



Department of
**Enterprise, Trade
and Investment**
www.detini.gov.uk

DETI Operating Plan 2005-06

May 2005

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**EQUALITY
IMPLICATIONS**
DETI is fully
committed to its
fulfilment of its
Section 75 statutory
obligations as set out
in its revised
Equality Scheme

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Overview

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The DETI Operating Plan 2005-06 sets out how the Department will deliver the first year goals of its new Corporate Plan 2005-2008.

This Plan is a working document, designed to develop during the year in response to changing political, social or economic circumstances.

INTRODUCTION

The Department of Enterprise, Trade and Investment (DETI) is responsible for economic development policy and a range of related activities. It sponsors four agencies, established as non-departmental public bodies (NDPBs) which play a key role in helping shape and implement economic development policy: Invest Northern Ireland (Invest NI); the Northern Ireland Tourist Board (NITB); the Health and Safety Executive for Northern Ireland (HSENI); and the General Consumer Council for Northern Ireland (GCCNI). Geological Survey of Northern Ireland (GSNI) is also an integral part of the Department.

In addition, DETI acts as sponsor Department to two organisations set up under the Belfast Agreement – InterTradeIreland (ITI) and Tourism Ireland Limited (TIL). The Department also works with the independent Northern Ireland Authority for Energy Regulation (NIAER).

This document sets out how DETI and its agencies plan to contribute towards the realisation of the recently published Economic Vision for Northern Ireland through the four key drivers identified – innovation, enterprise, skills and infrastructure and, how the Department will deliver during 2005-06 the first year goals set out in its new Corporate Plan 2005-08. It also contains DETI's Public Service Agreement and Operating Plan targets for the year ahead.

In addition to this Plan, each of the Department's agencies has an operating plan of its own which should be read in conjunction with this document.

This Operating Plan describes the environment in which the Department will be working, the challenges to be faced and explains the policy developments and arrangements for service delivery which form the basis of the way in which DETI will respond. It is intended to assist the reader to see how DETI aims to achieve its Corporate Plan targets and to demonstrate flexibility in meeting all new challenges arising over the next three years and beyond.

The Plan reinforces DETI's commitment to building its policy-making capacity and capability. Furthermore, the ongoing development of DETI's Research and Policy Evaluation Agendas will span the four Vision drivers and will be taken forward in partnership with its agencies and other contributors.

The Plan reaffirms the Department's commitment to reform and the goal of improving services to customers and increasing efficiency and value for money. It also commits DETI to working in partnership with others both inside and outside government as it strives to make Northern Ireland a more competitive and productive region.

THE ECONOMY

The recent ICT downturn and subsequent global economic slowdown demonstrated that Northern Ireland cannot insulate itself from global economic trends. Furthermore, Northern Ireland's developing private sector

will find itself increasingly exposed to global competition. Following the slowdown experienced in 2001, the global recovery has continued to strengthen. Economic growth in 2004 was the strongest performance in 25 years, despite the global political tensions and high oil prices which prevailed. This growth was largely driven by expansions in the US and Asian economies while the Euro area's economic activity has been rather more subdued.

It is clear that even though the global economy has picked up, there continues to be a number of risks and uncertainties surrounding the global economic outlook. However, on the upside a more rapid decline in oil prices could boost confidence and strengthen growth in 2005 and beyond.

UK Economy

The UK economy has performed well in recent years. Latest figures show economic output as measured by nominal GVA expanded by 5.0% in 2003, while unemployment is considerably below the EU and US averages. However, the slowdown in the UK economy towards the end of 2004 has generated a pessimistic outlook about growth prospects in 2005 and 2006, with consumer spending forecast to decelerate sharply as the downturn in the housing market impacts upon consumer confidence.

Northern Ireland Economy

The Northern Ireland economy has performed well within this strengthening global economy. The most recent GVA figures show that the Northern Ireland economy grew by 6.0% over the year to 2003. This compares to UK average of 5%, with only one other region (East Midlands, at 6.3%) experiencing higher growth.

The local labour market has also performed well. At 4.8% (Feb–April 05), the Northern Ireland unemployment rate is currently 0.1 percentage points above the UK average, while at 691,670 the level of employee jobs in March 2005 was the highest ever recorded. Furthermore, 2004 was a record year for tourism with 2.059m visits to Northern Ireland.

While these indicators demonstrate that the Northern Ireland economy is in a strong position, there remain a number of structural weaknesses which are hindering the region's competitiveness in the global market. Northern Ireland has persistently higher levels of economic inactivity than the rest of the UK, limiting the supply of labour in the region. In addition our level of new firm formation is considerably below the UK average, while business expenditure on R&D is around half the level in the UK as a whole. These factors all contribute to a lower productivity rate in the region.

The economic environment in Northern Ireland has changed radically over recent years, and this period of transition will continue for some time to come. The region's manufacturing sector has experienced a difficult period with increased low cost competition accompanying a rising cost base, however growth in the service sector has more than compensated for this decline the manufacturing industry.

Northern Ireland is also entering a more challenging fiscal climate, in which business and households will contribute more towards the cost of public service provision in the region. Manufacturing industries in particular will experience a change in their cost environment as industrial de-rating is phased out, bringing the sector into line with rest of the economy. In addition, changes to the European regional aid guidelines, post 2006, may limit Northern Ireland's ability to offer the level of Selective Financial Assistance it has in the past.

Northern Ireland cannot compete purely on cost and the challenge going forward is to complete the transition from an economy based on cost competitiveness to one which competes on quality and unique activity. The role of government within this challenging new environment is to create an economic environment conducive to innovation and enterprise, where firms can draw on a pool of skilled workers and where the flow of people, goods and information is unhindered.

DETI Priorities

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DETI remains committed to working in partnership with others to secure a collaborative approach between Government and the major social partners in pursuit of economic growth.

SECTION 2 (i) WHAT DETI WILL DELIVER

ECONOMIC DEVELOPMENT POLICY AND RESEARCH

In 2005-06 we will:

- Work with EDF in addressing issues and challenging progress towards implementing the Economic Vision.
- Encourage and co-ordinate cross-departmental policy development linked to the implementation of the Economic Vision.
- Develop new, or refine existing, policies on business expenditure in R&D, manufacturing, the service sector and in-company training based on evidence from the Economic Research Agenda 2003-05.
- Publish a new Economic Research and Evaluation Agenda (2005-08) and deliver year 1.
- Further develop the full suite of quarterly and annual economic and labour market publications.
- Develop a programme of high-level policy evaluations.
- Identify niche areas within which NI has world class potential and on which R&D support will be focused.
- Agree the modalities for establishing a regional science-industry council or equivalent.
- Review existing New TSN objectives in light of emerging anti-poverty policy developments.

DETI remains committed to working in partnership with others to secure a collaborative approach

between Government and the major social partners in pursuit of economic growth.

During 2004-05 the Department took the lead in working with key stakeholders within Government, trade unions, business and voluntary sectors to develop an Economic Vision for NI which was published in February 2005.

The Economic Development Forum (EDF) is an important and much valued mechanism for achieving effective and genuine engagement with all our social partner organisations. By working collectively through the Forum, we can achieve more for NI than the sum of the individual organisations working alone. During 2004-05, the Forum made a vital contribution in shaping the Economic Vision for NI and, during 2005-06, will have a key role to play in identifying and tackling priority issue areas and challenging progress towards implementation of the Vision.

The DETI Corporate Plan 2005-08, which was developed during 2004-05, reinforces the Department's commitment to building its policy making capacity and capability on a sound evidence base and the results of a focused high quality research and evaluation programme. Significant progress has already been made in relation to this and a number of pieces of research have been brought to a successful conclusion during 2004-05. This includes the work to ensure that the recommendations flow directly into the decision-making process and shape the way forward in policy and operational terms. The most recent

example of this was the research into Business Expenditure on Research & Development, which has helped shape the approach taken to the Action Plan flowing from the Regional Innovation Strategy. Work will also proceed in 2005-06 in developing new or refining existing policies in manufacturing, the service sectors and in-company training arising from recent research.

Research is only one part of the process of evidence based policy making, the others being policy development itself, implementation and evaluation. To ensure that the process in its entirety works effectively, during the last year, the Department prepared and implemented two protocols covering research and evaluation. This has ensured that all stages of the research and evaluation process are correctly identified and managed, such that the correct research is undertaken and that recommendations and resulting policy developments are appropriately implemented and evaluated. The Department has also established a Steering Board, the role of which is to ensure that appropriate research and evaluation is identified, undertaken and quality assured and that the results flow directly into the appropriate policy arena and make a difference going forward.

The Research and Evaluation agenda has been developed to complement the Economic Vision for NI and also the DETI Corporate Plan. It has therefore been structured around the 4 key themes of innovation/R&D, enterprise, skills and infrastructure. In addition, to reflect the obvious overlap between a number of the identified drivers

of economic growth, an overarching competitiveness stream will also be taken forward. The agenda can be accessed at www.detini.gov.uk/cgi-bin/downutildoc?id=966 and covers the three years 2005-2008.

During 2005-06 work will be undertaken on a wide range of key issues covering DETI's areas of responsibility. Research will be undertaken around each of the four drivers of productivity growth identified in the Economic Vision and will include work on Higher Education expenditure on R&D (with DEL) to complement the recently completed work on BERD. We will also be commissioning work on 'Building Small Firm Growth Capability' and on the future of FDI. A programme of energy related research will be started and we will begin to explore the issues surrounding 'Attitudes to Risk in NI'.

Other high priority areas will also be addressed, in association with other Departments, including further work on the Competitiveness programme and research to assess the case for a higher rate of tax credit for stimulating R&D expenditure in NI. In addition, during 2005-06 a rolling programme of policy evaluations will be prepared and appropriately prioritised and undertaken.

The Department also recognises the importance of its internal sources of information and will continue to develop its economic and labour market statistics to provide timely and quality coverage of the NI economy to inform economic debate and decision-making. In addition, the Research Agenda will be

complemented by a stream of analytical work which will examine the detail behind the headline figures in relation to, for example, productivity, hours worked and the characteristics of NI-based firms undertaking research and development.

During 2004-05 in partnership with Invest NI, other government departments, the Higher Education (HE) and Further Education (FE) sectors and business organisations, DETI developed a two year action plan to focus delivery of the Regional Innovation Strategy (RIS) priorities. Delivery against this plan started in the autumn of 2004 and following further refinement, taking account of research commissioned into business expenditure on R&D, it was published in March 2005.

During 2005-06, the Department will continue to carry out the actions under this plan to further enhance the business/HE/FE/ government collaboration necessary to make NI more innovative and to develop its economy.

Amongst DETI's priorities will be: to identify niche areas within information and communication technologies, life sciences, aerospace technologies, nanotechnologies and agri-food technologies within which NI has world class potential and on which support for R&D will be focused; to establish a regional science - industry council or equivalent; and to work with universities and FE colleges to ensure that their expertise is fully exploited as a resource for innovative businesses.

DETI also recognises the important contribution the rural community makes to the NI economy and

during 2005-06 will continue to liaise with the Department of Agriculture and Rural Development (DARD) as it takes forward its rural development policies.

DETI's revised Equality Scheme, which received the approval of the Equality Commission in June 2003, will require review and updating during 2005-06. DETI will also, over the course of the next twelve months, establish the Department's input to the action plan emerging from OFMDFM's new Anti-Poverty Strategy. A stocktaking exercise in respect of the West Belfast and Greater Shankill Task Force process will also be completed during the year in order to identify an integrated way forward on any further issues.

ENERGY

In 2005-06 we will:

- Continue implementation of the Strategic Energy Framework.
- Reduce electricity costs particularly for business users.
- Strengthen the NI gas market to benefit consumers.
- Enhance the sustainability of the NI energy system.
- Maintain reliability and security of energy supplies.
- Progress development of an all-island energy market.

DETI is responsible for promoting the strategic development of the energy industry in Northern Ireland in the balanced interests of the economy, consumers and the environment.

A new Strategic Energy Framework was published in June 2004, with the achievement of economically and socially acceptable energy costs in NI as a primary goal.

Concentration will continue on reducing electricity costs for business users, which remain significantly higher than in Great Britain (GB) and other competitor regions. In the short term the focus will be on securing European Union (EU) support for the targeted 10% electricity cost reduction for business users and, in the interim, delivering the recently announced £8.8m Government intervention to defray the cost of the Energy Efficiency Levy, thereby reducing the 2005-06 tariff by 1.5%.

Fully opening both the electricity and gas markets to competition by July 2007 is required by EU Directives. The NI electricity market was extended to 60% market opening (representing all non-domestic customers) from March 2005.

In order to ensure that the July 2007 target is met and following a public consultation which ended in March 2005, DETI will be preparing new subordinate legislation and working closely with the NI Authority for Energy Regulation (NIAER) and Northern Ireland Electricity (NIE) on necessary licence modifications.

Work will continue this year in promoting the economic development of the gas industry in NI. Primarily, this will take the form of the expansion of the network via high pressure pipelines to Londonderry and from Dublin but will also involve the creation of low pressure networks in a number of towns along the route of the pipelines. In tandem with the expansion of the network DETI will drive the implementation of the Gas Directive which supports the introduction of competition into gas markets. Furthermore, as the market for gas continues to develop in the face of depleting GB gas reserves, the Department will drive forward our consideration of security and reliability of supply by looking at alternative sources of gas such as Liquefied Natural Gas (LNG) and storage.

A sustainable energy system should satisfy present and future economic and social needs while minimising environmentally damaging activities. DETI will build on the introduction of the NI Renewables Obligation to significantly increase the use of renewable sources of energy. DETI will also encourage more efficient end user consumption of energy as a means of reducing overall energy costs.

NI needs energy that is reliable in terms of security and continuity of supply – provided at the minimum cost necessary. DETI will continue to work closely with NIAER and our departmental and regulatory counterparts in the Republic of Ireland, as well as with relevant authorities in GB, to secure reliable, long term energy supplies. The Department will also be working closely with generators and

suppliers in NI to ensure sound capacity/demand planning and effective emergency arrangements.

DETI, alongside NIAER, the Republic of Ireland's Department of Communications, Marine and Natural Resources (DCMNR) and Commission for Energy Regulation (CER), will actively pursue the agenda set by Ministers in the All-island Energy Market Development Framework in November 2004. This recognises the importance of a collaborative approach to energy policy development, given the many common challenges in both jurisdictions and the opportunities for mutual benefit. An early priority will be the creation of a single all-island wholesale electricity market by July 2007. Ministers have also asked that all-island progress on sustainable energy issues be given specific focus during 2005-06.

ECONOMIC INFRASTRUCTURE/TELECOMS

In 2005-06 we will:

- Build on progress to achieve our target of 100% broadband access.
- Work with Invest NI and the telecommunications industry to increase the rate of broadband take up.
- Deliver a new broadband content initiative aimed at producing at least 4 new and innovative broadband content products.
- Develop a new telecommunications strategic action plan.
- Explore and map NI's mineral and hydrocarbon resources.
- Maximise the potential of the NI Science Park.

- Build on recent success in developing new air routes from NI.
- Continue to work with the insurance industry and GB departments to mitigate the effects of the increases in Employers Liability Insurance premiums.
- Undertake a review of funding sources available to SME's in NI.

During 2004-05 NI moved from 62% of businesses and households having access to broadband to over 98%, making us the leading region for broadband access in the G7 nations. In 2005-06 DETI will continue to build on this to achieve our target of 100% broadband access.

Along with increased access to broadband there has also been a dramatic increase in the take up of broadband by households and businesses in NI. This is essential both in terms of businesses taking advantage of the opportunities presented by broadband but also to ensure continued investment in our telecommunications infrastructure. The Department will continue to work with Invest NI and the telecommunications industry to increase the rate of broadband take up.

The development of rich broadband content is now a high priority if exploitation of broadband is to be effective, and DETI will encourage the NI creative sector to adopt their skills to this new market opportunity. In 2005-06 DETI will deliver a new broadband content initiative aimed at producing at least 4 new and innovative broadband content products.

In 2005-06 DETI will also undertake the development of a new strategic action plan for telecommunications to ensure NI continues to benefit from a world class telecommunications infrastructure to 2010.

The Department will continue to encourage the exploration and development of NI's mineral and hydrocarbon resources. In 2005-06 the Department will continue with the Tellus project – this is a major resource and environmental survey of NI which will involve the collection and mapping of geo-science and geo-chemical data. The second year programme is a further significant commitment to improve the quality of the data on NI's mineral resources, its underground water resources and to identify any natural hazards. This year will include both airborne and ground based surveys together with processing of data from year one. A further part of this work will involve the development of electronic access to data held by the Geological Survey of Northern Ireland (GSNI) as an e-business project.

The ongoing development of the NI Science Park is an integral part of DETI's Regional Innovation Strategy. During 2004-05 the Science Park Innovation Centre was fully let, realising some 300 jobs in 13 companies ranging from software through engineering design to bioscience. Building work is now currently underway on Whitestar House while the separate refurbishment of the legacy building is due to be completed by September 2005.

In 2004-05 investment support, through the Air Route Development Fund, was offered to nine air routes out of Northern Ireland. Five of these routes were to Continental Europe – Paris, Nice, Geneva, Rome and Berlin; three to GB – Norwich, Manchester and Birmingham, and one to the US – New York. Initial feedback across the business sector has been very positive, with the securement of the New York route attracting a particularly favourable reaction. The majority of these routes are now operational, while the remainder will commence in early summer 2005.

In 2005-06 a review of the Air Route Development Fund will be undertaken. In addition to reviewing the effectiveness of the Fund an assessment will also be undertaken on the potential opportunities for additional new routes.

Employers Liability Insurance premium increases continue to have an impact on NI business, particularly small firms. While premiums are showing signs of decreasing DETI will continue to work closely with other departments in implementing the Department of Work and Pensions (DWP) led review and with the insurance industry and organisations representing local businesses in an effort to mitigate the impact of current market difficulties. In doing so we will seek to utilise the expertise of the Health & Safety Executive (HSENI) and Invest NI to improve insurability and will continue to monitor costs annually.

Given the reliance of the NI economy on the growth of small businesses, it is important to ensure that there is adequate funding available to allow SMEs to grow.

Towards this end, DETI and Invest NI propose to carry out an extensive review of the adequacy of funding sources in NI through all phases of their development and to consider possible future initiatives, both public and private, to address gaps in the market. Although the study will be primarily aimed at SME's in the manufacturing and tradable services sectors, the findings will be of relevance to companies in other sectors of the local economy.

BUSINESS DEVELOPMENT

In 2005-06 we will:

- Assist companies to become more entrepreneurial, innovative and international.
- Continue to build value-added capability in companies, promote higher levels of business start-up and attract quality inward investment.

During 2004-05, Invest NI continued to pursue its first Corporate Plan objectives of promoting innovation, helping existing businesses to grow, encouraging business start-ups and attracting high-quality, knowledge-based inward investment.

In total Invest NI leveraged £470m in investment through its programmes and activities, bringing the total investment in economic development during Invest NI's first three years to over £1.5bn. Some £230m represented investment in R&D and the

numbers of companies engaging in R&D increased by 6%. The target for development projects in established companies (375) was exceeded with over 400 completed.

Over 100 companies entered export markets for the first time and a very encouraging 380 existing exporters entered new markets. In all, over 1,000 companies participated in trade visits and other trade initiatives. A total of 700 business improvement projects were completed in the areas of Strategic, People and Process Excellence and 100 companies participated in Company Development Programme activities.

The Go for It campaign, which took place over a short period towards the end of 2004, resulted in over 11,000 enquiries about business start-up and attracted over 1,000 people to its Roadshows. The success of the campaign was exemplified in the achievement of some 3,500 new start-up businesses, well above the year-end target of 2,870.

Also during 2004-05, and against a highly competitive inward investment market, the agency secured 14 inward investment projects, offering the prospect of approximately 2,300 additional quality jobs. The proportion of these locating in NTSN areas remains high at over 75%.

Invest NI's second Corporate Plan, covering the three-year period 2005-08, builds on the approach taken in the first Corporate Plan. The agency's economic development efforts will focus on

assisting companies to become more entrepreneurial, innovative and international.

During 2005-06 particular emphasis will be placed on continuing to build value-added capability in companies, promoting higher levels of business start-up and attracting quality inward investment. In doing so, it will be important to clearly define Invest NI's clients as those with the greatest potential to impact positively on the economy and to ensure resources are focused on those clients. Invest NI will also pay particular attention in the coming year to the continued improvement of customer delivery, higher levels of staff performance and effective internal and external communications.

TOURISM

In 2005-06 we will:

- Work with partners to progress the NITB's Strategic Framework for Action to realise NI's tourism potential.
- Develop the tourism product by advancing signature projects including the provision of new visitor facilities at the Giant's Causeway and pursue winning themes in other areas.
- Aim to maximise the contribution tourism makes to the local economy particularly through visitor spend.

Tourism continues to be a high priority for the Department given the industry's potential to contribute significantly to growth in the local economy and most particularly the rural economy.

The Tourism Strategy Forum (TSF), chaired by the Minister for Enterprise, Trade and Investment brings together Government Departments and key industry representatives, working in partnership to progress key tourism issues. The Forum will meet regularly during 2005-06 to ensure effective working partnerships between the public and private sectors and to monitor progress of the Strategic Framework for Action.

During 2005-06, DETI and the Northern Ireland Tourist Board (NITB) will advance the implementation of the Strategic Framework for Action which provides the framework and sets out the priorities for NITB to achieve its goals of an 8.5% (6% real terms) growth in visitor spend and a 6.5% (4% real terms) growth in domestic holiday spend. In addition, the Department will aim, through Tourism Ireland Limited, to increase, by one percentage point, NI's share of visitors to the island of Ireland.

Delivery of a high quality tourism product remains a key driver. 2005-06 will mark further developments in the modernisation of the statutory regulation for tourist accommodation in NI.

A major task for 2005-06 will be to take forward the international design competitions for new world-class visitor facilities at the Giant's Causeway and to oversee the creation of a new company, which will own and operate the new facilities. In addition, DETI will continue to work with NITB on the implementation of the tourism

Masterplan for the wider Causeway Coast and Glens area.

EU SUPPORT FOR ECONOMIC DEVELOPMENT

In 2005-06 we will:

- In partnership with Invest NI, business groups and other interested parties, seek to persuade the Commission of the need for Northern Ireland to retain assisted area status.
- Underpin the provision of modern infrastructure in the areas of workspace provision, gas pipelines, renewable energy, and energy efficiency and telecomms.
- Strive to meet EU imposed expenditure and monitoring targets for Structural Fund Programmes.
- Promote the sustainable growth theme of the UK Presidency (July – December 2005) through providing support for actions designed to deliver the economic growth and competitive aims of the updated Lisbon strategy.

The Department faces significant challenges from both the impact of EU enlargement and the implications of the Commission's Third Cohesion Report which sets out its proposals for future use of Structural Funds and designation of areas of disadvantage (Assisted Areas) post 2006. The Commission is expected to make final determinations on assisted areas and regional aid guidelines for the period 2007-2013 before the end of 2005. Securing the most advantageous outcome for NI in relation to structural funds for economic

development will remain a high priority for the DETI during the year and we will work in partnership with Invest NI, business groups and other interested parties in seeking to achieve this.

During 2004-05, the European Regional Development Fund (ERDF) continued to support a broad range of economic development activities, through business competitiveness and development support, research and development technology, information society support, local economic development, tourism, telecommunications, energy infrastructure, financial engineering and the economic revitalisation of disadvantaged areas.

The financial support is broken down across three areas - £72.5m for Peace II (2000-04), £197.5m for Building Sustainable Prosperity (2000-06) and £10.2m for INTERREG IIIA (2000-06). Around 80% of this financial support is disbursed through Invest NI and NITB and is required to be spent in accordance with strict expenditure profiles as agreed at the Lisbon Summit of EU Ministers.

During 2005-06 an extension of Peace II should be agreed and provide DETI with an additional £5m funding to be spent by 31 December 2007 on the development of flexible workspace in disadvantaged areas. To underpin the economic activity currently being undertaken by Invest NI and NITB the Department will, during 2005-06 use ERDF to support projects, providing 160,000 sq ft of workspace with a potential creation of 470 jobs in the most disadvantaged areas of NI. Additionally the Department will complete 7 significant projects

across the district council network targeted at the small business sector.

SOCIAL ECONOMY

In 2005-06 we will:

- Lead in the implementation of Government's Strategic Plan for the sector.
- Determine, with the sector, the future development of the Social Economy Network.
- Present a draft Industrial and Provident Societies Order in Council to Parliament, and make amendments to the Credit Union Order.

The development of a strong and sustainable social economy in NI continues to be a high priority. During 2004-05 DETI, on behalf of the Social Economy Inter-Departmental Steering Group, published "Developing a Successful Social Economy", NI Government's Cross-Departmental Strategic Plan 2004-07. The Social Economy Network continued to develop and worked with the IDSG, through the Social Economy Forum, on key issues for the sector's development.

The Review of Credit Unions and Industrial and Provident Societies continued to make substantial progress during 2004-05, with an initial consultation paper on both sets of proposals issued in May 2004. The initial stage of consultation, which included a number of focus groups and seminars with key stakeholders in both sectors, was completed in August 2004. Drafting of a second set of consultation papers, to include a draft Industrial and Provident Societies Order and draft

amendments to the existing Credit Unions Order, is continuing; the I&P consultation issued at the end of March 2005, the Credit Unions consultation is expected to issue by the end of June 2005.

DETI will continue to support Departments to deliver on the 2004-07 Strategic Plan and will lead baseline mapping work of social economy enterprises in NI and ensure that they are aware of and access finance and business support services. Arrangements will also be agreed with key stakeholders on support for the next phase of the development of the Social Economy Network.

During 2005-06 DETI will present a draft Industrial and Provident Societies Order in Council to Parliament; draft amendments to the Credit Union Order will also be laid, with a view to coming into law by April 2006.

REGULATORY SERVICES (INSOLVENCY SERVICE, COMPANIES REGISTRY AND TRADING STANDARDS SERVICE)

In 2005-06 we will:

- Implement a programme of work to bring an Order in Council revising insolvency law into operation.
- Continue to implement modernisation projects.
- Continue to ensure that NI company law keeps pace with developments in both GB and the EU.
- Introduce the Companies (Audit, Investigations and Community Enterprise) (NI) Order.

Insolvency Service

Further modernisation of legislation and the introduction of new legislation will remain a high priority.

In 2005-06 Insolvency Service will implement a programme of work required to bring an Order in Council revising insolvency law into operation.

There will also be continuing implementation of the modernisation project with on line access for all key customers and provision of electronic banking service.

Companies Registry

A new case management system was introduced in 2004-05 which manages the workflow and the electronic processing of company information. This along with the telephone Contact Centre and electronic document record management system represents the completion of a significant programme of work geared to improving and increasing customer access to company information.

A further route to company information will be completed in 2005-06 with the availability of on line access. Preparations will also start to offer on line filing.

Company Law

Considerable progress was made during 2004-05 in closing the gap between GB and NI company law. In total 18 Statutory Rules were made.

During 2005-06 Company Law branch will continue to ensure, as much as practicable, that NI company law keeps pace with development in both GB and the EU.

This will include the introduction of the Companies (Audit, Investigations and Community Enterprise) (NI) Order. This Order will contain provisions designed to help the social economy sector by introducing the community interest company. 18 pieces of subordinate legislation are also scheduled.

CONSUMER AFFAIRS

In 2005-06 we will:

- Evaluate the pilot money advice project and determine options for its continued delivery.
- Work closely with the GCCNI to ensure that the interests of consumers are promoted and safeguarded.
- Ensure that the necessary arrangements are in place to allow the GCCNI to assume responsibility for representing water consumers from 1 April 2006.

During 2004-05 DETI, alongside GCCNI, continued to deliver the Government's Consumer Strategy for NI through a range of initiatives. These included the NI Consumer Helpline, Consumerline, a pilot money advice project and the GCCNI's "Consumer Skills for All" programme.

During 2005-06, DETI will evaluate the pilot money advice project and determine options for its continued delivery. Consumerline will provide an effective consumer advice service and the

intelligence generated within that service will inform and direct the Trading Standards Service enforcement activity. In delivering all these services the emphasis will be on securing benefits for NI's most disadvantaged areas, communities and individuals and working in partnership with the voluntary and business sectors and other key stakeholders.

The Department will continue to work closely with the GCCNI to ensure that the interests of consumers are promoted and safeguarded and in particular will ensure that the necessary arrangements are in place to allow the Council to assume responsibility for representing water consumers from 1 April 2006.

HEALTH AND SAFETY

In 2005-06 we will:

- Improve levels of compliance and thereby reduce the incidence of work-related injuries and illnesses by targeting resources at high risk work sectors.
- Recognise excellence in the management of health and safety, share best practice and leverage supply chain pressures to effect positive change.
- Reach out and offer support to start-up and existing small businesses to help them gain a foothold in the effective management of workplace health and safety.

HSENI's vision is to achieve world-class performance in workplace health and safety and

therefore improve the overall economic and social well being of our community.

During 2004-05 HSENI introduced Compliance Teams which work across the span of high-risk work sectors namely, construction, quarrying, farming and manufacturing on a geographical basis. This approach provides greater visibility, greater flexibility and greater productivity.

Other initiatives saw the formalisation of an agreement with the US Department of Labor's Occupational Safety and Health Administration (OSHA) and the Republic of Ireland's Health and Safety Authority to transpose to Ireland, North and South, OSHA's very successful Voluntary Protection Program that recognises excellence in the management of workplace health and safety; launching the Child Safety on Farms Campaign *Be Aware Kids* and flowing from that a successful primary school poster competition the winning entries forming the basis for a 2005 Calendar; and launching HSENI's business-friendly small business advisory service *Health and Safety Works NI*.

As well as these initiatives HSENI continued to lead the implementation of the long-term workplace health strategy for NI *Working for Health* and BUILDSAFE-NI where the focus is on the reduction of deaths and injuries in the construction sector.

During 2005-06 HSENI will also build on the success of the Compliance Team approach by

refining the inspection model. In particular, special attention will be paid to vulnerable groups such as migrant workers and the elderly who work in farming. In addition, through the cross-departmental implementation group, HSENI will oversee delivery of the raft of programmes set out in the *Working for Health* Action Plan.

During 2005-06 HSENI will establish an Asbestos Advisory Service with the aim of ensuring that the individual and the broader community are better informed about dealing appropriately with the asbestos they encounter in society.

In addition, through its new business-friendly small business advisory service *Health and Safety Works NI*, HSENI aim to reach upwards of 2,000 start-up and existing small businesses participating on Invest NI's Business Start Programme. HSENI also intend to recognise excellence through the sponsorship, as part of the Belfast Telegraph Business Awards, of an Excellence in the Management of Health and Safety Award.

SECTION 2 (ii) EFFECTIVE DELIVERY

REFORMING OUR SERVICES

The Government's agenda for reform is built around a focus on the citizen that ensures that public services meet their legitimate expectations. This means that policies must be effective in meeting the intended aims; be delivered cost effectively; and be modern, accessible and of high quality for the users of the service.

This is a holistic approach to reform – it is not just about efficient delivery or simply about structures. It requires a range of things to be done to provide the citizen with the outcomes they expect from public services.

The Government has adopted a six-stranded model, or framework, to describe what it is working to achieve through reform. The reform framework provides a focus at both the administration level and the department level for the planning and development of new reforms and for the monitoring of those being implemented. The NI Public Service Reform Framework is reproduced in the Priorities and Budget 2005-08 document.

DETI remains committed to improving the delivery and maximising the efficiency of the services for which it is accountable. DETI's areas of reform include:

- [Development of a Competitive Energy Market.](#)
- [Development of world-class telecommunications infrastructure.](#)

- [Implementing the Workplace Health Strategy for NI.](#)
- [Conversion of NI Companies Registry, Insolvency Service and Consumer Affairs to e-Government services.](#)
- [Freedom of Information.](#)
- [Rebalancing and rationalising the Invest NI incentives package.](#)
- [Single site accommodation for Invest NI.](#)

EFFICIENCY MEASURES

During 2004-05 the Department absorbed a £1 million reduction in departmental running costs. The Department has now carried out an efficiency review throughout all its business areas which will deliver £8.2 million efficiency savings in 2005-06. Approval has been secured for single site accommodation for Invest NI to assist in its targeted rationalisation of 100 posts from inception.

During 2005-06 DETI will deliver on its commitment to efficiency improvements by implementing the first phase of necessary staff reductions to meet its running cost requirements. The Department will seek to realign its available resources in line with the significant pressures it faces in a number of key frontline services and will also seek to make improvements to 'corporate support services'. DETI will also seek to improve procurement processes and deliver procurement savings as well as addressing efficiency across the core Department and its NDPBs in both administration and programme costs.

E-BUSINESS

A review of the [Department's e-Business Strategy 2004](#) was undertaken at the end of the 2003-04 and the review document published last year.

The review concluded that the Strategy's original aims of contributing to the achievement of the Department's objectives, achieving maximum gain from the investment made, and assisting the Department in achieving its electronic service delivery targets for 2005 were still valid. DETI is on target to meet the electronic service delivery target and will have 100% of key services available electronically by December 2005.

DETI will continue to actively promote the use of its "e" channels. This will have a twofold effect: firstly e-channels will provide businesses with a 24 hour, 7-days per week access to our services and, secondly, enable the Department to rationalise delivery channels achieving more effective use of resources.

DETI is one of three Departments involved in a Lead Implementation project for the rollout of an Electronic Document and Records Management System (EDRMS). The introduction of EDRMS provides a major opportunity for DETI, to use its information holdings more strategically, to meet its obligations under the Freedom of Information Act and to modernise its services. E-business and EDRMS together represent a transformation of the Department's business processes: in the way we interact with our external customers, and, internally, between our Business Units. The Department plans

to rollout EDRMS across the Department from the summer of 2005.

Corporate Regulation Branch (including the Companies Registry NI) have started phase 2 of their modernisation project. By Autumn 2005 electronically held company documents will be accessible to the public on the Web. Ordering, delivery and payment for these documents will be available electronically 24 hours a day.

During the past year the Annual Business Inquiry (ABI) was made available as an online form. This is the second form from DETI's Statistics Research Branch that can be filled in online - the first being the Quarterly Employment Survey (QES).

CORPORATE GOVERNANCE

Throughout 2004-05 the Department continued to give a high priority to embedding sound systems of corporate governance. Risk management is now firmly embedded throughout the Department and issues arising from the risk management process are considered by the risk management committee and regularly reported to Senior Management and the Departmental Audit Committee.

In 2005-06, the Department will ensure that risk management has been integrated into the corporate and operating planning process, in particular ensuring that risks relating to the achievement of objectives and targets contained in the new Corporate Plan covering the period 2005-2008 and the Operating Plan 2005-06 have been identified and are being managed.

The Department is currently benchmarking its corporate governance arrangements against current best practice; any changes flowing from this process will be implemented during 2005-06. DETI will also during 2005-06 initiate a robust and systematic assessment of fraud risks faced by the Department and its NDPBs and identify appropriate responses.

The Departmental Audit Committee continued to meet regularly during the year and progress on actions arising from its meetings was reported to meetings of the Departmental Board. This Committee contains a combination of executive and non-executive members, and officials from the Department's Internal Audit Service and the NI Audit Office attend its meetings.

In 2005-06 we will consider Non-Executive representation on DETI's Departmental Board.

CROSS DEPARTMENTAL WORKING

DETI plays a valuable role in cross-departmental working. The Department's approach is to engage positively and constructively with cross departmental issues and projects where a DETI perspective or resource input can add real value or secure resources for the achievement of common objectives.

DETI has, therefore, continued throughout 2004-05 to work effectively with other departments to deliver the Executive's Programme for Government/Government's Priorities and Plans. Areas of cross departmental action have included: employability / skills policy development through

input to a number of Department for Employment and Learning (DEL) led groups including the Employability Implementation Group and the Essential Skills Committee; work with the Department for Education (DE) and DEL to enhance the structures and content of business education provision; spatial / infrastructure development through close liaison with the Department for Regional Development (DRD) in relation to the Regional Development Strategy and liaison with the Department of the Environment (DOE) on the development and implementation of the Belfast Metropolitan Area Plan (BMAP); representation on the DOE led Water Framework Directive Implementation Board; close working with the Department of Health, Social Services and Public Safety (DHSSPS) in relation to the Investing for Health Strategy and representation on the Ministerial Group on Public Health (MGPH); rural development in close co-operation with colleagues in the Department of Agriculture and Rural Development (DARD).

DETI has also sought to work effectively with other Departments to deliver on issues such as better regulation.

HUMAN RESOURCE CONTRIBUTION

DETI's distinctive approach to development, at both organisational team and individual level, starts with seeking to instil ownership of the Department's strategies and plans among our staff. There has also been an increased emphasis on strengthening our corporate identity, improving communication and promoting team working across

branches, divisions and units so as to develop the capacity of its staff to contribute successfully to the business of the Department. It is by developing this capacity that DETI will progress the important and challenging legislative agenda, deliver excellent policy work and work in partnership with others to increase levels of service to the citizen. DETI will also seek to further embed its core values in how it sets about its work and to visibly demonstrate these values at every level within the Department.

DETI is embarking upon a new departmental HR strategy which will cover the period 2005-08. The previous strategy Moving Forward has now been delivered with all objectives having been met. The strategy provides a single framework within which the Department can develop HR policies, strategies and plans which directly and tangibly support the Department's business by ensuring, among other things, the provision of appropriately skilled and motivated staff. The strategy recognises that the HR function has a crucial role to play in the success of the Department's business and will focus on improving Leadership, Resourcing, Performance and Recognition, Attendance Management, Building Capability, Partnership Working and the introduction of self-service E-HR facilities.

Self-service e-HR is a significant change for HR which will see a transformation in how HR is delivered in the Department and the NICS as a whole. Line managers and staff alike will have a much more hands on role in the day to day transactional elements of HR, and HR will become a more integrated management function.

Throughout this period of change HR will also have a key role to play in supporting the delivery of the Department's strategy and plans, particularly in the context of Fit for Purpose and other associated Government policies. While the staffing efficiencies to be achieved under Fit for Purpose will present a significant challenge for both managers and HR, it will also present an opportunity to evolve a new Department structure where resources are more concentrated on the delivery of frontline services.

The coming year will also see a review of DETI's Cohesion events, a series of activities put in place to establish an integrated culture within DETI where staff increasingly work across divisional boundaries and feel part of a tangible corporate identity. These events have included the Senior Managers Forum, Celebrating Success and an annual team event for staff.

During 2005-06 the Department will also be taking forward the results of the 2004 Staff Survey and reporting against progress. DETI's Heads of Division expressed a keenness to take the results forward within their own areas of responsibility so that specific issues could be effectively addressed.

DETI continues to take equality of opportunity for its staff very seriously and is stretching this agenda with a focus on diversity. In the past year a Diversity Board has been appointed of volunteer staff members. The Board have been researching best practice in the area of diversity, and identifying diversity priorities for DETI.

The Diversity Board have produced a Diversity Action Plan for DETI for the coming year. Priority areas for action include work life balance, promotion of dignity at work, disability and raising awareness of diversity. This Action Plan sets the agenda for diversity work among DETI staff 2005–06.

DETI will continue to provide a wide range of externally accredited development programmes which align directly to NICS core competence framework and provide staff with the knowledge and skills required to develop themselves personally and professionally. Having received excellent results in our iP profile assessment last year we value the process of annual external re-assessment as it validates the maintenance of our commitment to providing excellent development opportunities for all staff. We also look forward to developing an approach to improving our leadership skills within DETI so that the Department can be re-assessed against the rigorous iP Leadership and Management stretch model.

The Department's training function continues to hold ISO9001: 2000 accreditation for the quality of its processes underpinning a function which provides training and development services not only internally but also to other departments such as the Department for Employment and Learning (DEL) and the Department of Culture, Arts and Leisure (DCAL). DETI will also be involved in the NICS wide training review, which might result in a new

model for the delivery of generic training across the NICS.

Targets 2005-06

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This Operating Plan sets targets for 2005-06 against which DETI will measure success in meeting its objectives for the priority areas identified in Section 2

SECTION 3(i) SERVICE DELIVERY

PLANNED CITIZEN OUTCOME & PSA TARGETS	BUDGET SPENDING AREA & ALLOCATION	KEY AREA WITH ACTIONS	PERFORMANCE TARGETS
<p>Competitive businesses and economic growth</p> <p>During the period 2005-2008, prepare and deliver a rolling Economic Research Agenda which fully supports the policy development and evaluation process and underpins the Departmental Corporate Plan.</p>	<p>Economic Development Policy and Research</p> <p>Current Expenditure £16.3m</p> <p>Investment £1.4m</p> <p>Total £17.7m</p> <p><i>(Figure comprises primarily DRC and GAE for DETI Divisions: except Energy, Business Regulation & Telecoms)</i></p>	<p>Economic Development Policy and Research</p> <p>Securing a meaningful collaborative approach with the major social partners in supporting economic development policy.</p> <p>Enhancing our role of shaping the agenda for economic development in Northern Ireland.</p> <p>Commissioning economic research and developing statistics to provide the evidence base upon which to make/determine future policy.</p> <p>Creating a culture and environment within which Northern Ireland will prosper by using its knowledge, skills and capacity to innovate.</p>	<p>During 2005-06, develop and support EDF to fulfil its key role in the delivery of the Economic Vision.</p> <p>During 2005-06, based on evidence from DETI's Economic Research Agenda, develop new, or refine existing, policies on Business Expenditure on Research and Development, manufacturing, the service sectors and in-company training.</p> <p>By 31 August 2005, have in place a rolling programme of high level evaluations to ensure the effective delivery of focused, relevant, evidence-based policies.</p> <p>By 31 March 2006, prioritise, commission and deliver Year 1 of the Economic Research and Evaluation Agenda 2005-08.</p> <p>By 31 March 2006, prioritise and deliver all projects identified for Year 1 of the internal (analytical) work-stream.</p> <p>During 2005-06, publish 4 editions of the Quarterly Economic Review and by June 2005, publish the first edition of the Annual Economic Bulletin.</p> <p>During 2005-06, meet the pre-announced publication dates for all annual, quarterly, monthly and ad hoc economic and labour market statistical series.</p> <p>By 31 March 2006, improve the quality of statistics by the introduction of a data quality checklist of measures and indicators for each of the main statistical series and thereby promote a more standardised approach to measuring and reporting data quality, in particular:</p> <ul style="list-style-type: none"> • extend Public Sector Jobs statistics to include the measurement of full time equivalent and permanent/temporary casual data; and • re-engineer the current Quarterly Employment e-survey to make it available via the Government Gateway; and • by 30 June 2005, publish an experimental Index of Services and thereafter publish on a quarterly basis. <p>By 31 October 2005, agree the first three key niche areas for further exploitation and development within the five broad priority technologies identified in the RIS Action Plan (ICT, life sciences, aerospace, nanotech and agri-food) to ensure that NI derives the maximum economic benefit from its suite of unique high-technology capabilities.</p>

PLANNED CITIZEN OUTCOME & PSA TARGETS	BUDGET SPENDING AREA & ALLOCATION	KEY AREA WITH ACTIONS	PERFORMANCE TARGETS
		<p>Promoting equality and human rights and seeking, wherever possible, to address social and economic disadvantage and deprivation throughout the Department's range of policies, programmes and services.</p> <p>Seeking, in partnership with other interested parties, to retain assisted area status for NI post 2006.</p>	<p>By 31 December 2005, agree the modalities for establishing a Regional Science-Industry Council (or equivalent) in Northern Ireland bringing together senior representatives from business, academia and the public sector to establish a consensus on regional science, engineering and technology (SET) and research and development (R&D) needs and to assist in the development and implementation of appropriate policies.</p> <p>By 30 June 2005, undertake an audit of regeneration activities in West Belfast and the Greater Shankill Task Force in order to identify an integrated way forward.</p> <p>By 31 December 2005, establish DETI input to the action plan emerging from the new Anti-Poverty Strategy.</p> <p>By 31 March 2006, review and update the objectives and commitments in the DETI Equality Scheme.</p> <p>During 2005-06, seek to persuade the European Commission of the need for NI to retain assisted area status.</p>
<p>Competitive businesses and economic growth</p> <p><u>Reduced electricity costs for industry</u></p> <p>By July 2007, open the electricity market to all consumers. (Baseline:- 40% open in October 2004)</p>	<p>Energy efficiency, Minerals, Gas & Electric</p> <p>Current Expenditure £5.3m</p> <p>Investment -£0.1m</p> <p>Total £5.2m</p> <p><i>(Figure primarily covers DRC/GAE – does not include budget for gas pipelines, reductions in energy costs and initiatives in relation to renewables. These are included under Infrastructure/ Telecoms)</i></p>	<p>Energy</p> <p>Working through implementation of the Strategic Energy Framework for NI</p> <p>Working with NIAER and the Republic of Ireland authorities, through the Joint Steering Group, to create an All-island Energy Market as established in the Framework and Development Programme agreed in November 2004.</p> <p>Minerals</p> <p>Compiling database of NI mineral resources for use by exploration companies and improve knowledge base for all residents and businesses.</p> <p>Increasing safety of public by removing risk of personal injury.</p>	<p>By 31 March 2006, bring NI Electricity Supply Regulations into line with the corresponding GB Regulations.</p> <p>By 30 September 2005, agree a legislative programme/approach with the Republic of Ireland that will enable a single all-island wholesale electricity market to come into operation by 1 July 2007.</p> <p>By 31 December 2005, reach a consensus with key stakeholders on a long-term strategic view for development and integration of sustainable energy within the all-island energy market.</p> <p>By 31 March 2006, process data from Year 1 of the Tellus geochemistry survey.</p> <p>By 30 June 2005, complete tender process and appoint contractor for analysis of stream waters and sediments samples and, by 7 July, launch operations of geophysical contract.</p> <p>During 2005-06, ensure safety of abandoned mines and workings on a priority basis across NI, including:</p> <ul style="list-style-type: none"> - By 30 May 2005, remove immediate risk from Maidenmount mine and, by 30 November 2005, complete remediation of the area; and - by 31 March 2006, close access to a further 60 mines and shafts.

PLANNED CITIZEN OUTCOME & PSA TARGETS	BUDGET SPENDING AREA & ALLOCATION	KEY AREA WITH ACTIONS	PERFORMANCE TARGETS
<p>Competitive businesses and economic growth</p> <p>During the period 2005-2008, NI business expenditure on R&D by Invest NI client companies to increase at a rate faster than that of comparable UK regions, so as to reduce the current gap in business intramural R&D expenditure as a percentage of GVA. <i>(Baseline:- Intramural R&D expenditure expressed as a percentage of GVA in 2003 was 0.53% for NI compared to 1.40% for the UK)</i></p> <p>During the period 2005-2008, support the establishment of 10,000 new businesses, of which 40% will be in New TSN areas. <i>(Baseline:- 2781 new businesses in 2003-04)</i></p> <p>By March 2008, increase the level of exports as a percentage of total sales by Invest NI client companies (excluding the top 25 exporting clients in 2003) to 30%. <i>(Baseline:- 25% in 2002-03)</i></p> <p>By March 2008, maintain at a rate of at least 75% of total inward investment projects the proportion of first time inward investment projects in New TSN areas. <i>(Baseline:- 90% in 2003/04)</i></p>	<p>Invest Northern Ireland</p> <p>Current Expenditure £118m</p> <p>Investment £32.4m</p> <p>Total £150.7m*</p>	<p>Business Development</p> <p>Increasing investment in R&D activity by Invest NI client companies.</p> <p>Establishing new businesses.</p> <p>Increasing exports across Invest NI client companies</p> <p>Attracting inward investment in New TSN areas.</p> <p>Determining adequacy of the provision of funding sources for SMEs.</p>	<p>By 31 March 2006, lever £25 million private sector investment in R&D. <i>(Baseline: £22.7m in 2004-05)</i></p> <p>By 31 March 2006, engage 30 Invest NI client companies in R&D for the first time. <i>(Baseline: 25 in 2004-05)</i></p> <p>By 31 March 2006, support the establishment of 3,000 new businesses. <i>(Baseline: 3,916 in 2004-05*)</i></p> <p>By 31 March 2006, 150 Invest NI client companies to enter export markets for the first time. <i>(Baseline: 131 in 2004-05)</i></p> <p>By 31 March 2006, 75 Invest NI client companies to explore new strategic alliances. <i>(Baseline: 60 in 2004-05)</i></p> <p>By 31 March 2006, 150 key sales personnel to improve sales and marketing skills. <i>(No baseline – new target)</i></p> <p>By 31 March 2006, secure 15 new inward investment projects (75% in New TSN areas). <i>(Baseline: 15 in 2004-05)</i></p> <p>By 31 March 2006, complete survey, benchmarking and economic forecasting modules of a SME funding study.</p> <p><i>(*Invest NI is likely to seek some additional resources during the year to address these targets)</i></p>

PLANNED CITIZEN OUTCOME & PSA TARGETS	BUDGET SPENDING AREA & ALLOCATION	KEY AREA WITH ACTIONS	PERFORMANCE TARGETS
	<p>Aircraft & Shipbuilding</p> <p>Current Expenditure £3.0m</p> <p>Investment £0.0m</p> <p>Total £3.0m</p>	<p>Aircraft & Shipbuilding</p> <p>Meeting Department's continuing governance obligations in relation to Harland & Wolff plc following privatisation in 1989.</p>	<p><i>including resources for new projects not yet agreed)</i></p> <p>During 2005-06, maintain 100% record of having no formal complaints in relation to the asbestos related claims process or undue delay.</p>
Competitive businesses and economic growth	<p>N/S Body – InterTradeIreland (ITI)</p> <p>Current Expenditure £3.5m</p> <p>Investment £0.0m</p>	<p>Business Development</p> <p>Supporting ITI in meeting its objectives to promote and develop North/South trade and business networks.</p>	<p>During 2005-06, obtain North South Ministerial Council approval for the ITI Business Plan 2006.</p>
<p>Competitive businesses and economic growth</p> <p>During the period 2005-2008, progress development of the Tourism Signature Projects (TSPs) identified in the Strategic Framework for Action 2004-2007</p> <p>During the period 2005-2008, increase the amount of visitor spend year-on-year by 6%. (Baseline:- £291m actual spend in calendar year 2003)</p>	<p>Development of Tourism</p> <p>Current Expenditure £10.9m</p> <p>Investment £3.0m</p> <p>Total £13.9m</p>	<p>Tourism</p> <p>Assisting NI tourism to be an integrated, competitive and sustainable industry that makes an increasingly significant contribution to the NI economy.</p> <p>Promoting and developing NI as an attractive visitor destination.</p>	<p>By 30 April 2005, launch, and by 31 October 2005, announce the winners of, the planned international design of interpretation competitions for the visitor facilities at the Giant's Causeway.</p> <p>During 2005-06, we will:</p> <ul style="list-style-type: none"> - Complete Phase 1 of the Walled City of Derry; - Put in place Causeway Coastal Route; - Scope and appraise the Titanic Project; - Scope and appraise the Christian Heritage/St Patrick project; - Mourne – scope the interventions needed to prepare the tourism sector for the implications of designation; and - Scope and appraise the Fermanagh project. <p>By 31 March 2006, publish legislative proposals for public consultation for the certification of tourist accommodation in NI.</p> <p>By 31 December 2005, increase out of state visitor spend by 8.5% (6% real terms) to £338m, and domestic holiday spend by 6.5% (4% real terms) to £128m.</p>
Competitive businesses and economic growth	Tourism Ireland Ltd (TIL)	Tourism	

PLANNED CITIZEN OUTCOME & PSA TARGETS	BUDGET SPENDING AREA & ALLOCATION	KEY AREA WITH ACTIONS	PERFORMANCE TARGETS
	Current Expenditure £11.2m Investment £0.0m Total £11.2m	Supporting TIL in meeting its objectives to promote and develop all-island tourism.	During 2005-06, obtain North South Ministerial Council approval for the TIL Business Plan for 2006. By 31 December 2005, increase NI's share of visitors to the island of Ireland by 1 percentage point. (Baseline: 23% in 2004)
Competitive businesses and economic growth	EU Support for Economic Development Current Expenditure £4.6m Investment £1.1m Total £5.7m EU Peace Programme Current Expenditure £12.1m Investment £0.0m Total £12.1m <i>(EU Peace Programme not included in total DEL budget)</i>	The European Dimension Sustaining support for innovation and enterprise, optimise the impact of EU Structural Funds on economic development in NI and ensuring timely and effective implementation of relevant measures within the various programmes.	By 31 March 2006, complete 7 key infrastructure projects (5 in New TSN areas) across the district council network targeted at the small business sector. By 31 March 2006, complete infrastructure projects providing 160,000 sq ft of workspace.
Competitive businesses and economic growth <u>Electronic Access to Services</u>	Business Regulatory Services Current Expenditure £6.7m	Regulatory Services (Companies Registry, Consumer Affairs and Insolvency Service) Changing the legal and regulatory	By 31 December 2005, provide electronic banking services for insolvency practitioners.

PLANNED CITIZEN OUTCOME & PSA TARGETS	BUDGET SPENDING AREA & ALLOCATION	KEY AREA WITH ACTIONS	PERFORMANCE TARGETS
By March 2006, provide on-line access to all key supplier and customer/citizen facing business regulation services from Companies Registry and Insolvency Service.	Investment £0.0m Total £0.0m	framework which encourages enterprise, promotes e-business and works in more creative ways to achieve economic objectives.	By 31 March 2006, provide on-line access to registered company information and on-line filing facility. By 31 December 2005, make essential subordinate legislation to allow provisions of the Insolvency (NI) Order 2005 to be brought into operation.
Competitive businesses and economic growth		<p>Consumer Affairs</p> <p>Developing effective and sustainable consumers affairs policies, aligned with key developments in both GB and Europe.</p> <p>Ensure that consumer interests inform policy making and operational priorities.</p> <p>Social Economy</p> <p>Raising the profile of the value of the social economy sector, developing its business strength and providing a more supportive environment within which it can prosper.</p>	<p>By 31 March 2006, complete agreed programme of companies legislation to ensure implementation within twelve months of GB legislation.</p> <p>By 31 March 2006, complete evaluation of money advice pilot project and establish effective long-term delivery model.</p> <p>By 31 March 2006, deliver an effective consumer advice service, achieving at least 85% of <i>Consumerline</i>'s key performance indicators.</p> <p>By 31 March 2006, develop/implement enforcement activity against target traders identified through <i>Consumerline</i>/other intelligence.</p> <p>By 31 March 2006, complete arrangements to allow the General Consumer Council to assume responsibility for representing water consumers.</p> <p>By 31 December 2005, undertake and complete baseline mapping work on social economy enterprises in NI.</p> <p>By 31 December 2005, agree Government support for phase 2 in development of the Social Economy Network.</p> <p>By 31 March 2006, increase awareness and uptake of Government Finance and Business services.</p> <p>By 31 March 2006, complete new legislative framework for Credit Unions and Industrial and Provident Societies.</p> <p>By 31 March 2006, complete legislative framework for Community Interest Companies (CICs) as a further legal entity suited to social economy enterprises.</p>
Competitive businesses and economic growth <u>Healthier and Safer Workplace</u> By March 2007, reduce the	Health and Safety Executive for N.I. Current Expenditure £4.1m	Health and Safety at Work Work in partnership with key stakeholders in the high-risk sectors of agriculture, construction and quarrying to establish	By 31 March 2006, reduce the number of fatal and major injury accidents reported by 2.5% compared with 2002-03. (Baseline: 865 in 2002-03)

PLANNED CITIZEN OUTCOME & PSA TARGETS	BUDGET SPENDING AREA & ALLOCATION	KEY AREA WITH ACTIONS	PERFORMANCE TARGETS
number of fatal and major injury accidents reported by 5 % compared with 2002-2003 <i>(Baseline:- 865 accidents in 2002-03)</i>	Investment £0.0m Total £4.1m	shared industry targets for reductions in fatal and major injury accident rates.	
TOTAL DEPARTMENT	£273m		

SECTION 3(ii) RAISING SERVICE STANDARDS AND EFFECTIVE DELIVERY OF DETI AND WIDER GOVERNMENT OBJECTIVES

KEY AREA	ACTIONS	PERFORMANCE TARGETS 2005/06
<p>Cross Departmental Working</p> <p>Work effectively with other departments to deliver wider objectives.</p>	<p>Contributing to the achievement of the following NICS Departments' PSA targets:</p> <p>DHSSPS's Investing for Health targets through actions to promote 'Workplace Health';</p> <p>DoE's targets:</p> <ul style="list-style-type: none"> • To improve air quality by meeting the health based objectives for benzene, 1.3 butadiene, carbon monoxide, lead, nitrogen dioxide, particles and sulphur dioxide in the Air Quality Strategy by relevant dates; • To publish a Northern Ireland Sustainable Development Strategy by 2005. <p>DRD's target – To achieve more sustainable patterns of development as outlined in the Regional Development Strategy.</p> <p>DFP's targets:</p> <ul style="list-style-type: none"> • By March 2006, implement a common accounting system across NICS departments – and by March 2008, have mitigated NI departments' transaction processing activities to a Single Shared Service Centre, in order to improve the efficiency and quality of NICS financial management and reporting; • By April 2006 to commence introduction of Human Resource systems and services to reform the way HR is delivered to the NICS. <p>OFMDFM's target – Working in conjunction with DFP and the SIB, provide the necessary policy and guidance framework for PPPs and PFI to help ensure that they can make an effective contribution to the delivery of some £4.9bn of investment over the next three years, and up to £16bn of total investment over the 10 year period as set out in the Investment Strategy for Northern Ireland.</p>	<p>By 30 September 2005, establish an Asbestos Advisory Service.</p> <p>During 2005-06, continue to promote the development and maintenance of an efficient economic and co-ordinated gas industry, particularly outside the Greater Belfast Area.</p> <p>During 2005-06, work with DOE on the development of a NI Sustainable Development Strategy.</p> <p>During 2005-06, work closely with DRD, DEL DOE and Invest NI to put in place a policy on Strategic Employment Locations (SELs) including the identification of sites to be designated as SELs.</p> <p>By 31 July 2005, assist DFP in:</p> <ul style="list-style-type: none"> - the procurement of a Service Provider for the Accounting Service Programme; and - the design of common management reports for the NICS. <p>By 31 July 2005, support DFP in the procurement of an e-HR supplier.</p> <p>During 2005-06, work with all NICS Departments to agree the most effective way to deliver ICT common services to all NI Departments.</p> <p>During 2005-06, work with all NICS Departments to agree a Contact Centre Strategy for the NICS.</p>

	ACTIONS	PERFORMANCE TARGETS 2005/06
Customer service & service improvement	<p>Managing an effective communications strategy. Deliver an appropriate integrated programme of communications activities to ensure DETI's internal and external target audiences receive and understand our key messages (based on the Economic Vision and DETI Corporate Plan).</p> <p>Ensuring that DETI meets its statutory duties in record management and Freedom of Information in a modern and efficient way by the use of an Electronic Document and Records Management System (EDRMS).</p>	<p>During 2005-06, develop and evaluate a programme of communication activities based on DETI's Communications Strategy.</p> <p>During 2005-06, provide a monthly media analysis document to demonstrate DETI's media relations are being received and understood.</p> <p>During 2005-06, provide a quarterly analysis of website performance.</p> <p>During 2005-06, ensure correspondence from MPs, MEPs, MLAs, Councillors, business and the public are responded to within 10 working days of receipt.</p> <p>By 31 October 2005, ensure completion and testing of the Major Emergency Response Plan (MERP) (including business continuity planning for DETI)</p> <p>By 31 May 2005, commence the implementation of EDRMS throughout the Department.</p> <p>By 31 March 2006, improve information access and management by assisting 70% of DETI's Business areas to implement electronic file plans.</p> <p>By October 2005, put in place fully operational contingency site for DETI's IT network providing improved resilience and service continuity.</p>
Securing effectiveness and value for money/Corporate Governance	<p>Managing the Department's staffing levels to achieve the target reductions set out in 'Fit for Purpose'.</p> <p>Examining business processes and the allocation of resources against business objectives and the e-business programme, to achieve better value for money and improved efficiency.</p> <p>Business Improvement Team (BIT) to continue with a 3-year rolling programme of Efficiency Audits which will, by examining grading, loading and value for money issues, enable branches to operate more efficiently</p> <p>Ensuring appropriate allocation of budget spend in line with priorities of the Department and that proper corporate governance procedures are in place to ensure accountability, propriety and value for money.</p>	<p>During 2005-06, ensure the first year element of the staffing efficiency gains profiled and agreed with DFP as part of the 3-year programme of efficiency gains is achieved.</p> <p>During 2005-06, deliver independent Business Consultancy services to support the implementation of all e-business projects to secure efficiency savings and to align the Department's staffing resources with its priorities and plans.</p> <p>During 2005-06, complete the agreed programme of Efficiency Audits on DETI business areas which have not had formal reviews carried out over the past 3 years and which are not due to be reviewed as part of the Department's e-business programme.</p> <p>During 2005-06, ensure DETI secures – through the budget and in-year monitoring – and utilises the resources required to deliver its priorities.</p> <p>During 2005-06, achieve at least 98 percent spend of resources allocated.</p> <p>During 2005-06, achieve £3.7m resource releasing and £4.5m non-resource releasing savings from the department and its NDPBs.</p> <p>By 31 March 2006, guide DETI sponsor branches on appointments and reappointments to the boards of Invest NI, NITB, HSENI, GCCNI and NIAER, to ensure processes are carried in accordance with the OCPA NI Code of Practice and that appointees are in post by their respective term of office start dates.</p> <p>By 30 September 2005, reach agreement on future membership of Departmental Management Board and, by 31</p>

	ACTIONS	PERFORMANCE TARGETS 2005/06
	<p>Reviewing the composition of the Departmental Management Board.</p> <p>Undertaking a systematic assessment of fraud risks faced by DETI and its NDPBs and reviewing existing controls and responses.</p>	<p>December 2005, implement agreed changes.</p> <p>By 31 March 2006, complete a systematic assessment of fraud risks faced by DETI and its NDPBs and review existing controls and responses.</p>
Electronic Government/E-Business	<p>Continuing to offer the Department's services and advice through conventional channels whilst encouraging customers to use the most cost effective channels available and to increase cost effectiveness by making use of the latest technology.</p>	<p>By December 2005, ensure that 100% of the Department's key services are available electronically in line with Government's Electronic Service Delivery targets.</p> <p>By August 2005, develop and implement an Action Plan to maximise the use of Broadband technology by all DETI staff who have a business need to use the Secure Remote Access service.</p>
Improving Performance	<p>Proactively managing attendance, in association with line managers, to reduce levels of sickness absence.</p> <p>Ensuring all Civil Servants who wish to return to the NICS from Invest NI are appropriately re-deployed throughout the NICS.</p> <p>Implementing the actions detailed in the DETI Diversity Action Plan</p> <p>Providing appropriate training and development services which meet identified corporate and business needs and which improve the overall effectiveness and efficiency of the Department</p> <p>Ensure that the 2002-2005 Human Resource Strategy is reviewed and a new strategy put in place for 2005-2008.</p> <p>Modernise consumer affairs service delivery in line with best practice, use of new technologies and an improved focus on customer needs.</p>	<p>During 2005-06, maintain a DETI staff attendance figure which is at least 1% higher than the NICS average.</p> <p>During 2005-06, work with CPG and other Departments to redeploy at least 75% of Invest NI staff seeking to return to the NICS.</p> <p>By 31 March 2006 implement the actions described in DETI's Diversity Action Plan'.</p> <p>By 30 April 2005, agree corporate training development priorities.</p> <p>By 30 September 2005, secure HiP re-recognition against the new 2005 standards.</p> <p>By 31 March 2006, ensure the Department has been re-assessed against the HiP Leadership and Management Model.</p> <p>By 30 April 2005, agree a new HR Strategy 2005-2008 and during 2005/06, implement the first year objectives.</p> <p>By 31 March 2006, deliver at least 85% of the Consumer Affairs Branch EFQM action plan commitments.</p>

Reforming our Services

4

This Department's Reform Framework is set out overleaf and includes:

1. Development of a Competitive Energy Market.
2. Development of world-class telecommunications infrastructure.
3. Implementing the Workplace Health Strategy for NI.
4. Conversion of NI Companies Registry, Insolvency Service and Consumer Affairs to e-Government services.
5. Freedom of Information.
6. Rebalancing and rationalising the invest NI incentives package.
7. Single site accommodation for Invest NI.
8. Efficiency Review
9. e-HR
10. Electronic Documents and Records Management

REFORM TITLE	REFORM AIM	RELEVANT CITIZEN OUTCOME(S)	RELEVANT PSA TARGET(S)
Development of a Competitive Energy Market.	An increased percentage of electricity market open to competition allowing all non-consumers to negotiate the best price for electricity.	Reduced electricity costs for industry.	By July 2007, open the electricity market to all consumers.
	Enhance both consumer choice and sustainability of our energy supply and consumption.	Increased availability of natural gas	By December 2006, complete the South/North gas pipeline project.
Development of a world-class telecommunications infrastructure.	Build on and exploit NI's telecommunications infrastructure to bring benefits to business, communities and Government.	Provision of broadband services across NI.	During the period 2005-08, promote the use of broadband services and by December 2005, make available 100% equitable broadband services to every household and business in NI.
Implementing the Workplace Health Strategy for NI.	Reduce the incidences of work-related ill health in NI and the resulting costs to the local economy, estimated to run to some £330m each year.	Healthier and safer workplace.	By March 2007, reduce the number of fatal and major injury accidents reported by 5% as compared with 2002/03.
Conversion of Northern Ireland Companies Registry, Insolvency Service and Consumer Affairs to e-Government services.	Improved access to information and increased customer satisfaction.	Multi - channel access to services.	By March 2006, provide on-line access to all key supplier and customer/citizen facing services from Companies Registry and Insolvency Service.
Freedom of Information (OFMDFM lead)	Creation of a culture of openness in public authorities, which will lead to greater understanding of, and public participation in, the decision making process.	Provision of complete, current and concise government information and services in ways accessible to the citizen.	During the period 2005-08, work with Ministers, Departments and others to secure good government, well informed decisions, excellence in policy and legislation making and high quality services responsive to customer needs.
Rebalancing and rationalising the Invest NI incentives package.	Lessening of grant dependency culture by NI companies, more involvement by private sector funding sources and a reduction in the net cost of government intervention.	Increased range of funding alternatives for business.	By March 2007, increase the proportion of repayable finance in relation to total assistance offered to business development projects to 25%.

REFORM TITLE	REFORM AIM	RELEVANT CITIZEN OUTCOME(S)	RELEVANT PSA TARGET(S)
Single site accommodation for Invest NI.	Enhanced service delivery for client companies and provision of a more integrated, customer-focused suite of products. Efficiencies in terms of staff numbers.	Competitive businesses and economic growth.	<p>During the period 2005-08, NI business expenditure on R&D by Invest NI client companies to increase at a rate faster than that of comparable UK regions, so as to reduce the current gap in business intramural R&D expenditure as a percentage of GVA.</p> <p>During the period 2005-08, support the establishment of 10,000 new businesses, of which 40% will be in New TSN areas.</p> <p>By March 2008, increase the level of exports as a percentage of total sales by Invest NI client companies (excluding) the top 25 exporting clients in 2003) to 30 percent.</p> <p>By March 2008, maintain at a rate of at least 75% of total inward investment projects the proportion of first time inward investment projects in New TSN areas.</p>
Efficiency Review (DFP lead)	Securing greater efficiency in the delivery of public services.	Better public services.	During the period 2005-08, ensure that DETI operates within its administration costs limits, flat-lined at 2005-06 levels.
e-HR. (DFP lead)	Leaner, more modern and efficient Civil Service human resource services.	Civil Service reform.	By April 2006, commence introduction of Human Resource systems and services to reform the way HR is delivered within DETI.
Electronic Documents and Records Management. (OFMDFM lead)	Enable responsive, flexible and efficient access and use of information within and between Departments.	Provision of complete, current and concise government information and services in ways accessible to the citizen.	During the period 2005-08, work with Ministers, Departments and others to secure good government, well informed decisions, excellence in policy and legislation making and high quality services responsive to customer needs.

Annex

Annex A

Budget

Annex B

Core Values

ANNEX A BUDGET
2005-06

OBJECTIVE AND SPENDING AREA	EXPENDITURE €M	INVESTMENT €M	TOTAL €M
Objective A			
Economic Development Policy & Research	16.3	1.4	17.7
Energy efficiency, Minerals, Gas & Electric	5.3	-0.1	5.2
Economic infrastructure/Telecoms	31.9	7.3	39.2
Invest Northern Ireland	118.3	32.4	150.7
Development of Tourism	10.9	3.0	13.9
Tourism Ireland Ltd	11.2	0	11.2
N/S Body – InterTradeIreland	3.5	0	3.5
EU support for Economic Development	4.6	1.1	5.7
Business Regulatory Services	6.7	0	6.7
Health & Safety Executive for NI	4.1	0	4.1
Aircraft & Shipbuilding	3.0	0	3.0
Total Objective A	215.8	45.2	261.0
Departmental Total	215.8	45.2	261.0
EU Peace Programme	12.1	0	12.1
Total	227.9	45.2	273.1

ANNEX B CORE VALUES

Our values relate to our staff, our stakeholders and our external customers.

People Focused

- We treat people fairly with respect and honesty
- We recognise and appreciate the contribution of people
- We listen to the views of others
- We will encourage and recognise strong, visible and accessible leadership at all levels

Professional

- We are committed to doing the best job we possibly can
- We are reliable, honest and fair
- We have a positive attitude to work
- We take responsibility for our actions
- We are accountable and achieve best value for money

Proactive

- We analyse our customers needs to identify the services and products they require
- We are open to change and encourage new ideas
- We engage positively with issues
- We are innovative in our thinking

Partnership

- We involve our stakeholders and encourage participation and communication in order to achieve our objectives

- We understand how everybody contributes to the shared goal
- We are committed to joined up working across Branches, Divisions and Departments.



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