FODC603

Fermanagh & Omagh District Council
Comhairle Ceantair Fhear Manach agus na hÓmaí

Invest Northern Ireland

Fermanagh & Omagh District Council

Economic Development Plan (2016 – 2019)

Final Report

PACEC
Public and Corporate Economic Consultants

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Appendices

1 EXECUTIVE SUMMARY

1.1 Introduction

PACEC was appointed by Fermanagh and Omagh District Council (FODC) to develop an Economic Development Plan (EDP) for the period 2016-2019 and in doing so, we were asked to:

- Consider the economic context and baseline of the region;
- Analyse the effect of the global recession on the FODC area;
- Establish a vision for the Council's future economic development and evolution, specifically highlighting the unique selling points of Fermanagh and Omagh;
- Pay particular attention to targets assigned within the current Programme for Government and the Northern Ireland Economic Strategy; and
- Include recommendations designed to address business/economic challenges in Fermanagh and Omagh District.

Our approach to the study involved:

- A review of European, national, regional and local policies/strategies relevant to economic and social development;
- Development of a socio-economic profile for the Fermanagh and Omagh region;
- Mapping of previous and existing economic development support programmes/activity;
- Identification of potential local and European Union (EU) funding sources; and
- A comprehensive stakeholder consultation process (including one to one interviews and thematic workshops).

During the final stages of the development of this EDP, the United Kingdom (UK) voted in the European Union (EU) membership referendum to leave the EU. The vote for 'Brexit' has resulted in economic volatility and a high degree of uncertainty in relation to future trade arrangements and investment. Its impacts are likely to be significant during the period of this Plan, particularly for a local economy such as Fermanagh and Omagh, which shares a land border with an EU member state (the Republic of Ireland).

This EDP highlights the leadership role of FODC in facilitating sustainable economic development, however, its success will be predicated on the development and implementation of successful partnership working between the public, private and third sectors. The EDP also recommends the development of a number of sector specific working (task and finish) groups. These (and other regional and sub-regional) structures should be utilised so that the challenges and opportunities stemming from Brexit are identified and addressed in a timely, collaborative and effective manner.

This EDP also represents a '*living document*' that will need to be revisited and updated on regular basis to ensure it remains valid within a rapidly changing economic and policy environment.

1.2 Key Issues

Arising from our desk research and our analysis of stakeholder feedback, Table 1.1 presents a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis to highlight key factors impacting on the future economic development of the FODC area.

Table 1:1: Summary of Key Issues

Strengths	Weaknesses
Strong local tradition of self-reliance/entrepreneurship Comparatively large business base Sectoral strengths in agri-food[1], construction, manufacturing, retail and tourism High rate of educational attainment amongst school leavers High quality of life amongst residents Strong community ties with wider diaspora Successful delivery of local programmes – for example, First Stop Shop, Grow and Prosper, Innovation Omagh and Profit through Procurement Natural beauty of the area makes it a choice location for retirees and tourism	Road infrastructure is poor Lack of public transport in rural areas Broadband connectivity is limited The local economy is dominated by micro businesses (e.g. 85% employ less than five people). These businesses are unable to access regional supply chains due to procurement processes and lack of opportunities for networking and are often too small to access Invest NI support High business costs Despite strong educational outcomes of young people, high level of out-migration of young higher skilled individuals has depleted the skills base of the local working population High levels of commuting out of the region for work Mismatch of skills and business needs, particularly in ICT and professional, scientific and technical sectors Lack of succession planning in particular sectors (retail, tourism, social enterprise) Employment is predominantly part-time in leading sectors (retail and tourism) Insufficient opportunities for apprenticeships / placements Accessibility issues in main settlements Sense of periphery of the area to outsiders There is no business voice covering the entire Council area

Table 1:2: Summary of Key Issues (continued)

[1] Agriculture, Forestry and Fishing accounts for 46% of businesses in the FODC area

Opportunities	Threats
Tourism sector has significant potential to grow Future multi-million pound development at South West College and SWC's emerging expertise in digital media, sustainable energy, agri-food and medical diagnostics Possibility of insurance/call centre cluster due to knowledge transfer arising from recent company closures Potential to establish a Public Service Hub in Enniskillen and Omagh New gas line coming through the West Innovation in traditionally low-GVA sectors would raise productivity Potential for agri-foods sector to support large farm / agricultural sector Potential to further develop the Ulster American Folk Park and other tourism attractions Large scale regeneration opportunities in both Enniskillen and Omagh New Council powers in relation to regeneration, community planning and power of general competence Opportunity to utilise the diaspora to attract FDI Marketing of high 'quality of life' experienced in the region to attract visitors and new residents (e.g. retirees)	Decline in public sector service provision Economic volatility and uncertainty of Brexit on the impact of cross border trade and investment No succession plans for business support programmes Council funds being reduced Low wages and productivity create a vicious cycle Limited access to finance which limits business growth potential Local economy still in recession Euro/Sterling exchange rates and higher VAT rates damage retail and tourism; Lack of opportunities for graduates Invest NI support is aimed at exporting companies and is not always applicable to micro companies prevalent in the local economy

1.3 Ambition Statement, Themes and Actions

Section 8 of this report provides full details of the themes, aims and actions detailed within this EDP. The following provides a summary of its key points.

The EDP's Ambition statement is:

"Creating a step change in the economic fortunes of the Council area by: promoting a culture of innovation within the local economy; further development and retention of a skilled workforce and development of a vibrant urban and rural environment that will encourage people to live, work, visit and invest in".

The Ambition Statement will be delivered through the following four themes:

- Theme 1: Growing and Diversifying the Local Economy;
- Theme 2: Creating a Dynamic Workforce;
- Theme 3: Supporting Town and Village Regeneration; and
- Theme 4: Promoting Innovation, Infrastructure and Connectivity.

Key aims and actions allocated under each of these themes are detailed in Table 1.2.

In keeping with economic development functions transferred to the Council as part of the reform of local government, FODC will provide a key facilitation role in the delivery of this plan, promoting the 'community planning ethos', encouraging collaboration and working with partners to assign delivery of key elements of the Action Plan to those organisations that are considered to be better placed or have a statutory requirement.

FODC is also best suited to act as an advocate for the region particularly in relation to influencing large scale infrastructure and programme spend by Central Government Departments.

The Council's role will include working in collaboration with neighbouring Councils and Government Departments / Agencies in Northern Ireland and the border counties of Ireland in addressing the needs of, and maximising opportunities for the FODC area.

In addition, the Council can also act as a 'trusted friend' to the businesses in key sectors who will work together to form clusters and develop funding proposals. In this role, the Council will need to directly engage with these businesses and facilitate the development of the clusters.

Section 8 of this report also details how the EDP will be linked to FODC's Community Plan and Tourism Development Plan.

Table 1:3 Summary of EDP Theme and Actions

Theme	Aims	Actions
1. Growing and diversifying the local economy	Enhance support of business start-ups	Delivery of local Pre-Start support programme
	Develop sustainable growth for Micro and Small Enterprises	Provision of mentoring support for established business and social enterprises
	Delivery of a local Sourcing Initiative	Mapping of enterprises in strategically important sectors Provision of procurement training for local enterprises and establishment of a procurement notification service
	Develop key clusters	Identification of key clusters Establishment of 'Task and Finish' Group for each cluster Development of cluster development plans
	Attract Foreign Direct Investment (FDI) into the local economy	Establishment of an FDI Task and Finish Group Development and implementation of an FDI sales proposition and Action Plan Utilisation of diaspora and diaspora events to promote FODC and attract FDI (e.g. homecoming programme and support for potential returnees)
2. Creating a dynamic workforce	Address unemployment	Development of intermediate labour market solutions for long term unemployed Encouragement of placements/apprenticeships with large employers
	Improve productivity across the region	Signposting of training opportunities for management and skilled staff Engagement with Further and Higher Education to identify local training provision for key sectors
	Address emerging skills gaps	Establish a Fermanagh and Omagh Skills Forum to identify skills gaps and training opportunities Develop a training academy for key sectors
3. Supporting Town and	Ensure the continued physical vibrancy of towns and villages as places to shop and	Continue to improve upon the physical fabric of Omagh and Enniskillen Promote the ''Town Centre First' Concept and work closely with planning partners

Theme	Aims	Actions
Village Regeneration	visit	on area development plans Promote and market the region as a place to shop, work and visit Develop village renewal schemes and improve physical connectivity between settlements Develop town/village centre hubs for hot desking to address high levels of commuting Develop Business Improvement Districts (BIDs) for key settlements and industrial areas
	Utilise dormant assets	Undertake a dormant asset review across the Council area Prepare development proposals for key opportunity sites Develop a property development vehicle to encourage public/private investment (possibly in conjunction with funding from JESSICA/JEREMIE, NI Infrastructure Fund and/or European Investment Bank)
	Enhance community capacity	Develop a social economy Task and Finish Group to develop an Action Plan to maximise public sector service delivery opportunities and to enhance the commercialisation of the community and voluntary sector Develop a programme of support for social enterprise/social entrepreneurs
4. Promoting Innovation, Infrastructure and Connectivity	Identify good practice in innovation	Establish a Horizon Scanning Group for key sectors of the local economy to: Identify emerging best practice from outside the region Promote best practice within the region; and Develop collaborative network(s) to encourage innovative practices in target sectors
	Demonstrate the benefits of innovation	Establish a Public Sector Sustainability Project Group to develop innovative approaches to delivery of shared services/process innovation Investigate opportunities for developing shared services/process innovation across the public sector in the region

Theme	Aims	Actions
	Strategically influence the development of key infrastructure	FODC to act as an advocate/facilitator in the development of large scale projects and development sites FODC to work with partners to explore funding opportunities and delivery vehicles for the development of strategic sites in Enniskillen and Omagh Promote the future 'Gas to the West' project through information provision and support local businesses to avail of opportunities and Exploit opportunities associated with cross border infrastructure development
	Enhance telecoms connectivity throughout the Council area	Lobby for effective interventions to ensure improved connectivity throughout the region including superfast broadband, fibre to premise provision and mobile phone coverage Work with the Department for the Economy to develop and deliver mixed telecoms solutions and/or pilot telecom projects in the district. (e.g. Digital Park at the Great Northern Road Business Park)
	Listen to business	Development of a Customer Relationship Management Tool by Council and partner economic development bodies to provide: Joined-up customer relationship management of all businesses utilising economic development support; and An online business Health Check Identify and promote the role of a Local Business Champion who can articulate the needs of business to the Council

2 INTRODUCTION & BACKGROUND

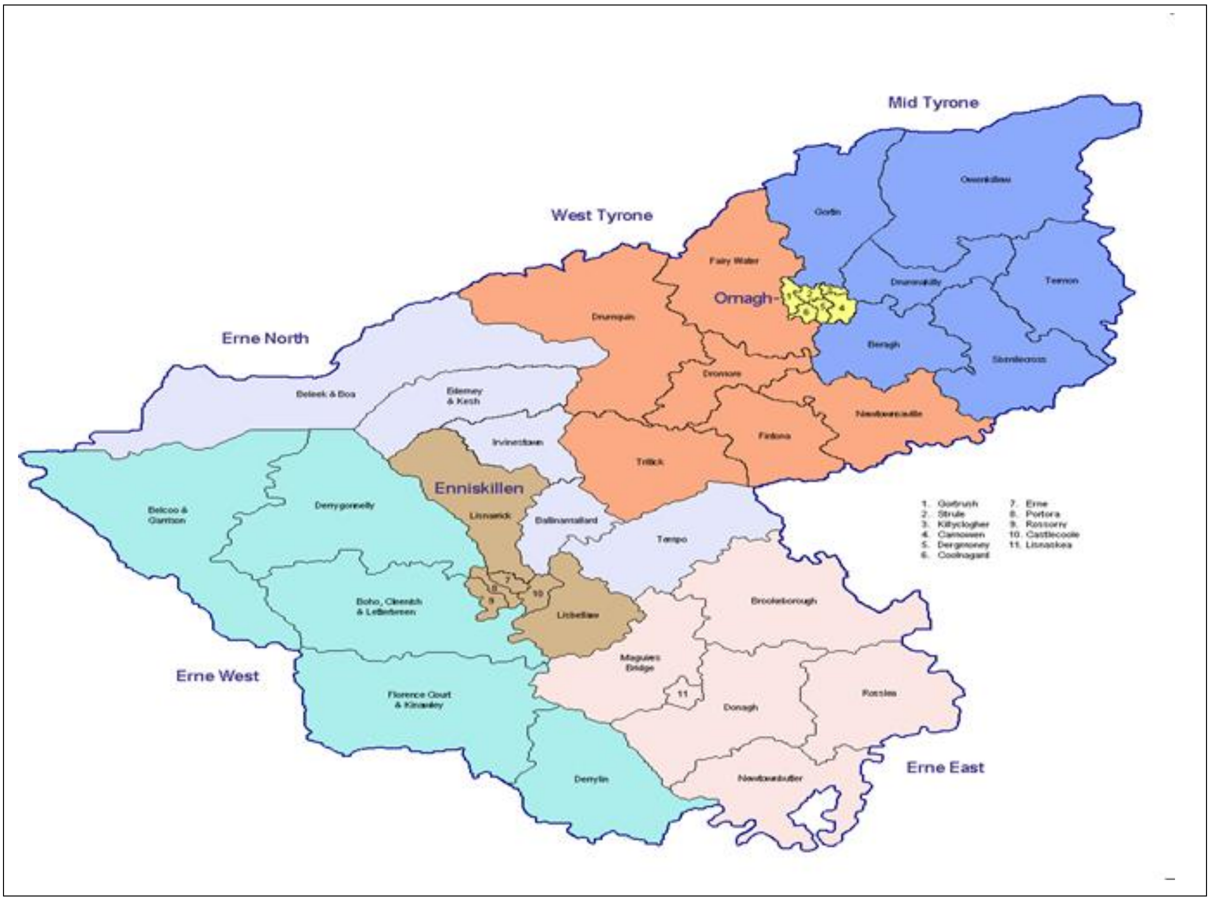
2.1 Report Context

The 2014 Local Government Act has dramatically changed the map of Local Government in Northern Ireland (NI). With effect from 1 April 2015, the number of Councils was reduced from 26 to 11 and specifically, the two legacy Councils of Fermanagh and Omagh merged to form the new Fermanagh and Omagh District Council.

The FODC area represents a population of approximately 114,000 people across 2,829 km^2 i.e. 20% of the NI land mass and it is strategically well positioned by being located on the border with the Republic of Ireland.

The area is predominantly rural with the two main towns being Enniskillen and Omagh along with a number of smaller settlements such as Dromore, Fintona, Carrickmore, Lisnaskea, Belleek and Irvinestown. Figure 2:1 illustrates the geographical extent of the Fermanagh and Omagh District Council area.

Figure 2:1 Geographical Coverage of New Council Area



Source: Fermanagh and Omagh District Council (2015)

The two main towns of Enniskillen and Omagh are recognised respectively as a gateway and a hub in both the Regional Development Strategy[2] for Northern Ireland and the National Spatial Strategy[3] for the Republic of Ireland. The Economic Development Plan will seek to maximise the connectedness of the new Council area with the wider economic region of approximately 700,000 residents[4] who live within an hour's drive and who may wish to work, live, visit or shop in the area.

2.1.1 New Powers

As part of the reform process, the new Councils assumed new powers/responsibilities in relation to:

- Planning;
- Off street parking;
- Local Economic Development (functions transferred from Invest NI) were: Local Business Start-up provision; Enterprise Awareness; Social Entrepreneurship; support for underrepresented groups including Youth and Women); and
- Local Tourism.

As well as the transfer of these formal powers and budgets, the Council has an enhanced facilitative role through the new Community Planning powers, providing a unique geographical perspective and thereby guiding local delivery in conjunction with a range of statutory bodies operating in the Fermanagh and Omagh area.

Historically, local authorities in the UK were permitted only to do things that they had specific statutory powers to do. An act which was carried out in the absence of statutory powers would be deemed ultra vires – illegal and hence void. However, the 2014 Local Government Act also legislated for the Power of General Competence which provides Councils with the authority to do 'anything that individuals generally may do unless specifically prohibited under a separate act'. In terms of economic development, it provides the potential for the Council to act in a more 'commercial manner' not only managing its assets but also in actively promoting innovative uses.

2.1.2 Summary

The 2014 Local Government Act, has not only enhanced the powers of the Council, but also the geographical coverage. Such an increase in size and powers brings with it an opportunity to develop an Economic Development Plan which is not only ambitious for the area covered by the Council, but also clearly articulates how it will impact on the wider economic region.

[2] Regional Development Strategy for Northern Ireland identifies Enniskillen as a gateway point and Omagh as a Hub
[3] National Spatial Strategy for the Republic of Ireland identifies Enniskillen as a gateway point and stresses the importance of regional connectivity particularly between Northern Ireland and the Irish Midlands.
[4] ICBAN Development Strategy confirms that there are 700,000 residents within a one hour drive of the Fermanagh and Omagh District Council area.

2.2 Our Terms of Reference and Approach

The Terms of Reference[5] (ToR) for EDP highlights the requirement to:

- Consider the economic context and baseline of the region;
- Analyse the effect of the global recession on the FODC area;
- Establish a vision for the Council's future economic development and evolution, specifically highlighting the unique selling points of Fermanagh and Omagh;
- Pay particular attention to targets assigned within the current Programme for Government and Northern Ireland Economic Strategy; and
- Include recommendations designed to address business/economic challenges in the Fermanagh and Omagh District.

Our approach to the study is reflected in Figure 2:2, which highlights that it incorporates:

- A review of European, national, regional and local policies/strategies relevant to economic and social development;
- Development of a socio-economic profile for the Fermanagh and Omagh region;
- Mapping of previous and existing economic development support programmes/activity and identification of best practice;
- Identification of potential local and European Union (EU) funding sources;
- A comprehensive stakeholder consultation process; and
- Vision and Action Planning workshops.

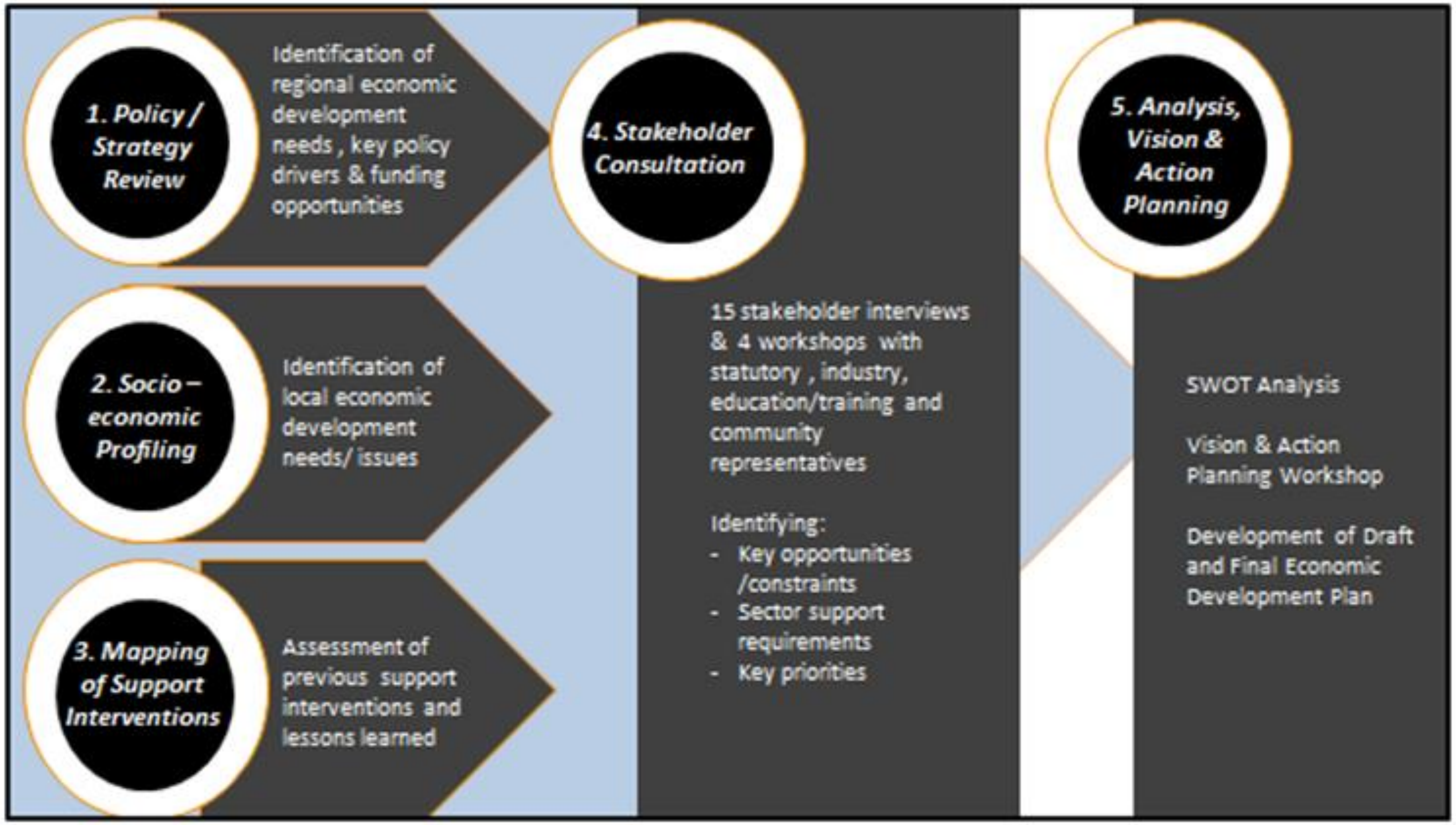
2.3 Report Structure

In response to the terms of reference, the remainder of this report has the following structure:

- Section 3: Policy and Funding Context;
- Section 4: Socio-Economic Review;
- Section 5: Review of Previous Support Interventions;
- Section 6: Stakeholder Mapping and Consultation;
- Section 7: SWOT Analysis; and
- Section 8: Strategy and Action Plan.

[5] Refer to Appendix 1 for the full Terms of Reference

Figure 2:2: Study Approach



3 POLICY & FUNDING CONTEXT

3.1 Policy Context

This Economic Development Plan aims to complement and reinforce relevant European, national and regional economic and regeneration strategies. Table 3:2 overleaf provides a summary of the key economic development and skills strategies as they relate to the FODC area.

In common with the economic development strategies at both the European and National levels, the strategies profiled in Table 3:2 (at the end of this section) highlight a recognition of the importance of enhancing productivity, innovation and exporting within the NI economy through the utilisation of a smart specialization approach i.e. focusing on key clusters/sectors in which the region has a unique strength.

FODC has a number of such clusters including agri-food, manufacturing, construction and sustainable energies which can be further enhanced through the drivers of innovation, R&D and improving skills.

Local town Masterplans articulate the basis for the development of Omagh and Enniskillen so that they contribute to a more diversified, competitive and vibrant local economy.

3.2 Funding Context

In seeking to identify emerging EU funding opportunities the following key Programme documents were reviewed:

- Europe 2020;
- NI Investment for Growth and Jobs Programme, including European Social Fund elements (2014-2020);
- Rural Development Programme (2014-2020);
- INTERREG VC (2014-2020);
- INTERREG VB Atlantic Area Transnational Programme (2014-2020);
- INTERREG VB North West Europe (NWE) Programme (2014-2020);
- INTERREG VB Northern Periphery and Arctic Programme (2014-2020); and
- INTERREG VA Programme for Cross-Border Cooperation (2014-2020).

The following key issues were also noted:

- The quantum of EU funding available to NI as a former Objective 1 region is set to decline significantly;
- The Growth and Jobs Programme requires that each £1,000 of support creates one full time equivalent job and Invest NI has indicated that this funding could be allocated to business start activities and pipeline business support for sustaining and growing SMEs;
- Increased scale and visibility of the Fermanagh and Omagh area brings with it opportunities to utilise transnational/cross border funds; and

- The power of General Competence and a more commercial approach by the Council could provide opportunities to utilise significant financial support from the European Investment Bank (JESSICAs[6] and JEREMIEs[7]) and break the cycle of grant dependency.

Table 3:1 below identifies indicative activities the Council may pursue and notes potential funding sources and their potential applicability:

Table 3:1: Potential Funding Sources

Area Funding	Potential Funding Source
Tourism Development	INTERREG V[8]
Urban Regeneration/ Community Development	European Fund for Strategic Investment DfC Neighbourhood Renewal/Tackling Disadvantage NI Investment Fund (being developed – to launch in 2016) JESSICA PEACE IV
Business Start Up and Growth	Investment for Growth and Jobs Programme (ERDF) InterTradeIreland Northern Periphery Programme North West Europe Programme Atlantic Arc COSME

[6] JESSICA: The Scottish Government established SPRUCE (Scottish Partnership for Regeneration in Urban Centres) using European Regional Development Funds in conjunction with the JESSICA (Joint European Support for Sustainable Investment in City Areas) programme. SPRUCE is a £50 million fund that offers loans and equity investments to revenue generating infrastructure and energy efficiency projects to support regeneration in 13 eligible local authority areas in Scotland. One of the major benefits of JESSICA/SPRUCE is that funds will be recycled and can be used for future regeneration projects. In addition to the infrastructure delivered all contractors include Community Benefit in Procurement clauses in contracts and as a result provide jobs and training opportunities for local people.

7 JEREMIE: The Wales JEREMIE Fund was the first of its type to be launched in the UK and one of the first in the European Union. It became operational in 2009 and makes available £150 million in loan, mezzanine and equity finance for Welsh small and medium sized enterprises (SMEs). The Fund secured a £75 million loan from the European Investment Bank, a £60 million grant contribution from the ERDF Convergence and Competitiveness Operational Programmes and a £15 million contribution from Finance Wales. The Fund is managed and delivered by Finance Wales, a subsidiary of the Welsh Government. Its primary purpose is to invest in new and established SMEs to produce good commercial returns for the Fund, and generate a substantial legacy fund for Wales.

[8] Opportunities to use INTERREG V for Blueways, Greenways and Cycle paths which could form part of the wider Borderlands chain of walking/cycle tours.

Area Funding	Potential Funding Source
Cluster Development/ Commercialisation of knowledge	TSB: Euro-stars Programme Horizon 2020[9] Creative Europe
Skills and Employability	Growth and Jobs (ESF)

See Appendix D for detailed description of each fund.

N.B. the funding implications of the UK's 'Brexit' vote should be monitored closely and funding opportunities that meet the needs of the FODC area should be actively pursued.

3.3 Conclusions

In terms of emerging economic policy there is a clear strategic direction for:

- Diversification of the economy and to address local productivity constraints by encouraging exporting and investment in innovation and increased uptake of public sector/large scale procurement exercises;
- Higher value/strategic business development functions to be supported through Invest NI;
- Local Government to focus on expanding the number of companies engaging for the first time in exporting, innovation and public procurement and signposting companies to higher value interventions delivered by Invest NI; and
- Further development of key growth sectors for the NI economy, namely: Advanced Manufacturing, Agri-food, Life and Health Sciences, ICT, Creative Industry and Sustainable Energy.

[9] It is anticipated that the role of the Council with regards to Horizon 2020 is to signpost opportunities to eligible companies within its catchment area. There are also opportunities to utilise Horizon 2020 to support research platforms related to the development of Clusters.

Table 3:2: Review of key economic development related strategies

Policy Strategy	Description
Former Department of Enterprise, Trade and Investment (now DfE): Economic Development Strategy for Northern Ireland (2012)	The Economic Development Strategy stresses the need to rebalance the economy by growing the private sector; in order to achieve this, the plan is to: • Stimulate *Innovation, R&D and Creativity,* to widen and deepen Northern Ireland's export base; • Improve the *Skills and employability* of the entire workforce so that people can progress up the skills ladder, thereby delivering higher productivity and increased social inclusion; • Compete effectively *within the global economy* and be internationally regarded as a good place to live, work and do business; • Encourage *business growth* and increase the potential of our local companies, including within the social and rural economies; and • Develop a modern and sustainable *economic infrastructure* that supports economic growth. Additionally, the strategy acknowledges that the global downturn has had a significant impact on the local labour market. Therefore the plan is to: • Promote accessible employment opportunities particularly in areas of economic disadvantage; • Provide training and re-skilling to those who are unemployed or inactive because of the downturn; and • Address wider barriers to employment so that people do not become detached from the labour market.
Former Department of Enterprise, Trade and Investment (now DfE): Draft Innovation	The draft Strategy identifies actions under four themes. These are: • Knowledge Generation; • Knowledge Exchange;

Policy Strategy	Description
Strategy for Northern Ireland (2013-2025)	• Knowledge Exploitation; and • Cultural Change. DfE is also developing the Smart Specialisation approach to funding projects which concentrates on funding regionally strong sectors in order to provide growth and innovation in a given region, which has already been adopted by the EU commission. The sectors of high economic importance for Northern Ireland are: Agri-food; Advanced Engineering (Transport); Advanced Materials; Information & Communication Technologies (ICT); Life & Health Sciences.
Former Department of Employment and Learning (now Department for the Economy, DfE) 'Skills Strategy, Success through Skills – Transforming Futures' (2011)	The Strategy aims to enable people to access and progress up the skills ladder in order to: • Raise the skills level of the whole workforce; • Raise productivity; • Increase levels of social inclusion by enhancing the employability of those currently excluded from the labour market; and • Help to secure Northern Ireland's future in a global marketplace. The Skills Strategy examines the current skills base, considers the skills we will need in the future to grow the local economy and highlights a number of challenges which must be addressed if we are to have a workforce equipped with the skills needed by employers to rebalance and rebuild the economy. In particular, there will be an increased need: • For people with higher level skills; • For people with skills in STEM; • For people with better management and leadership skills; • To up-skill those people already in work; and • To attract certain skills into the workforce, as the economy grows.
Regional Development Strategy (RDS) 2035	In NI, there is a two tier approach to planning for growth, comprising the Regional Development Strategy (RDS) and Local Development Plan. The RDS 2035 spatial framework, identifies that the council area contains the two main hubs of Omagh and Enniskillen, and borders a Strategic Natural Resource which has

Policy Strategy	Description
	significant tourism potential, Lough Erne. The RDS, in line with the respective Local Development Plans confirms the following key roles for both principal towns in the Fermanagh and Omagh area, including: Enniskillen is a principal town with a population of around 14,000. Its location on the banks of Lough Erne, landscape and associated features such as the Marble Arch Caves Global Geo Park and Lakelands make it a tourist destination. Enniskillen is fairly remote from the principal cities in Northern Ireland, being around 1hour 30 minutes' drive from Derry/Londonderry or Belfast. It is the location for the South West Acute Hospital for the south west. Enniskillen has an inter-regional gateway function being only 1 hour drive to Sligo on the main transport route and offering a growing private aviation facility at St Angelo airport. There are opportunities for Enniskillen and Sligo to work together to provide services on a cross-border basis; Omagh has a growing population of around 21,500. It is a major administrative centre with a high proportion of public sector jobs. Omagh, like Enniskillen is less able to cluster with other towns due to its remote location, however, it is situated on the Western Economic Corridor that connects Omagh northwards to Derry/Londonderry and southwards to Dublin. There has been extensive upgrading of the public realm in Omagh including, environmental improvements along the Strule riverbank, Strule Arts Centre and South West College – Omagh Campus for further education. The strengthening of Omagh as a skills and knowledge based economy is underpinned by the lead role of the South West College – Omagh Campus.
Former Department of Social Development (now Department for Communities, DfC): Urban Regeneration and Community Development Framework (2013)	The Framework sets out four policy objectives that will form the basis of any future policy or programme, including: • To tackle area-based deprivation; • To strengthen the competitiveness of our towns and cities; • To improve linkages between areas of need and areas of opportunity; and • To develop more cohesive and engaged communities.
Former Department of Enterprise, Trade and Investment (now DfE): A Draft Tourism	Tourism is a key driver of the Northern Ireland economy. It supports over 40,000 jobs, brings new facilities to our towns and cities, creates opportunities in rural areas. Key targets are:

Policy Strategy	Description
Strategy for Northern Ireland to 2020	• Increasing visitors from 3.2 million to 4.5 million by 2020; • Increasing earnings from tourism from £536 million to £1 billion by 2020; • Progressively accelerating spend by visitors; • Targeting specific markets and market segments; • Supporting indigenous high quality businesses; • To grow; and • Being visitor-inspired in all our actions.
Former Department of Agriculture and Rural Development (now Department of Agriculture, Environment and Rural Affairs, DAERA) - Rural Development Programme (2014-20)	Beneath the overall 'EU 2020' objectives, there are six EU priorities for rural development: • Knowledge transfer and innovation in agriculture, forestry and rural areas, which is described as a cross-cutting or horizontal priority; • Farm competitiveness and risk management; • Food chain organisation; • Restoring and enhancing ecosystems; • Promoting resource efficiency; and • Social inclusion, poverty reduction and rural economic development. The main differences from the 2007– 2013 rural development regulation are: • The removal of the axis structure to improve the flexibility of the programme; • A consolidation of existing measures into fewer broader measures; and • An increased focus on knowledge transfer and innovation, co-operation, climate change mitigation and the environment.
Omagh Masterplan 2015	Vision - 'As a step towards city status, to position and create an identity for Omagh which takes advantage of its natural assets, landscape and new regional context. 'Outdoor Omagh' will reflect a quality of life for the local community and visitors and will provide a framework for sustainable economic growth of a vibrant, attractive and distinctive central core.'

Policy Strategy	Description
	Building upon Omagh's strong retail base and the innovative work of Omagh Enterprise Company Ltd, providing high-spec office accommodation, scope exists to enhance business and enterprise in the town centre, thereby increasing employment and socio-economic activity. To this end a Town Centre Business Strategy (potentially developed internally by the Council) is proposed to evaluate the town's current strengths and determine future opportunities. The Strategy should ensure that the promotion of enterprise and business is holistic and spans from the small business sector through social economy industries into the areas of skills and education. The proposed, 'Outdoor Omagh' brand should be used as a mechanism to define and encourage new business and enterprise in to the town that currently does not exist. Opportunities relating to Omagh's enterprise and business sectors include: • Developing a more diversified local economy; • Investigating opportunities to introduce Business Improvement Districts (BIDs) to stimulate local enterprise and encourage partnership working between the business community and the local authority; • Maintaining existing jobs and attracting new jobs in sectors where the area has developed long standing skills/resource; • Developing the town's tourism and hospitality offerings; • Improving accessibility to a more attractive and competitive town centre; • Developing and growing Omagh's agriculture, manufacturing and agri-food sectors; • Encouraging Working Over the Shops (WOTS) to stimulate town centre vibrancy; • Strengthen partnership working between the local business community, Omagh Enterprise Company Ltd and the South West College. Collaboration between the local business community and the South West College (SWC) is encouraged through the Masterplan, with objectives set out in the SWC Development Plan 2012-15, to grow regional innovation and technology through enhanced partnerships with businesses; • Finding tenants for vacant properties, restoring derelict buildings and developing new purpose built facilities, where necessary, are crucial to the delivery of the Masterplan and its objectives; and • Finally, in order to successfully attract investors into the town centre a proactive

Policy Strategy	Description
	approach must be adopted by key agencies, including the Council, Invest NI and the local business community.
Enniskillen Masterplan 2012	Vision - "Enniskillen 2025 will be a bustling, thriving town with an excellent reputation for high quality retail and as a premier tourist destination. The town will make the most of its quality townscape, attractive courtyards and alleys, and boast a bold water front with a strong recreational emphasis. By day and night, the town will be a place that is proud of its history and welcoming to its renaissance as a lively place to live, work and visit without the constraint of traffic congestion. Its marina will be the hub for boating events in the region and a focus for social activities. It will be easily accessed by a network of walking and cycling routes throughout the town." The Regeneration Goals are as follows: • Ensure the unique identity of the Island town is retained and further developed with high quality activities developed around the Erne; • Diversify the town centre offering, providing office, leisure, retail and residential space; • Expand the evening economy to provide an improved tourism offer; • Ensure accessibility, yet deliver a people friendly town centre with high quality public realm and a new public square; • Strengthen the retail core, developing both the quality independent offering alongside high quality multi-national retailers; • Increase visitors' dwell time within Enniskillen Town Centre; • Build on and enhance the provisions for indoor/wet weather tourist activities; • Provide high quality new development in keeping with the historic form and character of Enniskillen; • Turn Enniskillen firmly towards the water – connecting it with its greatest asset, the River Erne; and • Eventually enable boat traffic to circumnavigate the town.
Fermanagh and Omagh District Council	The Council has identified three Corporate Themes across which it will deliver a range of strategic actions:

<table>
<tr><th>Policy Strategy</th><th>Description</th></tr>
<tr><td>Corporate Plan 2015-19</td><td>

People and Community – Quality of Life
Place and Environment – Protecting and Creating Quality Places
The Council Itself – Delivering Quality Services

<u>Theme 1: People and Community – Quality of Life</u>
The priorities within this theme are identified as follows:

Address identified need through the delivery of high quality, accessible services to all our people;
Create the conditions which support employment, entrepreneurship and innovation;
Continue to work to attract inward investment and jobs into our district as well as supporting local and indigenous businesses;
Promote the health, safety and wellbeing of all our residents and visitors;
Enrich lives by supporting opportunities for creativity;
Work with communities to enable and empower them to be more active in improving quality of life for individuals, families and communities.

<u>Theme 2: Place and Environment – Protecting and Creating Quality Places</u>
The priorities within this theme have been identified below:

Protect and enhance the local natural and built environment and heritage so as to provide quality places where people will wish to live, work and visit;
Grow our tourism industry by providing and promoting desirable locations, together with a wide range of quality outdoor and cultural activities and experiences based around our natural and built environment and heritage;
Encourage people and communities to take pride in their neighbourhoods;
Work with our communities and with other partners to improve areas, improve our infrastructure and to achieve balanced and sustainable development.

</td></tr>
</table>

Policy Strategy	Description
	Theme 3: The Council Itself – Delivering Quality Services The main priorities have been listed by the council as being: • Provide strong civic leadership, lobby and influence key decision makers for the good of our district and to champion the needs of rural areas; • Ensure openness and transparency in our decision making and in communicating our performance; • Engage with residents and service users to ensure that we have listened to their needs and are delivering services based on local priorities; • Successfully transition to a single new organisation, to deliver continuous improvement in the way we work and be open to new and innovative approaches including sharing services with other partners where these can deliver improvements; • Be open to opportunities to take advantage of the General Power of Competence, where appropriate.

4 SOCIO-ECONOMIC REVIEW

4.1 Regional Overview

The NI economy has suffered significantly in the period since Economic Development Strategies were previously carried out for the two legacy Councils.

From the turn of the century to the onset of the 'recession' in 2008, employment levels in NI increased every year – growing by close to 100,000 jobs between 2000 and 2008 alone, with the majority of sectors benefiting. Consumer and government spending provided major injections to the local economy, which in turn created more job opportunities and attracted migrants to the region.

However, with the recent economic recession, the associated housing market correction, the subsequent rise in redundancies and general uncertainty has changed the economic landscape. Indeed, NI has suffered from the recession to a greater extent than any other United Kingdom (UK) region. Following the success of the previous decade, total employment in NI fell by approximately 23,000 net jobs or 2.7% in just one year – between 2008 and 2009.

Going forward, as illustrated in Figure 4:1, it is expected that there will be a slow labour market recovery in NI. Employment is projected to grow by an average of just 0.3% per annum over the next decade – meaning it will not recover to its pre-recession peak until well beyond 2023, whereas, the UK as a whole reached (and surpassed) its pre-recession level in 2013.

Figure 4:1: Projected employment growth for NI

Source: NISRA 2014 / PACEC

Similar to trends in the UK, growth in NI, according to the NI Skills Barometer Finding Report (Ulster University, November 2015) will focus on sectors including: manufacturing, professional, scientific and technical skills, information and communication, administration and support services and construction.

However, across all sectors there will be an increased demand for higher skill levels, particularly Level 3[10] and above (particularly in the sectors cited above) and with a significant contraction in demand for Level 1[11] and 2[12] skills.

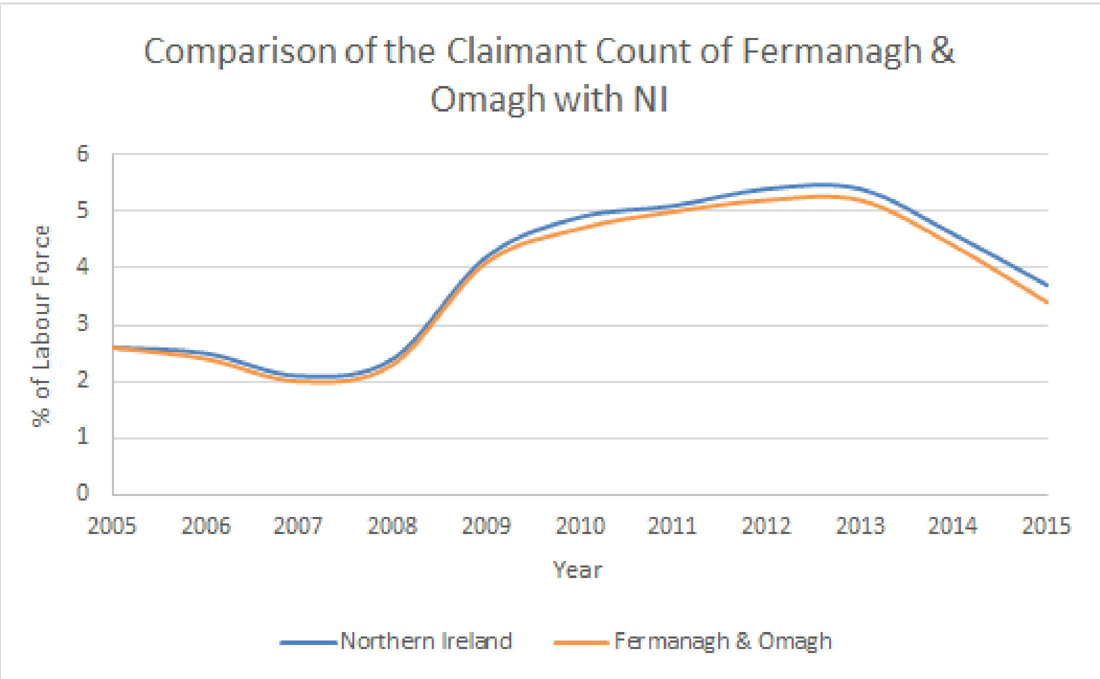
Given NI's current over-dependence on the public sector, job losses resulting from austerity measures and the economic re-balancing in general, are likely to be more prevalent in NI than elsewhere, however this could be addressed by increased private sector employment.

4.2 The Impact of the Recession on the FODC area

4.2.1 Unemployment and Long Term Unemployment

Employment in the FODC area was heavily exposed to the effects of the recession, with the claimant count rising by over 100% between 2008 and 2010. Figure 4:2 compares the claimant count in the FODC area with the claimant count for NI (2005 - July 2015). This graph highlights that the claimant count for the FODC area has followed the same trend as NI as a whole pre and post-recession and that it has experienced a slightly lower claimant rate than the NI average since 2005.

Figure 4:2: Claimant Count, 2005 - 2014

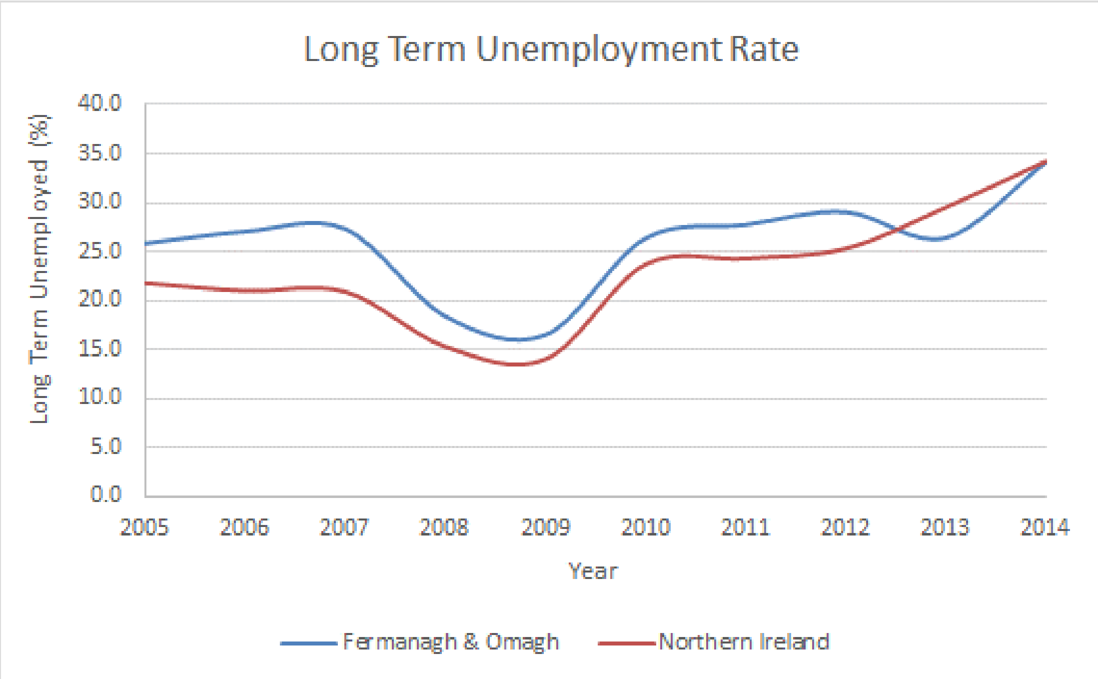


10 Level 3 Skills Levels relate to A' Levels.
11 Level 1 relates to 5 GCSEs D-G
12 Level 2 relates to 5 GCSEs A-C

Source: NISRA Claimant Count Annual Averages

As shown in the graph below, the FODC long term unemployment rate[13], which was higher than the NI average pre-recession, increased from 16.5% in 2009 to 29.1% in 2012. In 2014, the figure had increased further to 34.1%, just slightly below the NI average of 34.2%.

Figure 4:3: Fermanagh and Omagh Long Term Unemployment Rate



Source: NISRA Claimant Count Long Term Unemployment Annual Averages

4.2.2 Employment by Sector

Table 4:4 below provides a breakdown of businesses in Fermanagh and Omagh by broad industry group. As we can see, the significant majority of businesses lie within the Agricultural sector and there is an under representation in key growth areas such as Information & Communication and Accommodation & Food Services.

Table 4:4: Businesses in Fermanagh and Omagh by broad industry group

Industry Group	% of Businesses
Agriculture, Forestry and Fishing	46.2
Manufacturing	5.2
Construction	12.3
Retail, Wholesale, Motor Trades	13.6

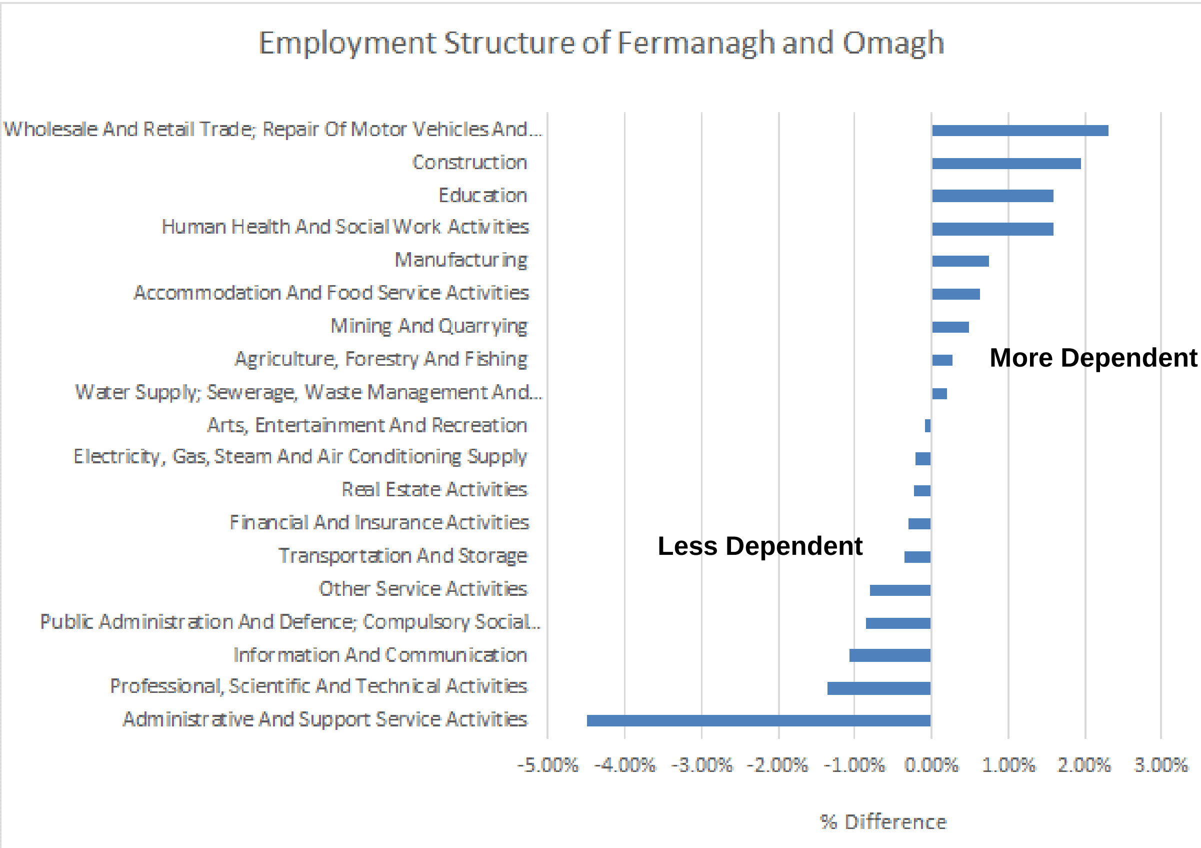
[13] Long-term unemployment is defined as being unwilling unemployed for a period of 6 months or more.

Industry Group	% of Businesses
Transport & Storage	2.4
Accommodation & Food Services	3.5
Information & Communication	0.6
Finance & Insurance	0.8
Property	1.9
Professional, Scientific & Technical	3.4
Business admin & Support Services	2.9
Education	0.6
Health	2.7
Arts, Entertainment, Recreation etc.	4.0

Source: Inter Departmental Business Register 2014

Figure 4:5 below compares the location quotient of employment in key sectors between Fermanagh and Omagh and the Northern Ireland average.

Figure 4:5: Location quotient of employment in key sectors



Source: DETI Census of Employment 2013

Figure 4:5 highlights that Fermanagh and Omagh shows a significantly higher dependence in wholesale and retail trade when compared to the NI average. Wholesale and retail trade are responsible for 17.66% of employment across the whole of NI, however in Fermanagh and Omagh, employment in this sector is closer to 20%.

Human Health (and social work) accounts for approximately 17.75% of employment in NI, yet the proportion employed in this sector is 1.58% higher in Fermanagh and Omagh than the Northern Ireland average at 19.35.

Education is also a sector which Fermanagh and Omagh is more dependent on when compared to the NI average. 9.77% of employment can be attributed to Education in NI, however in Fermanagh and Omagh 11.37% of the workforce are employed in education.

The Fermanagh and Omagh economy is significantly more dependent on the construction sector for employment than the NI average. Construction in NI accounts for approximately 4.25% of total employment, however the proportion employed in this sector in Fermanagh and Omagh is 1.45 times greater, at 6.19%. The economic recession resulted in a significant re-structuring of the FODC employment base.

Figure 4:6 highlights the sectors experiencing contraction in employee numbers of 15% or more over the period 2007 – 2013 included:

- Construction (-41.9%);
- Financial and insurance (-27.3%);
- Manufacturing (-18.6%);
- Mining and quarrying (-16%); and
- ICT (-15%).

Sectors that became more dominant within the District over the period 2007 – 2013 included:

- Agriculture, Forestry and Fishing (+31.6%);
- Accommodation and Food Service (+11.1%);
- Wholesale and Retail (+8.6%); and
- Education (+7.1%).

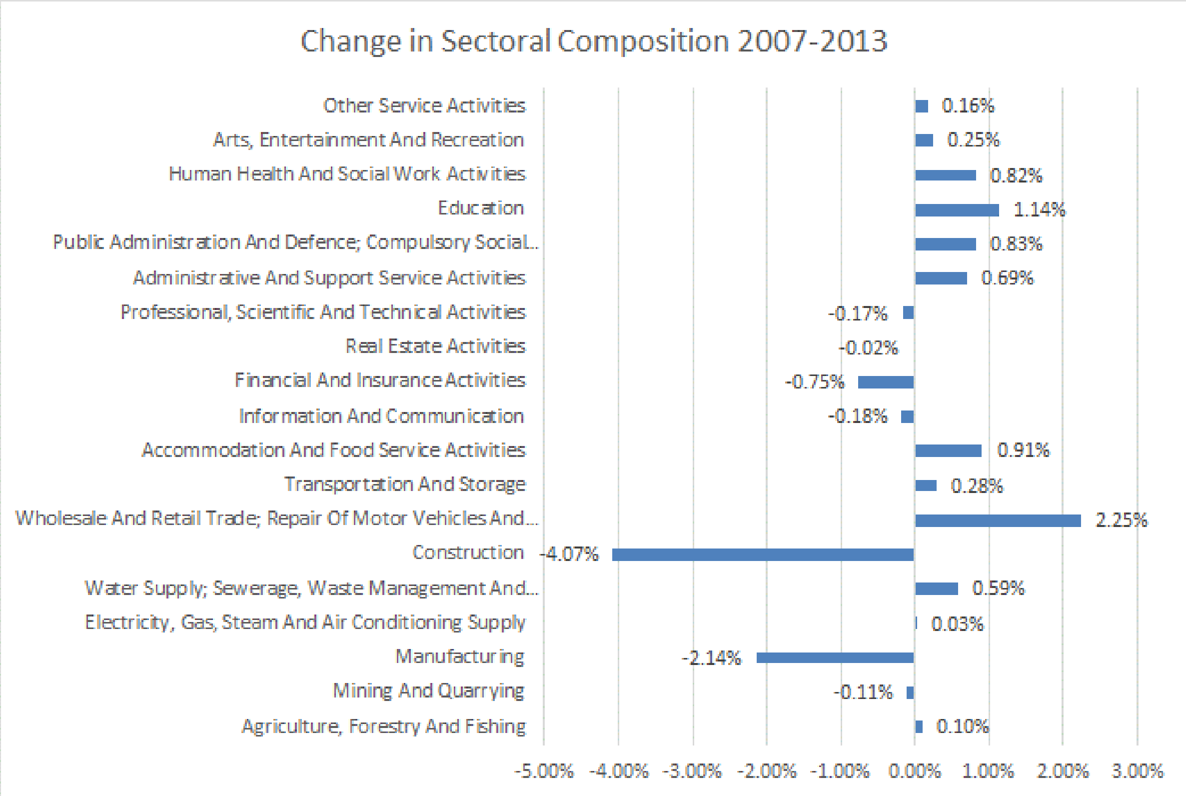
Figure 4:6: Change in Employment in Fermanagh and Omagh (2007-2013)

Source: DETI Census of Employment

Figure 4:7 overleaf shows the change in sectoral composition in Fermanagh and Omagh for the period 2007-2013 as a result of the change in employment levels described above.

As we have seen in the previous graph, employment in the construction sector fell by 41.9% in terms of absolute employee numbers. However, if we consider the share of employment which construction accounts for in the FODC area, we can see that this only fell by 4.07% despite the significant fall in employment in that sector. This is because the construction sector still remains one of the largest employing sectors in Fermanagh and Omagh despite the significant job losses. We can see that the pattern of employment is moved away from construction and manufacturing towards public sector employment and the wholesale/retail and hospitality sectors.

Figure 4:7: Change in Sectoral Composition in Fermanagh and Omagh



Source: DETI Census of Employment

30% of the workforce in Fermanagh and Omagh is classified as being economically inactive, 18.9% of which is students – just slightly higher than the Northern Ireland average of 18.3%. The gender ratio of economically inactive is almost 1.5:1 in favour of females (57.5% and 42.5% respectively) which again follows the pattern of NI (57.9% and 42.1% respectively). 20.55% of the economically inactive are aged 16-24, compared to the NI average of 20.09%.

Almost a quarter of the males who are economically inactive are aged 16-24 (24%) which is just slightly higher than the NI average of 23.2%. 49% of economically inactive males are aged 55-74, a high figure due to retirement and long-term illness yet slightly below the equivalent figure for Northern Ireland, 49.7%.

In females we see a slightly different age composition as only 18% are between the ages of 17 and 24, again very similar to the rest of NI (17.8%). However, 24.6% of economically inactive females are aged between 30 and 50, the equivalent figure for men is just 17.3%.

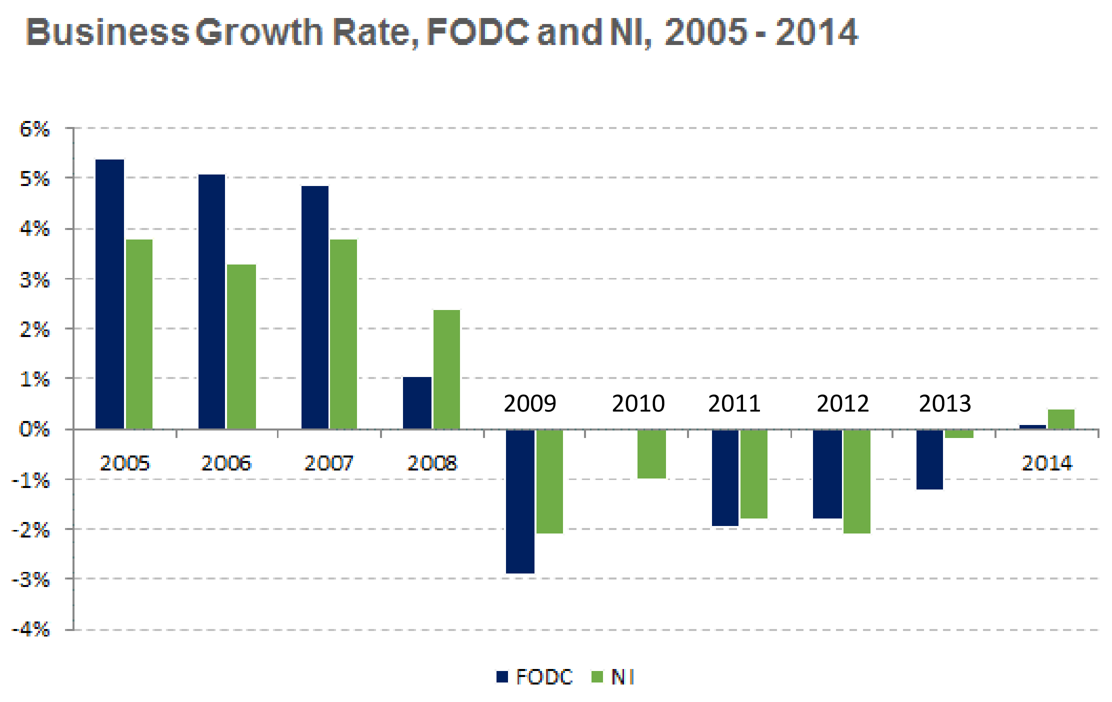
4.2.3 Business Birth & Death Rates

In 2008 and 2009, the number of business births fell significantly from the pre-recession high of almost 12% in 2006 to a low of just over 6% in 2009, and despite a steady rise in business births since 2011, the birth rate is yet to achieve the circa 12% levels seen previously. As we would expect, the business death rate increased around 2008 from 6% to 9%, but despite a slight recovery in 2010, the death rate continues to rise steadily to a point in 2013 where it is approximately 50% higher than 2007 at over 9%.

Combining these two measures (business births less business deaths), we can extract the growth rate of the number of businesses in the FODC area and in Northern Ireland. As illustrated in Figure 4:8, before the recession began FODC was outperforming the Northern Ireland average in terms of their growth rate of businesses, however its performance began to dip in 2008 and from 2009 to 2013 the business growth rate has been negative or 0 for both Fermanagh and Omagh and the rest of Northern Ireland.

In 2014, for the first time in six years, the business growth rate for Fermanagh and Omagh and the rest of Northern Ireland moved to a positive position, albeit to a level that is less than 0.5%.

Figure 4:8: Business Growth Rate for Fermanagh and Omagh compared to NI



Source: Inter Departmental Business Register / PACEC

4.2.4 Business Investment

Between the years 2011-2016, 22,432 offers were made across Northern Ireland by Invest NI. However, 1,253 (5.5%) were in the Fermanagh and Omagh District Council area, placing the Council area 9th out of the 11 LGDs in terms of offers.

Similarly, despite a total assistance of £527.88m across Northern Ireland, only £20.15m made its way to Fermanagh and Omagh (3.8%), ranking the area 3rd to last just ahead of Ards and North Down and the Causeway Coast and Glens.

The lower take up of Invest NI interventions may be as a consequence of the composition of the local business sector, i.e. over 85% of businesses in the Fermanagh and Omagh area are micro-enterprise and so are not eligible for support. However, there may be a need for the Council to liaise with Invest NI to highlight the low take up of support and also to signpost emerging support interventions to relevant local companies.

4.3 Fermanagh and Omagh's Economic Profile

Appendix 3 provides a detailed review of socio-economic data for the FODC area, drawing heavily from data presented by the Smart Region[14]. Table 4:9 identifies the salient points emerging from this analysis in relation to:

- Demographics;
- Employment by Sector (including Tourism);
- Employment levels/trends;
- Socio-economic deprivation;
- Economic productivity; and
- Physical Environment.

Table 4:9: Key Findings from Socio-Economic Review of FODC

Theme	Key Findings
Demographic	Largest LGD in terms of geographical area (20% of total NI geographical area); Population growth rate is historically lower than NI average and projected to continue this trend (6.6% compared to 7.4%, 2004-2014); Lowest population density of all Council areas; Population is older than the NI average, a result of out-migration of graduates and young people.
Sectoral Composition	Employment focussed on traditional employment sectors; Approximately 20% of the working age population are employed in the retail sector;

[14] The Smart Region was a strategic initiative in the new Fermanagh and Omagh region, directed by a diverse steering group of senior public and private sector representatives.

Theme	Key Findings
	19.35% work in human health and social work; 85% of businesses employ less than 5 people; 46% of businesses have a turnover of less than £60k; Agriculture is the area's most dominant sector. 46.2% of businesses are in the agricultural sector; There is an under representation in growth sectors, such as ICT and professional services, when compared to the rest of Northern Ireland (-1.07% less in ICT and -1.36% less in Professional services); and The economy is overly-dependent on the public sector compared to the NI average (1.58% greater in Health and 1.6% greater in Education).
Tourism	365,000 overnight trips in 2013 (8.7% of total trips), just below the NI average of 381,000; Total Expenditure in 2014 was £64m (11.9% of total expenditure), the third highest in Northern Ireland behind Belfast and the Causeway Coast and Glens; Third highest average trip duration 3.2 days (NI average: 2.3 days); Average spend per trip of £174 is above the NI average spend of £166; and Tourism directly employs 3,500 people or 9% of the workforce in Fermanagh and Omagh.
Review of Employment Levels / Trends	Following the recession, the claimant count rose by over 100% during the period 2008-2010; Fermanagh and Omagh's mean salary is 16.55% lower than the Northern Ireland average; 32.5% of employment is part-time which is higher than the rest of Northern Ireland (32%); 30% of the workforce are classified as economically inactive (above the NI average of 27%), placing Fermanagh and Omagh 9th out of the 11 council areas in terms of their economic activity rate; Higher rates of long-term unemployment than NI historically. From 2005-2014 Fermanagh and Omagh had an average rate of 25.9% compared to Northern Ireland's 23%; Current Claimant Count rate is 3.4% and lower than the NI average; and 13.65% of 16-24 year olds are not in employment, education or training (NEETS) which is lower than the average for the other council areas in Northern Ireland (14.7%).
Socio-Economic Deprivation	Fermanagh and Omagh ranks 9th out of the 11 Council areas, one of the least deprived; 18.3% of pupils are entitled to free school meals – fourth highest of all Council areas; Pockets of deprivation are evident as 9 wards fall in top 30% of most deprived in NI.

Theme	Key Findings
Economic Productivity and Business Growth	Worst performing Council area in terms of GVA per job, roughly £28k compared to Northern Ireland average £35k. Second highest average proportion of working age population with no qualifications (32%) compared to the Northern Ireland average (29%); Like the rest of NI, a negative or zero business growth rate since 2009.
Physical Environment	The A5 passes through the District Council area, providing transport links to Derry/Londonderry in the North West, through Mid Ulster to Belfast in the East and connects to the N2 to Monaghan in the Republic of Ireland. The M1/A4 route also passes through the District Council area providing transport links to Fermanagh and the border counties. No rail network in Fermanagh and Omagh – closest station 70km from Omagh and over 90km from Enniskillen.

4.4 Key Conclusions

Our analysis of socio-economic data for the FODC area highlights that:

- The population growth rate is lower than the regional average and due to out-migration of graduates and young people, the resident population is older than the Northern Ireland average;
- Deprivation is still prevalent in a number of wards throughout the District;
- FODC has significant sectoral strengths and linkages between construction, education, agriculture and manufacturing, however the area is underrepresented in professional and high value added sectors (e.g. ICT, Creative Industry). These sectors are highly export orientated and are less exposed to weaknesses in consumer and business demand;
- Businesses in the area are typically smaller in size with 85% employing less than 5 employees and 46% have a turnover of less than £60k. These business are likely to require more guidance and support to grow and open new markets;
- Businesses in the area have lower than average levels of GVA, exacerbated by absence of high productivity sectors;
- The FODC area has historically received a lower proportion of Invest NI support than any other Council area in NI, principally due to the high proportion of micro enterprises that, because of their size, are ineligible;
- There is prevalent youth unemployment in the FODC area, exacerbated by a long-term unemployment rate which is historically higher than the Northern Ireland average;
- In line with the NI average, since 2009 the business growth rate in the FODC area has been negative or zero; and
- In 2013, FODC was third most visited council area based on tourist visits in 2013, however FODC had the lowest average trip duration in 2011-2013 (2.9 days) and only 32% of all visitors were from outside of NI (much lower than the NI average of 51%), highlighting the region's popularity as a 'stay-cation' destination.

5 REVIEW OF PREVIOUS SUPPORT INTERVENTIONS

5.1 Introduction

As we have identified earlier in the report, the past five years have seen an unprecedented change in the local economy as a result of the global recession and the resulting squeeze on public spending. This has necessitated the development of regional/Council specific interventions to address economic constraints. With the consolidation of the two Legacy Councils to form FODC and the potential transfer of responsibilities from DETI / Invest NI and the Department for Social Development, there is an opportunity to consolidate existing best practice and to create potential critical mass in delivery which could result in a step change to the Council area.

Appendix 5 provides a brief description of all existing projects delivered in the former separate Fermanagh and Omagh District Councils and also the new Fermanagh and Omagh Council area.

Figure 5:1 overleaf maps the nature of the projects carried out by the former legacy Councils and their economic development partners, highlighting that, when combined, they provide a high degree of expertise and critical mass to support the delivery of future support interventions.

Figure 5:1: Mapping of Previous Economic Development Interventions

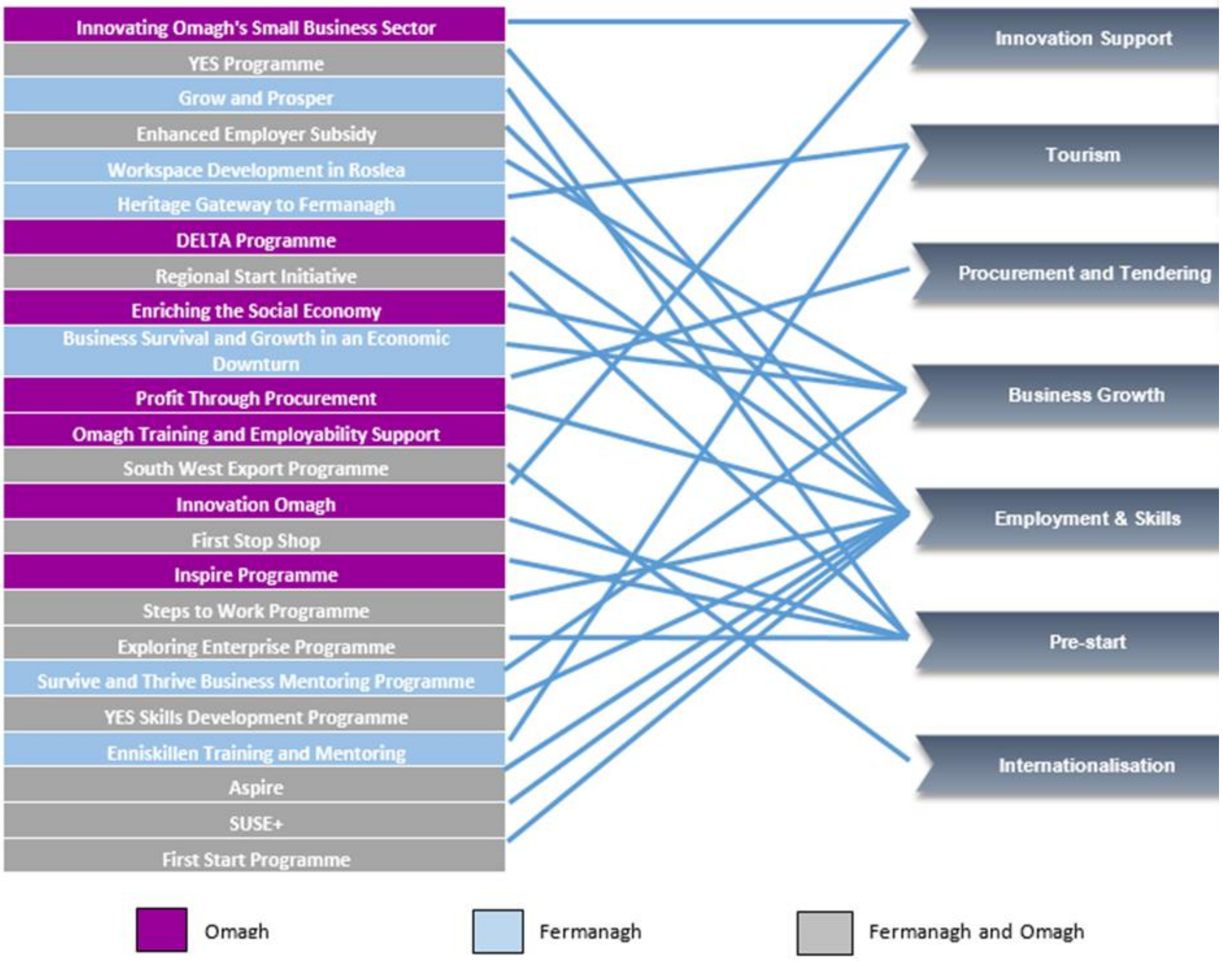


Table 5:2 identifies those Projects which the new Council has chosen to consolidate. We have provided a commentary as to the continuing fitness for purpose of each intervention and possible funding sources.

Table 5:2 Consolidated Projects

Title	Description	Commentary
First Stop Shop	Provides information, signposting and support to local ‘start-ups and established businesses	This intervention potentially augments the Regional Start Initiative (RSI), by providing additional mentoring support to recent start-ups. Although the intervention does have a strong record of job creation, it is relatively expensive to deliver (i.e. more than £1,000 per job) and so would not be eligible for support under the Growth and Jobs Programme. This intervention may have to use RSI financial support, augmented by core Council funding.
Exploring Enterprise Programme	Initial awareness raising, with targeted mentoring support to potential entrepreneurs from disadvantaged/under-represented groups.	This intervention augments the Steps to Success Programme.
YES Skills Development Programme	Facilitates the recruitment of 18-24 year olds on a 26 week work placement, at no financial cost to the company. The participant also receives training during the placement period.	This intervention has two benefits: it addresses labour shortages in key local companies and also provides opportunities for the retention of skilled labour within the Fermanagh and Omagh area. This intervention can be funded under the ESF element of the Growth and Jobs Programme,
ASPIRE	Facilitates training and employment opportunities for long term unemployed and inactive people within the District with placements available for up to 300 people per annum.	This intervention has been funded under the ESF element of the Growth and Jobs Programme.
First Start Programme	Businesses can employ an eligible person for a period of a minimum of 30 hours per week for a 26 week period. Businesses can reclaim up to £155 of salary costs per week (over the duration of the intervention).	This intervention has two benefits: it addresses labour shortages in key local companies and also provides training opportunities for the long term unemployed. This intervention can be funded under the ESF element of the Growth and Jobs Programme.
South West Export	Aims to assist small businesses to explore and exploit	This intervention aims to increase external sales/exporting activities to

Title	Description	Commentary
Programme	export opportunities in the Republic of Ireland and Great Britain.	non-exporters. It is not expected that this intervention would lead to significant job creation, however it could augment existing InterTradeIreland export support.

The aforementioned interventions potentially address key areas of business support, social enterprise, investing in women and job creation. However, there are two significant gaps in current provision, namely: innovation support (replacement for Innovation Omagh); and procurement/supply chain opportunities (replacement for Profit through Procurement).

6 STAKEHOLDER MAPPING & CONSULTATION FINDINGS

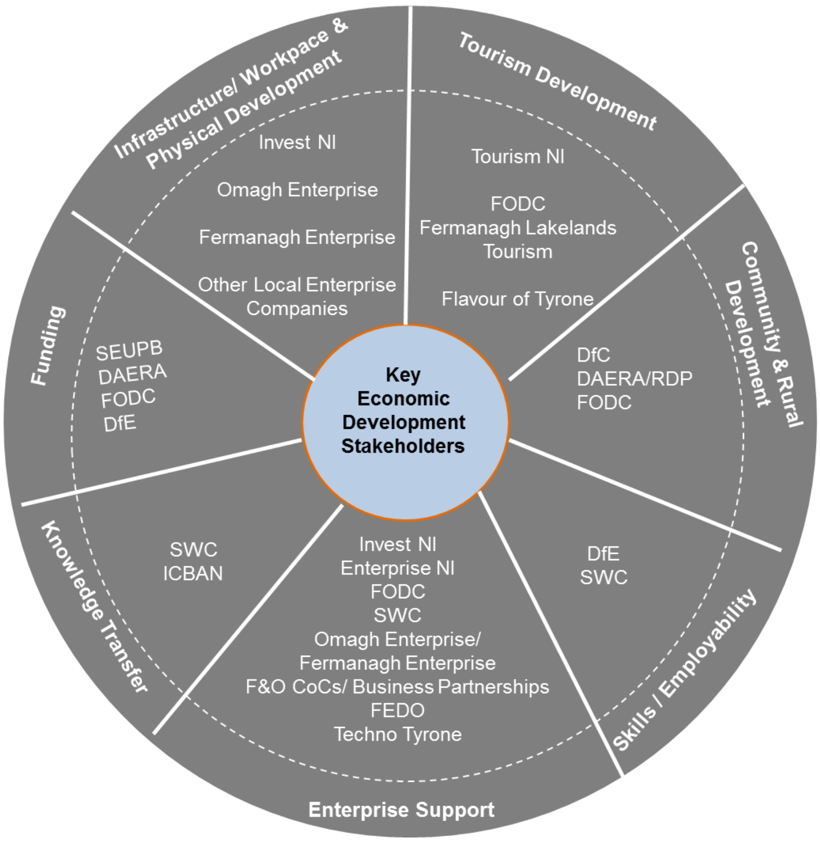
6.1 Introduction

Figure 6:1 below provides a summary of key stakeholders involved in the funding and delivery of Economic Development within the FODC area across the categories of:

- Business support;
- Infrastructure/physical development;
- Tourism development;
- Skills/ employability development;
- Knowledge transfer/innovation;
- Community/rural development; and
- Funding.

In addition to these stakeholders, a range of community and voluntary organisations/social enterprises and the private sector are also key contributors to economic development within the FODC area.

Figure 6:1: Key Economic Development Stakeholders



6.2 Key Findings from In-depth Interviews

In developing the EDP we consulted with 10 stakeholders on a 1 – 1 or group basis. A full list of those consulted is provided in Appendix 2. Interviewees were asked for their views relating to:

- Key strengths/unique selling points of the FODC area (including sectoral strengths/potential for cluster development);
- Key areas of weakness/constraints relating to the local economy;
- Key opportunities and threats within the local economy;
- Examples of good/best practice in economic development within the FODC area (current or historic);
- Priority themes/areas for development within the EDP;
- Key funding opportunities relevant to identified economic development needs; and
- Most effective structures/arrangements for delivery of future economic development activities.

The following summarises key findings from our in-depth interviews with these stakeholder representatives.

6.2.1 Key strengths/unique selling points

- Strong local tradition of self-reliance/entrepreneurship;
- Natural beauty of the area makes it a choice location for retirees and tourists;
- High rate of educational attainment amongst school leavers;
- High quality of life amongst residents; and
- Sectoral strengths in agri-food, construction, manufacturing (e.g. quarry/recycling/materials handling machinery, environmental products and food processing) and tourism.

6.2.2 Key weaknesses/constraints affecting the Area

- Low levels of business growth amongst indigenous SMEs/preponderance of micro companies and lifestyle businesses;
- High business death rates and lack of succession planning, particularly in tourism and retail sectors;
- Micro businesses have significant difficulties in accessing public sector contracts/key (international) supply chains;
- Lack of alternatives to bank lending across the region;
- Over-reliance on sectors (such as agri-food, construction and light manufacturing) with low Gross Value Added (GVA);
- Only two sizeable towns and large number of smaller settlements causes limited proximity to services;
- Limited broadband connectivity;
- Failure to attract and retain graduate level employers, employees and jobs;

- Low levels of expenditure on Research, Development and Innovation (R&Di); and
- Loss of key local services due to the increased centralisation of Government decision making.

6.2.3 Key Opportunities and threats

Opportunities

Enabling Role/Policy

- There is an opportunity for the Council to play a more active role in policy development, in particular, ensuring the needs of the Fermanagh and Omagh area inform subsequent NI economic development strategies; and
- Opportunities to develop a multi-agency customer relationship management (CRM) tool to ensure that progress of beneficiary companies is monitored.

Connectivity

- There is an opportunity to develop hubs for hot desking to address high levels of commuting.

Tourism

- There is an opportunity to build upon the distinctive ‘Blueways’ and ‘Greenways’ within the region.

Public Realm/Regeneration

- There is an opportunity to maximise the regeneration potential of the St Lucia, Lisanelly, Omagh school sites and South West College, Enniskillen Campus, Erne Hospital and Grosvenor sites; and
- There is an opportunity to develop a sustainable exit strategy for the transfer of Neighbourhood Renewal.

Sectors

- There is an opportunity to develop a virtual hub to encourage collaboration between public sector bodies (such as delivery of back office functions);
- There is an opportunity to develop a construction hub;
- Opportunities arising from Gas to the West Programme (more affordable energy sources); and
- There is an opportunity to develop a social enterprise based approach to addressing local broadband access and energy needs.

Business Support

- Business needs to have a stronger voice on the local Council, particularly about prioritising issues and providing technical feedback.

Threats

Enabling Role/Policy

- There is a need to reduce regulation and red tape, in particular, planning restrictions in rural areas.

Connectivity

- There is an urgent need to address deficiencies in the telephone network and broadband connectivity outside of the main settlements;
- There is a need to develop the road infrastructure (A5 and A4); and
- The price of energy is too high and there is a need for signposting as to the most appropriate alternative energy sources.

Tourism

- The area is seen as a location simply to stay for short breaks. The lakes are not a sufficient draw in themselves; and
- There is a lack of hotel accommodation in Omagh.

Public Realm/Regeneration

- Present car parking provision and policy is acting as an inhibitor to tourism and retail in the main towns across the new Council area; and
- There is a need to develop a sustainable exit strategy for the transfer of Neighbourhood Renewal.

Skills

- There is a mismatch between the skills of the workforce and the needs of business;
- There is a need to address the high levels of daily commuting out of the area; and
- There is a need to address long term unemployment.

Business Support

- Companies need to be persuaded of the benefits related to collaboration (development of clusters);
- The procurement process can be difficult for small companies (the mainstay of the local economy) and without specific support and advice it prohibits them from competing for public sector contracts;
- There is a lack of awareness amongst small businesses regarding support available to them; and
- There is a gap in business support between the business start-up stage and subsequent support provided by Invest NI to Client Managed Companies.

6.2.4 Examples of Good Practice in Economic Development

- The 'First Stop Shop' was seen as being particularly useful in addressing the specific needs of micro companies;
- The previous Mentoring Programme and Harnessing Creativity programme were useful in delivering knowledge transfer to micro and small companies across the region; Job placement programmes (Yes Programme) for school leavers and graduates were useful at retaining local talent; and
- A collaborative initiative between Quinn Industrial Holdings Limited and St Michael's College, whereby Quinn Holdings has provided industry based work experience for students, as well as funding for skills development equipment, with an aim of developing a supply of local and appropriately skilled workers.

6.2.5 Priority themes/areas for development

- A Business Champion should work with the Council to provide a voice for local business needs and to lobby for support to address those needs;
- A Mentoring Programme should be introduced whereby large companies provide advice and assistance to small businesses to improve co-operation and promote growth;
- There is a need to re-establish the business support programmes including the First Stop Shop;
- There is a need to engage with both the private sector and the FE/HE sector in Horizon scanning exercises to identify emerging technologies;
- There is a need to develop a virtual hub to encourage collaboration between public sector bodies (such as delivery of back office functions);
- There is a need to develop a construction hub;
- There is a need to promote innovation through the utilisation of enabling technologies such as digital media, creative industries, advanced engineering, renewable energy and big data;
- Rates should be re-evaluated to encourage home based companies to expand;
- The job placement scheme should continue to be delivered to support recent graduates and school leavers into work; and
- There is a need to develop further public realm schemes in Enniskillen and Omagh.

6.2.6 Key funding opportunities

- Opportunities to utilise INTERREG V for tourism related cycle paths and greenways;
- Opportunities to utilise the Northern Periphery Programme to develop innovation ecosystems; and
- Opportunities to utilise the Growth and Jobs Programme to support local employment schemes and also mainstream initiatives such as First Stop Shop.

6.2.7 Effective structures/arrangements for delivery of future economic development activities

- The particular needs of the Fermanagh and Omagh area (i.e. large number of micro companies in less productive sectors) necessitates a more localised version of the regional start initiative;
- Need to review the local tourism partnership arrangements; and
- The Smart Region approach provided a useful mechanism for shared planning and delivery of economic and training solutions across the full range of key local public and private sector stakeholders (even providing a voice for business). There is a need for a replacement 'voice for business'.

6.3 Key Findings from Thematic Workshops

We carried out four workshops at the locations and dates detailed below:

- Fintona: 24 September 2015 (15 attendees);
- Enniskillen: 29 September 2015 (32 attendees);
- Omagh: 30 September 2015 (28 attendees); and
- Lisnaskea: 1 October 2015 (15 attendees).

The following provides a distillation of key findings emerging from these workshops.

Issues	Fintona	Enniskillen	Omagh	Lisnaskea
Strengths				
'Vibrancy' within the community	✓			
Strong community capacity	✓	✓	✓	✓
Good tradition of manufacturing (quarry/recycling/materials handling machinery, environmental products and food processing)	✓		✓	✓
Strong tradition of entrepreneurship	✓	✓	✓	✓
High quality of life	✓		✓	
Sperrins is a top tourism asset	✓			
High rate of educational attainment	✓	✓	✓	
Previous successful programmes – First Stop Shop, Grow and Prosper, Innovation Omagh, Profit through Procurement	✓	✓	✓	✓
Lough Erne is a great attraction for visitors		✓		
Areas within public realm are capable of hosting regular events e.g. Buttermarket		✓		
Retail offering is strong – boosted by Primark			✓	
The social economy is strong and very valuable to the region yet is not promoted / supported/ needs to be taken to the next level		✓	✓	✓
Weaknesses				
Broadband connectivity is limited	✓	✓	✓	✓
High business costs (rates, energy prices, etc.)	✓	✓	✓	✓
No business voice within Council	✓	✓	✓	✓
Mismatch of skills and business needs	✓	✓	✓	✓
Poor business network	✓	✓	✓	✓
Businesses are mostly "home-based" and unable to grow	✓			
Businesses are too small to access Invest NI support	✓	✓	✓	✓
Poor road infrastructure	✓	✓	✓	
Lack of succession planning in particular sectors and for business development	✓	✓	✓	✓
High levels of daily commuting		✓	✓	

Issues	Fintona	Enniskillen	Omagh	Lisnaskea
Procurement process is difficult for small businesses		✓	✓	
Hotel provision in Omagh is limited		✓	✓	
Employment is predominantly part-time in retail (key sector) and tourism seasonable		✓		
Brain Drain	✓	✓	✓	✓
Not enough opportunities for apprenticeships / placements		✓	✓	
Lack of advice for new businesses		✓	✓	✓
Perception of peripherality of the area to outsiders		✓		

Opportunities				
Opportunities	**Fintona**	**Enniskillen**	**Omagh**	**Lisnaskea**
Tourism sector has vast potential to grow	✓	✓		✓
“Hot-Desk” initiative	✓		✓	
Expand Grow and Prosper/First Stop Shop/Profit through Procurement/Innovation Omagh to cover full Council Area	✓	✓	✓	✓
Alternative energy options	✓	✓		
Future multi-million pound development at SWC/SWC can provide specialised training	✓	✓	✓	
The larger companies could advise smaller businesses in a “mentoring” scheme	✓	✓	✓	
Public transport is under-utilised	✓	✓		
Possibility of insurance cluster due to splinter companies		✓		✓
Enniskillen Airport – aircraft maintenance sector		✓		
New gas line coming through the West		✓		
Should be trying to host events/conferences		✓		
Innovation in traditionally low-GVA sectors would raise productivity		✓		✓
Potential for agri-foods sector to support large farm/agricultural sector		✓		
Potential to develop the Ulster American Folk Park			✓	

Opportunities				
Vacant school buildings could be used as incubation centres for new businesses			✓	
High levels of vacant property – why not reduce rent for new businesses?			✓	
Investing in early intervention will lead to more productive young people			✓	
Opportunity to utilise the diaspora to attract FDI		✓		
A demand and need for programmes such as Grow and Prosper to be re-introduced	✓	✓	✓	✓
Threats				
Decline in public sector service provision	✓	✓	✓	
Impacts of UK exit from the EC	✓			✓
No succession plans for business support programmes		✓	✓	
Council funds being cut		✓	✓	✓
Wasting resources propping up failing businesses		✓		
Low wages and productivity create a vicious cycle		✓		
Limited access to finance so limits business growth potential			✓	✓
Local Economy still in recession				✓
Poor Euro exchange rates damage retail			✓	✓

6.4 Feedback from Community Planning Consultations

A series of public Community Planning consultations were carried out over an 8-week period during June-July 2015 by FODC. The public consultations were held in the following locations: 22 June in Omagh Leisure Centre; 27 July in Castle Park Leisure Centre; and 29 July in the Bawnacre Centre, Irvinestown. This process identified a number of key issues relating to the local economy and highlighted some initiatives that the public believed would help to secure a more prosperous future for the Council area.

The main 'economy' related issues identified by the public consultation process were:

- An absence of communication between employers and training/education providers. The consultations highlighted the importance of linking skills development with employers' needs and job opportunities;

- The level of training that was often offered (i.e. Level 1) does not meet the requirements of employers (i.e. minimum Level 3);
- An absence of career structure (opportunities for progression) in many organisations and a lack of investment in employees;
- Self-employment and the role of unconventional businesses (e.g. working from home) is undervalued;
- The potential for growth of the tourism industry is linked to the need to invest in expertise in this area (i.e. appropriate training such as Blue Badge scheme, skills etc.);
- Business start-up rates are high but survival rates are low - cost of operating/issues of affordability for a small business (rates, rent, electricity etc.) and a lack of incentives to encourage growth;
- A lack of inward investment;
- The need to market the knowledge economy;
- The need to re-invent/re-brand the FODC area and the District towns i.e. Omagh is not a 'bustling market town';
- The need to capitalise on niche tourism areas such as cycling, angling, walking, scenic drives e.g. the Sperrins, religious trails e.g. Devenish/Irish Pilgrim Ways; packages/linked experiences.

The proposals put forward to solve these issues and others in the local economy are outlined below:

- Support for in-house training to fill vacancies (graduate schemes/placements);
- Investment in transport infrastructure including public transport (roads, rail, air) across the District and to the rest of NI (A4, A5, A32, Enniskillen by-pass);
- Investment in technology (e.g. broadband);
- More accommodation provision/bed space (range of availability in terms of choice but also in terms of affordability); facilities for people wishing to go on caravan or campervan holidays; greater hospitality offering (especially in the evenings) linked to promoting the natural assets;
- Opportunities for decentralisation of jobs to the West; and
- Investment in services – e.g. a strengthened postal network.

6.5 Summary

The stakeholder and community consultation exercises identified a number of common underlying issues which affect the economy of Fermanagh and Omagh, including:

Over-reliance on micro businesses:

- Low levels of business growth;
- Lack of critical mass necessary to access public sector contracts/key (international) supply chains;
- Low take up of Invest NI support interventions;
- Limited access to finance to promote growth; and

    - Lack of succession planning, particularly in relation to family run retail and tourism businesses.

- Over reliance on low GVA sectors:

    - Low levels of expenditure on R&D;
    - Heavily exposed to cyclical trends;
    - Low wage economy; and
    - Failure to attract and retain Graduate level jobs.
    - Dispersed settlement patterns:
    - High levels of dereliction in smaller communities;
    - Limited broadband connectivity; and
    - Limited proximity to services.
    - Out-migration of young higher skilled individuals due to perceived lack of opportunities;
    - Loss of key local services due to the increased centralisation of Government decision making; and
    - Lack of a coordinated voice to articulate the needs of the local economy, both to the Council and outwardly to national policy makers and potential inward investors.

The Action Plan must use a combination of Policy and Programme delivery to mitigate each of the issues highlighted above.

7 SWOT ANALYSIS

7.1 SWOT Analysis

Arising from the analysis of stakeholder feedback, coupled with our review of relevant policy and socio-economic data, we have produced the following Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis to highlight key factors impacting on the future economic development of the FODC area.

Table 7:1: Summary of Key Issues (using SWOT analysis)

SWOT Analysis	
Strengths	**Weaknesses**
Strong local tradition of self-reliance/entrepreneurship Comparatively large business base Sectoral strengths in agri-food, construction, manufacturing, retail and tourism High rate of educational attainment amongst school leavers High quality of life amongst residents Strong community ties with wider diaspora Successful delivery of local programmes – First Stop Shop, Grow & Prosper, Innovation Omagh and Profit through Procurement Natural beauty of the area makes it a choice location for retirees and tourism	Road infrastructure is poor Broadband connectivity is limited[15] The local economy is dominated by micro businesses, who are unable to access regional supply chains due to procurement processes, lack of opportunities for networking and are often too small to access Invest NI support High business costs Despite strong educational outcomes of young people, high level of out-migration of young higher skilled individuals has depleted the skills base of the local working population No business voice covering the entire Council area Mismatch of skills and business needs, particularly in ICT and professional, scientific and technical sectors Lack of succession planning in particular sectors (retail, tourism and social economy) Employment is predominantly part-time in leading sectors (retail and tourism)

[15] Stakeholder feedback is corroborated within OFCOMs "*Communications Market Report: Northern Ireland*" (August 2015) which identifies that not everyone in Northern Ireland has access to good broadband and mobile coverage. OFCOM has stated that it wants to see the widest possible availability of communications services and that it is considering what further options might be available to improve coverage, both mobile and fixed-line broadband, as part of its Digital Communications Review

SWOT Analysis	
	Insufficient opportunities for apprenticeships/placements Accessibility issues in main settlements Sense of periphery of the area to outsiders
Opportunities	**Threats**
Tourism sector has significant potential to grow Future multi-million pound development at SWC and SWC's emerging expertise in digital media, sustainable energy, agri-food and medical diagnostics Possibility of insurance/call centre cluster due to knowledge transfer arising from recent company closures New gas line coming through the West Innovation in traditionally low-GVA sectors would raise productivity Potential for agri-foods sector to support large farm/agricultural sector Potential to further develop the Ulster American Folk Park Large scale regeneration opportunities in both Enniskillen and Omagh New Council powers in relation to regeneration, community planning and power of general competence Opportunity to utilise the diaspora to attract FDI Marketing of high 'quality of life' experienced in the region to attract visitors and new residents (e.g. retirees)	Decline in public sector service provision Economic volatility and uncertainty of Brexit on impact of cross border trade and investment No succession plans for business support programmes Council funds being reduced Low wages and productivity create a vicious cycle Limited access to finance which limits business growth potential Local economy still in recession Sterling/Euro exchange rates and higher VAT rates damage retail and tourism; Lack of opportunities for graduates Invest NI support is aimed at exporting companies and is not always applicable to micro companies prevalent in the local economy

The SWOT analysis has helped to inform the identification of the objectives and actions outlined in the table below:

Table 7:2 Process of turning SWOT into Objectives

How can strengths be used to take advantage of opportunities?	How can strengths be used to avoid real and potential threats?
Need to encourage the large local (micro enterprise) business base to access regional procurement and supply chain opportunities;	Utilise trusted First Stop Shop approach to increase local take up and augment the revised Regional Start Initiative.

How can strengths be used to take advantage of opportunities?	How can strengths be used to avoid real and potential threats?
Building on a well-established tourism offering, encourage out of state visitors to stay (on average one day) longer; Draw on the diaspora to encourage more returnees and create foreign direct investment opportunities; and Utilise strong tradition of entrepreneurship to encourage social enterprise approaches to mitigating energy, tourism, property and telecoms opportunities in smaller settlements.	
How can opportunities be used to overcome weaknesses?	**How can weaknesses be minimized and threats avoided?**
Utilise the power of general competence to develop new funding sources to address vacant and derelict properties; Develop horizon scanning panels to ensure the views of business inform the development of subsequent support mechanisms; Utilising local strengths in enabling technologies such as digital media/creative industry and sustainable energy to address low innovation/productivity in traditional sectors such as agri-food, construction and manufacturing; Encourage public sector collaboration to develop innovative approaches to delivery thereby enhancing productivity and providing a demonstration effect to local and national stakeholders; and Utilising the new Community Planning Powers of the Council to become an advocate for the economic development needs of the South West economy.	Address the skills constraints (at trade and professional level) of key sectors (e.g. engineering, construction, retail and hospitality) in the region, by re-establishing a skills forum; and Encourage the diversification of the local economy to address the reduction in public sector support.

8 STRATEGY & ACTION PLAN

8.1 Identification of Ambition Statement and Themes

Following the consultation stage, an Ambition Statement, supported by four themes was presented for discussion with FODC. The agreed economic development Ambition Statement for the FODC area is as follows:

Ambition Statement
Creating a step change in the economic fortunes of the Council area by: promoting a culture of innovation within the local economy; further development and retention of a skilled workforce; and development of a vibrant urban and rural environment that will encourage people to live, work, visit and invest in.

The Ambition Statement will be delivered through the following four themes:

- Theme 1: Growing and Diversifying the Local Economy;
- Theme 2: Creating a Dynamic Workforce;
- Theme 3: Supporting Town and Village Regeneration; and
- Theme 4: Promoting Innovation, Infrastructure and Connectivity.

8.2 Description of Themes and Associated Aims and Indicative Activities

The following section provides a detailed description and rationale for each of the four themes. The following information is also provided for each of the four themes:

- Aim/s;
- Actions;
- Timeframe for Delivery;
- Who will deliver;
- Potential Funding ; and
- Outputs (Baselines sourced from Community Planning study. Targets to be confirmed with Council).

8.2.1 Theme 1: Growing and Diversifying the Local Economy

8.2.1.1 Description of Theme

The Fermanagh and Omagh economy is largely characterised as being dependent on micro enterprises (85% of all registered businesses) focused on three sectors (construction, tourism and agri-food) which traditionally had low productivity and wages and suffered disproportionately during the recent recession. Although there is a relatively strong rate of business start-up (a legacy of the farming and light engineering heritage of the region), the area has a low business survival rate and means that the business base is beginning to contract. Growth prospects are further hampered in the local economy by resourcing issues amongst micro enterprises and the dispersed settlement pattern of the Council area, with the consequence that many business owners don't access 'regionally delivered' economic initiatives as they cannot afford the time to travel to training events outside of Fermanagh and Omagh. The lack of growth and relatively low wage levels has also meant that many of the brightest and best qualified leave the area. Finally, there is a lack of critical mass within the local business sector which reduces its ability to access public sector contracts, key supply chains and opportunities for investment in research and development.

The Theme is in accordance with the People and Community Theme of the Fermanagh and Omagh District Council Corporate Plan and the emerging Community Plan and Outcome 6: Our economy is thriving, expanding and outward looking and Outcome 7 Our district is better connected.

The purpose of this theme is therefore to grow existing businesses and further diversify the local economy. The theme will address the following constraints:

- **Addressing the low take up of regional economic development support**: In order to address the low historical 'take up' of Invest NI services, it is proposed that the Regional Start Initiative[16] be augmented by more localised delivery, particularly the use of the tested 'First Stop Shop' approach to encourage the take up of entrepreneurship and facilitate the expansion of previous business starts. First Stop Shops offer a comprehensive face to face service, which not only signposts a range of economic development services, but also provides an opportunity for local networking between the many micro enterprises in the area which presently lack the critical mass to compete. It is the ambition of the Action Plan to bring more enterprises into the formal economy and expand and sustain existing businesses. Business angels will be used to highlight options for succession planning of the existing business and identify opportunities for existing business people to diversify into new ventures; and
- **Reversing the outflow of talent:** The Fermanagh and Omagh area is a net exporter of highly skilled people, many of whom have had successful careers outside of the region. Focusing on the strong community ties to the area, the Action Plan will utilise the local diaspora to attract returnees and possible foreign direct investment.

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Table 8:1 Theme 1 - Growing and diversifying the local economy

Aim	Actions	Timeframe	Who	Potential Funding	Output
1.1: Enhance support of business start-ups	**Pre Start Programme:** Localised delivery of the Regional Start Initiative (potentially delivered through the First Stop Shop approach): • A one to one assessment meeting with a Business Advisor; • A finance and business planning workshop; • A one to one finance and business planning meeting; • Tailored guidance to develop a business plan; • Advice on how to access grants and funding; and • Best practice guides, tools and videos.	Years: 1-5	FODC to manage budget and procurement exercise for external delivery.	FODC core budget, potentially supplemented by other funding for specific sectors/ activities (e.g. ERDF, ESF and RDP)[17]	% Increase in Business Start Ups Number of Jobs Created
1.2: Sustainable Growth for Micro and Small Enterprises	**Mentoring support** for established companies and social enterprises (which have identified growth potential (2-7 years) in areas including for example: ○ Introduction to exporting; ○ Introduction to innovation ○ Procurement opportunities; ○ Resource efficiency; ○ Succession planning; and	Years: 1-5	FODC managed budget, co-delivered in conjunction with Invest NI, Local Enterprise Agencies, InterTradeIreland	InterTradeIreland programme support: and FODC providing match funding in conjunction with: Growth and Jobs	Increase in businesses with a lifespan exceeding 3 years; Number of Jobs Created

[17] Invest NI has indicated that Local Economic Development activities should demonstrate an average cost per job across all activities of £1,000. Analysis of the cost of Business Start-Up Support ("*Business Start-Up Support in Northern Ireland*", Business Case for the Councils of Northern Ireland (Commissioned by Belfast City Council), July 2015) indicates that a Business Start Up Programme, reflecting a prescribed service model delivered via regional contract would cost per job of £849, and therefore it should be able to offset slightly more expensive support programmes while ensuring that overall applications remain within the £1,000 per job target. A localised delivery model and /or a service model involving a greater level of support will have cost implications that will require funding from other sources.

Aim	Actions	Timeframe	Who	Potential Funding	Output
	○ E-marketing/Digital connectivity. Business Information Support in areas including for example: ○ Seminars; ○ Events; and ○ Workshops. ○ Utilising of business angels for more specialised support.		and South West College.	Programme; North West Periphery; and Atlantic Arc programme	
1.3: Local Sourcing Initiative	To assist and support local businesses to avail of emerging regional supply chain opportunities. **Key activities will include:** ○ Mapping of all large enterprises in each strategically important sector; ○ Provision of procurement training for local micro and small enterprises; ○ Procurement Notification Service established.	Years: 2-5	FODC managed budget, co-delivered in conjunction with Invest NI, Local Enterprise Agencies, InterTradeIreland and South West College.	InterTradeIreland programme support: and FODC providing match funding in conjunction with: Growth and Jobs Programme; North West Periphery; and Atlantic Arc programme	Increase in sales/turnover; Number of Jobs Created
1.4: Develop key Clusters	Identify and develop key clusters in the region in the following strategically important sectors, including: • ICT/Digital • Sustainable energy; and	Years: 3-5	Council to develop/coordinate sector specific working groups (including local	Skills and Innovation funding support sourced from:	Number of clusters developed; Business

Aim	Actions	Timeframe	Who	Potential Funding	Output
	• Tourism. **Key activities may include:** • Development of Sector specific task and finish groups; • Development of an Action Plan for each sector, highlighting the following: ○ Skills Needs Assessment; ○ Innovation Needs Assessment; and ○ Property Needs Assessment (i.e. establishment of Research Centres and/or Thematic Enterprise Zone). To assist and support local businesses to avail of emerging regional supply chain opportunities. **Procurement and Supply chain support:** Identify, map and signpost procurement and local supply chain opportunities for the following sectors: ○ Tourism; ○ Construction; ○ Manufacturing; ○ Agri-food; and ○ Health and Education. **Key activities will include:** ○ Mapping of all large enterprises in each strategically important of the aforementioned sectors; ○ Provision of procurement training for local micro and small enterprises;		businesses and representatives from the Further and Higher Education sectors) to identify emerging cluster opportunities. Council to manage budget, promoted through the First Stop Shop Brand/premises, with training delivered through externally procured providers. Delivered in conjunction with Invest NI, Local Enterprise Agencies, InterTradeIreland and South West College.	FODC providing match funding in conjunction with: Growth and Jobs Programme; North West Periphery; and Atlantic Arc programme Property funding support sourced from: NI Investment Fund HM Treasury Support ERDF Growth and Jobs Programme and InterTradeIreland support Programmes and FODC providing match funding in conjunction with: Growth and Jobs	Expenditure on research and development Number of Jobs Created Increase in sales/turnover; Number of Jobs Created

Aim	Actions	Timeframe	Who	Potential Funding	Output
	○ Procurement Notification Service established.			Programme; North West Periphery; and Atlantic Arc programme	
1.5: Attracting FDI into the local economy	Identify and develop the appropriate mechanisms to attract FDI into the region, potentially using the local diaspora. Possible activities include: ○ Establishment of an FDI task and finish group charged with developing an Action Plan. Action Plan to include: ○ Utilising Community Planning diaspora database to identify target sectors and individuals; ○ Development of a number of returnee events targeted at creating: ○ Sectoral representatives in target markets/key supply chains; and ○ Homecoming Programme: Support for potential returnees (marketing and promotion, augmentation of FODC and Invest NI mobile apps, job matching and/or business start-up).	Years 3-5	Council to develop/coordinate FDI task and finish group (including local businesses and representatives from the Further and Higher Education sectors and Invest NI).	FODC fund augmented by support from Invest NI.	% increase in business start ups Increase in businesses with a lifespan exceeding 3 years; Number of Jobs Created

8.2.2 Theme 2: Creating a Dynamic Workforce

8.2.2.1 Description of Theme

The Fermanagh and Omagh economy is emerging from recession and the area is seeing a reduction in the numbers of unemployed. This has been achieved either through residents finding jobs locally or choosing to relocate/access jobs outside of the Council area. However, the local labour market still exhibits three key constraints to growth:

- An emerging skills shortage in leading sectors such as agri-food, construction, manufacturing, professional scientific and technical services and ICT. These skills shortages will be exacerbated in the FODC area, with locally employed individuals in the aforementioned sectors potentially being attracted by higher wages outside the region;
- A high proportion of those in employment in key sectors who have low or no qualifications. The NI Skills Barometer confirms that local employers are demanding employees with enhanced skills levels (Level 3 and above); and
- A continuing high proportion of local residents who are either long term unemployed or are young people who are not in education, employment or training (NEETS).

The Theme is in accordance with the People and Community Theme of the Fermanagh and Omagh District Council Corporate Plan and Community Plan Outcome 6 Our economy is thriving, expanding and outward looking and aims to build on previous/current initiatives delivered by a range of stakeholders (e.g. Council, SWC and ENI) that have supported economically inactive and disadvantage groups in securing employment and training opportunities (e.g. ASPIRE, SUSE+ and Exploring Enterprise). The purpose of this theme is to address emerging skills shortages in key sectors, which is exacerbated by locally employed individuals being attracted by higher wages outside the region, whilst at the same time ensuring that those not in employment or training have the opportunity to find a job or training scheme which meets their needs. The theme will:

- **Address unemployment:** Three activities will be used to address unemployment: Development of intermediate labour market solutions for the long term unemployed; placements with large scale employers; and the use of social contracts within large local capital procurement contracts for apprenticeships;
- **Improve productivity:** The Colleges and the Department of the Economy already provide robust in-work training solutions, there is however a low level of awareness of these opportunities. The Action Plan will include support to signpost training opportunities to local employers; and
- **Identify and address emerging technical skills gaps:** The re-establishment of a Fermanagh and Omagh Skills Forum[18] that will identify emerging gaps in provision and signpost training and job opportunities. The Forum will also work

[18] The proposed Fermanagh and Omagh Skills Forum will augment skills advisory responsibilities associated with existing programmes such as ASPIRE and SUSE+.

with employers to invest in training and to enhance technical skills levels in key sectors.

Table 8:2 Theme 2 - Creating a Dynamic Workforce

Aim	Actions	Timeframe	Who	Potential Funding	Outputs
2.1: Addressing Unemployment	○ Development of intermediate labour market solutions for long term unemployed; and ○ Encourage placement/ apprenticeship opportunities within large employers	Years 1-5	Council managed budget delivered through externally procured providers, including the Department of the Economy and South West College.	Growth and Jobs Programme	Reduction in % of working age claimant rates Reduction in % of youth unemployment
2.2: Improve productivity across the region	○ Signposting of training opportunities for management and skilled personnel; and ○ Engagement with FE/HE sector to identify local training provision for key sectors (e.g. agri-food, construction and manufacturing - such as quarry/recycling/ materials handling machinery, environmental products and food processing;	Years 2-5	Council to lobby Department of the Economy for the provision of more funding support for management and Skills training.	N/A	Increase in uptake of training Increase in sales/turnover Increase in GVA per head.
2.3: Addressing	○ Develop a Fermanagh	Years 2-5	Council to develop	FODC core	Reduction in % of

Aim	Actions	Timeframe	Who	Potential Funding	Outputs
emerging skills gaps	and Omagh Skills Forum to identify emerging gaps in provision and signpost training opportunities; and ○ Develop a training academy for relevant sectors in the region		Fermanagh and Omagh Skills Forum to engage with private and public sectors.	budget	working age claimant rates Reduction in % of youth unemployment

8.2.3 Theme 3: Supporting Town and Village Regeneration

8.2.3.1 Description of Theme

Although there is a high quality of life in the Fermanagh and Omagh area, the dispersed settlement pattern comes at a cost in relation to access to services (particularly digital connectivity), lack of investment in the physical environment and the potential loss of community capacity due to the outmigration of many young people.

The Theme is in accordance with the Protecting and Creating Quality Places Theme of the Fermanagh and Omagh District Council Corporate Plan and Outcome 7 of the Community Plan, Our district is better connected.

The purpose of this theme is therefore to promote the towns and villages of the Fermanagh and Omagh district as a good place to shop, visit, invest and live in. The theme will address the following constraints:

- Ensure the continued vibrancy of the areas' towns and villages:
  - **Omagh and Enniskillen:** The consultation exercise identified that the continued vitality of the region's shopping streets and tourism proposition (specifically Omagh and Enniskillen) is not just challenged by other towns and villages across NI, but also the close proximity of the Border (with lower VAT and Euro conversion rate). There is a need to continue to invest in both the physical vibrancy of the area and through private sector involvement, develop a robust promotional mix for the area; and
  - **Villages and Smaller Settlements:** The consultation exercise also identified that it was essential to maintain the vibrancy and service offering of villages and smaller settlements throughout the Fermanagh and Omagh Council area. Although there will still be an orientation towards attracting visitors to these areas and in developing a tourism product to support these settlements, the principal form of assistance will be on ensuring that there is a significant range of local services on offer and how these augment similar provision in adjacent areas.
  - **Utilise dormant assets:** The recent recession, large scale development plans in Omagh and Enniskillen (including the St Lucia Site and proposed relocations across Omagh and the former College and Hospital sites in Enniskillen), mean that there will be a sizeable stock of dormant assets across the area. There is an opportunity for the Council, through the Power of General Competence, to utilise these dormant assets to regenerate areas and use the proceeds to lever in additional investment. Such an approach will necessitate new ways of working, particularly in relation to the management and disposal of property; and
  - **Enhance community capacity:** The loss of young people and diminishing financial support to community and voluntary groups has the potential to 'sap community capacity', particularly in smaller communities. There is a need to re-energise local communities, by identifying/developing existing and new local 'social entrepreneurs' and providing them with the tools to create sustainable community led solutions. There is an opportunity to utilise the community and voluntary sector to deliver local services such as sustainable energy, health care

and social support, tourism, telecoms and property management and development, thereby addressing local need and providing a funding source for other community activities. Council and partners will therefore need to identify enterprise opportunities and provide training for the development of sustainable social enterprises across key settlements.

Table 8:3: Theme 3 - Supporting Town and Village Regeneration Enhancing the sustainability of all communities

Aim	Actions	Timeframe	Who	Potential Funding	Outputs
3.1: Ensure the continued physical vibrancy of towns and villages as places to shop and visit	Key activities will include: ○ To continue to improve upon the physical fabric of Omagh and Enniskillen; ○ Promotion of the "Town Centre First" Concept and work closely with Planning partners on area development plans; ○ Promotion and marketing of the region as a place to shop and visit; ○ Development of village renewal schemes and physical connectivity between settlements; ○ Development of BIDs for key settlements; ○ Development of town/village centre hubs for hot desking to address high levels of commuting.	Years 2-5	Council to work with DAERA and DfC in relation to environmental enhancements. Council to work with private sector to develop BIDs proposition.	DfC and RDP Rural Development Programme	% change in town centre vacancy rates Increased visitor numbers Increased visitor spend
3.2: Utilise dormant	Key activities will include: ○ Undertake a dormant	Years 3-5	Council to work with DfC and SIB to review	FODC core funds to support preliminary	% change in town centre vacancy rates

assets	asset review across the Council area; ○ Preparation of development proposals for key opportunity sites; and ○ Develop property vehicle to encourage public/private investment (to support wider regeneration and community development proposition).		dormant assets and develop possible delivery mechanisms	dormant asset review. Opportunity for subsequent investment support from: NI Infrastructure Fund and/or European Investment Bank	Increased visitor numbers Increased visitor spend % increase in number of businesses % in number of jobs created
3.3 Enhance community capacity	Key activities will include: ○ Develop a social economy task and finish group to develop an Action Plan to maximise public sector service delivery opportunities and to enhance the commercialisation of the community and voluntary sector. ○ Action Plan to include: - Capacity development for social entrepreneurs; and - Development of programme of	Years 3-5	Council to develop/coordinate social economy task and finish group (including local community and voluntary sector and representatives from the Further and Higher Education sectors, NICVA and Invest NI).	Core Council funds match funding from PEACE IV.	Number of new social enterprises established Increase in (social economy) businesses with a lifespan exceeding 3 years)

	social enterprise support.				

8.2.4 Theme 4: Promoting Innovation, Infrastructure and Connectivity

8.2.4.1 Description of Theme

The consultation exercise identified that the Council is best suited to acting as an advocate for the region particularly in relation to influencing large scale infrastructure and programme spend by Central Government Departments. In addition, the Council can also act as an 'independent arbiter' to the businesses in key sectors and public sectors who will work together to form clusters, develop innovative solutions and thereby enhance the productivity of the region.

The Theme is in with accordance the People and Community Theme of the Fermanagh and Omagh District Council Corporate Plan and the Community Plan Outcome 6 Our economy is thriving, expanding and outward looking.

The purpose of this theme is fivefold:

- Identify emerging good practice and opportunities related to investment in innovation;
- Demonstrate how investment in innovation can improve local productivity and at the same time illustrate to the national and international arena that Fermanagh and Omagh is an outward looking innovative region;
- Establish mechanisms by which to promote two-way communication with the local business community;
- Articulate the business, and infrastructure needs of the Council area to external stakeholders; and
- Articulate the connectivity needs of the Council area to external stakeholders.

Table 8:4: Theme 4 - Promoting Innovation, Infrastructure and Connectivity Being an effective voice for the Fermanagh and Omagh area

Aim	Actions	Timeframe	Who	Potential Funding	Outputs
4.1: Identify good practice in innovation	Development of a Horizon Scanning Group for key sectors of the local economy to: ○ Identify emerging best practice from outside the region; ○ Promote best practice within the region; and ○ Development of collaborative network(s) to encourage innovative practices in target sectors.	Years 2-5	Council to develop/coordinate sector specific working groups (including local businesses and representatives from the Further and Higher Education sectors) to identify emerging cluster opportunities	FODC will fund the preliminary costs involved in the establishment of the Horizon Scanning Group Subsequent programme funding will be sourced from: Growth and Jobs Programme; North West Periphery; and Atlantic Arc programme	Number of collaborative networks created Increase in business expenditure on research and development (BERD); % increase in GVA
4.2: Demonstrating the benefits of innovation	○ Establishment of a Public Sector Sustainability Task and Finish Group to develop innovative approaches to delivery of shared services/process innovation; and ○ Task and Finish Group to investigate opportunities	Years 3-5	Council to develop a public sector sustainability Task and Finish group to include the following organisations: Health Trust, South West College, Education Authority, Police Service of Northern Ireland, Northern Ireland Housing Executive	FODC will fund the preliminary costs involved in the establishment of the public sector sustainability task and finish group. Subsequent programme funding	Number of public sector collaborative networks creased; % reduction in public sector delivery costs

Aim	Actions	Timeframe	Who	Potential Funding	Outputs
	for developing shared services/process innovation across the public sector in the region		and DAERA.	will be sourced from Innovate UK	
4.3: To strategically influence the development of key infrastructure	Council to act as an advocate/facilitator in the development of large scale projects and development sites, including: ○ Lobby for enhanced road infrastructure (e.g. bypasses for A4, A5 and A6); ○ Lobby for flexibility for land zoning; ○ Promote the development of large scale opportunity sites in both Enniskillen and Omagh; ○ Council to work with partners to explore funding opportunities and delivery vehicles for the development of strategic sites in Enniskillen an Omagh. ○ Promote the future 'Gas	Years 1-5	Council to lobby Central Government	N/A EU JESSICA/ JEREMIE funds and the anticipated NI Infrastructure Fund[19]	Increased public sector investment in the region

[19] Potential loan funding for a range of regeneration/ infrastructure projects including: telecommunications, energy efficiency, energy generation, social and private housing, and urban regeneration.

Aim	Actions	Timeframe	Who	Potential Funding	Outputs
	to the West' project through information provision and support local businesses to avail of opportunities; and ○ Exploit opportunities associated with cross border infrastructure development.				
4.4: To enhance telecoms connectivity throughout the Council area	○ To lobby for effective interventions to ensure improved connectivity throughout the region including superfast broadband, fibre to premise provision and mobile phone coverage ○ To work with the Department for the Economy to develop and deliver mixed telecoms solutions and/or pilot telecom projects in the District. For example, development of a Digi Park at the Great Northern Road Business Park where access to	Years 1-5	Council to lobby Central Government	N/A	Increased public and private sector investment in digital connectivity across the Council area; Increase in the number of businesses using e-business solutions; and % increase in GVA.

Aim	Actions	Timeframe	Who	Potential Funding	Outputs
	Project Kelvin's[20] cabling can be obtained.				
4.5: Listening to business	○ Development of a Customer Relationship Management Tool by Council and partner economic development bodies to provide: ○ Joined-up customer relationship management of all businesses utilising economic development support; and ○ An online business Health Check. ○ Identification and promotion of a Local Business Champion who can articulate the needs of business to the Council	Years 2-5	Council managed budget delivered through externally procured provider	Core Council funds	Increased number of enterprises receiving support.

[20] Project Kelvin provides Northern Ireland with a submarine telecommunications connection to North America and Europe, providing a high capacity, secure and reliable network through industry leading fibre optic cable.

8.3 EDP Delivery Timescales

This EDP covers the period 2016 – 2019 and whilst it is recognised that many of the initiatives identified within the Plan may only start to deliver outcomes post 2019, there are numerous actions that have the potential to deliver both outputs and outcomes during the 2016 – 2019 period. For example:

- Business start-up support activities (i.e. those relating to Aim 1.1, 1.2 and 1.3), generating increased levels of business start-up, improved survival rates and employment creation;
- Intermediate labour market and skills development solutions (Aim 2.1 and 2.3), contributing to higher skill and reduced unemployment levels; and
- Town and village regeneration (Aim 3.1, 3.2 and 3.3), enhancing the vitality and attractiveness of local settlements and contributing to the capacity and sustainability of the local community/voluntary sector.

Although the impact of other strategic initiatives is likely to be realised in the longer term, it is imperative that initiation of the delivery of these initiatives is implemented as early as possible within the EDP period.

8.4 Role of Key Delivery Partners and Relationship with Community Planning

Successful implementation of the EDP will require concerted collaborative effort between a wide range of key economic/business stakeholders. Table 8.5 provides an overview of the anticipated role of key policy and delivery organisations.

In keeping with economic development functions transferred to the Council as part of the reform of local government, FODC will provide a key facilitation role in the delivery of this plan, promoting the ‘community planning ethos’, encouraging collaboration and working with partners to assign delivery of key elements of the Action Plan to those organisations that are considered to be better placed or have a statutory requirement.

FODC is also best suited to act as an advocate for the region particularly in relation to influencing large scale infrastructure and programme spend by Central Government Departments.

The Council’s role will include working in collaboration with neighbouring Councils and Government Departments/Agencies, both in Northern Ireland and the border counties of Ireland, as well as the private and community/voluntary sectors, in addressing the needs of, and maximising opportunities for, the FODC area.

In addition, the Council can also act as a ‘trusted friend’ to the businesses in key sectors who will work together to form clusters and develop funding proposals. In this role, the Council will need to directly engage with these businesses and facilitate the development of the clusters.

The EDP, along with the District's Area Development Plan and Community Plan, will provide the strategic framework for future economic and social development within the FODC area.

Figure 8:1 illustrates a draft "Community Planning Governance and Delivery Model" for the FODC area, which includes:

- a **Strategic Partnership Board** that will provide strategic leadership in Community Planning by developing, clearly communicating and driving change through the planning and implementation process;
- A **Joint Operational Board** that will ensure effective delivery of the Community Plan against agreed outcomes; and
- **Thematic Delivery Groups (Economic, Social and Environmental)** that will identify actions, develop action plans and ensure delivery against planned outcomes.

It is anticipated that the Economic Development Plan, along with the Council's Tourism Development Strategy (TDS) could form the basis of the Economic Delivery Group's work plan and that this Group will be tasked with:

- Co-ordinating partnership working and activities to ensure the Plan is progressed;
- Measure and report on progress;
- Review and revise the action plan periodically;
- Ensure effective community engagement and involvement in the development and implementation of the action plan; and
- Monitor the use of partnership funding on behalf of the Joint Management Team.

In addition, it is anticipated that a Policy and Performance Support Forum (refer to Figure 8:1) will also contribute to the monitoring of performance against the plan and provide resources for research, data sharing and communications. The monitoring of performance should allow for the identification of inputs, activities, outputs and outcomes associated with each action identified within the plan. Where available/applicable, baseline data should be developed at the outset and benchmarking data should be developed to allow for comparative assessment across other Council areas and at a regional (NI) level. It is anticipated that the Council will receive an annual review of progress against the EDP.

As the Economic Delivery Group takes forward its work plan it should be aware of a number of key areas of overlap/linkage between the TDS and this Economic Development Plan, which highlights the high priority status of these actions. A summary of key areas of linkage between the two reports are detailed in Table 8.6, highlighting the importance of investment in telecoms connectivity, skills development, support for business growth and investment in the physical fabric of towns and villages.

The TDS also identifies (within Strategic Theme 2: Tourism Products and Product Development, Action 12) the need to review cross border opportunities and to develop an action plan to develop products, experience and projects with neighbouring Councils. This is consistent with the leadership and co-ordination role of the Council articulated above.

Table 8:5: Emerging Roles for Council Partners

Organisation	Proposed Role
FODC	○ Identify strategic direction in line with Community Planning process ○ Promote vision and strategic direction within Council, to Partners and to the wider community ○ Facilitate and co-ordinate collaborative working between public, private and third sector, locally and (where applicable) on a cross border basis ○ Work with key partners to maximise funding to address local needs ○ Deliver specific actions and monitor progress ○ Lobby Central Government across key policy areas/ identified issues
South West College/Centre for Competiveness/ CAFRE	○ Provision of higher and further education ○ Delivery of skills development and employability interventions ○ Connecting local talent ○ Expand R&Di ○ Generating further access to skills and economic development funding (e.g. SWC is considering development of a Social Bond) ○ Development of key clusters.
Enterprise Companies in Fermanagh and Omagh and also Fermanagh Economic Development Organisation	○ Inform policy development ○ Provide business incubation facilities; and ○ Work with SMEs
Town Centre Forums/ Regeneration Partnerships in 2 main towns and representation from	○ Support the development of key sectors and/or provide geographical perspective; and ○ Inform policy development.

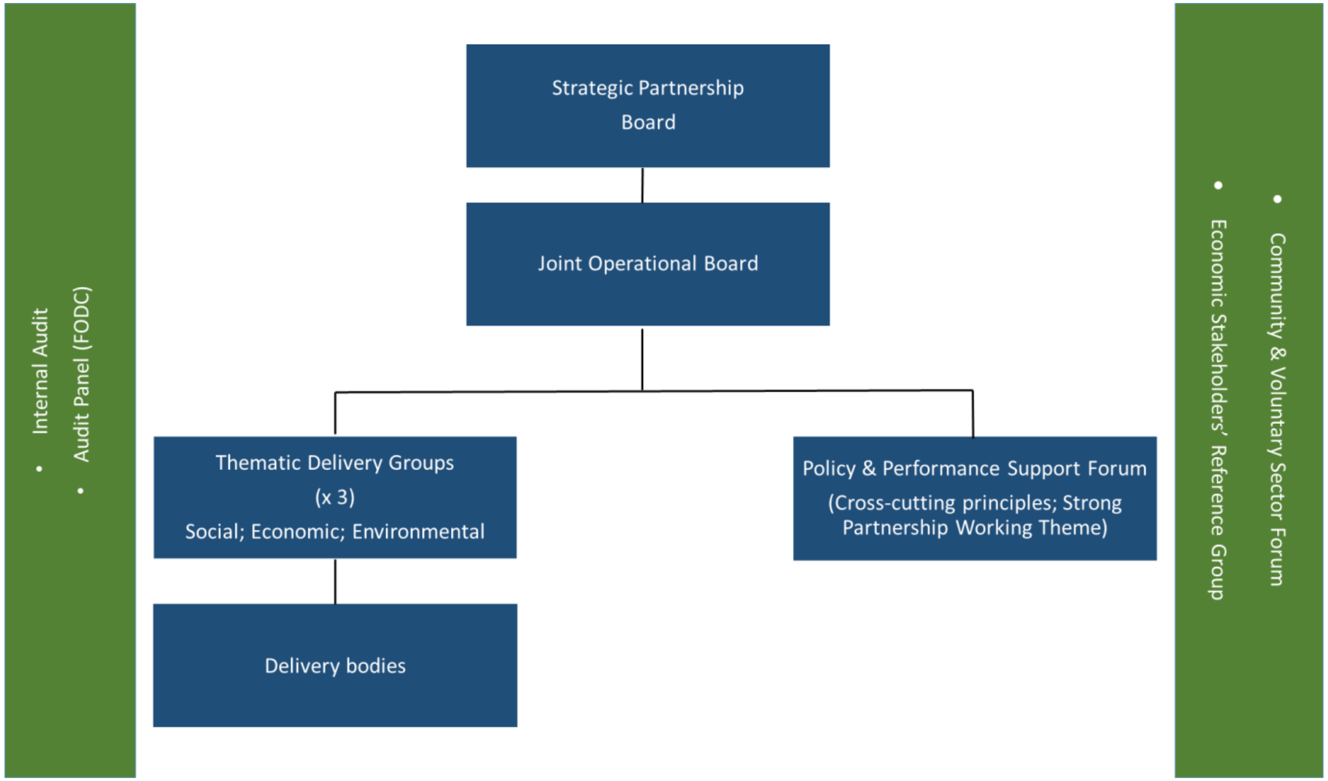
Organisation	Proposed Role
leading sectors	
Rural Development Programme (RDP)/ Local Action Groups, Invest NI and InterTradeIreland	○ Invest NI transferring responsibilities in relation to: Regional Start Initiative, Social Entrepreneurship Programme, Youth and Female Programme ○ Invest NI will be responsible for high value added functions in relation to exporting and innovation support ○ RDP/ Local Action Group focus on farm competitiveness/ efficiency and social inclusion, poverty reduction and economic development in rural areas.
Private Sector	○ Stimulate the private sector economy and finance local development ○ Partner Council in providing input into delivery of specific objectives ○ Actively participate in collaborative cross sector partnership to deliver the EDP

Table 8.6: Areas of Commonality between Tourism Development Strategy and Economic Development Plan

TDS Theme/Action	Relevant EDP Theme/ Action(s)	Nature of Linkage
Theme 1: Marketing & Visibility in the Market: Action #5 - Social Media Action Plan - aiming to encourage tourism operators to deliver their own social media **Theme 3: Destination Management, Development and Marketing: Action #17 - Web Marketing** - aim to implement on-line market strategy to encompass more social networking, blogs and link to other websites in the area **Theme 4: Business Engagement and Development: Action #21- Business Portal** – provision of business to	**Theme 4: Promoting Innovation, Infrastructure and Connectivity: Action#4: Enhance connectivity throughout Council area** - aiming to lobby and work with partners to develop and deliver mixed telecoms solutions and/or pilot telecom projects	Delivery of enhanced telecoms connectivity is required to support development of tourism businesses

TDS Theme/Action	Relevant EDP Theme/ Action(s)	Nature of Linkage
business portal for sharing information		
Theme 2: Tourism Product and Product Development: **Action #7 - Visitor Hubs** - review hubs concept, linking with rural development and village renewal	**Theme 3: Supporting Town and Village Renewal: Action #1 and #2 - Ensuring physical vibrancy of towns and villages and utilising dormant assets**	Potential to contribute to tourism development through village/ town centre renewal and through enhancement of physical connectivity between settlements to support activity tourism
Theme 2: Tourism Product and Product Development: **Action #9 - Tourism Clusters and Outdoor Activities** – identify and support clusters of operators	**Theme 1: Growing and diversifying the local economy - Action #4: Develop key clusters**	Supporting the development of a cluster of operators to avail of co-ordinated service delivery and investment in skills, innovation etc
Theme 4: Business Engagement and Development: **Action #19 and #20: Business Skills and Tourism Excellence Programme -** aiming to improve performance and profitability through support and training	**Theme 1: Growing and diversifying the local economy: Action #1 and #2 - Enhance support of business start-ups and mentoring support for established businesses** **Theme 2: Creating a Dynamic Workforce:** **Action #2 and #3 - Improve productivity across the region and Addressing emerging skills gaps** **Theme 4: Promoting Innovation, Infrastructure and Connectivity: Action #5 - Listening to business** – identification of local business Champion, development of on-line health check and customer relation management tools	Development of improved engagement with local business generally, will provide ongoing insight into support needs of tourism businesses. Lobbying for increasing funding for management and skills training to address skill gaps and improve productivity. Provision of targeted business growth interventions to support the tourism sector.

Figure 8:7: Draft Community Planning Governance and Delivery Model



Source: FODC (June 2015)

APPENDIX 1 – TERMS OF REFERENCE

Terms of Reference

In response to emerging opportunities afforded not only by the Review of Local Government and the challenges of the wider economic cycle, the Terms of Reference for this report highlight the requirement for:

- Development of an economic context and baseline of the region based on the new Fermanagh and Omagh District Council area, including an analysis of the effects of the economic downturn and the impact of this on the region/district;
- Consideration of the impact of, and opportunities/needs emerging from forthcoming policy and legislative changes including the Local Government Reform and the associated transfer of functions and responsibility for Urban Regeneration and Economic Development, the proposed introduction of Business Improvement Districts, the NI Executive announcement of a new economy and jobs initiative and the forthcoming new round of EU funding mechanisms for the period 2014-2020, including LED, RDP, etc.;
- Particular cognisance should be taken of the transfer of functions from Invest Northern Ireland to Fermanagh and Omagh District Council which include: Start a Business Programme and Enterprise Shows, Youth Entrepreneurship, Social Entrepreneurship, Investing for Women, Neighbourhood Renewal funding relating to enterprise initiatives;
- Establishment of a vision for the Council's future economic development and evolution, identification of our unique selling points – taking into consideration the changing demographics of the Council area, the diverse urban/rural mix of the area and boost the attractiveness of the region as an investment location;
- An analysis and supporting rationale for the identification of the key sectoral clusters which should be prioritised and developed in a bid to support regional growth;
- The Action Plan should include key resources required, measurable quantitative and qualitative priority outputs, outcomes and performance measures attributed to the relevant responsible bodies for execution and agreed by them as part of this process. The Plan should pay particular attention to targets assigned within the current Programme for Government and Northern Ireland Economic Strategy and include recommendations designed to address challenges in Fermanagh and Omagh District.

APPENDIX 2 – LIST OF STAKEHOLDERS AND CONSULTATION FINDINGS

The names of the stakeholders which contributed during the consultation period are listed in the table below:

Organisation	Stakeholder Name(s)
Fermanagh and Omagh District Council	Brendan Hegarty (Chief Executive)
ICBAN	Shane Campbell
South West College	Malachy McAleer
Invest NI	Patricia Devine and Paul Brush
Fermanagh / Omagh Enterprise Centres	Nick O'Shiel and John Treacy
FEDO	Martin Maguire and Peter Quinn
DfC	Paul Carr and Patrick Anderson
Omagh Chamber of Commerce	Group Meeting
Quinn Group	Kevin Lunney
Enniskillen Business Partnership	Jonathon Styles

A summary of the key findings from the stakeholder consultations has been produced in the table overleaf:

Theme	Frequency of Discussion
Key Issues	
There is a lack of awareness amongst the small businesses as to what support and funding opportunities are actually available to them	6/10
Tourism, the area is seen as a location to stay whilst visiting other areas. The Lakes are not seen as a sufficient draw in themselves and Sperrins are under-utilised	3/10
Shortage of regeneration support for the area/no significant investment in the area	5/10
Lack of opportunities for recent graduates and school leavers	4/10
There is a mismatch between the skills of the workforce and the needs of businesses	5/10
There is a gap in business support between the business start-up stage and take up of Client Managed companies by Invest NI	5/10
There is a lot of focus on community planning in the Councils at the moment, the focus needs to be moved back towards promoting a healthy business environment in the area	3/10
The procurement process can be difficult for small companies and without specific support and advice it prohibits small companies from competing for public sector contracts. The process needs to be simplified or support provided	7/10
Business Rates are considered to be too high	4/10

Theme	Frequency of Discussion
Access to funding is limited in the area	3/10
Price of energy is too high and there is a lack of alternatives	1/10
Invest NI support is aimed at larger exporting companies and is not applicable to the micro companies here	4/10
Lack of hotel accommodation in Omagh	2/10
In many towns, family owned businesses (particularly in retail and tourism) are disappearing, this is largely down to a lack of succession planning	2/10
Needs to be Addressed	
Need to address high levels of commuting out of the area	2/10
Need to develop a sustainable exit strategy for transfer of Neighbourhood Renewal	1/10
Need to maximise the regeneration potential of the St Lucia, Lisanelly and Grosvenor Sites	2/10
Phone network and broadband connectivity are very poor outside of the main towns, this needs to be addressed or businesses will continue to struggle or leave the area	9/10
Need to attract more FDI into the area and look to diversify the economy so that recessions have less of an impact	6/10
Need to develop road infrastructure (A5 development keeps being delayed, needs to complete it to enhance growth potential)	7/10
Businesses need a stronger voice on the local council to demonstrate the issues faced by local companies and push for interventions that will encourage and assist business growth	7/10
Need to change the attitudes of companies to promote co-operation especially between large and small companies	8/10
There are issues with car parking which deter visitors to the area	2/10
Need to reduce regulation and red tape e.g. planning permission	2/10
Need to set targets which are appropriate for FODC and not just for NI as a whole	3/10
There is a lack of political representation in the West of Northern Ireland which creates issues when lobbying for support with problems which are specific to the West, e.g. A5 development, investing in Sperrins' tourism product	3/10
There is a need for a localised version of the Regional Start Initiative	2/10
Need to develop collaboration and supply chain opportunities across leading sectors	2/10
Need to develop a Construction hub	3/10

Theme	Frequency of Discussion
Need to address the issue of training for the long term unemployed	1/10
There is a need to build upon the distinctive 'Borderlands Culture of the region'	1/10
There is a need to develop a Rural Telecoms Strategy	1/10
A need to develop a social enterprise based approach to addressing local broadband access needs	1/10
Possible Solutions	
Opportunities to apply innovation to the delivery of public sector services across the Council area	3/10
Development of a virtual hub to encourage collaboration between public sector bodies (opportunities to deliver back office function)	4/10
Development of hubs for hot desking	2/10
Re-establish the First Stop Shop approach	7/10
A public realm scheme should be implemented in Omagh and Enniskillen	2/10
Promote the take up of innovation through the use of enabling technologies	5/10
College to provide a Horizon Scanning exercise to identify emerging technologies	4/10
A "Business Champion" should be involved in the Council in order to give a voice to the local business needs and to lobby for support which addresses those needs	7/10
A Mentor programme should be introduced whereby large companies provide advice and assistance to small businesses to improve co-operation and help small businesses grow	7/10
Development of a 10-week public/private job placement scheme	2/10
Rates should be re-evaluated to encourage home-based companies to expand	3/10
Omagh Enterprise Centre's Innovation Centre should be developed as a high connectivity hub to attract businesses	1/10
Instead of Invest NI's larger export and employment programmes, introduce business support programmes which are specific to this Council area, e.g. procurement advice, access to finance, business growth.	5/10
Opportunities to utilise linkages with the Chinese Confucius hub	1/10
Strategic approach to delivering employability training for the long term unemployed	1/10
DETI broadband coverage statistics should be coverage per household not geographical area	1/10

WORKSHOPS – WRITE-UPS

The write-ups from each of the 4 workshops are presented below.

FINTONA

What are the emerging opportunities/constraints for your business?

Several key constraints were identified specifically for businesses in the Fintona area, namely, the cost of business in the area is too high and is acting as a deterrent to "home-based" companies moving into the town centre. Specifically, the rates which businesses have to pay were claimed to be too high and unaffordable to new companies, and was cited as a major reason as to why many businesses have left the Fintona, and indeed the entire Fermanagh and Omagh area, in recent years. On a related note, energy costs were also identified as being a key constraint in the growth potential of local businesses, however further discussion of the topic identified that there are no viable alternatives at this time and this constraint was identified to be a region-wide issue.

Participants in the workshop further indicated that there were connectivity issues or "not-spots" in the Fintona area and that unless you are in Omagh town, broadband is very poor and acts as a barrier to business growth. Finally, it was identified that there is an absence of a "business voice" in the Fermanagh and Omagh District Council which means that there is a lack of direct communication between businesses and Council making it difficult to get their voices heard and support which they actually need.

Are there any opportunities/constraints specific to the Fermanagh and Omagh area?

With regards to the wider Fermanagh and Omagh District Council area, the workshop presented clear ideas on the current opportunities that exist and the constraints which limit the growth potential in the area. It was identified that there is a vibrancy within the small communities in the rural areas of the Council area, and this vibrancy creates a welcoming and appealing image to visitors in the area. If this was exploited and the high quality of life marketed in a more effective way it could encourage both workers and businesses to re-locate to the area. There is great potential for the tourism sector of the economy to further grow and further establish Fermanagh and Omagh as a key tourist destination in Northern Ireland. In particular, the Sperrins presents a massive opportunity for tourism which is, at the moment, under-exploited in terms of its full potential to add the local economy – it is currently the only Area of Outstanding Natural Beauty which does not have a dedicated AONB officer. Due to the high number of Fermanagh and Omagh residents which commute to work outside of the council area (17%), there is potential to develop a "hot-desk" initiative which would enable the workers to remain in the area, which could increase footfall in the town centres and could attract more people to move to the region for the high quality of life.

In terms of the constraints facing the area, it was reported that there is a mismatch between the skills of workforce and the needs of businesses in the area. It is well-known that there is a high rate of educational attainment and the area produces a large number of graduates however due to the sectoral composition of the local economy, businesses are looking for workers with industry-specific training. A constraint indicated by some of the attendees was in relation to the significant decline in public sector service provision. This is worrying from two perspectives: firstly, the cutbacks are likely to impact on the more peripheral areas the hardest, deepening the pockets of deprivation; and secondly, the over-reliance on the public sector means that employment in Fermanagh and Omagh is particularly vulnerable to public sector cuts. As previously mentioned, the broadband infrastructure in the area is poor except for the main towns of Omagh and Enniskillen and the existence of “not-spots” is an issue which needs to be addressed however it is acknowledged that this is not within the Council’s powers at the moment and efforts have been made by the council to draw attention to this issue. Also in line with what was mentioned in the Fintona specific issues, the rates which businesses pay are believed to be too high and at an almost unsustainable level for most businesses in the council area.

What types of support does your business need?

The main type of support which businesses would like to see would be a “rate-relief” programme introduced by the council which would help businesses to afford to hire more staff, invest in Research and Development, or to simply improve their marketing strategy. It is also believed that a reduction in rates charged to businesses will encourage “home-based” companies to grow and take the leap to move into the town centres and will increase the incentive for ‘lifestyle entrepreneurs’ to choose Fermanagh and Omagh as the destination to set up a business. In relation to the business development theme, a suggestion to aid this area is to invest in a business incubation centre or ‘nursery’ centre which again would encourage home-based companies to expand in a safe environment with expert support and mentoring.

There was a clear desire for an improved marketing strategy at Council level in terms of promoting the assets of Fermanagh and Omagh and improving signposting of the businesses and services available, in order to attract more footfall into the towns and villages. Further to this, attendees identified opportunities for businesses in the Fintona area which were not being fully utilised e.g. businesses opening during festivals and events in the area, and the introduction of regular showcasing events to increase awareness of the business offering in the local area.

Attendees stated there has been a fall in the number of apprenticeships in the Council area which they believe contributes to the mismatch of skills problem which businesses currently face. If there was a greater incentive to hire an apprentice, there would be more qualified workers in the area for the companies hiring and less of the workforce would have to look to other council areas for employment, enabling the Council area to retain skilled workers in the local labour market.

Finally, it was identified that small businesses struggle with the procurement process of public sector contracts and it was suggested that companies would be more inclined to compete for these contracts if the procurement process was simplified or if support was made available to smaller companies.

What actions should be prioritised?

There were a number of actions identified which the attendees believe should be prioritised in the Economic Development Plan. These include:

- Reduction in business costs (rates, energy costs, etc.);
- Improving broadband connectivity in the more rural communities;
- Promoting the local retail offering;
- Attraction of ICT/Professional Services to smaller communities;
- Transparency in the expenditure of the Council;
- The creation of a “Skills Forum” to facilitate the co-ordination of training courses and education with the skills needed by businesses;
- Support tailor made for SMEs;
- Examples of best practice from similar areas facing similar issues should be found and used in the development of this report;
- Attitude towards consumption need to be re-focussed to local companies and away from the online industry; and
- Dispersing activities and events away from the main towns and into the smaller more peripheral communities.

LISNASKEA

What are the emerging opportunities / constraints for your business?

It was identified that there is a lack of support for businesses, programmes like Grow & Prosper were effective and suited the micro businesses but are no longer available. This was an issue especially because Invest NI support is not easily available to the SME / micro businesses and there is a lack of information and awareness of the support which is available.

Broadband connectivity is very poor in the area and prohibits business growth as well as education as it is becoming more online-focussed. It was mentioned that there is a demand for fibre optic in the area which many of the attendees believe will improve connectivity in the area.

There is often an information gap for micro businesses, both in terms of the support/advice available to them and also in terms of public sector contract opportunities. It has been well documented throughout the consultation phase that small companies struggle with public procurement and this feeling was reinforced at this workshop.

Access to finance is limited as the economy is still recovering from the financial crisis and therefore banks are unwilling to lend to micro companies with so much uncertainty.

Are there any opportunities / constraints specific to the Fermanagh and Omagh area?

- Long-standing trend of out-migration, particularly of graduates;
- Due to the border position of the council area, the demise of the Euro is a threat to the companies which export, especially with the ROI;

- The local economy is still suffering from the effects of the recession – there is a leakage in the retail sector due to the impact of the Euro;
- There is a lack of awareness of Economic Development – both the policies used to support it and the projects implemented by councils;
- There is a strong social enterprise sector within Fermanagh and Omagh – model from ICBAN;
- Road infrastructure in the area is poor – “Road stops at Augher” – dual carriageway needs to be extended to Enniskillen;
- Skills gap in the local workforce, particularly in the construction sector - there is a demand for higher skills but this demand is coming from low GVA sectors;
- There is a lack of succession planning – this is a particular issue amongst local farmers as it is becoming more difficult to convince family members to take over the farm;
- There is the potential to form a cluster around insurance services, back office functions etc. due to splinter companies forming off bigger companies e.g. Quinn group.

What types of support does your business need?

- Better broadband connectivity is a must because businesses in the more rural areas are isolated and need reliable, fast internet to stay in business;
- Improved support system – CRM system – where businesses can just lodge an enquiry in a central database and it will be sent to the right organisation;
- The cost of business is too high especially for the micro companies in the area – deterrent to both new companies and inward investment;
- Training needs to be specialised towards a specific industry rather than generic training courses;
- Horizon scanning in a formal approach would enable businesses to see the future opportunities and also provide a warning for future issues which might arise.

What actions should be prioritised?

- Need to research proven good practice and try to adapt for Fermanagh and Omagh;
- To raise awareness of the broadband issues, official statistics should be changed to record the broadband coverage by postcodes to get an accurate reflection of the actual connectivity – 99% figure by DETI is inaccurate;
- There is little to no capital investment from Invest NI or Tourism NI in the area;
- In order to expand the tourism product of Fermanagh and Omagh, there needs to be further investment in tourism;
- Simple tourism ideas should be used which wouldn’t cost much but would add to the attraction of the area e.g. walking/cycling trails

ENNISKILLEN

What are the emerging opportunities/constraints for your business?

Business support programmes are being cut without notice and more importantly without any succession plan. However were the support programmes that were in place as effective as businesses were lead to believe? A review of the programmes run such as First Stop Shop and Grow & Prosper should take place, as those programmes identified as being effective should be expanded to incorporate the whole Council area.

Micro companies aren't aware of the procurement opportunities which exist and public sector is not as aware of the opportunities within the social economy businesses as they would like. In order for micro companies to be able to compete for these contracts, innovation would raise productivity and enhance business growth and further to this, encouraging businesses to work in co-operation with each other is vital to growing the economy as a whole and for cluster development.

The rates which businesses face deter smaller companies from growing out of home based businesses into town centres or business specific premises. Businesses which aren't located in main towns have trouble accessing broadband and phone signal which acts as a deterrent to businesses moving there and limits growth potential.

Lack of specific training available either for students or for businesses who want to train their employees is a factor in driving graduates out of the area.

Are there any opportunities/constraints specific to the Fermanagh and Omagh area?

Council funds are being cut which has impacts across all of the economy. Public transport is being under-utilised and increased budget cuts could remove the possibility to act on the infrastructure already in place. Transport infrastructure is poor as a whole throughout the Council area but one major issue which attention was drawn to is the fact that there is no dual carriageway in Fermanagh.

Enniskillen airport has the potential for an aircraft maintenance sector, it is a council owned asset which currently receives no passenger flights but provides aircraft maintenance. Is there potential to develop training at colleges which would support an aircraft maintenance sector? South West College provides a great opportunity for up-skilling the current workforce and matching the requirements of businesses with the skills of graduates, retaining the students in this area.

"Brain Drain" is a big issue in this area, but is the solution to attract companies that these graduates can work for or is it to aim the education towards the pre-existing industries? There is a mixed feeling about this as it is acknowledged that FDI would benefit the area but there are worries that large companies will suck all of the resources out of the area before moving on again.

Significant tourism offering in the area, however does it reach its full potential? Lough Erne is under-utilised, it should be marketed more across NI and there should be more facilities such as restaurants and bars situated around the Lough. Hotel accommodation is fairly good in Fermanagh, but not in Omagh. Opportunities are available to develop areas such as the Buttermarket – it could be used for weekly events and could provide a cultural aspect to Enniskillen.

It was established that energy prices are considered to be too high in the area, further discussion led to ideas surrounding renewable energy and the potential to expand this market. South West College is providing relevant training and education but there are no projects to work on after graduating so focus should be on attracting renewable energy businesses to the area. The new gas line coming through the West of Northern Ireland also provides procurement opportunities to local businesses and could/should be promoted as such.

In the retail sector, Primark has increased competition and acts as a retail attraction which other shops in Omagh and the local area can benefit from. However, there is an elderly community ("silver economy") so should the retail and leisure provision be aimed more specifically at that demographic?

What types of support does your business need?

- Support with the procurement process and raising awareness of opportunities;
- Export support programmes from Invest NI were effective but were withdrawn as their priorities changed – should re-introduce similar programmes;
- Programmes such as First Stop Shop and Grow & Prosper are effective and funding towards ideas and programmes of a similar nature should be increased;
- There needs to be specialised training introduced in the colleges which provides students with the skills which employers need;
- Companies need support in completing lengthy and often overly-complicated legal procedures e.g. in construction the length of time between the planning process and granting of permission can often lead to development plans becoming out of date;
- An adequate provision of skilled labour being retained/attracted to the area – making early contact with students, securing contracts for post-graduation;
- Increased level of internships/placement opportunities

What actions should be prioritised?

The following actions were prioritised in the workshop:

- Supporting business owners to help them expand the size of their companies;
- Support for the social economy – there is a good infrastructure already in place and this should be recognised and promoted;
- Trade with Ireland needs to be simplified as it is in the border regions and a large market is available there;
- Develop a new strategy to maximise the potential of Enniskillen airport;
- Need for a "signature project" to draw tourists;
- Events and conferences should be targeted to try and draw in visitors;
- There needs to be an integrated tourism strategy for the Sperrins which involves all of the affected councils working together to exploit their maximum potential;
- Should attempt to host annual well known events e.g. the air show in Portrush or motorbike racing events;
- Could be simple ideas such as walking routes around Lough Erne or a Fermanagh Camino type event;

- Changing focus from those with high education to those with no qualifications – lack of level 2 qualifications offered for free;
- Re-evaluate rates;
- Improve IT infrastructure – fibre optics?

OMAGH

What are the emerging opportunities/constraints for your business?

Not enough opportunities for placements as part of education. Firms can't afford to hire more staff but with an apprenticeship programme the company could grow while benefiting students. Access to finance is also an issue for the businesses here, banks are not willing to lend to local companies and local companies do not have access to alternative sources of funding.

There is a lack of advice for new businesses especially in regards to legal and financial requirements. This acts as a deterrent to both business start-ups and business growth. Another deterrent is high rates in the area so companies are forced to work from home as they cannot afford both the cost of rates and to rent premises. Businesses applying for funding (Invest NI and European) have to deal with a lot of regulation and red-tape and small companies don't have the knowledge or resources to do so.

There is a lack of clarity in terms of business support – every department or agency passes the problem along to someone else and no help is ever received and too many businesses see each other as competition and there isn't enough co-operation and communication between companies.

There is presently an under-reporting of the level of housing demand in rural areas. There is an opportunity to develop housing led regeneration in many of the smaller settlements across the region.

There is a need for succession planning, particularly in sectors such as retail and agri-food. The next generation has to be persuaded of the merits of continuing family run businesses.

Are there any opportunities/constraints specific to the Fermanagh and Omagh area?

- Programmes designed to help develop the local economies are often generic and targeted at urban areas so they do not translate well to the predominantly rural Fermanagh and Omagh area;
- Road connection is poor and when combined with poor broadband infrastructure it creates an unsupportive environment for businesses;
- Omagh has major issues with tourism compared to Fermanagh. There is little marketing provided for Omagh and aside from the Folk Park there is little attraction to tourists;
- There are opportunities to further develop the Folk Park and increase the attraction of tourists to the area;

- There is a high number of vacant properties in Omagh – why don't owners reduce rents so that new businesses can move in?
- When the new school campus is operational there will be a number of vacant schools in the area – need to develop plans to utilise these facilities – business incubation centres?
- Public sector is a major employer in the area but cuts to funding mean that those jobs are under threat – where do workers go if they lose public sector work in Fermanagh and Omagh?

○

What types of support does your business need?

- Funding support and co-operation of colleges to develop apprenticeship programmes;
- Should develop the links between schools, universities and colleges to develop courses with a succession plan for students which align with business needs;
- If there are mechanisms in place which enable students to gain work experience with local companies it reduces the chances that they will leave the area;
- Support for product development should be provided as this is necessary to grow business and also to encourage business to locate in the area;
- Broadband connectivity is poor and as a result businesses in rural areas have trouble reaching their full potential. This also has impacts on education as more and more courses involve online components;
- Initiatives such as First Stop Shop are useful for companies as they can get advice on which council departments of business support bodies will be best equipped to advise them.

What actions should be prioritised?

The following actions were prioritised at the workshop in Omagh:

- Links between local businesses and colleges need to be improved so that students' skills match the requirements of local companies;
- Promote Fermanagh and Omagh to multi-national companies, however need to be wary of these companies coming in, taking what they need and leaving again;
- Perhaps focus should lie more on trying to develop existing businesses to help them grow into larger companies;
- Need to look at other councils for inspiration in terms of tourism especially in relation to Sperrins;
- Examples of best practice should be gathered in terms of business development programmes;
- Lack of hotels in Omagh is a major issue as before any initiatives are introduced to improve the tourism product, there needs to be accommodation to house tourists. Should it be cheap accommodation or high-end, or a mixture of both?
- Introduction of hot-desking would provide opportunities for people to work in the area and reduce commuting. There would be more people spending money in the area so there would be knock-on effects;
- Introduction of shared business facilities would enable a good network between companies and would reduce costs for business in terms of rent etc;

- Investment in early intervention will lead to more productive young people and reduce social issues in the area;
- A business network should be developed whereby larger companies can help and advise the smaller companies in a “mentor” scheme;
- Career advice and mentoring should begin at an early age so that students have a clear idea of their options moving forward and can make informed decisions regarding their futures;
- Entrepreneurial skills need to be taught and developed at an early stage so that the business growth rate starts to pick up.

WORKSHOPS – POLICY RESPONSES

The policy responses suggested by attendees of the four workshops held (Fintona, Enniskillen, Omagh and Lisnaskea) are summarised in the table overleaf along with the workshop the policy was suggested at.

		Fintona	Enniskillen	Omagh	Lisnaskea
Policy Response	Reduction in rates which businesses have to pay.	✓	✓	✓	✓
	Improved marketing strategy to promote the assets and strengths of the area	✓	✓	✓	
	Support for businesses to introduce apprenticeships / placements	✓		✓	
	Advice service for public procurement / simplified process	✓	✓	✓	✓
	Further lobbying to DETI to improve connectivity in the council area	✓	✓	✓	✓
	Create a skills forum to address the gap in business needs and training / education offered at colleges.	✓	✓	✓	✓
	A mentoring scheme should be introduced whereby large companies advise small businesses	✓	✓	✓	✓
	Improve the road network – A5, a dual carriageway to Enniskillen, a southern by-pass road	✓	✓	✓	✓
	Business support programmes specifically aimed at SMEs – Grow and Prosper, First Stop Shop, Survive and Thrive etc.	✓	✓	✓	✓
	Entrepreneurial skills should be taught and developed at an early age			✓	✓
	Examples of best practice should be sought and implemented for tourism, business growth support, economic development strategies	✓		✓	
	Dispersing activities away from main towns into the smaller communities	✓			

Policy Response		✓	✓	✓	
	Export support programmes should be introduced but need to be specific to the businesses		✓		
	Increased recognition and promotion of the social economy		✓	✓	✓
	Simplify trade with Ireland as there is a large market which is difficult for small companies to access		✓		
	Marketing strategy to attract / retain graduates in the area		✓	✓	
	A new strategy for the development of Enniskillen Airport as an aircraft maintenance centre		✓		
	Develop a “Signature Project” to draw in tourists to the area.		✓	✓	
	Improve conference facilities in order to attract business tourism		✓	✓	
	An integrated Tourism strategy for the Sperrins with all relevant councils		✓	✓	
	Simple tourism ideas such as walking routes around Lough Erne		✓	✓	✓
	Provide accessible education / training for those without any qualifications		✓		
	Develop the public realm to attract higher levels of footfall		✓		✓
	Focus on helping current businesses to grow, not just attracting multi-nationals		✓	✓	

Policy Response	Introduction of a “Hot-Desk” initiative to reduce commuting rates		✓	✓	
	Promote Enniskillen as the County Town and as the only island-town in the UK/Ireland		✓		
	Succession Planning should be introduced for key sectors in the local economy		✓	✓	✓
	Reduce public-sector service cuts (e.g. don’t remove the courthouse in Enniskillen)	✓	✓	✓	
	Increase car-parking facilities for workers, visitors and shoppers		✓		
	Increase small businesses’ access to finance			✓	✓
	Initiatives such as “Fermanagh Hour” should be expanded to include Omagh				✓

APPENDIX 3 – SOCIO-ECONOMIC REVIEW

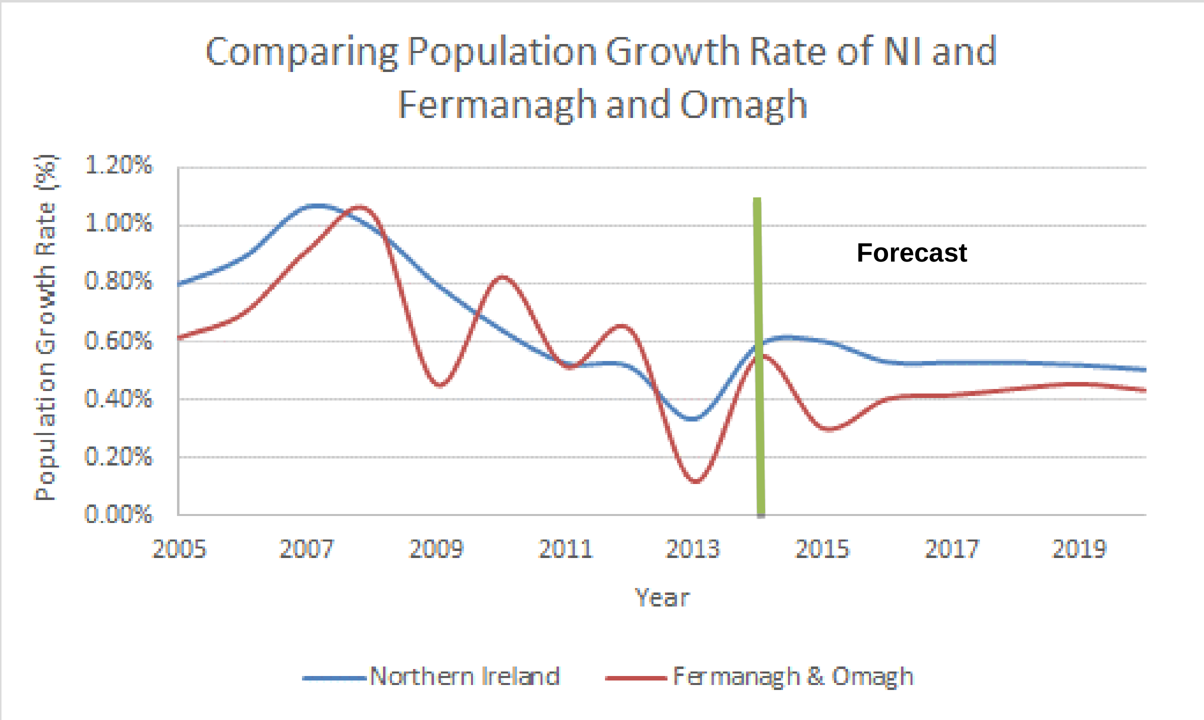
Demographic

The new Fermanagh and Omagh District Council area is the largest LGD (local government district) in terms of geographical area, with 2,829 km^2 of land (20% of the total geographical area) however it is also the smallest LGD in terms of its population, with115,000 residents which represents just 6% of the population of Northern Ireland. Population growth in the district has been steady, however it has trailed the regional average, growing by 6.6% compared to the NI average of 7.4% (2004-14). Population projects show a steadier period of growth starting from 2015, however as has been the pattern since 2012, the population growth rate will continue to trail the regional average.

An analysis of the area's age profile illustrates that the Fermanagh and Omagh district has a slightly higher proportion of people aged 40-64 than the NI average and a lower proportion of those aged 16-39, indicating that Fermanagh and Omagh has an older population than the NI average. The proportion of the population at working age, currently 62.97%, is marginally lower than the NI average of 63.6%, however the area does experience negative net commuting but at a reduced level when compared to other district councils.

Figure A3:1 below shows a comparison of the annual population growth rates of Fermanagh and Omagh District Council and Northern Ireland.

Figure A3:1: Comparing annual population growth of NI and Fermanagh & Omagh



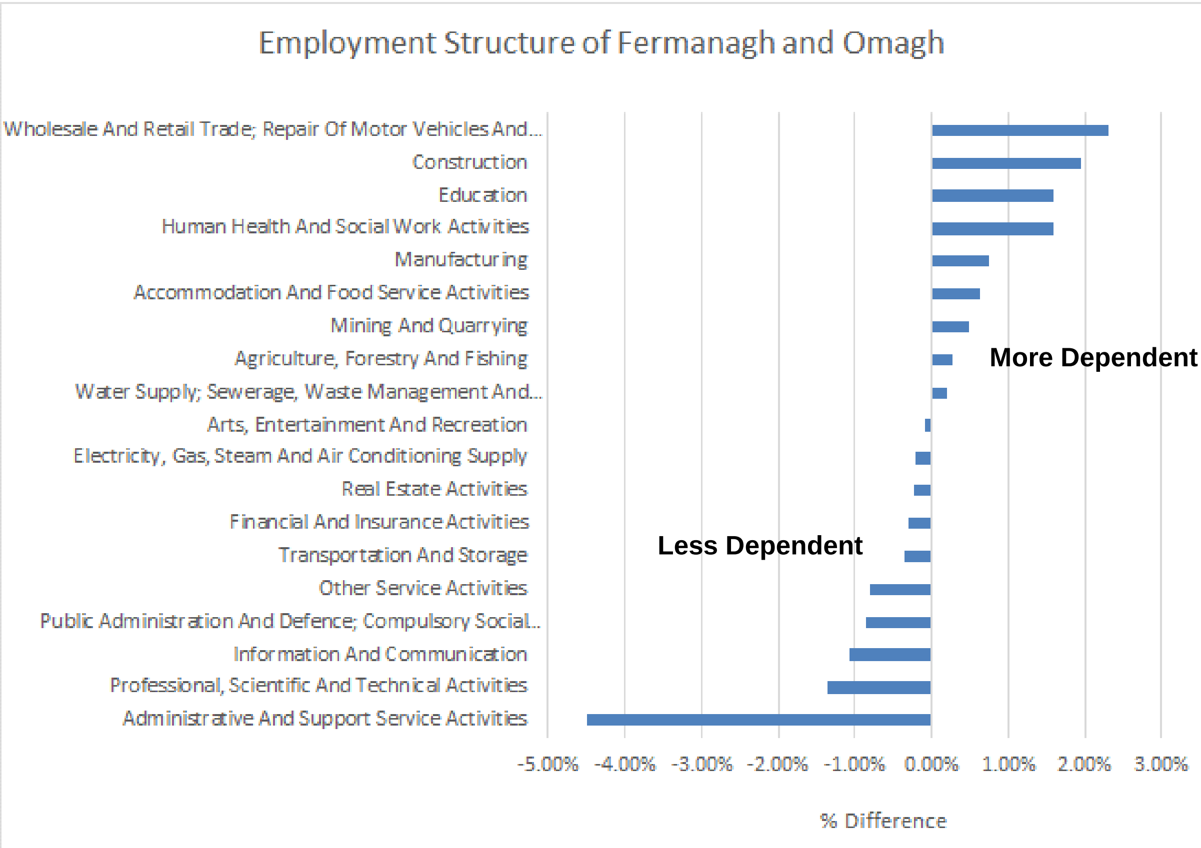
Source: NISRA Population Totals 2014 / Population Projections

Sectoral Composition

Employment in Fermanagh and Omagh is focussed on the traditional domestic sectors. Following the trend of most other district councils in Northern Ireland, a large proportion of employees work in the public sector. The fraction of the workforce employed in the construction and manufacturing sectors also exceeds the average for Northern Ireland. Within the public sector, the most popular area of employment is in retail, however Fermanagh and Omagh has significant dependence on the human health and social work sector compared to the Northern Ireland average.

Figure A3:2 below compares the location quotient of employment in key sectors between Fermanagh and Omagh and the Northern Ireland average.

Figure A3:2: Location quotient of employment in key sectors



Source: DETI Census of Employment 2013

As mentioned, the leading employment sector in Fermanagh and Omagh is retail. Consequently, Fermanagh and Omagh shows a significantly higher dependence in wholesale and retail trade when compared to the NI average. Wholesale and retail trade are responsible for 17.66% of employment across the whole of Northern Ireland, however in Fermanagh and Omagh, employment in this sector is closer to 20%.

Human Health (and social work) accounts for approximately 17.75% of employment in Northern Ireland, yet the proportion employed in this sector is 1.58% higher in Fermanagh and Omagh than the Northern Ireland average at 19.35.

As we can see in Figure A3:2 above, Education is also a sector which Fermanagh and Omagh is more dependent on when compared to the NI average. 9.77% of employment can be attributed to Education in Northern Ireland, however in Fermanagh and Omagh 11.37% of the workforce is employed in education.

The Fermanagh and Omagh economy is significantly more dependent on the construction sector for employment than the NI average. Construction in NI accounts for approximately 4.25% of total employment, however the proportion employed in this sector in Fermanagh and Omagh is 1.45 times greater, at 6.19%

It should be noted that the Fermanagh and Omagh area has a significantly higher concentration in the mining/quarrying, retail and construction sectors, all of which were disproportionately hit by the recent recession. Such a sectoral concentration can bring significant risks due to cyclical or structural changes in the economy and there is a need to maintain the core competencies of these key sectors, whilst diversifying the rest of the economy, either through Foreign Direct Investment or growth of indigenous SMEs.

Fermanagh and Omagh has on balance smaller sized firms than the regional average, with a significantly higher proportion of micro companies than NI. Approximately 85% of regional businesses employ <5 people, while the average in Northern Ireland is 75%. This holds true for both employment and turnover, as less than 1 in 20 regional businesses has a turnover of >£1m, significantly lower than the NI average (1 in 10), and 46% of regional businesses have a turnover <£60k (28% NI average).

There are approximately 7,175 active VAT/PAYE registered businesses in Fermanagh and Omagh (10.6% of NI total). However, the number of active businesses per 1,000 is higher than the NI average (97 and 56 businesses respectively). In 2013, there were 340 business births in the Fermanagh and Omagh District Council area, which represents 15.4% of business births in Northern Ireland, however there was also 410 business deaths (18.6% of business deaths in NI).

Table A3:3 below provides a breakdown of businesses in Fermanagh and Omagh by broad industry group. As we can see, the significant majority of businesses lie within the Agricultural sector and there is an under representation in key growth areas such as Information and Communication and Accommodation and Food Services.

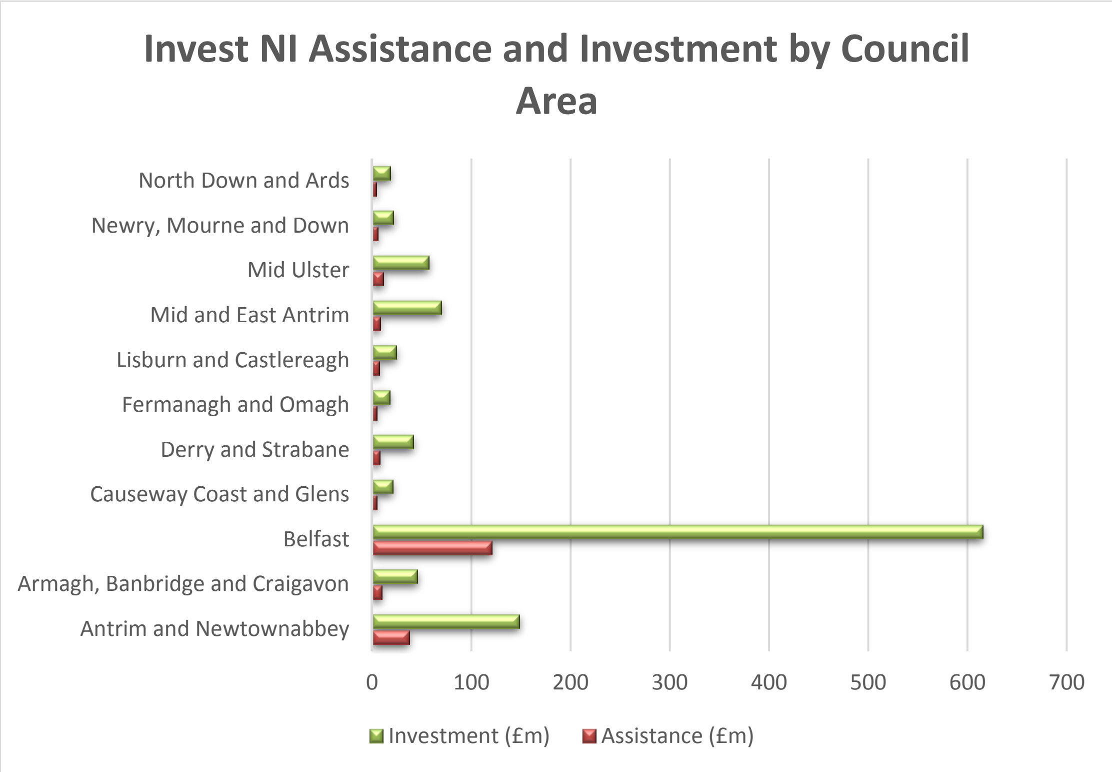
Table A3:3: Businesses in Fermanagh and Omagh by broad industry group

Industry Group	% of Businesses
Agriculture, Forestry and Fishing	46.2
Manufacturing	5.2
Construction	12.3
Retail, Wholesale, Motor Trades	13.6
Transport & Storage	2.4
Accommodation & Food Services	3.5
Information & Communication	0.6
Finance & Insurance	0.8
Property	1.9
Professional, Scientific & Technical	3.4
Business admin & Support Services	2.9
Education	0.6
Health	2.7
Arts, Entertainment, Recreation etc.	4.0

Source: Inter Departmental Business Register 2014

In 2013, 5,409 offers were made across Northern Ireland by Invest NI. However, only 342 (6.3%) were in the Fermanagh and Omagh District Council area, placing the Council area 8th out of the 11 LGDs in terms of offers. Similarly, despite a total assistance of £219.36m across Northern Ireland, only £4.16m made its way to Fermanagh and Omagh (1.9%), ranking the area 2nd to last just ahead of North Down and Ards. Finally, of the £1.086bn invested by Invest NI in 2013, only £17.5m (1.61%) was invested in the Fermanagh and Omagh District Council area, the lowest amount of all the councils and almost £600m less than the investment received in Belfast City Council.

Figure A3:4: Invest NI Assistance and Investment by Council Area



Source: NINIS

Tourism

- Fermanagh and Omagh was the third most visited council area based on tourist visits in 2013, accounting for 365,000 overnight trips and over 1.2 million nights in total;
- Expenditure amounted to an average of £59 million per year between 2011 and 2013, however it is suggested in NISRA statistics that the total spend for 2013 increased by £50m to £86m, which is 30.3% higher than the NI average of £66m;
- Fermanagh and Omagh did however have the lowest average trip duration in 2011-2013 (2.9 days) and the average spent by visitors was £174 per trip. In comparison, the average trip duration for Northern Ireland was 3.5 nights and average expenditure was £166 during the same time period;
- Trip durations in the council area have been increasing in length over time, in 2013 the council area ranked 3rd out of the 11 councils with an average of 3.2 days, compared to the NI average of 2.3 days;
- Only 32% of all visitors to Fermanagh and Omagh were from outside of NI (much lower than the NI average of 51%) however, these visitors contributed to over 51% of total tourism expenditure in the area. Average trip duration (5.2 days) to Fermanagh and Omagh by this grouping was around the average for all council areas and average spend was £235;
- Over two thirds of Fermanagh and Omagh's visitors since 2011 are from elsewhere in NI, with only 5% from the wider EU and North America. The popularity of the region as a 'stay-cation' destination is consistent with the figures for the Causeway Coast and the Mournes. The visitors from further afield tend to concentrate on Belfast; only

33% of visitors where from within NI – 17% came from the wider EU and North America;
- The most popular tourist attraction in Fermanagh and Omagh is Castle Archdale Country Park which received 190,000 visits in 2011-2013. Following this was Belleek Pottery Visitor Centre with 172,600 visitors and the Ulster American Folk Park which received 139,500 visits between 2011 and 2013;
- The tourism economy in Fermanagh and Omagh employs 3,500 people directly and accounts for 9% of total employment. This is less dependent than other regions – tourism directly employs 12% of the Causeway Coast and Glen's workforce and 12.4% of the North Down and Ards workforce.

Employment Level/Trends

The table below compares the mean average wage for Fermanagh and Omagh District Council area to the NI average. In terms of mean salary, the Fermanagh and Omagh District Council area has a lower salary level than the rest of NI (16.55% less), ranging from 11% less among full-time positions and 21% less among part-time positions.

The Fermanagh and Omagh District Council area has a higher proportion of the working population in part-time employment compared to NI generally (i.e. 37.5% compared to 32%).

The table below identifies the mean wage levels and frequencies for the new Council area, in addition to the Northern Ireland Statistics.

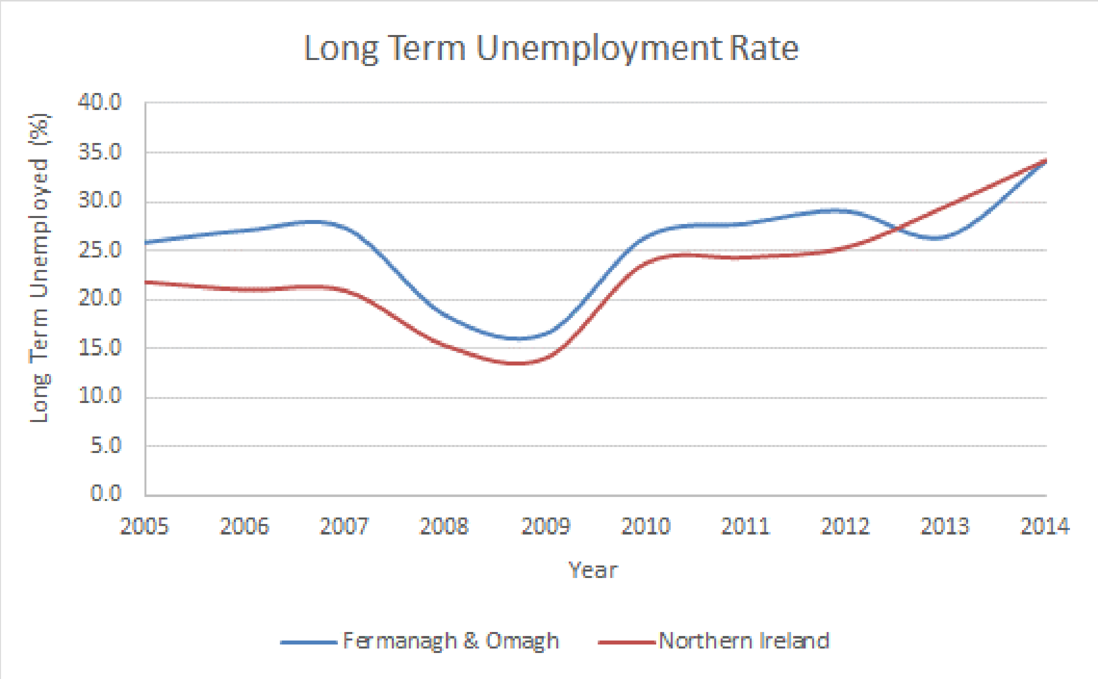
Table A3:5: Mean Wage Level and Frequency by Population Level

Area	Mean Wage Level per Week	Population
Fermanagh & Omagh (All)	£349.4	32,000
NI (All)	£418.7	720,000
Fermanagh& Omagh (Full time)	£471.4	21,000
NI (Full time)	£529.4	489,000
Fermanagh & Omagh (Part time)	£144.9	12,000
NI (Part time)	£184.3	231,000

Source: NISRA Annual Survey of Hours and Earnings 2014

NI as a region currently has a higher proportion of people in long term unemployment (33.9%) than the national UK figure (30.5%). Figure A3:6 compares NI and Fermanagh and Omagh long term unemployment.

Figure A3:6: Long term unemployment as a % of total unemployment



Source: NISRA Claimant Count Long Term Unemployment Annual Averages

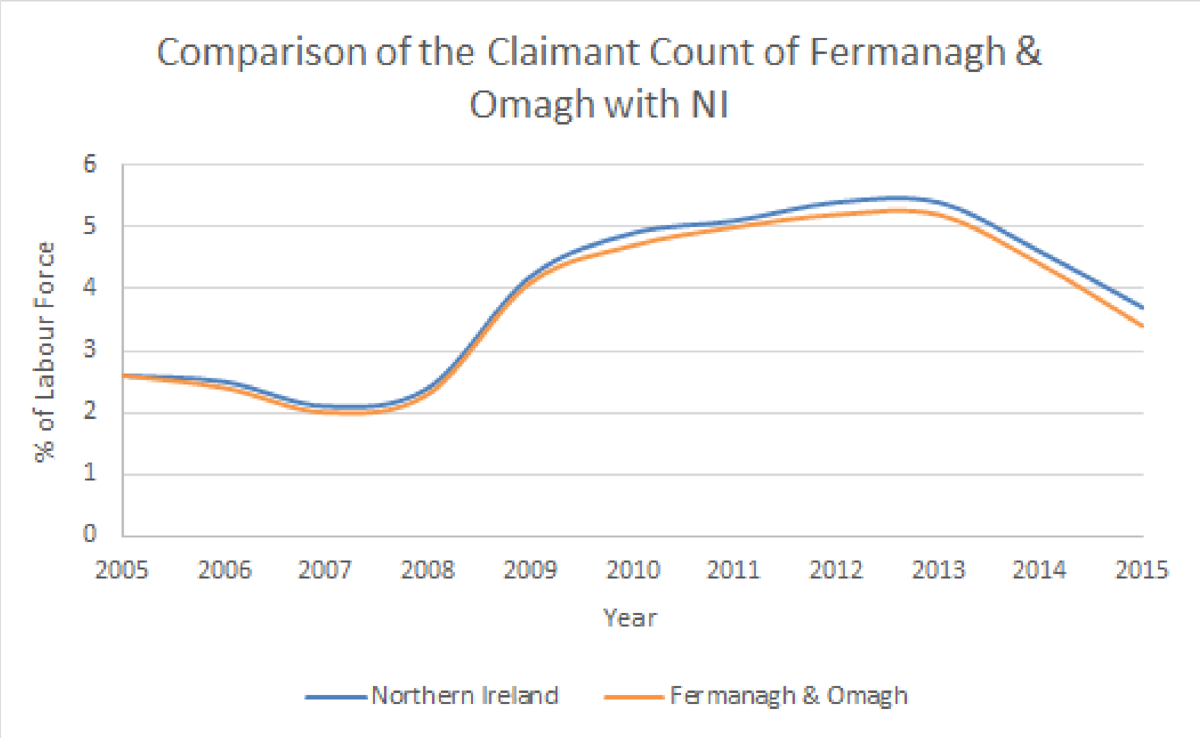
Fermanagh and Omagh historically has suffered higher rates of long term unemployment relative to the Northern Ireland average, however it has followed a similar pattern of rising/increasing rates. In 2012 however, long term unemployment fell below the NI average but by 2014 Fermanagh and Omagh had converged to the Northern Ireland average. Between 2007 and 2009, the number of people classified as long term unemployed decreased by over 39.6% in Fermanagh and Omagh. However, in 2011 the long term unemployment ratio surpassed the previous high of 2007 as a consequence of continued job losses in vulnerable but key sectors for Fermanagh and Omagh. The long term unemployed figure has remained stubbornly high and as of 2014, over 1050 people find themselves out of work for over a year and claiming unemployment benefit.

As identified previously, the majority of job losses resulting from the recession originated from the agricultural and construction sector between 2008 and 2013. As such it is unsurprising that claimants are largely, male and from the elementary process, plant and machinery and skilled trade occupational backgrounds. However sales and customer service roles (which are predominantly female and part time) have become more exposed to unemployment pressure, possibly resulting from weakened consumer spending following the recession.

As is commonly observed, there is a natural desire for the unemployed to use the transitional period as an opportunity to move into a more lucrative occupation. However, the most sought after occupations by the claimants in Fermanagh and Omagh continue to be the ones associated with the construction, manufacturing and agriculture sectors. On balance the occupational aspirations of the unemployed are unlikely to match job creation in the economy.

Figure A3:7 illustrates a comparison of the claimant count in Fermanagh and Omagh with the claimant count for Northern Ireland (2005 - July 2015).

Figure A3:7: Claimant count, 2005 - 2014



Source: NISRA Claimant Count Annual Averages

As we can see, the claimant count for the Fermanagh and Omagh District Council area has followed the same trend as that of the whole of Northern Ireland. It is also important to note that Fermanagh and Omagh has enjoyed a lower claimant count rate than the Northern Ireland average since 2005. As expected, there is a significant rise in the claimant count in 2008 following the start of the global recession, the number of people claiming unemployment benefits increased by 104.3% during this 2 year period. Following the trend of the rest of Northern Ireland, signs of recovery are appearing as the claimant count rate has started to drop from 2013. Currently the claimant count rate of Fermanagh and Omagh is 3.4%, which is lower than the equivalent figure for Northern Ireland, 3.7%.

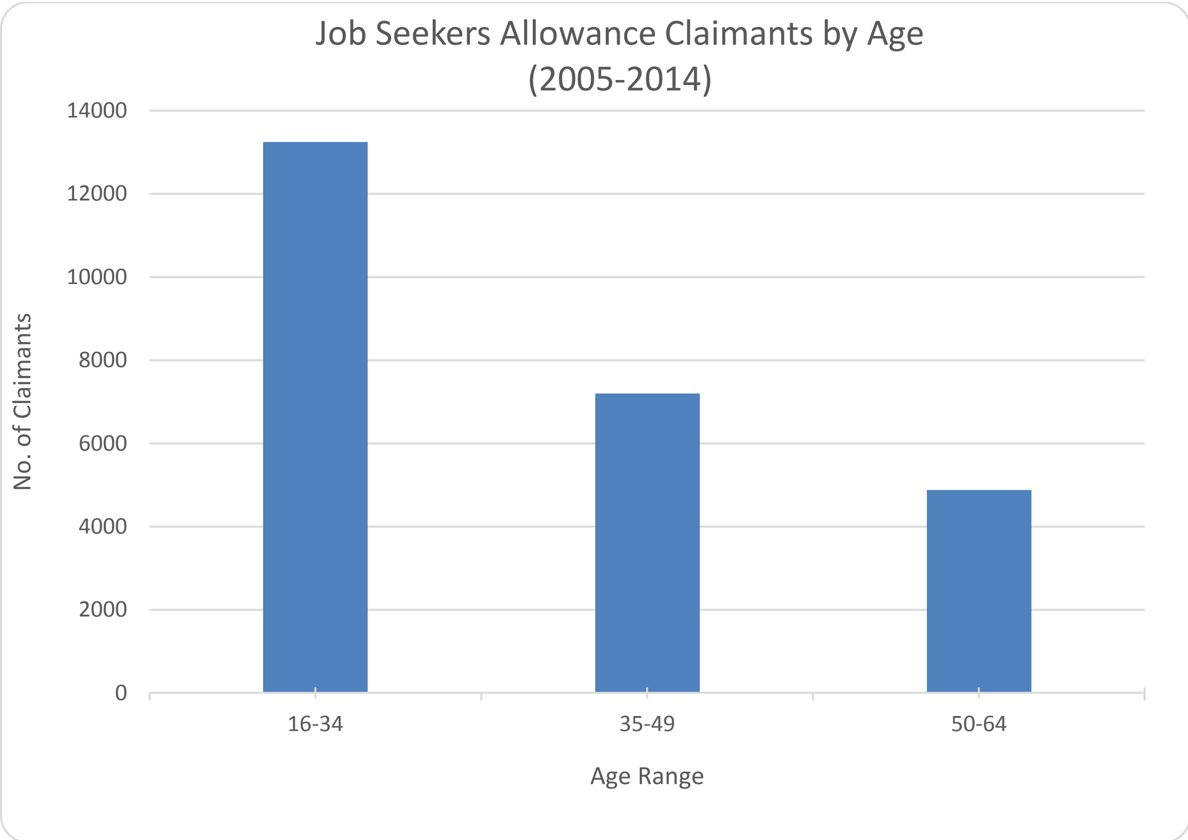
High levels of youth unemployment are well documented nationally and is very much present in the Fermanagh and Omagh District Council area. Of all new claimant on flows recorded from 2008 to 2014, those aged 24 and under accounted for 40%. In total 13.65%[21] (891 in Fermanagh and 928 in Omagh) of 16-24 years in the Fermanagh and Omagh area were not in employment, education or training (NEETS) compared to an NI average of 14.7%. In an

[21]Source DEL Analytical Services: Young People Not in Education, Employment or Training, Stakeholder Briefing Paper, November 2014.

environment of limited job growth and low business confidence generally, employers have been hiring experienced staff when the opportunity arises to the detriment of young people in the labour force.

Figure A3:8 illustrates Job Seekers Allowance claimants in Fermanagh and Omagh.

Figure A3:8: Job Seekers Allowance Claimants in Fermanagh and Omagh by age, 2005 - 2014



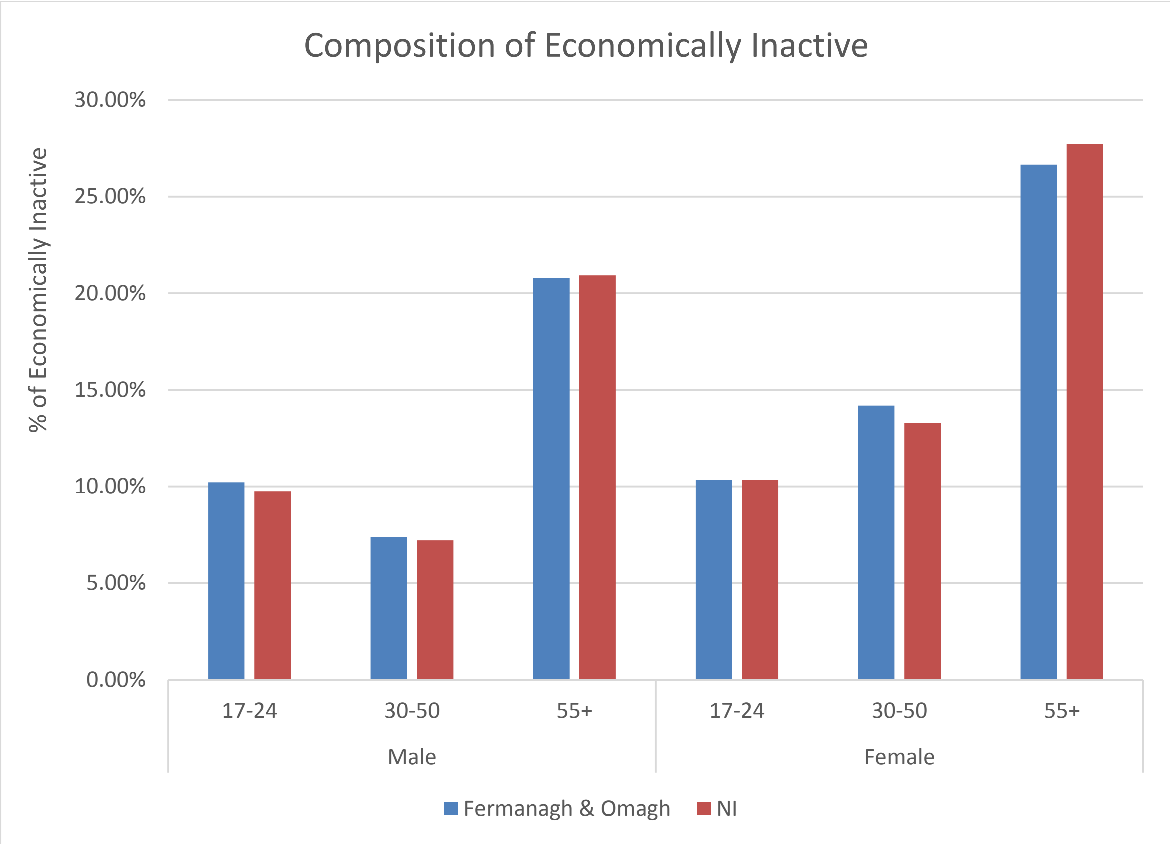
Source: NISRA Job Seekers Allowance Claimants

30% of the workforce in Fermanagh and Omagh are classified as being economically inactive, 18.9% of which are students – just slightly higher than the Northern Ireland average of 18.3%. The gender ratio of economically inactive is almost 1.5:1 in favour of females (57.5% and 42.5% respectively) which again follows the pattern of Northern Ireland (57.9% and 42.1% respectively). 20.55% of the economically inactive are aged 16-24, compared to the NI average of 20.09%.

Almost a quarter of the males which are economically inactive are aged 16-24 (24%) which is just slightly higher than the NI average of 23.2%. 49% of economically inactive males are aged 55-74, a high figure due to retirement and long-term illness yet slightly below the equivalent figure for Northern Ireland, 49.7%.

In females we see a slightly different age composition as only 18% are between the ages of 17 and 24, again very similar to the rest of Northern Ireland (17.8%). However, 24.6% of economically inactive females are aged between 30 and 50, the equivalent figure for men is just 17.3%.

Figure A3:9: Economic Inactivity in FODC by gender, age



Source: Census 2011

Socio-Economic Deprivation

The Fermanagh and Omagh area exhibits varying degrees of deprivation. The Fermanagh area ranked as one of the least deprived council areas (22^{nd}) in Northern Ireland according to the overall extent score. Omagh was also above the median for deprivation, ranking 17^{th} amongst the former 26 Councils.

Free school meals are viewed as a measure of deprivation. At 18.3%, Fermanagh and Omagh also has the fourth highest percentage of pupils entitled to free school meals. The average for the 11 council areas is 17.8%.

Pockets of deprivation are prevalent throughout the Council area when deprivation measures are considered at the ward level. Fermanagh and Omagh has nine wards which fall in the top 30% of the most deprived wards in Northern Ireland. For example, Devenish is ranked 29 in the multiple deprivation measure, placing in within the top 5% of the most deprived wards. At the other end of the spectrum, Fermanagh and Omagh only has one ward, Lisbellaw, within the 20% of the least deprived wards in Northern Ireland.

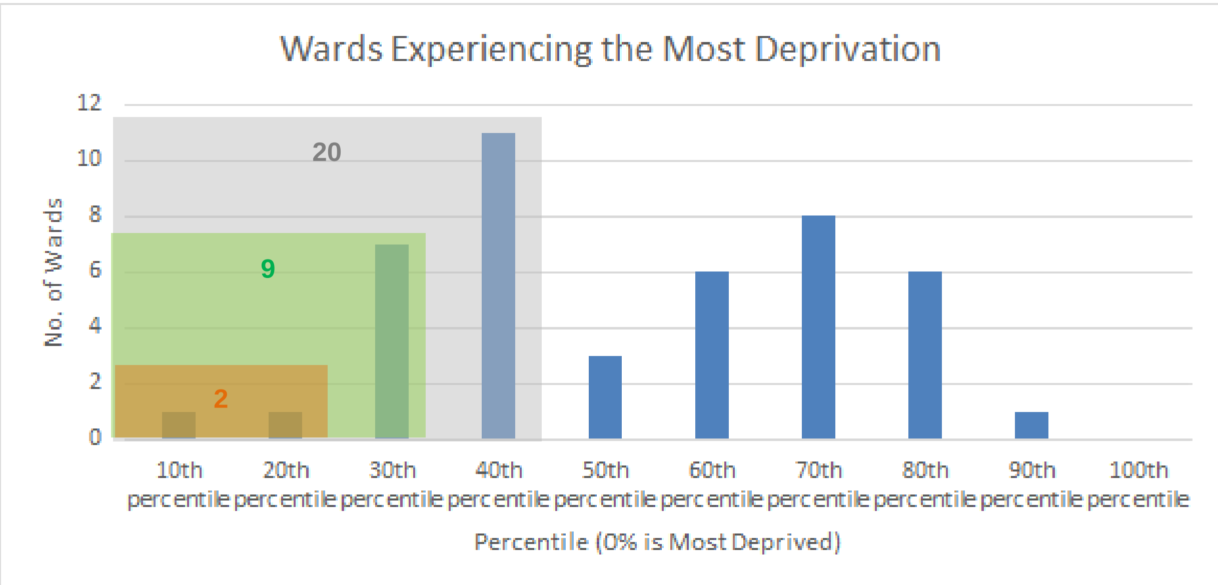
Table A3:10: Most Deprived Wards in Fermanagh and Omagh

Percentile	Ward	Deprivation Rank (1 = most deprived in NI)
5%	Devenish	29
10%	-	-
20%	Lisanelly	107
30%	Irvinestown Fintona Gortrush Drumquin Lisnaskea Newtownbutler Strule	123 132 139 141 153 159 170

Source: NISRA Multiple Deprivation Measure 2010

Figure A3:11 shows the number of wards Fermanagh and Omagh has in each deprivation percentile. The boxes show the total number of wards within each percentile grouping e.g. there are a total of 20 wards which fall within the top 40% most deprived wards in Northern Ireland.

Figure A3:11 Deprivation at the Ward level in Fermanagh and Omagh



Source: NISRA Multiple Deprivation Measure 2010

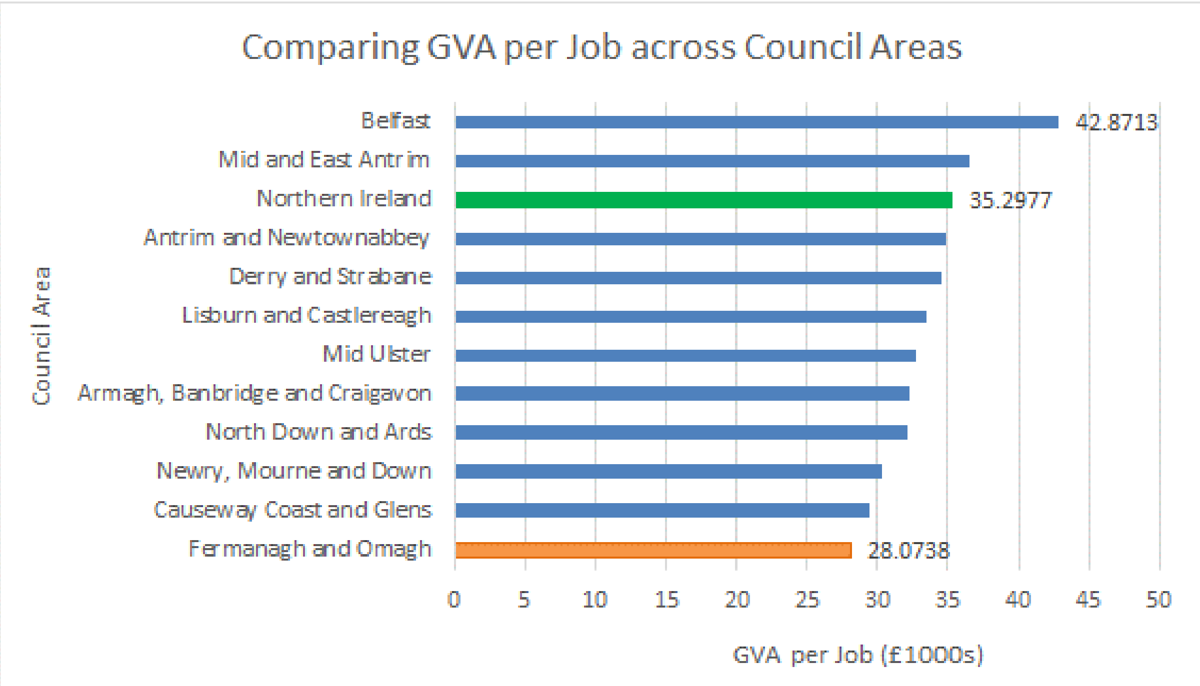
Economic Productivity

Although Fermanagh and Omagh has a number of key sectors, these tend to have the following characteristics: comparatively low wages, perceived low requirement for skilled personnel and low level of Business Expenditure on Research and Development (BERD), this consequently has a cumulative effect on the Gross Value Added (GVA) per head (i.e. productivity) for each of the sectors, as well as the Fermanagh and Omagh area.

Although there are no sub-regional figures assessing BERD at the LGD level, it is noted that the local economy is dominated by micro companies, which Department of Enterprise Trade and Investment (now DfE) research[22] identified as having both lower levels of BERD and capacity for research and development than the NI average. DfE research also states that agri-food, material processing and construction sectors also underperform in terms of BERD, all of which are prevalent in Fermanagh and Omagh.

As highlighted in Figure A3:12, Fermanagh and Omagh is at present in last place in NI in terms of GVA per head, consequently, not only is there a need to diversify the overall sectoral composition of the Fermanagh and Omagh economy (i.e. to attract more productive/higher paying industries, such as public services, professional and research and also ICT/digital media), but also to encourage investment in research and staff to further enhance the construction/engineering, agri-food and retail sectors.

Figure A3:12: Comparison of productivity levels across Council areas



Source: Annual Business Inquiry 2013

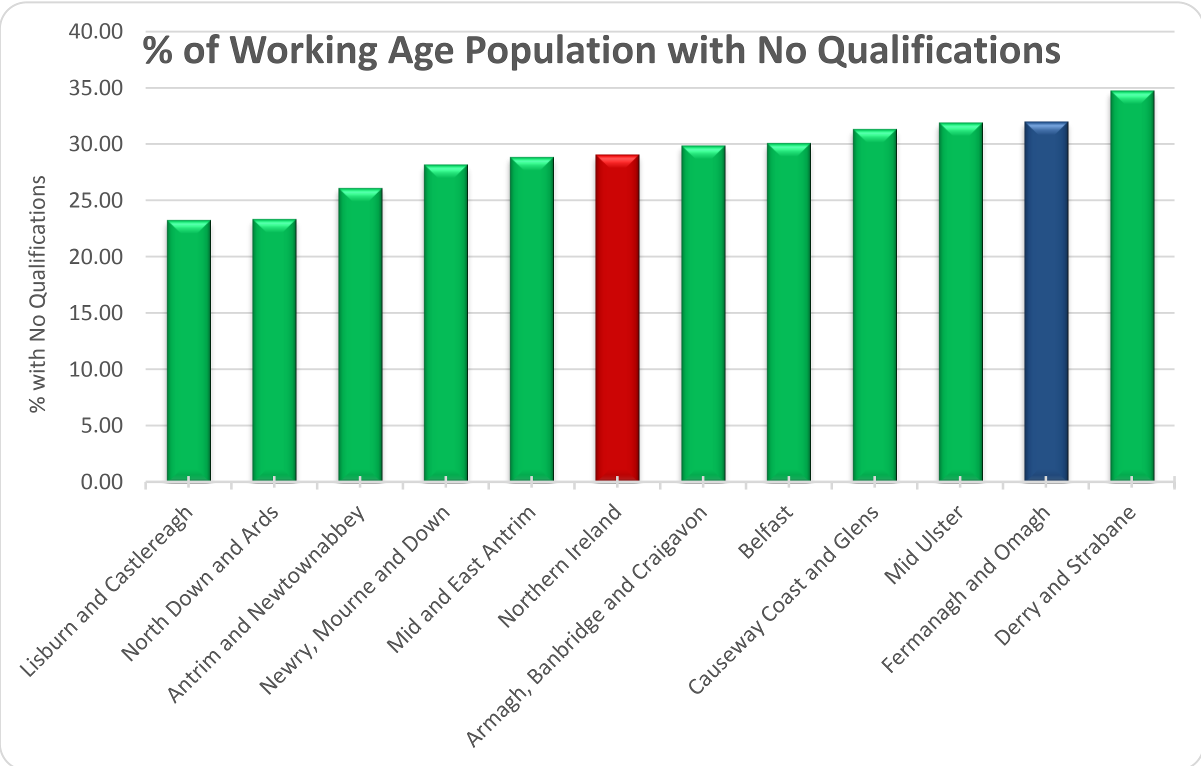
[22] Economic Strategy for Northern Ireland identifies the characteristics of Business Expenditure on Research and Development by sector and by scale of company.

Skills and Qualifications

Fermanagh and Omagh Council area has the second highest average proportion of its working age population with no qualifications (32.02%) compared to the other council areas within NI. In order to reduce the proportion of the working population with no qualifications to that of the NI average (29.12%), Fermanagh and Omagh would be required to up-skill almost 3% of the working population (over 1,400 people), or to match the best performing council area (Lisburn and Castlereagh City Council), just over 4,100 of the working age population would need to undertake training or study.

Figure A3:13 identifies the percentage of working age population with no qualifications in NI council areas.

Figure A3:33 % of working age population with no qualifications by Council area



Source: Census 2011

Without a focus on developing jobs in sectors with a higher GVA per head, the Fermanagh and Omagh area will continue to trail the NI average and lose highly skilled workers and recent graduates to faster growing regions.

APPENDIX 4 – REVIEW OF POTENTIAL FUNDING SOURCES

Title	Description
Europe 2020	The Europe 2020 strategy is concerned with delivering growth that is: smart, through more effective investments in education, research and innovation; sustainable, as part of a decisive move towards a low-carbon economy; and inclusive, with a strong emphasis on job creation and poverty reduction. The strategy is focused on five ambitious goals in the areas of employment, innovation, education, poverty reduction and climate/energy.
INTERREG VA Programme for Cross-Border Cooperation (2014-2020)	The INTERREG VA Programme for Northern Ireland, the Border Region of Ireland and Western Scotland is a European Union supported Structural Funds Programme which seeks to address the economic and social problems which result from the existence of borders. The proposed INTERREG VA Programme budget is €282 million, while the proposed PEACE IV budget is €269 million. Both programme budgets are cross-border budgets comprising 85% EU funding and 15% match funding. Four potential priorities have been identified for INTERREG VA - Research and Innovation, Environment, Sustainable Transport and Health.
INTERREG VB Northern Periphery and Arctic Programme (2014-2020)	The Northern Periphery Programme 2014-2020 aims to help peripheral and remote communities on the northern margins of Europe to develop their economic, social and environmental potential. The success of the programme will be built on joint projects creating innovative products and services for the benefit of the programme partner countries and Europe as a whole. The Northern Periphery and Arctic Programme area comprises the northernmost part of Europe including parts of the North Atlantic territories. In the EU member states the programme area covers Northern and Eastern Finland, Western Ireland, Northern Ireland excluding the larger Belfast region, Northern Sweden, and Highlands & Islands and Dumfries & Galloway regions in Scotland. Of the Non-EU member states Faroe Islands, Greenland, Iceland, Northern and Western Norway and Svalbard belong to the programme area 23. The Northern Periphery Programme will focus on the following Thematic Objectives: • Strengthening research, technological development and innovation; • Enhancing the competiveness of SMEs; • Supporting the shift towards a low-carbon economy in all sectors; and • Protecting the environment and producing resource efficiency.
INTERREG VB North West Europe (NWE) Programme (2014-2020)	The NWE Cooperation Area consists of 8 countries: Belgium, France, Germany, Ireland, Luxembourg, Netherlands, UK and Switzerland. The NWE Member States have started to prepare the content of the future Programme and they have agreed on the following Thematic Objectives: Strengthening research, technological development and innovation. The Programme will invest in enhancing the capacity of the NWE territory to generate innovation, on the basis of its existing potential and quadruple helix actors. It will seek to reduce the innovation capacity gaps between regions and contribute to the implementation of the

[23] http://www.northernperiphery.eu/files/archive/Downloads//Programming_process_2014-2020/Public_Consultation_DRAFT_OP/Draft_OP_document_-_chapters_1-4.pdf

Title	Description
	smart specialisation strategies of participating regions. Supporting the shift towards a low-carbon economy in all sectors. The Programme will invest in the area's climate change mitigation potential, reduction of GHG emissions, energy efficiency and the share of renewable energy sources in the consumption and production mix. Protecting the environment and promoting energy efficiency. The Programme will invest in eco-innovation and resource efficiency. The purpose is to reduce the environmental footprint of human activity on the environment, and decouple the growth curve from the material consumption curve.
INTERREG VC	INTERREG VC or 'INTERREG EUROPE' is one of the instruments for the implementation of the EU's cohesion policy. With this policy, the EU pursues harmonious development across the Union by strengthening its economic, social and territorial cohesion to stimulate growth in the EU regions and Member States. The policy aims to reduce existing disparities between EU regions in terms of their economic and social development and environmental sustainability, taking into account their specific territorial features and opportunities. For the 2014-2020 funding period, cohesion policy concentrates on supporting the goals of the Europe 2020 strategy. Public consultation has recently taken place on this programme and a consultation document is in preparation.
NI ERDF Investment for Growth and Jobs Programme (2014-20)	ERDF is the main EU Structural Fund used to support economic development in countries and regions across Europe. The proposed ERDF Investment for Growth and Jobs Programme is focused on three priority areas: • Strengthening Research, Technological Development and Innovation • Enhancing the Competitiveness of SMEs (including through improved access to finance measures and Tourism development) • Supporting the shift towards a Low-Carbon Economy
INTERREG PEACE IV Programme (2014-20)	PEACE IV will focus on one Thematic Objective—Social Inclusion and Combating Poverty. This aligns with the objectives of Together: Building a United Community and proposes activity in a number of areas including – Shared Education, Children and Young People (linking with the United Youth Programme), Shared Spaces and Services and Civil Society. Structured programmes of activities involving groups from different backgrounds. Training and development programmes for inclusive civil leadership. Development of strong local partnerships aimed at addressing local problems of sectarianism and racism. Civil society development programmes focusing on areas such as: commemoration events; history; language; arts and culture; religion; leadership; community development; social enterprise; inclusion and equality; conflict resolution and mediation; entrepreneurial and economic activity; adult education; training; and sport. Programmes aimed at engaging individuals and communities not previously engaged in peace-building activities who wish to contribute to a shared society.
Rural Development	The objectives of the NI RDP relate to: • The competitiveness of agriculture

Title	Description
Programme	• Sustainable management of natural resources and • The balanced development of rural areas Beneath these three broad objectives the EU proposals detail six EU priorities for rural development: 1. Fostering knowledge transfer and innovation in agriculture, forestry and rural areas 2. Enhancing competitiveness of all types of agriculture and enhancing farm viability 3. Promoting food chain organisation and risk management in agriculture 4. Restoring preserving and enhancing ecosystems dependent on agriculture and forestry 5. Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors 6. Promoting social inclusion, poverty reduction and economic development in rural areas. The objectives of the Priority 6 (Promoting Social Inclusion…) are: • To assist new and existing rural businesses to become sustainable and to grow. To seek to minimise, where it exists, disadvantage, poverty, social exclusion and inequality amongst those living in rural areas and in particular amongst vulnerable groups to enhance their quality of life. • To strengthen the social, economic and cultural infrastructure of rural areas. • To strengthen the rural tourism sector by providing support for projects which are in accordance with the Northern Ireland Tourism Priorities for Growth. • To support and strengthen rural villages and towns to create a vibrant rural community.
European Fund for Strategic Investment	Contributions from the local ERDF Operational Programme are allocated an Urban Development Fund which subsequently invests them in public-private partnerships or other projects included in an integrated plan for sustainable development. Investments and match funding can be equity, loans and or guarantees. The Urban Development Fund usually supports capital investment in projects related to area regeneration and renewable energy.
Horizon 2020	Horizon 2020 is the financial instrument implementing the Europe 2020 flagship initiative 'Innovation Union' and is the principal tool for the promotion of research, development and innovation. It has an €80bn budget. The Horizon 2020 programme consists of three core themes or 'pillars': • Excellent science • Industrial leadership • Societal challenges The Horizon 2020 Excellent Science programme aims to raise the level of excellence in Europe's science base and ensure a steady stream of world-class research to

Title	Description
	secure long-term competitiveness in Europe. It supports the best ideas, develops European talent and provides researchers with access to a research infrastructure. Dedicated support is available to: • Support talented individuals and their teams to carry out ground-breaking research by building on the success of the European Research Council • Fund collaborative research to open up new and promising fields of research and innovation through support for Future and Emerging Technologies • Provide researchers with excellent training and career development opportunities through the Marie Curie Actions • Ensure Europe has world-class research infrastructures (including e-infrastructures) accessible to all researchers in Europe and beyond. **Industrial leadership** The Horizon 2020 Competitive Industries Programme will make Europe a more appealing location to invest in research and innovation. The programme seeks to stimulate the growth potential of European companies, targeting SMEs in particular. With dedicated support, the programme aims to build leadership in enabling and industrial technologies. Support is available for a range of Key Enabling Technologies: • Advanced manufacturing and processing • Advanced materials • Biotechnology • Information and Communication Technologies • Nanotechnology • Space The programme provides support for cross-cutting actions to capture the accumulated benefits from combining several of these technologies. **Access to risk finance** The Industrial Leadership theme also facilitates access to risk finance, stimulating private investment and venture capital in research and innovation; and aims to strengthen the participation of smaller companies by offering support for innovative SMEs across the European Union. **Societal challenges** The Horizon 2020 Societal Challenges Programme reflects the policy priorities of the Europe 2020 strategy and addresses major concerns shared by people across Europe and beyond. This challenge-based approach brings together resources and knowledge across different fields, technologies and disciplines, including social sciences and the humanities. The Societal Challenges Programme: • Covers activities from research to market with a new focus on innovation-related activities, such as pilots, demonstrations and

Title	Description
	test beds • Includes support for public procurement and market uptake • Helps to establish links with the activities of the European Innovation Partnerships (EIP). Societal Challenges funding will be focused on the following calls: • Health, demographic change and well-being • Food security, sustainable agriculture and forestry, marine and maritime and inland water research, and the bio-economy • Secure, clean and efficient energy • Smart, green and integrated transport • Climate action, environment, resource efficiency and raw materials • Europe in a changing world: inclusive, innovative and reflective societies • Secure societies - protecting the freedom and security of Europe and its citizens.
COSME	COSME: This is the EU Programme for the Competitiveness of Enterprises and Small and Medium Sized Enterprises (SMEs) running from 2014 to 2020 and has the following objectives: • Better access to finance for SMEs; • Access to markets; and • More favourable conditions for business creation and growth. COSME will facilitate and improve access to finance for SMEs through two different financial instruments, available from 2014. Loan Guarantee Facility: The COSME project will fund guarantees and counter guarantees for financial intermediaries (e.g. guarantee organisations, banks, leasing companies) to help them provide more loan and lease finance to SMEs. This facility will also include securitisation of SME debt finance portfolios. Equity Facility for Growth: The COSME programme will also provide venture capital and mezzanine support to expansion and growth stage SMEs, with a particular focus on encouraging financial intermediaries to operate on a cross border basis.
Creative Europe	Creative Europe has been developed to increase the visibility of Europe's culture and audio-visual sectors, the European Commission supports a variety of actions, initiatives, and prizes. These are designed to reward achievement, highlight excellence, and raise awareness of Europe's culture and heritage. There is a budget of €1.46 billion for 2014-2020. Indicative activities include: • European Capitals of Culture; • European Heritage Days; • European Union Prize for Cultural Heritage; • European Union Prize for Contemporary Architecture; • European Heritage Label; • European Border Breakers Awards; • European Union Prize for Literature;

Title	Description
	• European Union Prix MEDIA.
NI Investment Fund (replaces the existing Financial Transactions Capital Fund).	Potentially £80m of soft loan support to the private sector to promote capital investment in regeneration (including office development) and/or energy generation/waste mitigation projects
Innovate UK. Eurostars programme	Eurostars seeks to overcome one of the barriers to the implementation of high-quality SME-led transnational R&D projects, the lack of guaranteed public-sector funding. Eurostars takes a 'bottom-up' approach to project generation. Projects can address any technological civilian area and have the objective to development a new product, process or service. Eurostars will stimulate SMEs to lead international collaborative research and innovation projects by easing access to support and funding. Providing funding and support for market-oriented research and development specifically with the active participation of R&D-performing SMEs. Definition of a research performing SMEs is a company that invests 10% or more of turnover, or 10% of FT equivalent staff on research activities, or 5 or more FT staff work on research activities (SME with 100 or fewer employees). 10 or more FT staff work on research activities (SME with 100 or more employees). In the United Kingdom only innovative intensive and research-performing SME's are eligible for funding under the Eurostars programme. Academics/universities and large companies are welcome to participate in a Eurostars project, but must fund their own participation or use funds from other sources.