



An Roinn Post, Fiontar agus Nuálaíochta
Department of Jobs, Enterprise and Innovation

A Framework for the development of Regional Enterprise Strategies

Department of Jobs, Enterprise and
Innovation



**ACTION PLAN
FOR JOBS**

Framework for the development of Regional Enterprise Strategies

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A Framework for Regional Enterprise Strategies

Introduction

The Action Plan for Jobs recognises the role that competitive regions can play to supporting Ireland's return to overall economic growth. As part of a suite of actions designed to support competitive regions, the 2014 Action Plan included a commitment to:

"Develop a framework for a Regional Enterprise Strategy to better integrate the efforts of enterprise agencies and the other regional stakeholders in building enterprise based on sustainable competitive advantage of the region." (Action 117, Action Plan for Jobs 2014)

This task, and the development of the Regional Enterprise Strategies based on the Framework, is being led by the Department of Jobs, Enterprise and Innovation, in collaboration with other Departments and public bodies.

Government itself cannot create jobs at regional level (or for that matter at national level) – it is businesses and entrepreneurs that create employment. However, the State sector, including local government, can help to support the business community and encourage entrepreneurship through its policies, its investment in infrastructure and educational facilities, and by providing supports to business through its agencies.

At a time of continuing high unemployment, it is critically important that the economic potential of each region is maximised and that each region builds on its particular strengths and assets to provide a competitive environment that stimulates entrepreneurship and attracts investment, both indigenous and foreign. Regional strategies that encourage and facilitate job creation will also support the economic and social fabric of rural areas.

The objective of this Framework for the Development of Regional Enterprise Strategies is to establish a template for coordinated action that can be applied in each region on the part of the enterprise development agencies (e.g. Enterprise Ireland, IDA Ireland, Local Enterprise Offices), Local Authorities and other local stakeholders (e.g. Third Level institutions, business leaders, community representatives,

and other State Bodies) to improve enterprise development and job creation.

There is already a significant amount of practical and strategic cooperation taking place at local and regional levels between these players. However, given the structural reforms which are taking place in the local government sector and the continuing job creation challenge, developing a framework in which there is effective co-ordination of the enterprise effort at regional level is both urgent and timely. Developing and implementing successful action-focused Enterprise Strategies for each region will therefore be a participative process and will require consultation with, and input from, all key stakeholders in the regions.

The changes to the local government structures arising from the Local Government Reform Act 2014 need to be taken into account in developing the Enterprise Strategies for the regions. The Government's Action Programme for Effective Local Government, *Putting People First*¹, envisages a stronger role for Local Government in economic development and job creation. The three new Regional Assemblies² will formulate Regional Spatial and Economic Strategies, while each Local Authority will develop a Local Economic and Community Plan. These will integrate the policy objectives of the Department of Jobs, Enterprise and Innovation and the enterprise development agencies.

In this regard, the development of Regional Enterprise Strategies in line with this Framework will make an important contribution to the preparation of the Regional Spatial and Economic Strategies and the Local Economic and Community Plans. The development of the Regional Enterprise Strategies will also dovetail with the new Corporate Strategies of the Department of jobs, Enterprise and Innovation's key enterprise development agencies, Enterprise Ireland and IDA Ireland.

¹ For a summary of Putting People First, see:
<http://www.environ.ie/en/LocalGovernment/LocalGovernmentReform/PublicationsDocuments/FileDownload,31310,en.pdf>

² Since January 2015, there are three Regional Assemblies of elected members: Northern and Western, Southern, and Eastern & Midland. The new Assemblies incorporate the functions of both the former Regional Authorities and two Regional Assemblies, with a stronger role in economic development through Regional Spatial and Economic Strategies,

It is intended that the Framework will be applied to regions broadly designated at NUTS III level (see Appendix 1 for more information on these regions). This aligns well with the approach that is being taken by the Regional Assemblies, whereby key planning and economic development functions will be performed at sub-regional level.

There is also a need to examine the alignment of the current regional structures of Enterprise Ireland, IDA Ireland, Universities and Institutes of Technology, and the regional operations of the Department of Social Protection, SOLAS and the Education and Training Boards, with these new sub-regional areas. The objective will be to ensure the best possible synergies between the different bodies to enable consistent delivery and measurement of the Regional Enterprise Strategies.

It is important, however, to recognise that economic activity is not confined to administrative boundaries and it is important to support enterprises that operate or collaborate across geographical borders. In this context, the individual Regional Enterprise Strategies will also address synergies and opportunity for collaboration between the regions.

The Framework which is set out below will be applied initially on a pilot basis in the Midlands region. It will be rolled out on a phased basis to the remaining regions in the first half of 2015, taking into account any adaptations that might support the strengthening of the approach as the Framework is applied to each region.

1. Overview of the region

Notwithstanding Ireland's small geographical size, each region of the country has its own particular strengths and assets, and sectoral clusters have evolved in different regions as Ireland's enterprise base has developed. For example, Medical Devices companies have tended to cluster around the West, and Midlands, Pharma companies are prevalent in the South West and South East, and a strong cohort of leading ICT companies are based in the Dublin region.

Equally, regions such as the South West and South East have capitalised on the assets of their natural environment to develop strong Tourism offerings, while there are numerous clusters in the Agri-food sector throughout the country.

This section of each Regional Enterprise Strategy will provide an overview of the region, including a profile of its main urban centres, demographic trends, economic performance, labour market situation, educational attainment levels, and physical and economic infrastructure. It will summarise the key strengths and opportunities of the region, based both on research and engagement with local stakeholders. This section will also consider:

- whether the region is maximising the impact of the assets it has available;
- if the capacity for collaboration between State bodies in the region is being fully realised;
- the level of engagement by other stakeholders, such as business and community leaders, in the economic development of the region, and the potential for an increased role from those partners;
- the extent to which all parties are working coherently to progress recognised opportunities for the region;
- the capacity to undertake, in an integrated way, specific actions by different stakeholders which would enhance economic performance.

2. Review of the existing Enterprise Base

This section of each Regional Enterprise Strategy will contain a detailed analysis of the enterprise base in the region. It will examine the number of active enterprises in the region by size and by ownership, the number of people employed in those enterprises, and the extent to which businesses in the region are involved in, or have potential to be involved in, overseas exports.

The type of metrics which will be captured in this Section of the Strategy will include:

- Business Demographics.
- Employment and Unemployment in the Region, including as a percentage of the overall national labour market figures.
- Employment by economic sector and by occupational group.
- Number and type of companies supported by the enterprise development agencies.
- Activities of the Local Authorities in supporting enterprise activity.
- Number and type of companies supported by other State bodies in the region, where appropriate.
- The performance of start-up enterprises and their success.
- An overview of innovation system for enterprises in the region.
- An assessment of the situation in the domestically-trading areas of the economy (e.g. construction, retail).

Any notable trends in these metrics over recent years will be identified. The assessment will also identify:

- which sectors have suffered losses and the reasons why,

- sectors where there is a proven capability and those where there is potential for growth,
- key cross-sectoral competencies within the region's enterprise base, for example, in areas such as supply-chain management, outsourced services, engineering, etc.,
- the main needs of enterprises in the region which require further attention in areas such as skills, access to finance, etc.,
- the extent to which enterprises are networked to one another and have local champions.

In summary, this analysis will help to identify the potential for further enterprise growth and specific sectoral development in the region. The analysis will also identify any weaknesses, potential threats or challenges facing enterprise development in the region. It will draw on any existing work of the Local Authorities in developing their economic performance baseline as part of their Local Economic and Community Plans.

3. Review of the Region's Enterprise Assets

Reviewing the assets that can support the development of enterprise in the region will be a critical part of a Regional Enterprise Strategy. Each region has a range of key assets that it can exploit to underpin its potential for economic development. These can be physical assets, such as major road arteries, telecommunications infrastructure, incubation space, education/training centres, or non-tangible assets such as business networks, human capital, built/historical heritage, or scenic attractions.

This section of the Regional Enterprise Strategy will identify and quantify the assets in the relevant region, including in the areas of:

- Enterprise agency presence (Enterprise Ireland, IDA Ireland, Local Enterprise Offices, etc.).
- Facilities to support enterprise start-ups (e.g. Campus Incubators³, Community Enterprise Centres⁴, Business Innovation Centres, other enterprise hubs).
- Technology Centres and Research Centres.
- Industrial parks.
- Enterprise Networks (e.g. Chambers, Plato, sectoral clusters).
- Existing public sector collaborative groups or committees.
- Mentoring services available (e.g. Accelerators, mentor networks).
- Education and Training provision (i.e. Universities, Institutes of Technology, SOLAS offices, Education and Training Boards).

³ Business Incubators are located in all of the main colleges in Ireland. There are also 6 state-of-the-art facilities in a number of bio-incubation spaces in Irish universities.

⁴ Community Enterprise Centres provide space in a supportive environment for budding entrepreneurs and serve to help the development of entrepreneurship locally in urban and rural locations. Since the launch of the first Community Enterprise Centre scheme in 1989, 134 centres have been approved for financial support.

- Transport infrastructure: Road/rail/ports/airports.
- Telecoms/Broadband infrastructure.
- Public Authority enterprise-facing assets (e.g. property, exhibition space).
- Tourism assets: heritage sites, historical associations/links, scenic attractions, natural assets (e.g. inland waterways, mountains, forests, costal sites).
- Significant community assets.
- Social and recreational assets⁵.
- Any critical gaps in infrastructure or assets required to fully deliver the region's enterprise potential.

The review of the assets base will consider whether they are being fully utilised to maximise opportunities for jobs growth and, where appropriate, identify where and how these assets could be further capitalised upon. Integral to this will be an assessment of the extent of connectivity of the assets to the enterprise base in the region and the extent to which the assets interact to create an ecosystem to support entrepreneurship as well as the region's competitive strengths.

If a Regional Enterprise Strategy is to be effective, it is essential that all of the relevant assets are utilised to the full through a collaborative effort on the part of all stakeholders, whether in the public, private or community sector. This section of the Strategy will therefore identify specific examples of best practice of collaboration between stakeholders which could potentially be replicated throughout the region and in other regions. Coherence with the Local Authorities' Local Economic and Community plans will be important, not least to avoid duplicating efforts where resources are scarce.

⁵ Investors, and particularly inward investors, are increasingly looking for a sense of "place" where their employees will be happy, not only to work, but to live and engage in recreation. It is therefore important to look at how social and recreational assets can contribute to "place-making" and attract enterprise investment.

4. Key opportunities

Because of Ireland's small geographic scale, its regions share many common characteristics. However, most regions have also developed their own specific niche opportunities by building on their particular assets and strengths. Examples include the Pharmachem sector in the South West, Medical Devices in the West and Midlands, and ICT in the Dublin region.

Based on the preceding Sections of the Strategy, and the inputs of all key stakeholders, this Section will identify the areas where the region has strong competitive advantages and where there is scope for further growth. In this context, it will highlight:

- The sectors in which the region has particular strengths that can be built upon.
- The opportunities to maximise existing enterprise clusters or develop new networks in the region.
- The potential to leverage existing assets, institutions, or companies to grow enterprise opportunities.
- The opportunity to develop Business to Business and Public sector procurement opportunities.
- The steps that need to be taken to capitalise on the potential opportunities identified for the region.
- Any EU Funds that might be available to support regional enterprise development.

The importance of local leaders and champions cannot be overlooked in delivering a Regional Enterprise Strategy. Each region tends to have successful individuals who have an affinity with, and passion for, their region. The Regional Enterprise Strategy process will endeavour to identify those leaders, whether in the public or private sector, and seek their contribution to the delivery of the Strategy.

5. Regional plans of DJEI enterprise agencies

The Department of Jobs, Enterprise and Innovation's enterprise agencies (Enterprise Ireland, IDA Ireland and the Local Enterprise Offices) will have a key role to play in helping the region to maximise its potential for enterprise growth and job creation. This Section of the Strategy will effectively outline the plans of these agencies for the region.

In general, the enterprise agencies operate programmes on a national basis. However, the regional delivery of these programmes, or the tailoring/focusing of programmes to the particular strengths of a region can have an additional impact on supporting enterprise development, growth and jobs in that region. For example, *Enterprise Ireland* operates a range of national enterprise supports/programmes which are delivered at regional level, as well as specific regionally-focused programmes.

IDA Ireland's regional strategy is focussed on transformation (i.e. retain and grow) with the existing client base, working closely with the overseas executives to win investment to the regions. IDA works with stakeholders to develop the region as a place for business success.

Each of the new *Local Enterprise Offices* will include a series of detailed metrics in a local Enterprise Development Plan to be agreed annually with Enterprise Ireland, which will address the development needs of micro-enterprises in their respective counties.

Based on the identification of areas of opportunity in Section 4, Section 5 of the Strategy will translate the broad regional approaches of the enterprise agencies, as set out above, into region-specific plans to transform the existing enterprise base in the region by:

- Identifying specific actions that will be taken to support new start-ups, scaling of enterprises, and jobs growth, having regard to the specific areas of opportunity identified in preceding Sections of the Strategy. These actions will include focused programmes, schemes or other tools which will be targeted at companies in the region.

- Setting specific target metrics for each of these programmes/schemes (e.g. the number of enterprises engaged with, etc).
- Setting quantifiable impact targets in relation to supporting new start-ups, building capability and scaling, attracting FDI, etc.
- Highlighting the input required from other regional players in order to achieve these targets, where relevant.

In relation to the final point above, the development of the enterprise base cannot be done in isolation from the plans of other regional players in relation to issues such as training and education, physical infrastructure, etc. The success of the Regional Enterprise Strategies will lie in the local ownership and delivery of the Strategies, the collaboration between all key stakeholders, and the synergy between the plans of all of the relevant parties (see also next Section of this Framework).

6. Other regional players impacting on the enterprise sectors

As set out in Section 5, apart from the enterprise development agencies, a number of other key stakeholders have a role to play in supporting enterprise development at regional level. These include Local Authorities, Regional Assemblies, education and training providers including Universities, Institutes of Technology, Education and Training Boards (incorporating former FAS Training Centres), and other commercial or non-commercial State bodies with a regional presence such as Fáilte Ireland, Údarás na Gaeltachta, Western Development Commission, Coillte and Bord na Móna amongst others.

The active involvement of these stakeholders will be essential for the Regional Enterprise Strategies to be successful and it will be important that there is coherence between the plans of these State bodies for the region and those of Enterprise Ireland, IDA Ireland and the Local Enterprise Offices. For example, appropriate skills may need to be provided through the education and training system to allow specific sectoral opportunities to be developed in the region; Local Authority initiatives can have an impact on facilitating businesses and in proactively promoting expansion of economic activity, etc.

The enterprise sector itself has a key role in supporting Regional Enterprise Strategies and consultation will take place with bodies such as local Chambers, IBEC, other business networks, and other stakeholders to invite and factor-in their contribution into the Regional Strategies.

The importance of local leaders and exemplars cannot be overlooked in delivering a Regional Enterprise Strategy. Each region tends to have successful individuals who have an affinity with, and passion for, their region. The Regional Enterprise Strategy will endeavour to identify those leaders, whether in the public or private sector, and seek their personal contribution to the delivery of the Strategy.

This section of the Strategy will therefore:

- Identify the key players in the region who can contribute to enterprise development (e.g. Local Authorities, Regional

Assemblies, Education & Training Boards, other State Agencies, business representatives, etc).

- Include a structured input to the Strategy from those parties through bilateral and multilateral consultation, with commitments to clear actions that will support enterprise development in terms of the delivery of appropriate programmes, schemes, projects, economic infrastructure, assets, etc.
- Identify leaders – either in the public or private sector or the wider community – who can play an important role in the delivery of the Strategy.
- Seek to identify examples of best practice initiatives in Local Authorities to support enterprises which could be replicated and/or mainstreamed⁶.
- Consider what catalysts or mechanisms might be available to support cross-agency collaboration.

Existing structures already in place at regional level which provide a mechanism for engaging the stakeholders will be used to gather this information, where appropriate.

⁶ In 2012, the City and County Managers Association published a report which identified over 2,000 separate actions/projects/activities undertaken by Local Authorities in 2011 which contribute to local development, enterprise support and economic growth. Further information is available at: <http://www.lgma.ie/en/news/ccma-report-local-authority-support-enterprise-and-business>

7. Actions for delivery to end-2015

Each Regional Enterprise Strategy will be a multi-annual plan, with clear actions committed to by named parties to support enterprise growth and job creation within specific time frames.

The Strategy might include targets such as those outlined below:

Enterprise Ireland

- Competitive calls for Entrepreneurship, including Young Entrepreneurs
- No. of companies supported through Community Enterprise Centres and Business Innovation Centres
- Regional SME activities
- Innovation Vouchers issued
- Management development programmes, mentoring, etc.

LEOs

- Local Enterprise Office metrics (see example at Appendix 2)
- Number of Trading On-Line vouchers issued

IDA Ireland

- Advance Technology buildings prepared
- FDI pipeline
- Level of FDI employment growth in the region over the life of the strategy
- No. of companies involved in joint agency initiatives (e.g. Global Sourcing Initiative, Sectoral initiatives)
- No. of site visits

Other Government initiatives (for example...)

- National Broadband Plan progress in the region
- IOT/University clusters or initiatives
- Capital Infrastructure projects
- Labour market activation measures

- Key actions from the Local Authorities' Local Economic and Community Plans, and from the Regional Assemblies.

These are illustrative indicators and will be adapted to reflect the specific objectives of the relevant agencies/bodies in the region as set out in previous Sections of the Strategy

Progress in meeting the targets will be reviewed through a monitoring process as outlined in Section 8 below.

8. Preparation of Strategies and monitoring of progress

Regional Enterprise Strategies have the potential to make a significant contribution to economic development and job creation across the country if they are implemented effectively.

In a manner similar to the Action Plan for Jobs process, the development of the Regional Enterprise Strategies will be led by the Department of Jobs, Enterprise and Innovation, in close collaboration with other Departments, agencies and public bodies.

It will be important also that the Strategies are supported by robust mechanisms that monitor the delivery of the specific actions contained in the Strategies.

It is envisaged that a monitoring process will be put in place in each region as the Regional Strategy is developed. To avoid duplication, the monitoring process will take cognisance of any existing monitoring structures in relation to regional development, but will have a strong focus on the enterprise opportunity for the region.

It is envisaged that the monitoring process will include all key parties to the Strategy, including the Enterprise Development Agencies, Local Authorities, education and training institutes, relevant State agencies, business representatives, etc.

As well as monitoring progress on the actions in the Regional Enterprise Strategies, the process will also provide a platform for further ideas to be incorporated into the Regional Enterprise Strategies, making them dynamic and flexible documents.

The precise arrangements for the monitoring process will be agreed in the course of developing the initial Regional Enterprise Strategies for the Midlands and South-East. The objective will be to ensure standardisation of the arrangements in each of the regions.

Appendix 1:

Ireland's sub-regional Strategic Planning Areas (NUTS III level)

Strategic Planning Area	Constituent local authority
North-West (formerly Border NUTS III region)	Donegal, Sligo, Leitrim, Monaghan, Cavan, Louth
West	Mayo, Roscommon, Galway County, Galway City
Mid-West	Clare, Limerick, Tipperary
South-West	Kerry, Cork, Cork City
South-East	Carlow, Tipperary, Kilkenny, Waterford, Wexford
Midlands	Longford, Laois, Offaly, Westmeath
Eastern	Louth, Meath, Kildare, Wicklow
Dublin	Fingal, Dublin City, South Dublin, Dun Laoghaire-Rathdown

Note: Special arrangements for Louth and Tipperary

The former North Tipperary forms part of the Mid-West NUTS III, area while the former South Tipperary is in the South-East NUTS III area. The unified county will be fully incorporated in the new Southern Assembly region⁷. Because of the strong linkage between the northern part of the county and Limerick, and between the southern part and Waterford, it is proposed that the 3 Tipperary Assembly members would be members of both the Mid-West and South-East "sub-regional" planning areas.

Similarly, Louth is located in the Border NUTS III area but is now moving to the Eastern and Midland Assembly region from the BMW region. Recognising the strong links with the adjacent border region counties and cross-border aspects, it is proposed that Assembly members from Louth will also participate in the Border Strategic Planning area committee as well as the Mid-East committee (see map below)

⁷ Since January 2015, there are three Regional Assemblies of elected members: Northern and Western, Southern, and Eastern & Midland.

Map of sub-regional Strategic Planning Areas



Appendix 2: LEO Metrics data sheet

LEO Metrics Sheets data summary	
	Nos
Employment	
Jobs Created	
Jobs Sustained	
Total Employment new portfolio	
Grants (M1 & M2)	
Feasibility Applications approved (number)	
Feasibility Applications approved (value)	
Priming Grant application approved (number)	
Priming Grant application approved (value)	
Expansion Grants approved (number)	
Expansion Grants approved (value)	
Cost per job (av)	
Start Your Own Business	
Numbers run	
Participant numbers	
% Business starts (estimate post EI evaluation feedback)	
Accelerate	
Numbers run	
Participant numbers	
Business development impacts(EI evaluation feedback)	
Hi-Start	
Numbers run	
Participant numbers	
No. of investment ready business plans target2014	
Export Awareness Initiatives	
Numbers run	
Participant numbers	
Lean for Micro	
Participant numbers	
Evaluation feedback obtained	
Mentors	
Start-up Mentors assigned (number)	
Business Development mentors assigned (number)	
Marketing and Networking events undertaken	
Individual	
Group	
Pathway Progression	
Client Transfers (number)	
Client Transfers from EI(number)	
EI Services Accessed	
Market Research Centre(referral numbers)	
Overseas Office(referral numbers)	
Innovation Vouchers(approved numbers)	

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MFI Loan Applications Assessed/Recommended	
MFI Applications received	
No. Applications Assessed/Recommended	
Female Participation	
Number and % attending core training programmes	
Numbers starting own business	
Student Enterprise	
Schools participating (number)	
Applicants/Participants (number)	
National Enterprise Awards	
Number of Clients participating	
Employment details	
Total	
Full-time Gains	
Full-Time Losses	
Other gains	
Other Losses	

Notes

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Notes

