



Subject:	Growing the Economy and Working and Learning: Overview of priority activities for 2018/19
Date:	7 March 2018
Reporting Officer:	Donal Durkan, Director of Development
Contact Officer:	Colin McCabrey, Economic Development Manager (Local Economic Development) Sinead O'Regan, Economic Development Manager (Employability and Skills)

Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report or Summary of Main Issues
1.1	The purpose of this report is to identify the priority activities to be delivered in the coming financial year as part of the Committee's ambitions to support delivery of the targets under two of the pillars of the Belfast Agenda: Growing the Economy and Working and Learning.

2.0	Recommendations
2.1	<p>The Committee is asked to:</p> <ul style="list-style-type: none"> • Note the priority issues raised at the Committee workshop on 21 February 2018 • Agree to the Forward Work plan to support delivery of the Growing the Economy and Working and Learning strands of the Belfast Agenda • Agree to receive a further report in April 2018 outlining the specific detail of activities.
3.0	Main Report
3.1	<p>Members will be aware that the Committee Workshop which took place on 21 February 2018 aimed to agree the broad programme of work for the Committee in the coming financial year. Officers made a number of presentations to seek feedback on proposed activities and Members indicated their support for the general approach.</p>
3.2	<p>The key discussion points included the following:</p> <ul style="list-style-type: none"> • Supporting inclusive growth through economic and city development should be a key driver for the Committee and the Council – it is essential that consideration is given to clearly articulating what inclusive growth means, how it aligns to the vision and priorities contained in the Belfast Agenda, how it is measured and how it can apply across all areas of business • Creating jobs and improving skills were the key drivers articulated during the public consultation exercise for the Belfast Agenda. They should remain the top priority for the Committee in the coming year, working towards the agreed stretch targets set out in the Belfast Agenda • City Deal offers an opportunity for additional investment in a number of the Committee’s priorities including Employability and Skills, Tourism Infrastructure, City Investment and Regeneration.
3.3	<p>Members will be aware that the key targets and ambitions relate to job creation, improving competitiveness, increasing business start-ups, addressing economic inactivity, increasing the overall job numbers in the City, improving skills – particularly for those with no or low skills – and increasing levels of investment into the City.</p>

Growing the Economy: achievements in April 2017-February 2018

Since April 2017, Council has developed and delivered a range of activities to address the challenges around low levels of start-up, innovation, competitiveness and productivity. These include:

- 301 entrepreneurs supported through the Go for It programme supporting the creation of 213 jobs;
- Support for 34 Social Enterprises and 10 Co-operatives contributing to 9 new business starts already creating 32 jobs;
- Support for 32 university/FE college student entrepreneurs to develop their own new businesses while still in education. We are working with the colleges and universities to look at how this support can be enhanced – and how entrepreneurship can become more embedded in the curriculum for all students;
- Ongoing investment in the Innovation Factory – the tenant occupancy rate at the Innovation Factory is 27% representing 103 jobs and 37 business tenants. A more detailed report on progress will be presented to the April 2018 Committee. The Innovation Factory is performing on target, Council's initial investment is now offering the opportunity for more engagement through the recent PEACE IV approval and the decision by Invest NI to further develop the infrastructure around the site. Other investment opportunities are now being considered across the wider site.
- Provision of business mentoring support for 110 small businesses in Belfast (programme launched in September 2017). Businesses have received support on a range of topics including marketing, digital strategy, sales development and cash flow management. A further 19 businesses have been supported through the retail and hospitality programme which provides small businesses with advice and support to enhance their customer experience.
- Business Accelerator and Investment support: as previously agreed by this Committee, the Council is to support 10 small Belfast businesses to go through the MassChallenge Bootcamp programme in Boston. Companies will receive intensive support around pitching, targeting investment and partnership development and they will be able to network with other Boston-based companies to develop new partnership arrangements and collaborations. The Boston Bootcamp will take place w/c 21 May. The Council is working closely with Catalyst Inc and Invest NI on this programme;
- Launch of a new high-growth start-up programme supported by ERDF (European Regional Development Funds). The first intake is currently being recruited. 20 new

businesses will access support through this initiative by April 2018;

- We have supported the creative and digital sector by supporting The Great Escape, Output Belfast, AVA Music Festivals and SXSW representing 1,150 visitors and 455 Belfast businesses. We have also worked with the Smart Cities Team in the development of the Immersive Tech Lab and are supporting the development of a number of new tech challenges focusing on tourism growth and new product development.

3.5

Emerging Opportunities and direction of travel 2018/19: Growing the Economy (business start-up and growth)

Taking account of recent Member comments and of the existing Belfast Agenda Vision targets and ambitions, it is proposed that the programme of work for the coming year will include the following broad areas of activity under the banner 'Belfast: City for Business':

Enterprise Awareness/Business Start-up:

- A programme will be designed to encourage enterprise within education and the youth sector to help young people considering setting up their own business as a career choice. This support aims to engage approximately 600 young people across the city in 2018/19.
- Graduate entrepreneurship: Officers have been working closely with partners in UU, QUB, Belfast Met and Invest NI to develop a new intervention, following on from the current Belfast Enterprise Academy programme. Invest NI have now agreed to provide a time-bound salary payment for student entrepreneurs who commit to starting their business when they graduate.
- Female Entrepreneurship: we are developing an initiative with the 10 other Councils in partnership with Invest NI and Women in Business designed to encourage females to start a business.
- Start-up incentives: Officers are working with Legal Services and Audit, Governance and Risk to consider an approach to financial incentives aimed at removing barriers to entrepreneurship
- Ongoing investment in the Go for It programme, with partners across the 11 Council areas.

Business Growth

- Officers are applying for funding (ERDF and Invest NI) to provide specialist support and advice to businesses focusing on integrating digital technology into their business models. The programme aligns directly to the proposed DCMS Full Fibre Project (2018-

2020) to be delivered through Digital Services. The funding application for this is currently with DCMS for consideration;

- Cyber Security and Business Resilience Programme – development activity is underway to bring forward a programme to test the cyber resilience of Belfast businesses. This arises from the Northern Ireland Cyber Security Strategy which Council funding helped develop;
- International & Export Development: we have put in place a support programme to increase the number of Belfast businesses involved in export activity. In the course of the year, 15 businesses who are not currently exporting will develop export plans to enter new markets;
- Advanced Engineering Sector: We are developing a support programme for the advanced engineering and manufacturing sector. It will deliver accreditations and standards to enable businesses within this sector to meet quality standards and industry performance requirements. It is anticipated that the programme will support up to 15 business participants towards skills development, increased competitiveness and securing contracts. There may be an opportunity to showcase some of this collaboration in future at the North Foreshore site as a meanwhile use;
- Music Development Programme: Building on the success of Output and SXSW Officers are developing this further to create a Belfast specific Music Development Programme supporting local artists and indirectly supporting the music infrastructure of the City;
- Circular Economy – We plan to pilot interventions to influence and create circular economy models across businesses operating in Food, Fashion, Electrical Goods and Furniture. An initial pilot in 18/19 will work with up to 10 restaurants across the city to assess their existing supply chain model and efficiency. The programme will implement improvements towards more profit and less waste;

3.6

In addition to the development of these new initiatives, the team will continue to work with Digital Catapult to encourage and support access to the Immersive Lab facilities by a wider section of businesses and interested organisations. Businesses across the City will benefit from We will continue to offer our Trade Association support and range of programmes to support retailers. An outline of the 18/19 annual service Plan for Innovation Factory will be presented to April Committee and our plans regarding 'Belfast: City for Business' were discussed recently at Party Group Briefings.

3.7

The business start-up and growth environment is a particularly complex and confused marketplace. In order to avoid duplication, we have convened a partnership of more than 30

stakeholders involved in the delivery of enterprise support. The partnership has recently agreed the terms of reference for an Enterprise Framework which will be developed by August 2018 and which will help shape investment decisions from 2019 onwards.

Working and Learning: achievements in April 2017-February 2018

3.8 Over the past year the Council has worked with partners to develop a number of collaborative initiatives to address some of the challenges identified above. Some of the headline outcomes include:

- 4,070 residents have accessed Employability and Skills interventions of whom 1,247 have entered into employment/self-employment (876 through ESF, 40 through early engagement initiatives, 15 through Employment Academies, 213 Business Start-Up and 103 through Innovation Factory)
- Over 1,219 training accreditations have been supported and 714 people have progressed to education and training
- 290 jobs are in the pipeline through Employment Academies across a range of employers, including hotels, construction, health and social care and transport.

Emerging Opportunities 2018/19: Working and Learning

3.9 Following engagement with Members of the City Growth and Regeneration Committee at the 21 February workshop, as well as Stakeholder engagement with the relevant partners working in this field, a number of strategic opportunities for investment have emerged. These include:

- Significant support for additional investment in Employment Academies, expanding on existing sectors and developing Academies in new growth sectors
- Ensure direct alignment between the investment in City regeneration and opportunities for upskilling or job creation – working with some of the City’s major investments such as the Transport Hub and Ulster University
- Support for increasing engagement and early intervention with schools and young people, particularly those with low skills levels or those that risk leaving skills without basic skills
- Pilot new approaches to increase engagement and opportunities for reskilling, retraining and Apprenticeships for all ages – including Apprenticeships for new vocational areas
- Deliver and further develop the phased approach to the Belfast Employability Pathway (Belfast Workplace) – ensuring that participants and employers are clear about the Employability and Skills offer available to them – and ensuring that the offer

is designed to meet their needs

- Develop new governance and management arrangements to support joint planning and investment on Employability and Skills
- Support enhanced alignment of service delivery across the Council to maximise the job and employment opportunities from planning and major redevelopment in the City
- Explore opportunities for co-commissioning of new Employability Programmes, in line with the contract duration for some of the major programmes (e.g. Steps to Success, Training for Success etc.)
- Need to ensure that interventions is targeting those groups and localities most in need of investment – drilling down to very localised engagement approaches
- Explore how the City Deal investment can attract additional resources to secure long-term investment in this area of work – including investment from private sector and government partners.

3.10 The Council's investment in Employability and Skills continues to be driven by the principle of inclusive economic growth. Therefore, support interventions are based on ensuring that structural inequalities are addressed with regard to educational attainment, skills, employability, working poor, under-employment etc. To underpin this work, it is proposed that the Council adopt the following guiding principles to inform all future programme planning in this area:

- Approach must be principally employment-led focusing upon identified employment opportunities and gaps in provision;
- Needs-led approach must be applied in order to deliver against the principles of 'inclusive growth' targeting interventions towards geographical areas and/or client groups while being accessible and open to all;
- Our approach must be ambitious, we need to increase visibility and awareness of Council's role within this environment and strategically build our position in this area;
- Our approach should be both intelligence-led and evidence-based;
- Council's intervention must add value, not duplicate existing provision and have an in-built partnership approach;
- Flexibility of approach is one of the main strengths of the Council allowing for interventions to be developed around emerging market needs/opportunities;
- The interventions delivered will be scalable and delivered seamlessly across the City, in line with need and opportunity.

3.11 In addition to direct interventions, we will continue to work to drive maximum social and economic benefit of investment decisions by the Council and other Anchor Institutions by exploring opportunities for “social return” from our spend and considering the potential for Employability and Skills support to be levered through Developer Contributions as part of relevant planning decisions. Officers are currently working with colleagues in the Planning and Building Control Service with a view to establishing the viability of these mechanisms and looking and good practice from other cities to see what might be transferable.

Financial & Resource Implications

3.12 The recommended budget allocations for the Growing the Economy programme activity based on contractual commitments, pending funding applications and priority areas identified above is summarised below:

Starting a Business	£522,000
Business Growth and Sector Development	£500,000
Investment Support	£80,000
City Centre Development (Includes City Centre Management and initiatives such as Festive Lighting)	£210,000

3.13 The recommended budget allocations for Employability and Skills programme activity based on contractual commitments and priority areas identified above is summarised below:

ESF Match Funding – match funding of ESF employability projects	£240,000
Employment Academies and Skills Development Support for Job Opportunities	£500,000
Career Development, Early Intervention and other Research Activities	£175,000

3.14 The total investment of £915,000 within Employability & Skills is an increase of £250,000 compared with the previous financial year where £665,000 was invested in Employability & Skills. We would envisage that, in order to increase the impact that Members have supported through the Belfast Agenda, this investment in Employability & Skills is further increased in subsequent years. This will be subject to discussion as part of the future rates setting process for the coming financial years.

3.15	<p><u>Equality or Good Relations Implications</u></p> <p>Each of the proposed projects referenced in this report is informed by statistical research, stakeholder engagement and complementary policies and strategies. New projects or service areas are equality screened and considerations given to equality and good relation impacts at the initial stages of project development. Officers will work closely with the Equality and Good Relations Team on this activity.</p>
4.0	Appendices – Documents Attached
	None