

13 November 2009

Ms Jacqui Rose  
Department of Enterprise, Trade & Investment  
Strategic Planning, Economics and Statistics Division  
Netherleigh  
Massey Avenue  
BELFAST  
BT4 2JP

Dear Jacqui

Re: **Independent Review of Economic Policy (DETI and Invest NI)**

Further to the publication of the Independent Review of Economic Policy (DETI and Invest NI), I would like to make the following comments on behalf of Omagh Enterprise Company and as a member of Enterprise NI – the association of local enterprise agencies in Northern Ireland.

- 1 I welcome the report and support the fact that the Executive has made the economy its top priority in the Programme for Government.
- 2 I recognise the achievements of the existing agencies and welcome the fact that local businesses are identified as the bed-rock of the economy within the report. However, I would highlight the need to address the requirements of local businesses in a more substantial way within the document. To this end, I suggest (as a matter of urgency) the need to expand the Review/Implementation Panel to include a voice that properly represents the needs of local businesses as such representation is sadly missing from the existing panel. This point is also relevant in relation to the Board of Invest NI and should be addressed as part of the review process.
- 3 Given the level of increased competition globally, it is necessary to embrace 'new thinking' and leadership to capture the value of local businesses to the economy. I understand, as suggested in the report, that leadership can come from the top but highlight the need to capture examples of best practice of local leadership and how it can enhance policy. This will ensure the final document benefits not only from top-down theoretical intelligence but also from the bottom-up practical intelligence needed for effective policy development and implementation. I believe this is a key issue and one that needs to be addressed as a critical element within the final document.

- 4 I welcome the identification of Small Business Centres and the Small Business Centre Network in North Carolina as an example of global best practice. However, I would highlight that the same model exists in Northern Ireland through the Enterprise NI Network of 32 Local Enterprise Centres. This network provides the same type of support services to small businesses as outlined in the report as an example of global best practice. This is obviously an omission from the report and should be addressed to ensure the role of the existing network of small business centres in Northern Ireland is captured within the final document.
- 5 I welcome the recognition within the report that the efforts of the Local Enterprise Agencies have helped to positively influence company formation rights. As a result, I suggest that Invest NI's mission and strategy should more clearly identify support for start-up businesses as a priority.
- 6 Within the context of reducing the number of Invest NI programmes, I suggest that there continues to be a Small Business Support programme, not least because of its importance to job and wealth creation. This type of programme also helps to ensure equality by providing support across Northern Ireland as it directly addresses the creation of businesses in areas outside Belfast. It also serves to provide a 'supply chain' of companies that addresses the issue of progression and referral of companies to Invest NI.
- 7 I acknowledge the emphasis in the report on Innovation and R&D and highlight the need to ensure these issues are addressed in the context of local businesses and not simply seen as the preserve of large companies. In this regard, it should be noted that Omagh Enterprise Company ran a very successful four-year innovation programme for local businesses from which the Review Panel could learn some valuable lessons to inform the final report and implementation process.
- 8 I welcome the Portfolio of Innovation policies but suggest there is a need to add an innovation policy specifically in relation to engaging with local businesses. Omagh Enterprise Company has experience of bringing innovation to local businesses and it is a different process to any suggested in the report. As a result, this is an issue that needs to be addressed within the document before it is finalised.
- 9 I welcome the recommendation that a Small Business Unit should be created to co-ordinate policy. This is an essential element given the reallocation of responsibilities between Invest NI and the new District Councils, as part of the Review of Public Administration. There is a clear need to ensure continuity of support to local businesses and therefore a need for Invest NI/DETI to maintain strategic ownership of policy in this area.
- 10 The creation of a Small Business Unit will also ensure the provision of services across Northern Ireland are delivered to an appropriate quality standard. This is a key point as the transfer of responsibilities from central government to the District

Councils, as part of the review of public administration, could lead to a situation where quality standards differ across the region.

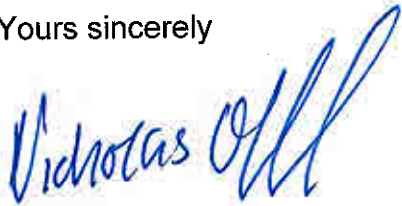
- 11 There is a need to ensure the links between Enterprise and Education are strengthened at all levels. It is vitally important that the education sector has greater exposure to the world of business and enterprise, not least so it can better prepare students for the world of work, enterprise and business creation.
- 12 With regard to the recommendation to support the Social Economy, I would highlight the work of local enterprise agencies as sustainable social economy businesses themselves and the role they play in delivering Invest NI's Social Entrepreneurship Programme. It should also be noted that local enterprise agencies are actively engaged in bringing enterprise to disadvantaged Neighbourhood Renewal areas, as part of Invest NI's Enterprise Development Programme.
- 13 With regard to the Implementation of the final policy, I suggest that local enterprise centres can play a significant role in the implementation process. Given that local enterprise centres represent a network of business centres concerned with the delivery of services to local businesses, they represent an ideal model for the implementation of business support at local level. The potential of the network is underlined within the document by reference to Small Business Centres in North Carolina as examples of global best practice.
- 14 The Local Enterprise Centres' Network should be clearly identified within the document as a significant stakeholder in the delivery of economic policy at a local level. I make these comments in the belief that if the existing network has a more clearly defined role within the policy, it will greatly benefit local entrepreneurs, small businesses and wealth creation.
- 15 With regard to the need to target High-Growth sectors, I suggest direct support should be provided for incubation facilities in locations other than Belfast. Omagh Enterprise Company currently manages an Incubation Centre that provides a local platform for the creation of knowledge-based businesses and the development of links between business and education. However, there is no mainstream support for this type of incubation activity and thus it represents a significant gap in the range of supports suggested in the document.
- 16 With regard to the issue of Equality, there is a need to ensure geographic equity across the region. This point is of vital importance if economic policy is to ensure genuine equality of opportunity for all people, regardless of where they live or where their business is located. This point needs to be embedded as part of the make-up of the review panel to ensure the correct thinking is adopted as part of the implementation process.

In summary, I welcome the report and encourage you to address the points raised in order to make the consultation process a meaningful exercise. I ask that you recognise existing resources and build on the network of local enterprise Small Business Centres,

as a model of best practice. In essence, my message is simple - given that such a network exists why not use it, improve it and develop it to support local businesses.

I hope you find these comments helpful and ask that you act on the suggestions made in order to ensure an effective final document and implementation process.

Yours sincerely



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Dr Nicholas O'Shiel  
**Chief Executive**