projects	10	

**PSA 3: INCREASING EMPLOYMENT**

DEPARTMENTAL STRATEGIC OBJECTIVE	ACTIVITY	TARGETS 2008 - 11	TARGETS 2009 - 10
<p><b>DSO 3: Increase employment opportunities by attracting high quality inward investment and supporting domestic investment.</b></p> <p>[Note that these activities and associated targets also contribute towards the achievement of PSA 1 DSO 2 where they are replicated]</p>	<p><b>New Foreign Direct Investment</b></p> <p>Value of total annual salaries and wages secured reflecting FDI success and growth of locally-owned clients</p> <p>Secure (no.) inward investment projects with associated job targets</p> <p>75% of land acquisition to be in economically disadvantaged areas</p> <p>Arrange inward visit programmes for potential investors</p>	<p>£345m</p> <p>90 projects;</p> <p>6,500 jobs: 5,500 with salaries over NI PSM; of which 2,750 to be at least 25% over NI PSM</p> <p>Aim to acquire / develop 200 acres by 2012</p> <p>360 investors</p>	<p>£96.5m</p> <p>48 projects</p> <p>1,600 jobs 1,360 with salaries over NI PSM; of which 680 to be at least 25% over NI PSM</p> <p>Aim to acquire cumulative total of 120 acres under this acquisition phase.</p> <p>100</p>

**PSA 3: INCREASING EMPLOYMENT**

DEPARTMENTAL STRATEGIC OBJECTIVE	ACTIVITY	TARGETS 2008 - 11	TARGETS 2009 - 10
<p><b>DSO 4: Promote business growth.</b></p> <p>[Note that these activities and associated targets also contribute towards the achievement of PSA 1 DSO 1 where they are replicated]</p>	<b>Trade initiatives</b>		
	Encourage new first time exporters	600 companies	240
	Support further companies to diversify into new markets	1,200 companies	500
	Support market research by responding to Business Information Service enquiries	7,000 enquiries handled	2,650
	Deliver Export Skills and Knowledge Workshops	1,300 delegates to attend	450
	Ensure company personnel receive advanced sales skills development	750 company representatives	250
	Support market visits	1,500 participants	650
	Provide in-market support to companies	1,000 companies	425
	Support graduate placements in companies	200 placements	75

### PSA 3: INCREASING EMPLOYMENT

DEPARTMENTAL STRATEGIC OBJECTIVE	ACTIVITY	TARGETS 2008 - 11	TARGETS 2009 - 10
<b>DSO 4: Promote business growth.</b>  [Note that these activities and associated targets also contribute towards the achievement of PSA 1 DSO 1 where they are replicated]	<b>Business Starts</b>		
	Support establishment of Export Start companies exporting to GB	300 companies	100 companies
	Support establishment of Global Start companies exporting outside the UK	45 companies	15 companies
	Networking institutional investors to identify and create new global start businesses	30 investors	10 investors
	Host inward visits for potential new investors to encourage global start businesses set-up	12 visits	14 visits
	Participate in cross border initiatives to promote entrepreneurship activities / global starts	3 initiatives	1 initiative
	Attend international trade shows re key sectors	12 trade shows	4 trade shows
	Hold liaison meetings with universities, technology transfer offices & research centres to identify potential global starts	9 meetings	3 meetings
	RON e-zines to potential clients/stakeholders	60 e-zines	20 e-zines
	Presentations to Banks, accountants, influencers	60 presentations	20 presentations
Hold seminars targeting potential client businesses	45 seminars	15 seminars	

**PSA 5: TOURISM**

DEPARTMENTAL STRATEGIC OBJECTIVE	ACTIVITY	TARGETS 2008 - 11	TARGETS 2009 - 10
<p><b>DSO 2: Promote the growth of the Tourism Sector</b></p>	<p><b>Business Development and Capacity Support</b></p> <p>Develop capacity support for tourism businesses through:</p> <p>Selective Financial Assistance (financial assistance for tourist accommodation businesses)</p> <p>Capability and business development support for tourism businesses, delivered through a number of bespoke programmes</p>	<p>By 31 March 2011 issue 16 offers of SFA for tourism accommodation projects</p> <p>By 31 March 2011 assist 120 referrals for grant assistance and/or advisory services</p>	<p>3 offers</p> <p>30 referrals</p>



**SECTION 5: ADDITIONAL ACTIVITIES NOT DIRECTLY RELATED TO PSA / DSO TARGETS**

<b>INNOVATION</b>	
<i>NOTE: While the following activities are not directly PSA / DSO related, they complement / support the activities appearing in Section 3 which contribute towards the achievement of PSA 1 DSO 4 objectives and targets.</i>	
<b>Activities</b>	<b>Outputs / Milestone Targets 2009-10</b>
Build International Innovation Partnerships via the Enterprise Europe Network.	8 Transnational Technology Transfer Agreements signed.
Secure EU funding for R&D via the 7 <sup>th</sup> Framework Programme.	£8m to be secured from FP 7 in 09/10.
Develop the capability and capacity of regional networks by attracting private sector companies, investors, researchers and academia to maximise collaborative opportunities in the development of new products, processes or services	10 collaborative projects supported.
Promotion of energy efficiency through Carbon Trust Solutions Programme.	Identify £21 million in energy savings.
Promote resource efficiency savings through the National Industrial Symbiosis Programme and Envirowise Programme.	Identify potential diversion from landfill and material savings of £1.5 million.
Use of nibusinessinfo.co.uk website to provide practical business advice to encourage growth and exports and encourage businesses to use online tools.	200,000 visits 1,500 registrations.
Use of eBusiness Programme to provide funding to assist SMEs to increase innovation and productivity through the implementation of appropriate ICT.	Improving ICT usage within companies: 625 projects  eBusiness financial support: 185 projects.

<p>Increase the level of Intellectual Property [i.e. Patents, Trademarks, Copyright &amp; Design] based activity among NI companies through an Intellectual Asset Management programme targeting companies with potential to develop and exploit new ideas and products.</p>	<p>10 companies to complete a pilot IAM programme, gaining appropriate IP protection.</p>
<p>Deliver an Innovation Voucher initiative to stimulate increased levels of innovation within small enterprises (&lt;50 employees).</p>	<p>Issue 200 Innovation Vouchers with 100 projects to be completed this year - £400k.</p>
<p>Establish a pilot “scaling” initiative to involve between 3 and 6 companies.</p>	<p>Company engagement to commence by December '09.</p>

## ENTERPRISE

*NOTE: While the following activities are not directly PSA / DSO related, they complement / support the activities appearing in Section 3 which contribute towards the achievement of PSA 1 DSO 1 objectives and targets.*

Activities	Outputs / Milestone Targets 2008-09
Enterprise Development Programme	9,630 participants on Enterprise Development Programmes, of which: - 5,030 Pre-Start (of which 1,800 NR) - 3,800 Start-Up through the Go For It Programme - 800 small businesses through the Growth Programme - 100 INI client referrals - 50% female representation throughout all components.
Propel (formerly Transform)	30 programme participants.
Social Entrepreneurship Programme	- 40 new business starts, with 70% still in operation three years after assistance - To achieve a minimum conversion rate of 10 groups pulling through to mainstream Invest NI programmes within two years of participation on the SEP.
Princes Trust	- 220 business starts; - 5 new Invest NI clients.
Advantage	10,000 engagements; - 5,000 registrations; - 5 new Invest NI clients.
Investing in Women	- 30 Growth participants - 10 new Invest NI clients.

## SKILLS

*NOTE: While the following activities are not directly PSA / DSO related, they complement / support the activities appearing in Section 3 which contribute towards the achievement of PSA 1 DSO 2 objectives and targets.*

Activities	Outputs / Milestone Targets 2009-10
Developing Export Sales (Consultancy Programme delivering advanced skills for realising export potential)	50 projects.
Value of investment in skills development leading to improved people and process capability within businesses	£25m.
Deliver support for improving company people and process capability in line with business needs through a streamlined Business Improvement Training Programme.	80 BITP Cases approved by year end.
Promote use of Interim Management /Non Executive Directors to achieve enhanced management resource/capability via short term access to expert external resources.	50 approved IM / NED cases.
Promote business improvement in companies through uptake of Business Improvement Agents to increase structured focus on efficient & effective processes and practices.	20 new BIA cases supported.
Identify joint collaborative initiatives between Invest NI and DEL, resulting in improved provision of skills development support to businesses.	3 collaborative initiatives.

## INFRASTRUCTURE

*NOTE: While the following activities are not directly PSA / DSO related, they complement / support the activities appearing in Section 3 which contribute towards the achievement of PSA 1 DSO 2 objectives and targets.*

Activities	Outputs / Milestone Targets 2009-10
<p>Implementation of acquisition and development strategy through:</p> <p>Progress on the current identified 4 areas for acquisition;</p> <p>Progress on major developments;</p> <p>Definition and approval for another phase of acquisitions.</p>	<p>(i) To be in contract for the acquisition of 74 acres in Newry by September 2009;</p> <p>(ii) To complete the acquisition of 74 acres in Newry by December '09;</p> <p>(iii) Agreeing preferred site for Strabane by Aug 2008;</p> <p>(iv) Acquiring circa 40 acres of land at Strabane by 31 March 2010;</p> <p>(v) To have developed 9.5 acres of land at Armagh by 31 March 2010;</p> <p>(vi) To have obtained approval to acquire land in Omagh by 31 December 2009;</p> <p>(vii) To have developed 40 acres of land at Granville by 31 January 2010;</p> <p>(viii) Approval of next phase of acquisition by end May 2009.</p>

## CORPORATE

*NOTE: While the following activities are not directly PSA / DSO related, they support Invest NI's commitment to achieving the highest standards of Governance, accountability and transparency while also meeting its legal obligations and operational efficiency requirements.*

<b>Activities</b>	<b>Outputs / Milestone Targets 2009-10</b>
Undertake a series of planned programme evaluations to inform the decision making process on future policy.	Initiate 3 'Primary' and 7 'Secondary' evaluations during 2008/09.  Following project completion, develop appropriate Action Plans.
Develop Revised Equality Scheme to set out planned approach to S75 implementation within the organisation.	New Equality Scheme; Communications and Access Equality Impact Assessment (EQIA); Implementation of Equality Monitoring Procedure. Completion 2010.
Review of knowledge management systems.	Development of a Vision Statement and Knowledge and Information Management Strategy.
Invest NI will undergo reaccreditation of liP (at profile standard) in June 2009. Outputs of the assessment to be used to "action plan" activity for the coming year.	Successful reaccreditation of liP by June 2009.  Development of an INI Action Plan by July 2009.
To develop a programme to continually develop and maintain the application of leadership skills within the Grade 7 population.	Next phase of the Leadership programme researched and proposal developed by September 2009.
Implement the Offers and Claims (OaCMS) Project	Go-live date – November 2009.
To upgrade Fileshare (EDRMS) to Meridio version 5.1.1 and test with other applications.	Implement upgrade in April 2009.

## SECTION 6: SUPPORT FOR BUSINESSES DURING THE ECONOMIC DOWNTURN

Activities	Outputs / Milestone Targets 2009-10
Allocation of fast track financial support to businesses in response to economic downturn – the Accelerated Support Fund.	£5m funding available in 09-10.
Development and rollout of a new Short Term Aid Scheme to help companies to plan and restructure to enable them to take advantage of an economic upturn.	Rollout of new scheme in Q1.
Additional trade activities focussed on the construction and IT sectors.	Work with 100 companies to help them identify business opportunities outside Northern Ireland, with focus on Middle East and the US West Coast.
“Sales South” development of the initial pilot consultancy programme helping companies explore sales opportunities in the Republic of Ireland.	20 projects.
Developing Export Sales (continuation of the new 1:1 export mentoring consultancy programme introduced in October 2008).	50 projects.
Provision of free fast track access to expertise to businesses in response to specific needs during economic downturn.	100 business diagnostics completed.
Support in implementing company action plans following diagnostic activity.	100 business support interventions.
Provision of knowledge based workshops & training interventions to support businesses on specific issues arising from the economic downturn.	6 events.
Promote use of Interim Management programme in direct response to economic downturn.	20 approved IM cases.
Deliver a new programme (Survive to Thrive), focusing on practical financial management, profit improvement and cost reduction, strategic planning & positioning for an economic upturn.	10 companies engaged in pilot programme.
Review potential to introduce a capital grant programme for renewables and clean technologies.	Develop new programme.

## SECTION 7: RESOURCES

### INVEST NI DIVISIONAL BUDGET ALLOCATIONS

DIVISION	2009/10 ALLOCATED BUDGET (£'000)			
	Revenue	Capital Grant	Direct Capital	Total Allocated
<b>Chief Executive &amp; Board</b>	250	0	0	<b>250</b>
<b>Innovation, Research &amp; Technology</b>	28,332	2,675	750	<b>31,757</b>
Trade	5,300	0	0	<b>5,300</b>
<b>Business Improvement Services</b>	13,300	0	0	<b>13,300</b>
<b>Technology &amp; Process Development</b>	6,043	7,809	1,000	<b>14,852</b>
ICT	272	0	1,377	<b>1,649</b>
<b>Innovation Group Total</b>	<b>53,247</b>	<b>10,484</b>	<b>3,127</b>	<b>66,858</b>
<b>Entrepreneurship Development Team</b>	8,440	0	0	<b>8,440</b>
<b>Life Sciences &amp; Creative Regional Office Network</b>	11,947	3,660	1,500	<b>17,107</b>
Food	3,800	250	0	<b>4,050</b>
Food	3,324	4,852	0	<b>8,176</b>
<b>Entrepreneurship Group Total</b>	<b>27,511</b>	<b>8,762</b>	<b>1,500</b>	<b>37,773</b>
<b>Transport, Construction &amp; Tourism</b>	6,606	10,581	0	<b>17,187</b>
<b>International Sales &amp; Marketing</b>	5,800	0	0	<b>5,800</b>
<b>International ICT</b>	10,000	500	0	<b>10,500</b>
<b>Electronics, Gen Manufacturing &amp; Business</b>	1,870	4,659	0	<b>6,529</b>
<b>Business International Group Total</b>	<b>24,276</b>	<b>15,740</b>	<b>0</b>	<b>40,016</b>
<b>Property Services Unit</b>	2,261	1,125	27,510	<b>30,896</b>
Human Resources	0	0	0	<b>0</b>
Finance	500	0	500	<b>1,000</b>
CFAAD	500	0	1,500	<b>2,000</b>
<b>Strategic Management &amp; Planning</b>	538	0	0	<b>538</b>
<b>Facilities Management</b>	5,302	0	0	<b>5,302</b>
CCMU	3,000	0	0	<b>3,000</b>
<b>Corporate Services Group Total</b>	<b>12,101</b>	<b>1,125</b>	<b>29,510</b>	<b>42,736</b>
<b>Total Programme Budget</b>	<b>117,385</b>	<b>36,111</b>	<b>34,137</b>	<b>187,633</b>



**BROUGHT FORWARD  
COMMITMENTS BY DIVISION\***

**2009/10**

<b>Division</b>	<b>Revenue</b>	<b>Capital Grant</b>	<b>Direct Capital</b>	<b>Total Allocated</b>
<b>Chief Executive &amp; Board</b>				<b>0</b>
<b>Innovation, Research &amp; Technology</b>	24,150	2,650	750	<b>27,550</b>
<b>Trade</b>	0	0	0	<b>0</b>
<b>Business Improvement Services</b>	9,600	0	0	<b>9,600</b>
<b>Technology &amp; Process Development</b>	5,721	7,309	1,000	<b>14,030</b>
<b>ICT</b>	0	0	0	<b>0</b>
<b>Innovation Group Total</b>	<b>39,471</b>	<b>9,959</b>	<b>1,750</b>	<b>51,180</b>
<b>Entrepreneurship Development Team</b>	8,113	0	0	<b>8,113</b>
<b>Life Sciences &amp; Creative</b>	7,621	1,766	0	<b>9,387</b>
<b>Regional Office Network</b>	2,850	188	0	<b>3,038</b>
<b>Food</b>	2,600	3,000	0	<b>5,600</b>
<b>Entrepreneurship Group Total</b>	<b>21,184</b>	<b>4,954</b>	<b>0</b>	<b>26,138</b>
<b>Transport, Construction &amp; Tourism</b>	6,105	7,901	0	<b>14,006</b>
<b>International Sales &amp; Marketing</b>	0	0	0	<b>0</b>
<b>International ICT</b>	10,500	0	0	<b>10,500</b>
<b>Electronics, Gen Manufacturing &amp; Business</b>	1,343	5,162	0	<b>6,505</b>
<b>Business International Group Total</b>	<b>17,948</b>	<b>13,063</b>	<b>0</b>	<b>31,011</b>
<b>Property Services Unit</b>	130	88	1,789	<b>2,007</b>
<b>Human Resources</b>	0	0	0	<b>0</b>
<b>Finance</b>	0	0	0	<b>0</b>
<b>CFAAD</b>	0	0	0	<b>0</b>
<b>Strategic Management &amp; Planning</b>	0	0	0	<b>0</b>
<b>Facilities Management</b>	5,302	0	0	<b>5,302</b>
<b>CCMU</b>	0	0	0	<b>0</b>
<b>Corporate Services Group Total</b>	<b>5,432</b>	<b>88</b>	<b>1,789</b>	<b>7,309</b>
<b>Total B/Fwd Commitments</b>	<b>84,035</b>	<b>28,064</b>	<b>3,539</b>	<b>115,638</b>

\*NOTE: The above figures relate to known commitments for 2009-10 as at 31 March 2009, as advised by the Divisions concerned.

## NOTES ON RESOURCES / BUDGET ALLOCATIONS

Only a limited proportion of the budget allocation secured by Invest NI each year is required to assist expenditure incurred by clients which announce new investment projects in that year. This is because such projects are normally implemented in phases, incurring expenditure over a number of years. Analysis has shown that, on average, only around 14% of such expenditure may be incurred during the announcement year, with the largest portions of Invest NI assistance – 28% and 15% - being drawn down by clients in years 2 and 3 respectively.

Invest NI's 2009/10 programme budget allocation of £187m represents a 45% increase compared with the 2008/09 outturn of £130m. However, an estimated £115m of this is required to meet financial assistance commitments which are forecast to be incurred under existing offers of support or other contractual commitments entered into in previous years and brought forward to 2009-10.

Around £72m of the allocation is therefore available to fund “new business” in 2009/10, of which a significant portion - approximately £30m - is needed to acquire land for industrial development purposes, an element of the budget which has been agreed under the Investment Strategy for Northern Ireland.

The remaining “new business” budgetary requirement in 2009/10 is split relatively evenly with approximately £20m relating to Selective Financial Assistance (SFA), and a further £20m to Innovation related programmes.

During 2008/9 Invest NI clients accepted offers of SFA totalling almost £120m, compared to just over £60m in 2007/8. This reflects an exceptionally high level of offer activity during 2008/09, which contributed to Invest NI largely meeting or exceeding its Operating Plan targets in that year. During 2009/10 the 08/09 offers will be in their second drawdown year and as indicated above, expenditure against them is expected to reach its highest level this year, resulting in the increased budget requirement for 2009/10 to meet these brought forward commitments.

However, as indicated elsewhere in this Operating Plan, the economic downturn is impacting on companies' investment intentions, leading to a reduction in the pipeline of projects expected to be initiated by clients this year. This, in turn, is expected to result in reduced offer activity in 2009/10 compared to the previous year.

## TARGETS FOR SFA PROJECTS 2009/10

Table (i) Overall Summary by Category

	Projected Invest NI Assistance	Annual Salaries Target	Investment Target
<b>EXISTING BUSINESSES</b>			
<i>Existing Locally-Owned</i> [Table (iii)]	27.3	50.4	157.4
<i>Follow-on Overseas Projects / Expansions</i> [Table (iv)]	12.6	20.8	53.4
<b>NEW START-UP &amp; FIRST TIME BUSINESSES</b>			
<i>New Start-up Indigenous Businesses</i> [Table (v)]	3.8	10.9	27.7
<i>New FDI</i> [Table (vi)]	6.9	14.4	27.1
<b>OVERALL TOTAL</b>	<b>50.6</b>	<b>96.5</b>	<b>265.6</b>

Table (ii) Overall Summary by Division

Division	Projected Invest NI Assistance (£M)	Annual Salaries Target (£M)	Investment Target (£M)
International Investment	10.3	20.6	41.3
Transport Construction & Tourism	10.3	10.9	45.5
Engineering & Business Services	5.3	8.5	24.0
Food	6.5	18.0	45.0
Life-Sciences & Creative	10.5	15.1	50.0
Regional Office Network	7.7	23.4	59.8
<b>OVERALL TOTAL</b>	<b>50.6</b>	<b>96.5</b>	<b>265.6</b>

## EXISTING BUSINESSES

*Table (iii) Existing Locally-Owned Businesses*

Invest NI Division	Existing Locally-owned Businesses		
	Projected Invest NI Assistance (£M)	Annual Salaries Target (£M)	Investment Target (£M)
International Investment	Nil	Nil	Nil
Transport Construction & Tourism	5.9	5.9	27.9
Engineering & Business Services	2.1	3.7	10.1
Food	5.5	16.6	38.7
Life-Sciences & Creative	9.4	10.8	46.5
Regional Office Network	4.4	13.4	34.2
<b>TOTALS</b>	<b>27.3</b>	<b>50.4</b>	<b>157.4</b>

*Table (iv) Follow-on Overseas Projects / Expansions*

Invest NI Division	Follow-on Overseas Projects (Expansions by existing Overseas Investors)		
	Projected Invest NI Assistance (£M)	Annual Salaries Target (£M)	Investment Target (£M)
International Investment	4.1	8.2	16.5
Transport Construction & Tourism	4.1	4.4	16.4
Engineering & Business Services	3.2	4.8	13.9
Food	0.6	0.9	4.5
Life-Sciences & Creative	0.6	2.5	2.1
Regional Office Network	Nil	Nil	Nil
<b>TOTALS</b>	<b>12.6</b>	<b>20.8</b>	<b>53.4</b>

**NEW START- UP AND FIRST TIME BUSINESSES**

*Table (v) Indigenous Businesses*

Invest NI Division	New Start-up Indigenous Businesses in Northern Ireland		
	Projected Invest NI Assistance (£M)	Annual Salaries Target (£M)	Investment Target (£M)
International Investment	Nil	Nil	Nil
Transport Construction & Tourism	Nil	Nil	Nil
Engineering & Business Services	Nil	Nil	Nil
Food	0.4	0.5	1.8
Life-Sciences & Creative	0.1	0.4	0.3
Regional Office Network	3.3	10.0	25.6
<b>TOTALS</b>	<b>3.8</b>	<b>10.9</b>	<b>27.7</b>

*Table (vi) Externally-Owned Businesses (New FDI)*

Invest NI Division	New First Time Externally-Owned Businesses in Northern Ireland (New FDI)		
	Projected Invest NI Assistance (£M)	Annual Salaries Target (£M)	Investment Target (£M)
International Investment	6.2	12.4	24.8
Transport Construction & Tourism	0.3	0.6	1.2
Engineering & Business Services	Nil	Nil	Nil
Food	Nil	Nil	Nil
Life-Sciences & Creative	0.4	1.4	1.1
Regional Office Network	Nil	Nil	Nil
<b>TOTALS</b>	<b>6.9</b>	<b>14.4</b>	<b>27.1</b>

## TARGET STATUS CLASSIFICATIONS

STATUS	PROGRESS
<b>GREEN</b>	<b>GOOD:</b> Achieved or on track for achievement. Low risk to overall delivery
<b>AMBER/GREEN</b>	<b>MIXED:</b> Broadly on track. May need some additional action. Medium risk to overall delivery
<b>AMBER/RED</b>	<b>PROBLEMATIC:</b> Going off track. Significant corrective action needed. High risk to overall delivery.
<b>RED</b>	<b>HIGHLY PROBLEMATIC:</b> Not achieved or clearly off track. Substantial and/or urgent corrective action needed. Very high risk to overall delivery.