

Rialtas na hÉireann Government of Ireland

Local Enterprise Offices Policy Statement 2024-2030

The first stop shop for businesses in Ireland

Prepared by the Department of Enterprise, Trade and Employment gov.ie

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Cover Image:

Top image: Jenni Timony of Fitpink Fitness supported by Local Enterprise Office Donegal, Sun Choi of Born Again Bites supported by Local Enterprise Office South Dublin, Sean Kinsella of Kinseally Chocolate supported by Local Enterprise Office Fingal and Ola Wartak-Tolak of Stories by Ola supported by Local Enterprise Office Fingal

Middle image: Darren Fenton and Ciarán Gorman, founders of Bevcraft, supported by Local Enterprise Office Westmeath Bottom image: Zelia Madigan of Conscious Convert supported by Local Enterprise Office Dun Laoghaire Rathdown and Kelly Quinlan of Sketchico supported by Local Enterprise Office Galway

Minister's Foreword



As we celebrate ten years since the establishment of the Local Enterprise Offices, we also look ahead to the future and the continued vital role that LEOs will play in supporting entrepreneurs and small businesses.

I am proud to present the Local Enterprise Office Policy Statement 2024 – 2030.

The 31 Local Enterprise Offices play an extremely important role at local level, as part of a supportive ecosystem, providing their services to small businesses and promoting entrepreneurship within towns and communities across the country.

I have seen this first-hand during my time as a Councillor and Cathaoirleach of Westmeath County Council, as well as Minister for Local Government. They are a vital cog in the offering we make at local area level, and their location in the heart of communities is one of their key strengths.

At a time of challenges for small businesses, it is important the role and remit of LEOs is highlighted they are the first stop shop for every business in the country and their suite of supports can help businesses reduce energy bills, implement new digital processes and improve operations to make sure our SMEs are reaching their maximum potential in the years ahead. From starting your own business to mentoring, from training courses to promoting women in business, the range of LEO services is extensive.

Times have changed since 2014 and LEOs are now tasked with helping businesses decarbonise and to digitalise. They have a much wider remit that reaches into the heart of our locally traded sector and have a greater focus on developing new exporters.

This Policy Statement provides clarity and communicates the role of the LEO network to stakeholders and the wider enterprise ecosystem. The Statement sets out a policy direction and sketches the pathway of how LEOs will align their work with the priorities of the White Paper on Enterprise and ensure that the high-calibre offering of our LEOs can continue. The Statement details a number of key actions which will be taken forward by LEOs in collaboration with my Department, Enterprise Ireland and the Local Authorities. It confirms our commitment to continue to identify new approaches which will enhance and strengthen the entrepreneurial ecosystem.

A key asset in the operational and delivery model of LEOs is the strong collaboration across Government, Local Government and State Agencies. I welcome the fact that this Policy Statement was developed jointly between my Department, the LEO Steering Group (including the Department of Housing, Local Government and Heritage) the Local Authorities, Enterprise Ireland and the LEO network itself.

I want to acknowledge the key role that LEOs have played in developing communities through supporting our local entrepreneurs and their businesses during the past ten years. I welcome the publication of this Policy Statement and I look forward to the delivery of the programme of actions set out to 2030.

Peter Burke TD,

Minister for Enterprise, Trade and Employment

Enterprise Ireland Foreword



I greatly welcome this statement outlining the future policy direction for the Local Enterprise Offices (LEOs). Our relationship with the Local Authorities over the last 10 years has proven to be a successful demonstration of partnership which has yielded significant economic benefit to small businesses and Ireland.

The broadening of the role will allow LEOs to deploy a suite of new products and interventions that will accelerate the growth and development of small business. There will be a particular focus on enabling small business to become more competitive and profitable. The future of small business requires them to embrace digital transformation. LEOs will be central to leading this change supporting business to develop new trading platforms and roll out transformative digital processes.

Significant support will be targeted to drive the sustainable agenda which is fundamentally important to Ireland and its future economy. These supports will take the shape of enhanced training and financial assistance to drive the essential changes required. We will also make it easier for businesses of all sectors and sizes to understand what supports are available to them from across Government through the new National Enterprise Hub (NEH).

We in Enterprise Ireland are looking forward to continuing to support our colleagues in LEOs as they expand their reach and service to all small businesses.

Leo Clancy Chief Executive Officer Enterprise Ireland

Local Authorities have a remit to provide a wide range of services in their functional areas. The establishment of Local Enterprise Offices (LEOs) within Local Authorities in 2014 ensured that micro enterprise and small business service delivery had significant local input within a national micro enterprise policy framework.

Local Authority Foreword

Over the past 10 years Local Authorities have enjoyed a positive relationship with Enterprise Ireland in respect of the co-ordinated and cohesive development of micro enterprise that contributes to economic growth and job creation.

LEOs also carry out the local enterprise development /business support functions of Local Authorities. The Local Government Reform Act 2014 provided for the promotion of the interests of the local community which specifically includes promoting enterprise and economic development in each Local Authorities' functional area. The Government decision to establish and imbed LEOs within Local Authorities acknowledged the support that Councils around the country provide to businesses. This policy initiative has been significant and successful and, in the last 10 years, LEOs have supported the creation of over 28,000 jobs (net increase) nationally.

This Policy Statement acknowledges the great work being done by LEOs imbedded within Local Authorities in every county in Ireland. It also reinforces the role of LEOs in providing services to a wider range of businesses within our local communities. LEOs' client centred approach will help and support our business communities into the future.

Sonya Kavanagh

Chair of the CCMA Business, Enterprise, Tourism, Innovation & Urban/Town Economic Renewal (BETIUER) Committee Chief Executive, Kildare County Council

LEO Network Foreword



Local Enterprise Offices (LEOs) play an important role in supporting the needs of the micro and small business sectors in every town, village & community in the country. These needs are most appropriately met at the local level and the client centred approach delivered by LEOs is central to developing a culture of entrepreneurship, supporting local enterprise, and promoting local economic development. Being embedded within Local Authorities further reinforces this local focus.

LEOs are a story of success, with a track record of delivering financial support, capacity building and guidance to many thousands of businesses. Since inception in 2014, LEOs have approved funding of €188m; have provided SYOB training to over 42,000 people; have transferred almost 1,100 businesses to EI to continue their growth; and have supported our client base to create a net jobs increase of over 28,000 – spread across every County in Ireland.

The range of supports and services provided by LEOs has broadened in recent years and this Policy Statement cements our role in providing services to a wider range of businesses within our local communities. LEOs have an important mandate and responsibility to help our business communities to prepare for the future by embracing sustainability, innovation, and productivity. We look forward to playing a central role in meeting the key objectives outlined in the White Paper on Enterprise 2022-2030 with a specific focus on the transition of local businesses to a digital, low carbon economy and to continuing our role in supporting our local enterprises to start, grow and prosper.

John Magee Chair, LEO Network Head of Enterprise, LEO Mayo

Vision

LEOs, as the first stop shop locally for businesses, will support the growth and resilience of small businesses by:



driving decarbonisation and exploiting the accompanying opportunities;



enhancing competitiveness through digitalisation and innovation;



driving and assisting new business startups and entrepreneurs;



supporting the locally traded sector to thrive.

They will be recognised as fundamental to local economic development providing accessible, high quality local supports for businesses.



Executive Summary

Anna Carmody of Little Red Edu, supported by Local Enterprise Office Offaly

Small businesses are at the heart of every town, village, and region in Ireland. 98.7% of all businesses in Ireland are small, with less than 50 employees, accounting for 43% of people employed in the business economy.¹

> Local Enterprise Offices (LEOs) are the first stop shop for every business in the country. Regardless of the size of the business or the sector it is active in, the doors of LEOs are open and accessible to signpost a business in the right direction of advisory and financial support.

> LEOs have a key role in the small business ecosystem in Ireland, offering a wide range of mentoring and training supports, supplemented with consultancy programmes that give vital support to businesses at key stages of their development. LEOs' range of competitiveness and productivity supports are designed to help businesses address some of their most challenging issues – namely saving time, money and energy.

In addition to this valuable support, LEOs also make a significant contribution to the Government's ambitious programme for entrepreneurs. LEOs are on hand to help entrepreneurs deal with the challenges and opportunities across their journey, from getting started, to growing, scaling and exporting.

LEOs were established in 2014 within the 31 Local Authorities to carry out enterprise development functions on behalf of Enterprise Ireland (EI). Over the past 10 years, and in particular since 2020, LEOs have developed new services to support businesses in the manufacturing and internationally traded services sectors as well as broadening their engagement with the small locally traded, non-exporting sectors of the economy. This was done to grow the overall productivity of the economy and meet the challenges and opportunities of a digital, low carbon economy. A notable achievement of LEOs has been the consistently high numbers of firms transitioning to EI every year. The Government, EI and LEOs are ambitious for this positive progression to continue and to build on the solid base of new exporters.

These developments, together with the need to contribute to the implementation of Government's White Paper on Enterprise has given rise to a need to clarify and communicate the role of LEOs to wider stakeholders and set out a pathway to 2030.

This Policy Statement addresses the key White Paper on Enterprise priorities that are most relevant to LEOs:

This Policy Statement addresses the key White Paper on Enterprise priorities that are most relevant to LEOs:

- Integrating decarbonisation and net zero commitments;
- Placing digital transformation at the heart of enterprise policy;
- Strengthening the Irish-owned exporting sector;
- Enabling locally traded enterprises to thrive; and
- Stepping up enterprise innovation.

It identifies a number of actions for LEOs that will enhance the resilience and sustainability of small businesses in the economy in the face of the challenges of doing business in the 21st century.

In addition, the Policy Statement showcases how, through a variety of programmes and campaigns, LEOs foster a strong enterprise culture and promote entrepreneurial activity nationally.

1. CSO Business Demography 2021 (Business Demography 2021 - CSO - Central Statistics Office)

Summary of Actions

1

LEOs will continue to promote inclusion and accessibility in entrepreneurship, in particular among under-represented groups, including people with disabilities.

2

LEOs will continue to connect with local businesses, development agencies, private sector bodies and their Local Authority to foster relationships and to champion business needs.

3

LEOs will be the first stop shop for businesses locally as they have the experience, local knowledge and expertise to engage directly with any business on the ground, supported and enhanced by the new National Enterprise Hub (NEH).

4

- i. To increase access to and takeup of schemes, and to ease the burden on businesses, all existing LEO schemes will be reviewed to consider eligibility criteria, and where identified, schemes will be simplified and rationalised.
- ii. New programmes will be based on common eligibility criteria to ensure consistency across the LEO network of supports offered and to make navigation easier for businesses.
- iii. Future campaigns will also be based on business-friendly language, with the emphasis placed on benefits of schemes to business, such as increased productivity and efficiencies and reduced costs.

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- i. To build capacity of the LEO Network and to ensure its services can meet the needs of its clients, Enterprise Ireland is leading a digital transformation programme, This will deliver, at its core, several technology platforms including a new Client Relationship Management System (CRMS).
- ii. LEOs will capitalise on these new digital tools to ensure they deliver on their objectives in the most efficient way, allowing LEO staff to engage directly with small businesses on the ground.

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- LEOs will streamline and drive the decarbonisation journey for small businesses, working with the Department of Enterprise, Trade and Employment, the EI LEO Centre of Excellence and the Sustainable Energy Authority of Ireland (SEAI) to achieve this.
- LEOs will deliver a step change in the take up of the Energy Efficiency Grant and will increase promotion of the Climate Toolkit 4 Business.
- iii. LEOs will continue to promote the uptake of the SEAI Energy Audit and will provide Green for Business consultancy.
- iv. LEOs, through the EI LEO Centre of Excellence, will introduce climate focused assessment criteria when awarding Measure 1 capital grants².
- v. The Department of Enterprise, Trade and Employment and the EI LEO Centre of Excellence will develop a mechanism to measure the emissions savings for businesses from the Green for Business consultancy and the Energy Efficiency Grant.

2. Direct capital grants for growth or expansion, such as Priming Grants or Business Expansion Grants.

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- i. Digital grants and consultancy offered by LEOs will ensure that small businesses are being helped in achieving basic digital intensity, towards the target of 90% basic digital intensity by 2030.
- ii. The Department of Enterprise, Trade and Employment, the EI LEO Centre of Excellence and Enterprise Ireland will initiate changes of funding eligibility for digital grants and consultancy to ensure more simplified, accessible, and broadly available funding supports for digitalisation.
- iii. LEOs will promote the new Digital Portal, which will help businesses to self-assess their digital needs as well as signposting to training, resources, and funding options.

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- i. LEOs will promote their programmes to more locally trading business with up to 50 employees to improve productivity, particularly around innovation, digitalisation, reducing energy and carbon emissions, and implementing lean practices.
- ii. LEOs will continue to promote their business advisory, training and mentoring services to locally trading firms.
- iii. LEOs will continue to clearly communicate the range of programmes available through LEOs, and signpost the broad range of skills development, leadership and management, and other assistance available.

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A dedicated central team for new exporters will be established, in conjunction with Enterprise Ireland, to assist companies that have not yet ventured into exporting, providing support to enhance their market entry capabilities. The envisioned outcome by 2030 is doubling the annual number of new exporters, with a target of 360 plus first-time exporting companies each year by 2030.

10

LEOs will foster and encourage more innovation in small businesses. They will continue to promote Innovation Vouchers for small businesses and will build links with the new EDIHs.

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Joint engagement will continue at every county to sustain the number of companies moving from LEOs to EI, as appropriate to their stage of development. The extension of the LEO mandate and the collaboration between LEOs and Enterprise Ireland will ensure a flow of companies who wish to transition between the enterprise development agencies.

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The governance model of LEOs will be sustained with a rigorous annual review process through the LEO Steering Group. To support this, the EI LEO Centre of Excellence will carry out benchmarking exercises and share learnings across the LEO network through the LEO Steering Group.

Introduction to LEOs – the first stop shop for local businesses

Since their establishment in 2014, LEOs have nurtured and developed small businesses across the country. Embedded in each of the 31 Local Authorities, LEOs play a key role in developing and sustaining a positive enterprise ecosystem throughout the country. The services, advice and funding provided by LEOs are very important to entrepreneurs, start-ups and small business.

> LEOs were established in 2014 following the dissolution of the City and County Enterprise Boards. They were set up primarily to carry out enterprise development and business support functions on behalf of the Local Authorities and Enterprise Ireland. They have continued to fulfil this role through providing advice and guidance, financial assistance, and other resources to those wishing to start or grow their own business. At this time LEOs' core clients for direct financial support were microenterprises with less than ten employees.

24% increase in jobs in businesses financially supported by the Local Enterprise Offices

18% increase in number of LEO clients

72,395 new jobs created with LEO Client companies

30% increase in grant applications

€188m approved for LEO client projects

JOBS				
Year	Total Portfolio Employment (All Jobs, FT & PT)	Gross Jobs Created (All Jobs both FT & PT)	Net Increase (Jobs created minus Job Losses)	Number of LEO Clients
2014	31,326	7,305	4,012	6,058
2015	32,592	7,122	3,533	6,573
2016	34,634	7,883	3,679	6,846
2017	37,485	7,135	3,760	7,182
2018	36,666	8,007	3,656	7,164
2019	38,535	7,408	3,149	7,400
2020	35,236	5,585	-1494	7,529
2021	35,729	7,440	2,999	7,158
2022	37,863	7,870	3,447	7,221
2023	38,726	6,640	2,131	7,167

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FINANCIAL SUPPORTS					
Year	Number of Grant Applications Approved	Value of Projects Approved			
2014	854	€14,411,557			
2015	892	€15,096,679			
2016	896	€16,011,198			
2017	1,179	€17,840,340			
2018	1259	€18,211,041			
2019	1,341	€20,077,189			
2020	1,112	€22,001,367			
2021	1,088	€24,041,848			
2022	1,112	€21,124,313			
2023	1,110	€19,596,949			

Over the past 10 years, and particularly since 2020, the role of LEOs has developed and adapted to provide services to a broader range of businesses of various sizes and sectors across the economy.

The capital budget for

LEOs has more than doubled since 2014, from €18.5 million to €44.8 million in 2024. LEOs were central in the response to the multiple challenges faced by businesses due to Brexit, the COVID-19 pandemic, and the war in Ukraine. In addition, LEOs have been at the frontline in supporting small businesses take on the challenge of decarbonisation and digitalisation. Throughout all these challenges, the local knowledge and experience of LEOs and their staff have been critical. Recognising their key role, the capital programme budget for LEOs has more than doubled since 2014, from €18.5 million to €44.8 million in 2024.

In 2023, following a decision by Government, the mandate of LEOs was extended to allow them to provide direct financial grants to firms operating in the manufacturing and internationally traded services sectors, with up to 50 employees, who have an ambition to export.

This extended remit also includes the broadening of LEO engagement with the small, locally traded enterprise sector of the economy. This change was in response to Government policies to grow the overall productivity of the economy and assist businesses with digitalisation and decarbonisation. These activities combined represent a significant and noteworthy development in the LEO functions, roles and responsibilities as envisaged in 2014, and are firmly focused on the future.

The most recent data from the Central Statistics Office3 shows that in 2021, **SMEs accounted for 99.8% of all enterprises** with 69.2% of persons employed. Two-fifths (41.5%) of total turnover and 34.8% of Gross Value Added (GVA) was attributed to these enterprises.

There are approximately 370,000 businesses eligible for LEO support – that is, businesses with up to 50 employees across all sectors, minus those which are currently served by another enterprise agency; namely Enterprise Ireland, IDA, or Udárás na Gaeltachta.

Given these changes and to set the pathway to 2030, this LEO Policy Statement sets out the roadmap and policy direction of how LEOs will align their work with the priorities of the White Paper on Enterprise and to ensure that the high calibre of dedicated service by LEOs can continue.

There are approximately **370,000 businesses** eligible for LEO support

- that is, businesses with up to 50 employees across all sectors.

 $^{3. \ \} https://www.cso.ie/en/releases and publications/ep/pbildr/business in reland 2021 detailed results/small and medium enterprises/$

Role of LEOs

2.0

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LEOs are situated on the ground in each and every county and are the first port of call locally for businesses. In a complex landscape of business supports, LEOs are recognised and identified as the **first stop-shop** for all businesses; regardless of size or sector, with a trusted and well-established track record of support and advice for enterprises.

> LEOs are embedded within each Local Authority and carry out enterprise development and business support functions on behalf of the Local Authorities and El by providing advice and guidance, financial assistance, and other supports to those wishing to start or grow their own business. LEOs' overarching objective is to support enterprise at a local level, working closely with the business community in the enterprise ecosystem. Part of the strength of LEOs is their ability and openness to work with partners both in the public and private sector and work to foster collaboration for the benefit of small businesses.

The position of LEOs in every Local Authority is a key strength of the service they provide. The main benefits of proximity to the businesses and entrepreneurs they support is threefold:

- In the first instance they are able to build relationships with businesses and the local community through sustained and consistent engagement on a daily basis, a 'boots on the ground' approach.
- Secondly, the staff in LEO offices become experts in the local enterprise ecosystem and have a comprehensive understanding of the needs of the business community in their area.
- Thirdly, the real-time local feedback that LEOs can provide in response to local and national development challenges, such as Brexit and COVID-19, are valuable in developing policy responses to support businesses.

This is a key principle in the objectives for the LEO model and the LEO network will continue to capitalise on this local knowledge and proximity to deliver the most tailored and effective service to businesses in each county.

LEOs have four key pillars of engagement with small businesses:

PILLAR 1: Enabling Entrepreneurship

PILLAR 2: Offering Business Advice

PILLAR 3: Providing Enterprise Supports

PILLAR 4:

Supporting Local Economic Development

PILLAR 1: Enabling Entrepreneurship

Entrepreneurs are vital to the success of the Irish economy. The OECD state that "SMEs and entrepreneurship are central to Ireland's challenge of generating a broadbased growth and prosperity"⁴. The continued growth of our economy is highly dependent on entrepreneurs and the SMEs that they create, develop, and grow.

LEOs are the first stop shop for any person with an idea or ambition to start and run their own business. They play a vital role in promoting entrepreneurship, in turn driving innovation, creating jobs, and boosting local economies. LEOs are committed to creating an enterprise environment where entrepreneurship can flourish. They provide a combination of practical advice, guidance and resources needed for entrepreneurs to succeed. They also run a number of impactful programmes to foster and encourage entrepreneurship.

The **Start Your Own Business** (SYOB) programme guides clients through the various aspects of business and business planning. It is important to plan in advance of setting up a new venture, preparation is the single most important thing a business owner can do to ensure their fledgling business gets off the ground and continues flying. The objective of the SYOB is to assist clients in honestly assessing their business idea, its viability and help entrepreneurs to decide if they should proceed or take a step back.

CASE STUDY:

Start Your Own Business

Grá's Chocolates

Gráinne Mullins was an award-winning chef who started her business in lockdown, and with the help of the staff of LEO Galway signed up for a LEO Start Your Own Business Course. Following on from this Grá Chocolates received guidance and assistance from her LEO and has expanded her team and moved into a larger premises.

The **LEO Mentor Programme** is open to both new and existing businesses and is designed to match up the knowledge, skills, insights, and entrepreneurial capability of experienced business practitioners with small business owner/managers who need practical and strategic one to one advice and guidance. LEO Business Mentors assist new and existing entrepreneurs in navigating the potential pitfalls of starting and growing a small enterprise in Ireland and can offer invaluable experience and guidance to small business owners to help them on their journey.

4. https://www.oecd-ilibrary.org/industry-and-services/sme-and-entrepreneurship-policy-in-ireland_e726f46d-en

Mentoring

Nuálach Automation

Cavan based Nuálach Automation was established in January 2021 and very quickly won Best Start up and Overall Winner at the Cavan Local Enterprise Awards. It was founded by friends and business partners Kealan O'Connell and Evan Roarke, who had previously worked together in the engineering sector. Nuálach Automation works with companies to develop and design bespoke automation equipment. One of their first appointments on setting up the business was with their LEO in Cavan. "They helped us with our application for a LEO Priming Grant and with financial advice." While both were experienced engineers, starting and growing a business was new to them, so LEO Cavan's support was welcome, and the mentoring provided through the LEO was pivotal in establishing their business.

Through a variety of programmes and campaigns, LEOs foster a strong enterprise culture and promote entrepreneurial activity nationally. This is achieved by several events throughout the year, which include:

- National Enterprise Awards
- Local Enterprise Week
- Student Enterprise Programme
- National Women's Enterprise Day
- Ireland's Best Emerging Entrepreneur
- Local Enterprise Village at the National Ploughing Championships
- Showcase Ireland's Creative Expo

These national events serve to raise awareness, provide valuable opportunities for networking, and foster a supportive environment for entrepreneurs to create a vibrant culture of entrepreneurship in Ireland.

National Enterprise Awards

The National Enterprise Awards were established to highlight the success of small businesses across the country. There are a number of categories such as innovation, exporting, and sustainability, as well as regional winners and an Outstanding Achievement Award.

Local Enterprise Week

Local Enterprise Week is an initiative of LEOs to generate awareness and understanding of the help they provide, and the benefits these supports can have to new and existing businesses. It offers an opportunity for prospective entrepreneurs, start-ups and established businesses to sample what LEOs have to offer, no matter the stage of the business.

Student Enterprise Programme

The Student Enterprise Programme is run by LEOs in partnership with second level schools, to give students the opportunity to set-up and run their own businesses, with the support of their local LEO. This is the largest enterprise programme for secondary schools in Ireland and its success is based on a collaborative approach between state bodies, Government Departments, local government, school management teams and teaching professionals.

Student Enterprise Programme

Quaid Candles

Eoin Quaid took part in the Student Enterprise Programme in 2017, when he was just 13 years old and a first-year student. His business is Quaid Candles, which produces handcrafted scented candles and diffusers, using soy wax, quality essential oils and lead-free wicks. Quaid Candles went on to be stocked in large retailers such as Aldi and also in Shannon airport. The Student Enterprise Programme allowed Eoin to practice his public speaking skills through judging rounds and product pitches.

National Women's Enterprise Day

National Women's Enterprise Day is Ireland's largest event to celebrate women in enterprise and has been a key date in the LEO calendar since 2006. Events take place nationwide with a range of inspiring speakers and topics covering everything from leadership, developing a strategic mindset to meeting the challenges of digitalisation.

Growing the number of women entrepreneurs and women in business more generally is a key objective of the Government. Enterprise Ireland have an ambitious target to increase the number of women-led companies growing internationally by 100% by 2025.

Ireland's Best Emerging Entrepreneur

Following on from the success of Ireland's Best Young Entrepreneur, Ireland's Best Emerging Entrepreneur is the newest event programme added to the LEO calendar. This event is designed to foster entrepreneurship, particularly among groups who are underrepresented in the entrepreneur landscape in Ireland. It will be a natural evolving of this exciting programme and will capture the diversity of emerging business talent across the country.

Local Enterprise Village at the National Ploughing Championships

Each year at the National Ploughing Championships, the Local Enterprise Village hosts 31 small businesses who have been supported by their LEOs across the country and gives them the opportunity to promote their products and sell to the 300,000 visitors expected across the three days.

Local Enterprise Showcase

Showcase – Ireland's Creative Expo is one of the country's largest international trade shows with over 3,350 buyers visiting the event from across the world during the 3 days of the show. Showcase is presented on behalf of Design & Crafts Council Ireland, with support from Enterprise Ireland in promoting the trade show internationally through their network of offices overseas and through LEOs nationwide. The LEO team works closely with all the clients on the run up to Showcase to ensure they are best placed to maximise the opportunity with national and international buyers. This includes training in sales techniques, merchandising and digital marketing to ensure they are promoting themselves and their products correctly.

Entrepreneurship

Aqualicense

Kate Dempsey founded Aqualicense in 2019, and LEO Wicklow has been part of her journey since the beginning. Aqualicense is a marine consulting firm focused on offshore renewable energy and offshore aquaculture. It provides consultation, planning, legal compliance, and project delivery services for firms in the aquaculture and offshore energy industries. In 2021 Aqualicense expanded their operations into the highly regulated offshore renewable energy sector which has helped the company grow considerably. Aqualicense won the overall award at the National Enterprise Awards in 2022. Kate Dempsey was also selected as Wicklow's Leading Light spotlight entrepreneur for National Women's Enterprise Day in 2022.

Action 1

LEOs will continue to promote inclusion and accessibility in entrepreneurship, in particular among under-represented groups, including people with disabilities. This work will include:

- Outreach and engagement across all groups
- Better signposting of available supports
- Adapting content and method of delivery to suit the needs of different social groups in consultation with representative bodies
- Standardised training for trainers and mentors on diversity and working with under-represented groups
- Specific focus on underrepresented groups in all national campaigns and award programmes
- A combined Equality, Diversity and Inclusion (EDI) statement for LEOs

LEOs are actively engaged in ensuring consistent and quality service delivery for any person who is availing of LEO services. LEO staff have received training sessions on Disability Awareness, which aims to equip staff with the knowledge and skills to be more confident around the topic of disability, including challenging bias and understanding reasonable accommodations.

In addition, LEOs are partners on the Technological University Dublin course 'Entrepreneurship for People with Disabilities', and participants are assigned a LEO mentor to assist in the process of working on a business idea.

LEOs are also engaged in designing the new 'Ireland's Best Emerging Entrepreneur' competition, as a successor to the previous Ireland's Best Young Entrepreneur programme, and promotion of inclusivity will be a key feature of this new programme. The programme will involve collaboration with representative bodies for various minority groups to promote and celebrate entrepreneurs within these underrepresented groups.

Reasonable accommodations are made on a case-by-case basis, for example engaging a sign language interpreter for a training course and ensuring consistent and quality service delivery for any person who is availing of LEO services is a key priority.

PILLAR 2: Offering Business Advice

LEOs are the first port of call for any business or entrepreneur that needs advice and support. LEOs are a gateway to the broad landscape of state supports as well as to non-state supports through organisations such as Chambers of Commerce and other business bodies. LEOs provide a signposting service for all Government assistance available to SMEs and can connect businesses and entrepreneurs with other relevant bodies under agreed protocols. LEOs have protocols with a number of Government Departments, State Agencies and Bodies.

In order to support access to finance for small businesses, LEOs partner with Microfinance Ireland, a not-for-profit lender that offers loans for those who have been unable to secure finance from a bank or other commercial provider. Access to finance is always a critical issue for startups, and to get their business started, many entrepreneurs rely on bank loans and investment.

Microfinance Ireland

Microfinance is vital for small businesses, including locally traded businesses, unable to access finance by other means. It offers accessible financing, enabling small businesses to start, grow and expand, fostering job creation, economic development, and community empowerment by providing entrepreneurs with the means to contribute to the local economy.

By applying through their local LEO, with the assistance of LEO Mentors, applicants can avail of a 1% reduction in the interest rate charged on the loan.

CASE STUDY:

Microfinance Ireland

Kacper Wajcik of Method Fitness

Kacper moved to Ireland when he was 19 and has been working in the fitness industry ever since. He wished to open his own business so he could decide what services to offer his clients, including two of his personal favourites, CrossFit and Pilates. During COVID, Method Fitness experienced additional challenges and needed extra resources. Kacper was referred to Microfinance Ireland by his LEO and availed of a loan. He used this to build a brand that he, his team, and their members could be proud of. Kacper has built a place of his own in Method Fitness with an excellent community around it, with the help of his LEO and Microfinance Ireland.

Action 2

LEOs will continue to connect with local businesses, development agencies, private sector bodies and their Local Authority to foster relationships and to champion business needs.

Action 3

LEOs will be the first stop shop for businesses locally as they have the experience, local knowledge and expertise to engage directly with any business on the ground, supported and enhanced by the new National Enterprise Hub (NEH).

The National Enterprise Hub

To simplify the process of accessing help for businesses, a new National Enterprise Hub (NEH) online portal is being rolled out by Enterprise Ireland to simplify access to the range of supports available across Government for business.

The NEH will provide a centralised signposting service for all Government supports at a national level making it easier for businesses to access Government assistance on managing the costs of doing business, developing sustainability plans, enhancing productivity and efficiencies, adopting new digital technologies, skills development innovation, and entering new export markets.

The NEH will provide business owners nationwide with an easy entry point to the enterprise supports eco-system with information on various different schemes and guidance from across different Departments and agencies. The Hub will include access to a team of expert advisors through a dedicated phone line. Advisors will help to diagnose the needs of the individual business, directing them to the appropriate available help or indeed put them in direct contact with the relevant agency information portal.

PILLAR 3: Providing Enterprise Supports

LEOs offer enterprise supports under three broad categories. Through these categories, LEOs can offer help and assistance to almost all small businesses in some shape or form. This Policy Statement outlines a number of changes that will be introduced which will result in greater consistency and reach of LEO supports.



Direct Financial Grant Aid Manufacturing and/ or Internationally Traded Services

ENTERPRISE SUPPORTS

Action 4

- To increase access to and takeup of schemes, and to ease the burden on businesses, all existing LEO schemes will be reviewed to consider eligibility criteria, and where identified, schemes will be simplified and rationalised.
- New programmes will be based on common eligibility criteria to ensure consistency across the LEO network of supports offered and to make navigation easier for businesses.
- iii. Future campaigns will also be based on business-friendly language, with the emphasis placed on benefits of schemes to business such as increased productivity and efficiencies and reduced costs.

Trading Online Voucher

Scissor Sisters

Scissor Sisters is a family-run hair salon located in Mulhuddart Village, Dublin 15, owned and operated by three sisters – Debbie, Linda, and Emma. The salon offers a variety of services, including hair tinting, highlights, balayage, as well as classic haircuts and blow-drying services. In the last few years, Scissor Sisters has seen steady growth, having availed of crucial support supplied by LEO Fingal. With active backing from LEO Fingal, Scissor Sisters obtained a Business Continuity Voucher during the COVID-19 pandemic. More recently the salon availed of a Trading Online Voucher which has played a pivotal role in enabling the business to maintain and enhance its e-commerce platform. Additionally, the business streamlined appointment scheduling by implementing an online booking system to their website, allowing clients to arrange appointments swiftly and conveniently.

LEOs offer direct grant assistance to small businesses with up to 50 employees in manufacturing or internationally traded services sectors. These are grouped within four main categories aligned to the LEO lifecycle of pre-start, start, grow, and export.

Feasibility Grants link to the Pre-Start phase and their purpose is to help start-up companies or individual entrepreneurs with the cost of researching their proposed business or new business idea to see if it could be viable and sustainable.

Priming Grants are for businesses trading less than 18 months and link to the 'Start' phase of the business life cycle, aiming to help the business promoter with the associated costs of start-up.

Business Expansion Grants are designed to assist businesses in their growth phase, after the initial 18-month start-up period. Businesses can apply for a Business Expansion Grant to help them with capital investment, salary costs, consultancy/ innovation/marketing costs and general overhead costs associated with expanding their business.

Technical Assistance for Micro Exporters grants assist clients to explore and develop new export market opportunities. Successful applicants are advised to consider using an Enterprise Ireland Mentor to develop an export/marketing plan.

LEOs also offer grants to businesses to enhance their productivity and improve their competitiveness, as well as to assist businesses in addressing the challenges of doing business. These focus on the key areas of Green, Lean, and Digital. As part of the implementation of this LEO Policy Statement, the eligibility criteria and allowable expenditure will be reviewed and streamlined so that small businesses with up to and including 50 employees in almost all sectors will be eligible for productivity and competitiveness funding.

Green for Business provides access for free, to two days of intensive mentoring including a sustainability audit and action plan, designed to help green a business. This programme offers advice and technical support on resource efficiency, how to better understand their carbon footprint and how to implement an environmental management system to reduce costs and lower greenhouse gas emissions. This support is free of charge and represents the potential for increased efficiencies within companies that adopt these principles. With climate change, changing regulations, rising resource costs and changing customer expectations adopting an eco-friendlier approach is the best way forward for business.

Green Start aims to improve environmental performance through greater resource efficiency helping companies achieve competitive advantage and greater market share through enhanced credentials and cost savings. Projects may vary in scope from implementing a structured environmental management and reporting system to understanding the carbon or environmental footprint of products or services.

CASE STUDY:

Energy Efficiency Grant

Mac's Deli

Mac's Deli is a family-run café, bakery, and catering business in the heart of Letterkenny. The LEO Green for Business scheme provided Mac's Deli with a consultant who examined the business in detail, from lighting to solar panels and even fridges, and made recommendations on how Mac's Deli could improve on their energy usage. Following this, Mac's Deli was eligible for the Energy Efficiency Grant, which provided a grant for the business to implement these recommendations. This allowed them to change fridges and freezers which were high users of energy, as well as changing their ovens. Their energy usage was reduced by 30%, saving the company €1,500 to €2000 each month on electricity.

The Energy Efficiency Grant is designed to support capital investment by businesses to reduce carbon emissions based on energy efficiency projects. The rationale of the scheme is to support companies to reduce their carbon emissions and overall energy costs by accelerating the adoption of low carbon technologies or processes.

The Trading Online Voucher Scheme helps businesses develop their online trading capability and includes training sessions that cover various topics, including developing a website, digital marketing, social media for business and search engine optimisation.

Digital for Business is designed to help businesses prepare and implement a plan for the adoption of digital tools and techniques across the business. Digital for Business will provide strategic intervention for businesses to work with third party consultants to:

- assist them in identifying where they are on their digital business journey,
- develop a digital adaptation plan based on their identified need,
- implement their digital adaptation plan.

Lean for Business allows clients to avail of consultancy support with a LEAN Expert (a qualified practitioner), who will work with the company to introduce lean principles, undertake a specific cost savings project, and assist the company in benchmarking its performance.

The LEO Lean for Business programme helps to:

- identify issues and potential improvement areas.
- provide support to implement.
- achieve savings and improvements in capability and capacity to deliver.

Action 5

 To build capacity of the LEO Network and to ensure its services can meet the needs of its clients, Enterprise Ireland is leading a digital transformation programme, that will deliver at its core, several technology platforms. This will include a new Client Relationship Management System (CRMS) providing an online portal for clients, grant management and website. LEOs will capitalise on these new digital tools (CRMS and the NEH) to ensure they deliver on their objectives in the most efficient way and allowing LEO staff to engage directly with small businesses on the ground.

CASE STUDY:

Trading Online Voucher

Irish Socksciety

Irish Socksciety used the Trading Online Voucher towards the costs of improving their company website. They also used the voucher to fund a photoshoot for their website imagery. Their online shop now allows them to sell their socks around the world.

Irish Socksciety found their LEO team in Galway to be very supportive and understanding of their needs. Joanna Ciezka said: "They gave us great advice, were always available and made sure the whole process went smoothly!" Irish Socksciety generated sales from its website from the very first day it went live, and its initial investment was returned within the first four months of trading. The company's subscription sales are increasing and their customers – mainly the Irish diaspora – live all over the world. Their sock ranges are also available in twelve retailers throughout Ireland and Northern Ireland.

PILLAR 4: Supporting Local Economic Development

One of the key responsibilities of LEOs is their role in local economic development. LEOs contribute to business development and employment creation in every community, village, town and city in the country. This is an essential building block in economic development, thereby creating attractive, vibrant and resilient communities.

Activities that strengthen the local entrepreneurial ecosystem are central to this broader role, as are efforts to develop enterprise-enabling physical infrastructure. An important aspect of this work is the extent to which a LEO will often lead and support efforts to leverage additional resources and funding to build this enterprise and economic infrastructure, and in many cases will manage or provide governance support to enterprise hubs of various types as well as other initiatives through the Regional Enterprise Plans. LEOs also play an important role in helping to drive initiatives such as the Town Centre First and the Nighttime Economy policies.

Furthermore, LEOs support the development of economic strategies such as the Local Economic and Community Plan and ensure that an enterprise perspective is brought to bear on various Local Authority and regional plans and frameworks. LEOs also act as a catalyst for economic development by driving collaboration with the broader enterprise ecosystem at the local level. This includes through engagement with enterprise hubs throughout Ireland.

Combined, this activity creates opportunities, provides a platform for growth, supports innovation, fosters knowledge transfer, and develops an attractive environment for investment and job creation.

Local Economic Development

The Hive, Co Leitrim

The Hive, Leitrim's first technology and enterprise centre, opened in October 2013. The Hive offers a wide range of fully serviced office facilities including hot desks, shared offices, and larger office spaces, providing desk-space for daily, weekly, monthly, or ongoing basis. With high-speed Wi-Fi, premises come fully equipped with remote access control, providing service 24/7 with ease.

Just outside Carrick on Shannon, on the N4, The Hive is built on the site of the former Leitrim County Enterprise Fund building. The building had formerly housed Leitrim County Enterprise Board as well as six industrial units. Recognising the need for affordable rental space for the growing digital enterprise sector, a cross border project between Leitrim County Enterprise Fund and Omagh District Council, the Innovation and Enterprise Programme (IEP) was developed, which provided for the establishment of The Hive; the first digital hub to be built in rural Ireland.

The Hive have continued to develop and adapt with the times, identifying the need to cut costs where possible. They participated in LEO's Green for Business programmes, swapping to LED lights, securing funding for a solar scheme, resulted in a saving 40% on electricity costs.

The Hive provides space for new and emerging businesses and offers a referral service to the LEO, promoting supports through the provision of LEO information brochures. The Hive also provides accommodation for in person training to the LEO. Having availed of the LEO programmes themselves including Green for Business, The Hive is able to outline the benefits of the programme to other businesses.

White Paper on Enterprise

3.0

The White Paper on Enterprise, published by the Department of Enterprise, Trade and Employment in December 2022, sets out the Government's vision for Irish-based enterprise to succeed and deliver rewarding jobs and livelihoods by increasing sustainability, innovation and productivity; continuing to pursue the core elements that have served the economy well for so long while focusing on seven priority objectives for enterprise.

Each of the priorities contained in the White Paper represent an opportunity for local economies, however the key policy priorities that require a response across LEOs and are covered in this policy paper are:

- Integrating decarbonisation and net zero commitments;
- Placing digital transformation at the heart of enterprise policy;
- Strengthening the Irish-owned exporting sector;
- Enabling locally trading sectors to thrive; and
- Stepping up enterprise innovation.

The White Paper on Enterprise recognises the need for growth and employment that is regionally balanced, ensuring that SMEs are adequately supported to scale and navigate digitalisation and decarbonisation, and that wider framework conditions are in place to maintain Ireland's competitiveness, including access to finance, cost of doing business, skills, and infrastructure. Integrating Decarbonisation and Net Zero Commitments

> Placing Digital Transformation at the Heart of Enterprise Policy

Advancing Ireland's FDI and Trade Value Proposition

> Strengthening the Irish-Owned Exporting Sector

Enabling Locally Trading Sectors to Thrive

> Stepping Up Enterprise Innovation

Building on Strengths and Opportunities



3.1 Integrating Decarbonisation and Net Zero Commitments



3.2 Placing Digital Transformation at the Heart of Enterprise Policy



3.3 Enabling Locally Trading Sectors to Thrive

The ambition to decarbonise our economy is transformative and will require significant investment and adoption of low and no carbon technologies across all sectors. Policy will be oriented towards helping existing firms meet the costs of decarbonisation and positioning them to exploit the opportunities of a low carbon economy. The White Paper on Enterprise outlines that the enterprise development agencies, including LEOs, will incorporate carbon abatement and circular economy as objectives equal to and alongside employment and value added.

The White Paper acknowledges that this will require significant changes to agency priorities and activities including the setting of explicit emissions reductions targets for client bases and the incorporation of the cost of carbon into project evaluation. These changes will mean new industrial development will be less reliant on fossil fuels and therefore more resilient. The associated target is a reduction of 51% of carbon emissions by 2030.

The White Paper on Enterprise mandates the enterprise agencies and LEOs to embed digital transformation in their engagements with businesses – as an important enabler for better, leaner processes, innovation, growth, sustainability and competitiveness. The associated goal is that at least 90% of SMEs will reach at least a basic level of digital intensity by 2030.⁵

The benefits of digitalisation for enterprise include helping businesses remain competitive, keeping pace with technological developments, making business processes and procedures more efficient, cost savings, improving customer service, accessing new/more customers and markets, enhanced data security, and future proofing.

For small businesses in particular, digitalisation can unlock new markets and customers, free up valuable time for business owners, and provide valuable data to help inform decision making.

Locally traded enterprises are at the heart of communities across the country, with a wide range of businesses trading in areas such as retail, leisure, arts, accommodation, entertainment and food. These local business account for a substantial number of the total number of businesses operating in Ireland, providing significant levels of employment across all counties. These businesses are typically non-exporting businesses and while they may not have been eligible for direct financial grant assistance from LEOs, they are eligible and have benefitted from general business advice, support, training and mentoring from LEOs.

Using local expert knowledge and business development expertise, LEOs can provide vital support for start-up and micro-enterprises by offering easy access to a wide range of business supports and opening up opportunities for businesses.

The White Paper outlines the role of LEOs in relation to the Locally Traded Sector and says that the LEO Network will clearly communicate the broad range of government programmes and advisory services available for businesses, including those trading locally trading.

The specific actions to enable locally trading sectors to thrive per the White Paper Implementation Plan are:

- Facilitate the locally traded sectors to navigate the twin transition.
- Support small firms in energy cost reduction and decarbonisation investments.

5. The DESI contains 12 indicators to measure the digital intensity of a business. Basic Digital Intensity is defined as meeting at least 4 of these indicators. Digital Intensity Index (europa.eu)

- Assist locally traded sectors in increasing digital intensity.
- Enable locally traded sectors to capture e-commerce opportunities through digitalisation.
- Boost social enterprise contributions to the Irish economy and society.

A target has been set that by 2030, there will be a 1% average annual increase in multifactor productivity growth in domestic sectors of the economy by 2025, measured by the Central Statistics Office. Latest figures from the CSO⁶ show that there has been an increase of 0.9% in the last year in multifactor productivity in the domestic sector.

It is critical that the Irish-owned exporting sector is enabled to fulfil its potential to scale and succeed in global markets, thereby building a strong domestic engine to support sustainable, diversified growth. This can be achieved by addressing barriers to finance and skills for scaling, strengthening the pipeline from start-up to at-scale exporting, and enhancing the diversity, sustainability, and competitiveness of the Irish-owned exporting sector. The associated target across both LEO and Enterprise Ireland clients is an additional 2,000 Irish-owned exporters by 2030.

The White Paper on Enterprise outlines LEOs will help smaller prospective exporters. Working with LEOs, Enterprise Ireland are supporting companies of all sizes in the manufacturing and internationally traded services sectors with assistance on their development journey. 2023 saw the expansion of the LEO mandate to financially grant aid companies employing more than 10 and less than 50 full time employees with export ambition. The framework supports the extension of direct financial assistance to small companies in the manufacturing and internationally traded sectors to become export ready.

Enterprise Ireland and LEOs continue to work closely with the Enterprise Europe Network which is active in over 50 countries and helps business innovate and grow on an international scale.

Innovation is the best way to generate sustainable, long-term productivity growth, in advanced economies such as Ireland. Innovation in products, processes and services underpins productivity growth and the expansion of Ireland's enterprise base, driving success in international markets and export growth, and underpinning overall business resilience. Therefore, innovation is a central plank of our national enterprise policy and applies to all firms regardless of size.

Ireland has ambitious targets under national innovation policy (Impact 2030) to double the business expenditure in R&D and spend 2.5% of total GNI (Gross National Income) on research and innovation, with the aim of positioning Ireland as an Innovation Leader. It is essential that Ireland's small businesses are at the forefront of this investment, enabling them to drive the development of the new and innovative products that will drive Ireland's future success through enhanced innovation-based business performance and growth.

The White Paper on Enterprise also contains an ambitious target of a 20% increase in the number of High Potential Start Ups (HPSUs) by 2024, by strengthening links and collaboration between public and business researchers; and increasing entrepreneurship activity and encouraging innovative start ups.

6. <u>https://www.cso.ie/en/releasesandpublications/fp/fp-piiq/productivityinirelandquarter42023/</u>



3.4 Strengthening the Irish-Owned Exporting Sector



3.5 Stepping Up Enterprise Innovation

Local Government Policy Context



The Local Authority sector is a key partner for development agencies in delivering on a whole host of enterprise objectives, including balanced regional development, supporting local enterprises, and inward investment. Local Authorities play a crucial role in developing local enterprise. They do this through LEOs, Local Enterprise Development Plans, in capital funding projects and in direct engagement with businesses. Local Authorities have been key stakeholders in the development of the Regional Enterprise Plans and are essential partners for delivery of initiatives under these Plans.

> There are many intersections between the Department of Enterprise, Trade and Employment and Local Authorities. They collaborate on a daily basis on a range of programmes and initiatives to help businesses in every region of Ireland.

The White Paper on Enterprise and the Department of Enterprise, Trade and Employment's Statement of Strategy 2023-2025 reaffirm the importance of collaboration. Enterprise policy requires an integrated, whole-of-government approach in engaging all stakeholders, in all parts of the country, to help identify, understand and develop policy responses to the opportunities and challenges for enterprise in our economy. LEOs carry out the local enterprise development and business support functions of the Local Authority⁷, which specifically includes promoting enterprise and economic development in its area. LEOs receive funding from Local Authorities for these activities. LEOs have a two-fold background as their origin was a merging of the previous City and County Enterprise Boards (CEBs) and the business development units of the Local Authorities.

This Policy Statement reaffirms the centrality of LEOs in promoting a pro-business and pro-enterprise environment in every county, and in championing local business development priorities.

7. As per Local Government Act 2001 (as amended, particularly by the provisions of the Local Government Reform Act 2014).

ENTERPRISE VILLAGE

Delivering on the White Paper on Enterprise Objectives

Catriona McGinley, founder of Orwell and Browne, supported by Local Enterprise Office Donegal
The implementation of White Paper on Enterprise objectives will build the resilience and sustainability of our economy in the face of the challenges of doing business in the 21st century. While maintaining their focus on their core offering detailed above, it is nonetheless vital that LEOs can continue to adapt to respond to the needs of small businesses and the emerging challenges they face, in particular decarbonisation and digitalisation.

> The initiatives detailed below will guide the work of LEOs and so ensure the future viability and productivity of the companies they support.

5.1 Decarbonisation and Sustainability

Over the next decade the transition to a carbon neutral economy will substantially alter the business environment. While small businesses do not account for a significant level of emissions, it is important that the whole of our economy integrates decarbonisation and takes advantage of the opportunities of a net-zero future. Changes made now by small businesses will not only help their current energy costs, but they will also ensure continued and enhanced competitiveness and resilience.

There is considerable scope for innovation in the design, development and delivery of carbon neutral products and services. New business models will emerge, and SMEs can gain a competitive advantage by staying close to the customers and communities they serve, delivering sustainable alternatives to carbon-intensive offerings. This in turn will have a positive impact on local, regional, and national climate targets.

The aim is not just to help small businesses to be resilient to the transition, but to grow and thrive by maximising the opportunities it presents. This significant change for our society and economy will need new products and new kinds of services that create value through their sustainability. There will be opportunities for businesses to differentiate themselves on this basis.

- LEOs will streamline and drive the decarbonisation journey for small businesses, working with Department of Enterprise, Trade and Employment, the ELLEO Centre of Excellence and the SEAI to achieve this.
- ii. LEOs will deliver a step change in the take up of the Energy Efficiency Grant (which provides capital funding for small businesses to invest in low carbon technologies and processes) and will increase promotion of the Climate Toolkit 4 Business (which enables companies to calculate and develop an understanding of their current carbon footprint and provide a plan of action for the business).
- iii. LEOs will continue to promote the uptake of the SEAI Energy Audit and will provide Green for Business consultancy.
- iv. LEOs, through the EI LEO Centre of Excellence, will put in place climate focused assessment criteria when awarding Measure 1 capital grants⁸. This will give effect to the commitment made in the White Paper on Enterprise to incorporate carbon abatement as an objective equal to and alongside employment and value-added.
- v. The Department of Enterprise, Trade and Employment and the EI LEO Centre of Excellence will develop a mechanism to measure the combined emissions savings due to the introduction of the Green for Business scheme and the Energy Efficiency Grant for each business where climate related support is being provided. These figures will be collated centrally to show the evidence of savings (monetary and emissions).

5.2 Digital Transformation of Small Businesses

The Department of Enterprise, Trade and Employment and the EI LEO Centre of Excellence will ensure that all LEO programmes are aligned with the policy of national strategies such as the National Digital Strategy *Harnessing Digital - the Digital Ireland Framework* and the *National AI Strategy: AI – Here for Good*. There are ambitious targets for Ireland's enterprise sector; with the key objectives being 90% of SMEs to reach basic digital intensity by 2030 and at least 75% of enterprises using cloud, AI and big data by 2030.

Under the Digital Transition Fund, work is also under way on the development of a new Digital Portal to help businesses to self-assess their digital needs as well as signposting to training, resources, and funding options. The Digital Portal will demystify digital, highlight the benefits of digitalisation to businesses, and assist businesses on their digital adoption journey. The Digital Portal will be used to highlight the opportunities and the enterprise supports available for Digitalisation, including those funded as part of the Digital Transition Fund.

^{8.} Direct capital grants for growth or expansion, such as Priming Grants or Business Expansion Grants.

- Digital grants and consultancy offered by LEOs will ensure that small businesses are being supported in digitalisation and will contribute towards the target of 90% basic digital intensity of enterprise by 2030.
- ii. The Department of Enterprise, Trade and Employment, the EI LEO Centre of Excellence and Enterprise Ireland will initiate changes of funding eligibility for digital supports to ensure more simplified, accessible, and broadly available funding for digitalisation.
- iii. LEOs will promote the new Digital Portal, which will help businesses to self-assess their digital needs as well as signposting to training, resources, and funding options.

5.3 Supporting Locally Trading Sectors

Much of what is contained in the White Paper is already in practice across the LEO Network . These actions include the provision of various training and advisory programmes to small businesses, as well as acting as a 'first stop shop', providing signposting for all firms to find out about resources and programmes available from government departments and agencies.

The Department of Enterprise, Trade and Employment also continues to engage with the Department of Rural and Community Development on their in-depth policy review on Boosting Social Entrepreneurship and Social Enterprise Development in Ireland, conducted by the OECD.

Social enterprises are eligible for LEO assistance provided they operate on a commercial basis and meet the eligibility criteria of the scheme for which they wish to apply.

Action 8

- i. LEOs will promote their programmes to more locally trading business with up to 50 employees to improve productivity, particularly around innovation, digitalisation, reducing energy and carbon emissions, and implementing lean practices.
- LEOs will continue to promote their business advisory, training and mentoring services to locally trading firms.
- iii. LEOs will continue to clearly communicate the range of programmes available and signpost the broad range of skills development, leadership and management, and other supports available, to ensure that locally traded businesses are informed of all the assistance that is available to locally traded enterprises across the enterprise development ecosystem.
- iv. LEOs will promote the new Digital Portal, which will help businesses to self-assess their digital needs as well as signposting to training, resources, and funding options.

A dedicated central team for New Exporters will be established, in conjunction with Enterprise Ireland, to assist companies that have not yet ventured into exporting, providing support to enhance their market entry capabilities. The envisioned outcome by 2030 is doubling the annual number of new exporters, with a target of 360 plus first-time exporting companies each year by 2030.

5.4 New Irish-Owned Exporters

LEOs will continue to work with prospective exporters who have grown to over ten employees, to contribute to the Government's target of an additional 2,000 exporters by 2030, in conjunction with Enterprise Ireland.

A New Exporter Accelerator Programme, developed by Enterprise Ireland, will support and develop non-exporting companies to commence their export journey, with a primary focus on building companies' ambition, market entry capability and addressing key market entry barriers.

Under this new initiative, support will be provided to potential exporters from manufacturing or internationally traded services sectors to build the foundations required to successfully export and win their first sale in an international marketplace.

Given the scale of the ambition, this transformational programme will be led, designed, and managed by Enterprise Ireland in partnership with LEOs and a third-party provider.

5.5 Innovation in Small Businesses

For continued competitiveness, productivity, and resilience, it is important that all parts of the enterprise base are encouraged and supported to innovate. Innovation can result in new product or process development, new business model development, and new service delivery.

Through each LEO, small businesses can access the Innovation Voucher initiative. This is open to all small and medium-sized limited companies registered in Ireland. While the scheme is administered by Enterprise Ireland, applications are not restricted to clients of Enterprise Ireland. The Innovation Voucher initiative was developed to build links between Ireland's public knowledge providers (i.e. higher education institutes, public research bodies) and small businesses.

A more recent introduction to the enterprise innovation support landscape for SMEs are the European Digital Innovation Hubs (EDIHs). These provide access to technical expertise and experimentation, innovation services such as financing advice, and the training and skills development necessary for a successful digital transformation. The EDIHs are: FactoryxChange in the Eastern and Midlands region, ENTIRE in the Southern region, DATA2SUSTAIN in the Northern and Western region and CeADAR, which acts as Ireland's dedicated national hub for AI. The services available through these EDIHs are available to LEO clients.

LEOs will foster and encourage more innovation in small businesses. They will continue to promote Innovation Vouchers for small businesses and will build links with the new EDIHs. Research, Development, and Innovation (RD&I) and the application of knowledge are critical drivers for the future success of Irish industry. The Enterprise Ireland RD&I Fund is designed to provide support for research, development, and technological innovation relevant at all stages of company development, which will enable companies to progress from undertaking an initial research project to high level Innovation and R&D activity. Eligible LEO client companies can apply to the fund for support to develop new or improved product, services, or processes across a number of specialist areas including Innovation, Research & Development, Intellectual Property, and Graduate Development.

As key drivers of entrepreneurial activity and innovation LEO clients have access to the Enterprise Ireland Grad Start programme. Under this initiative financial and practical support is provided to assist LEO client companies in effectively competing for graduate talent to improve the skills base within their business by supporting them to further their growth and competitiveness.

In addition, LEO Client companies have access to the Market Research Centre and the overseas office in their priority market subject to certain eligibility criteria and conditions.

Ensuring a pathway of progression from LEO to Enterprise Ireland

6.0

The LEO network delivers effective national programmes consistent with enterprise policy, designed and overseen by the EI LEO Centre of Excellence, at a local level.

Start-ups come in many different sectors, providing new and innovative products and services. LEOs provide a first-stop-shop for early-stage entrepreneurs starting or growing a business in Ireland. Some of these early-stage businesses are initially focused on the domestic market while others are internationally focused. Those businesses with an international outlook which have developed a minimal viable product and demonstrated some commercial traction are referred to as High Potential Start-Ups (HPSUs) and are supported by Enterprise Ireland.

LEOs work with Enterprise Ireland to ensure that businesses of all sizes are assisted on their development journey from start-up to scaling. They are aligned with the EI Strategy supporting entrepreneurs and businesses to increase jobs, exports and transfers to EI.

The new Enterprise Ireland Strategy, which will cover the period 2025-2029, will reflect the close relationship that exists between Enterprise Ireland and LEOs as they work together to ensure that businesses of all sizes are supported throughout their development journey. The new El strategy will align with the LEO Policy Statement and will reflect the core collective objectives of boosting productivity and maximising businesses growth and job creation potential.

PROGRESSION PATHWAY	
Year	Number of Clients transferred to E.I.
2017	198
2018	172
2019	162
2020	133
2021	114
2022	113
2023	204

A notable achievement of LEOs in every county over the last 10 years is the consistent high numbers of firms transitioning to Enterprise Ireland every year. The strength of the current model means that there is a consistency of approach available across the country. All 31 LEOs can draw on the expertise of the EI LEO Centre of Excellence as well as national panels of mentors to provide clients with bespoke and expert advice.

LEOs and Regional Teams in Enterprise Ireland engage regularly to maximise opportunities for clients. Enterprise Ireland Regional Team Executives sit on each of the 31 LEO Evaluation and Approval Committees. This ensures that Enterprise Ireland has awareness and knowledge of the LEO client base and puts in place a structure that allows them to work together to progress companies appropriately.

Joint engagement from LEOs and EI with companies has been enhanced in the last year through the expansion of the LEO mandate. This collaborative, partnership approach ensures that the necessary supports are in place to build better companies who will undertake step changes to grow and export.

A **Client Transfer Protocol** has been developed to ensure appropriate services and supports are made available to micro and small businesses based on their stage of development.

This collaborative approach facilitates a fast tracking of start-up clients with high potential and those clients who are manufacturing and international traded services companies with an internationalisation plan to transition with ease to El. Likewise, it may be the in best interests of a company to transfer from El to a LEO, as appropriate.

Ongoing communication between LEOs and Enterprise Ireland ensures that clients are progressed between the agencies in a structured manner. This provides maximum opportunities for clients and ensures that their needs are being met by the most appropriate agency.

CASE STUDY:

LEO to El Progression

Shorla Pharma

Sharon Cunningham and Orlaith Ryan had the idea to improve existing treatments for women and children's cancers while working together in the pharmaceutical sector. They set up Shorla Pharma in 2018 and, just over two years later, raised Series A investment funding of €7.5m to support the launch of their first product in the US in 2021, for the treatment of leukaemia. From the very beginning the pair leveraged start up supports. Shorla were on a pathway to becoming an Enterprise Ireland client company and start up assistance from LEO Tipperary helped them get to that point.

Action 11

Joint engagement will continue at every county level to sustain the number of companies moving from LEOs to El, as appropriate to their stage of development. The extension of the LEO mandate and the collaboration between LEOs and Enterprise Ireland will ensure a flow of companies who wish to transition between the enterprise development agencies.

Governance, Metrics and Performance

SAL

Lucy Ewins, Founder of Maisha Coffee supported by Local Enterprise Office Fingal

7.1 How are LEOs Governed?

LEO services are delivered by Local Authorities on behalf of Enterprise Ireland. Enterprise Ireland and the Local Authorities have agreed a Service Level Agreement framework (SLA) which provides for the operation of LEOs by the Local Authorities.

Enterprise Ireland established a LEO Centre of Excellence to provide management and policy support for the 31 LEOs. Enterprise Ireland also provide strategic and policy direction to LEOs through the Operation and Performance Delivery Agreement (OPDA) between Enterprise Ireland and the Department of Enterprise, Trade and Employment. On a local level, Enterprise Ireland play a key role on the LEO Evaluation Committees and provide regular support to LEOs.

The LEO Steering Group (LSG) is responsible for oversight of LEOs. The LSG membership consists of representatives from the Department of Enterprise, Trade and Employment (Chair), the Department of Housing, Local Government and Heritage, the County and City Management Association, the Local Government Management Agency, Enterprise Ireland and the LEO Network itself including the current and former Chair of the Network and a LEO staff representative. All stakeholders represented on the LEO Steering Group will continue to utilise these structures to develop and agree LEO policy and will bring any relevant issues to the attention of all to agree an approach to resolution. The LSG is responsible for the overall operation and performance of LEOs.

The LEO Liaison Unit of the Department of Enterprise, Trade and Employment also has regular meetings with the EI LEO Centre of Excellence, with a commitment of a minimum of four formal meetings a year.



31 Local Enterprise Offices

Governance Framework & Principles for the Local Government Sector

As business units within each Local Authority, LEOs are also subject to the governance frameworks and principles of the Local Government sector.

With a strong public sector mandate, Local Government provides a forum for the democratic representation of the local community, providing civic leadership for that community, and promoting the community interest.

Governance in Local Authorities focuses on the legal, regulatory and service obligations; and on the relationships between the council, the committees, the individual members, the chief executive, the executive management team and staff and stakeholders, in determining the direction and performance of the organisation.

Local Authorities in Ireland operate in complex legislative, political and local contexts, being both regulators and regulating bodies, with significant legal and government policy obligations. Local government is expected to play an active leadership role within the community. This leadership role must be exercised through good corporate governance structures and principles, which will further inspire trust in the local government sector and strengthen the relationship that must exist between local authorities and the communities they serve.

7.2 Funding and Budgets of LEOs

Exchequer funding for LEOs is provided by the Department of Enterprise, Trade and Employment through Enterprise Ireland.

The annual estimates process determines the funding envelope available to LEOs. Funding is drawn down from the Department, by the EI LEO Centre of Excellence and is then in turn distributed to LEOs in line with governance structures set out in the Service Level Agreement.

Policy commitments, including those contained in the Programme for Government, drive forward the enterprise and entrepreneurial development activities of LEOs, which is in turn supported by the Vote process. Allocated funding is spent in accordance with public sector rules and procedures.

Financial Governance and Controls

The Department of Enterprise, Trade and Employment adheres to all public service financial procedures and provide regular reports to the Oireachtas.

In addition, Enterprise Ireland has robust budget management, oversight processes and controls in place to ensure that all funds transferred to the Local Authority in respect of LEOs are accounted for and spent in accordance with the EI Local Authorities SLA.

LEOs must also demonstrate effective financial controls. This is another, separate financial procedures control measure, and includes the maintenance of proper accounting records, which are subject to audit checks by EI, the Department, and the Local Government Audit Service.

7.3 Service Level Agreements

The Operation and Performance Delivery Agreement between the Department of Enterprise, Trade and Employment and Enterprise Ireland sets out the legal and policy arrangements between the two parties and also the relationship between EI and LEOs. This includes the enhanced communication model which facilitates two-way transfer of clients between EI and LEOs to ensure appropriate services and maximum impact.

The Service Level Agreements in place between Enterprise Ireland and each Local Authority and each LEO set out the rules and guidelines for the operation of each LEO by their respective Local Authority under the following headings:

- Roles of the Respective Bodies
- Service Delivery
- Operational Arrangements
- Policy and Support
- Budgets Exchequer funding, Allocation and Accounting
- Information sharing

The document sets out all the parameters and responsibilities of each of the bodies involved. The SLA is agreed for a period of four years between Enterprise Ireland and the Local Authorities and contains a provision allowing it to remain in place until such time as a new one is agreed to replace it. The SLA may be reviewed at the request of the LEO Steering Group from time to time.

7.4 Staffing

LEO staff are staff of the Local Authority but are supported by both the Local Authority and the EI LEO Centre of Excellence in terms of staff training and development. The number of sanctioned posts allocated to each LEO is based on their local authority band, which is linked to the population proportion of that Local Authority area. LEO staff are key to the achievement of LEO objectives, playing a vital part in the local economic ecosystem.

Enterprise Ireland support the developmental needs of LEO staff through the EI LEO Centre of Excellence to ensure they have the skillset necessary to deliver supports. Enterprise Ireland works with LEO staff ensuring that they have access to training and development initiatives designed to enhance capability and is consistent with that which is available within Enterprise Ireland.

Furthermore, LEOs can access the added expertise of Enterprise Ireland in the key areas of sustainability, productivity, internationalisation, and digitalisation. The Local Authority similarly provide relevant training as appropriate.

The governance model of LEOs will be sustained through a rigorous annual review process through the LEO Steering Group. To support this, the EI LEO Centre of Excellence which will carry out benchmarking exercises and share learnings across the LEO network through the LSG

7.5 Performance and Metrics

The annual Oversight and Performance Delivery Agreement (OPDA) between the Department of Enterprise, Trade and Employment and Enterprise Ireland sets out the level of performance expected of LEOs, vis a vis the annual Work Programmes. The EI LEO Centre of Excellence annual Work Programme forms part of the OPDA. The Work Programme sets out the objectives, actions and performance indicators for the EI LEO Centre of Excellence. The Work Programme aligns with agreed performance budgeting metrics, e.g. key output targets and impact indicators to be achieved by LEOs. The Work Programme is agreed subject to the resource allocation as agreed with the Department.

As part of the regular annual budgetary process, performance indicators for LEOs are determined and targets are set each year. This is used as a measure of the impact that public money is making through LEOs.

As set out previously, the operation of LEOs and associated metrics are governed by a Service Level Agreement between Enterprise Ireland and each Local Authority.

The EI LEO Centre of Excellence are in constant engagement with LEOs regarding their performance, proactively engaging with LEOs to best support them and their clients. Formal quarterly reviews are conducted by the EI LEO Centre of Excellence and their findings are issued to each LEO detailing their performance against the targets that have been set. Positive performances are highlighted and where underperformance is identified, there is a follow-up process to identify the best course of action to improve performance.

End of year Performance Reviews are conducted between senior members of the EI LEO Centre of Excellence and senior LEO staff, in which the performance of that LEO in each metric is discussed in line with the targets set. This end of year meeting also includes a review of metrics to take account of macroeconomic conditions, challenges for SMES, client feedback and new initiatives.

The EI LEO Centre of Excellence also reports at each LEO Network meeting of all the Heads of Enterprise on the performance of LEOs, allowing for a Q&A session and to discuss at Network level the challenges LEOs and clients are facing and sharing best practice, knowledge and experience.

The LEO Steering Group reviews, at a national level, the overall performance and operations of LEOs.

Implementation

8.0

Oversight and implementation of this Policy Statement will be overseen by the LEO Steering Group, with implementation of new initiatives identified under the four pillars being monitored on a quarterly basis.

It is envisaged that a review of the overall Policy Statement will take place in 2027.

The Department of Enterprise, Trade and Employment and all other relevant stakeholders represented on the LEO Steering Group acknowledge the importance of this Policy Statement in providing a clear articulation of the role of LEOs in the national enterprise ecosystem and a roadmap for the policy direction of LEOs, aligned to the White Paper on Enterprise priorities.

The policy proposals and agreed actions in this statement therefore include strong representation from stakeholders and a key role for each in achieving them.

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