

**From:** [Duffy, Michael](#)  
**To:** [Cooper, Trevor](#)  
**Cc:** [Sterling, David](#); [Thomson, David \(DETI\)](#); [Lewis, Colin](#); [Brankin, Bernie](#); [Partridge, Jeff](#); [Parkhill, David](#); [Aiken, Glynis](#); [Stevenson, Valerie](#)  
**Subject:** DETI SUB 145/11: Budget 2010: DETI Chapter and Budget Statement  
**Date:** 24 March 2011 12:09:08  
**Attachments:** [Submission cleared by Minister 24.03.11.DOC](#)  
[Annex A -DETI Final Budget 2010 Chapter.doc](#)  
[Annex B - Savings Delivery Plans.doc](#)  
[Annex C - Summary of Consultation Responses.doc](#)  
[Annex D - Budget 2010 - Ministerial Statement.doc](#)

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Trevor

The Minister has cleared your submission of 18 March. Please proceed.

**Michael Duffy**

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**FROM:** Trevor Cooper

**DATE:** 18 March 2011

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**TO:** 1. Andrew Crawford  
2. Arlene Foster MLA [Minister cleared 24.03.11]

**DETI SUB 145/11:**

**BUDGET 2010: DETI CHAPTER AND BUDGET STATEMENT**

**Issue:** To publish the DETI Budget chapter and responses to the Budget consultation on the DETI website.

**Timing:** **Urgent:** The Budget was agreed by the Assembly on Wednesday 9 March and we have advised David McNarry, MLA that this information will be published before the end of March 2011.

**Need for referral to the Executive:** The Executive has approved the Final Budget.

**Presentational Issues:** The departmental Budget chapter will be closely reviewed by the ETI committee and stakeholder groups.

**Freedom of Information:** It may be possible to claim exemption for this submission as policy under consideration.

**Programme for Government /PSA Implications:** Allocations will impact on the makeup of future PFG and PSA targets.

**Financial Implications:** Savings will reduce the baseline available to some DETI business areas. The proposed settlement represents a reduction in DETI's current expenditure and capital investment budgets over the Budget period against a very tight fiscal environment.

**Legislation Implications:** Not Applicable.

**Statutory Equality:** High-level Impact Assessments have been completed for all budget adjustments.

**Recommendation:** That you consider the information below and confirm that you are content that the attached departmental Chapter and Ministerial statement can be published on the DETI website.

### **Background**

1. The Draft Budget 2010 was announced on 15 December 2010 and provided proposed departmental current expenditure and capital investment allocations for the four year Budget period.
2. DETI's Draft Spending Proposals and Savings Delivery Plan were published on our website on 5 January 2011. The consultation period closed on Wednesday 16 February 2011.
3. The Final Budget was agreed by the Executive on 3 March 2011 and by the NI Assembly on 9 March 2011.

### **Changes Implemented Between Draft and Final Budget**

4. You approved increases to Invest NI and NITB's draft budget allocations. Invest NI's current expenditure budget was increased by £4m in 2011/12, and the NITB current expenditure budget was increased by £2m in 2011/12, £0.9m in 2012/13 and £0.5m in 2013/14. These changes were funded through a £2m additional allocation between Draft and Final Budget in 2011/12, a £3m reallocation from Pleural Plaques in 2011/12, and reallocation from the central reserve of £1m in 2011/12, £0.9m in 2012/13 and £0.5m in 2013/14.
5. The Invest NI capital investment budget was reduced by £3.4m in 2011/12 between Draft and Final Budget reflecting a reduction in NI Screen funding in this year (alternative funding options under consideration).
6. A number of changes to EU Interreg budgets were also made centrally by DFP.

### **Final Budget 2010**

7. It is intended to publish the DETI chapter from the Budget 2010 document and the Savings Delivery Plans on the departmental website.
8. We are also expected to publish the responses received as part of the public consultation and a summary of the issues raised in the consultation process. It is recommended that a Ministerial statement on the Budget and the response to the consultation exercise is also published.

9. I attach the following documents:

- Annex A – DETI Budget 2010 Chapter
- Annex B – Savings Delivery Plans
- Annex C – Summary of consultation responses and issues raised
- Annex D – Ministerial response to the consultation and Final Budget.

### **Departmental Chapter**

10. The DETI chapter of the Draft Budget document was previously approved by you for publication on the DETI website. You took action to allocate additional funding to Invest NI and NITB following the consultation exercise, and the Budget chapter has been changed to reflect the revised allocations. Following these amendments DFP summarised the chapter, which is included in the revised Budget document which DFP has published on the Northern Ireland Government website. We have amended the summary current expenditure table to separate the Consumer Council and use of provisions budgets (Asbestos and Pleural Plaques liabilities and abandoned mines).
11. The revised DETI Budget 2010 chapter is attached at **Annex A**.

### **Savings Delivery Plans**

12. The Savings Delivery Plans are attached at **Annex B**. These remain unchanged from the plans published in the Draft Budget.

### **Consultation Responses**

13. A summary of the responses to the consultation process and the recommendations resulting from the consultation are attached at **Annex C**. We have also checked the Draft Budget website maintained by DFP for any additional consultations relating to DETI.

### **Ministerial Statement**

14. A draft Ministerial Statement is included at **Annex D** for your consideration. This draft has been collated from previously approved press statements. If content, we will publish the statement on the departmental website.

### **Recommendation**

15. The Minister is asked to:

- Note the changes implemented between Draft and Final Budget;
- Note that the DETI Budget Chapter and Savings Delivery Plans have been published in the departmental website;
- Confirm that the DETI response to the consultation process can be published on the departmental website; and
- Confirm that the Ministerial Statement on the Final Budget 2010 can be published on the departmental website.

16. I would be happy to discuss or provide any further information that you might require.

**TREVOR COOPER**

cc David Sterling  
David Thomson  
Colin Lewis  
Bernie Brankin  
Jeff Partridge  
David Parkhill  
Glynis Aiken  
Gillian Cahoon  
Valerie Stevenson

**Annex A****DEPARTMENT OF ENTERPRISE, TRADE AND INVESTMENT (DETI)**

The overall aim of the Department is “to promote the development of a globally competitive economy.” In pursuing this aim, DETI’s objective is to encourage the development of a high value added, innovative, enterprising and competitive economy, leading to greater wealth creation and job opportunities for all.

**Key Issues / Challenges over the Period to 2011 -15**

To grow the Northern Ireland economy the focus will be the delivery of the Executive’s overall strategic aim of an economy that increases wealth and employment opportunities for all. A new Northern Ireland Economic Strategy will be central to this and will put at its heart the twin priorities of rebuilding and rebalancing the Northern Ireland economy in the aftermath of a sustained global economic downturn.

**Savings Measures**

The Department will deliver cash releasing efficiencies of £8.5 million over the budget period, which will deliver additional spending power to the Department during this time. Savings will be achieved through 3% year on year efficiencies in Tourism Ireland Ltd and InterTradeIreland, together with a range of measures throughout the core department.

The Department and its NDPBs are planning to absorb increased pay costs through the generation of further efficiencies which follow on from those delivered in the last two Budget periods. Given that efficiencies totalling £135 million have already been delivered in the last two Budgets, it is recognised that this represents a significant challenge.

**Budget 2011-15 Outcome**

In summary, Current expenditure in 2014-15 will increase by 3% when compared to the 2010-11 position, while Capital investment will reduce by 60%. This reduction reflects the reduction in grant thresholds permissible under EU Regulations and the completion of a number of major projects, for example C Series, and a range of tourism projects including the Titanic Signature project in years one and two of the budget period.

In addition, Invest NI, which historically consumes approximately 65% of the DETI budget, will bring forward into the budget period a record level of financial commitments for unclaimed grant expenditure that will require funding prior to budget being made available for new activity. At the end of the 2009-10 financial year this amounted to £272 million, and which reflected an increase of £78 million on the 2008-09 level.

The need to fund a significantly higher brought forward commitment than has generally been the norm over recent times will create a significant challenge for DETI and will necessitate an increased need for the prioritization of its resources to maximise economic impact.

During the 2008-11 budget cycle Invest NI entered into a record level of future financial commitments. The main reasons for this were:

- a) to respond to the economic downturn, which required the provision of a significant level of support to protect existing employment;
- b) to help business prepare for the medium term economic upturn by supporting a significantly increased number of R&D-type projects;
- c) to facilitate maximum flexibility with clients by extending Letters of Offer in terms of their grant earnings period;
- d) to build on the momentum of the US/Ireland and Washington inward investment conferences by providing support to strategically-important projects from companies such as Bombardier, Citi and NYSE; and
- e) to take advantage of the higher EU Regional Aid grant thresholds prior to their reduction on 1<sup>st</sup> January 2011 by actively encouraging companies to accelerate Business Plans and consider Northern Ireland as a viable investment location through the provision of multi-year offers of assistance at the upper end of the available thresholds.

As a result of these actions it is highly likely that Invest NI will successfully meet and exceed many of its PSA targets under its current Programme for Government obligations.

Over the next four years and beyond DETI is committed to ensuring that discretionary expenditure will be focussed on the key challenges of rebuilding and rebalancing the Northern Ireland economy. In particular DETI will target the following goals over the period to 2014-15.

## **Current Expenditure**

### Invest NI

Invest NI will continue to target inward investment and promote domestic investment, provide trade support, and support private sector investment in R&D.

The allocation would enable:-

- The promotion of 10,000 new jobs, inclusive of those relating to the new Short-Term Employment measure described below; and
- A leveraging of R&D investment of approximately £300 million.

In relation to specific new initiatives the allocation would enable:-

- The promotion of over 5,000 jobs under a £19 million Short-Term Employment Measure, with 4,000 of these jobs anticipated to be created in the Budget period and the balance following thereafter.

Invest NI will have a key challenge in terms of prioritising its uncommitted resource towards funding projects and activities that maximise the return to the Northern Ireland economy. It will also focus on maximising efficiencies in its approach to business in order to free up additional funding for investment. Additionally, Invest NI will focus on maximising its uptake of EU funding in areas that provide the best return to the Northern Ireland economy.

#### Northern Ireland Tourist Board

The draft Budget would allow for continued investment in tourism as a key driver of the economy and seek to increase its economic contribution in line with the Tourism Strategy Northern Ireland.

Investment would be prioritised to drive the long term sustainability of the sector in areas such as research and insights, technology development and the targeting of the Republic of Ireland and Northern Ireland markets. In addition, opportunities to boost tourism during 2012, when the Titanic Centenary will be commemorated, and during 2013 when the UK City of Culture, which has been awarded to Londonderry, will be exploited. Funding will also be made available for events going forward.

#### Tourism Ireland

The Tourism Ireland budget allocation would be used to increase the number of overseas visitors coming to Northern Ireland and support Northern Ireland to realise its tourism potential.

#### Health and Safety Executive for Northern Ireland (“HSENI”)

The Health and Safety Executive for Northern Ireland (HSENI) will reduce the perceived burden on business from health and safety regulation. HSENI’s activities over the budget period will be guided by the ten goals set out in Northern Ireland’s long term and shared health and safety at work strategy - “*Health and Safety at Work – Protecting Lives, Not Stopping Them*”, the focus of which is the better regulation of health and safety at work.

#### InterTradeIreland

InterTradeIreland will deliver a portfolio of cross border Innovation activities, and will continue to provide its Information & Advice Services and Business Networks.

### Consumer Council

The Consumer Council will continue to implement its statutory remit to represent consumers in the areas of transport, energy and water, and to educate consumers on their rights and responsibilities. The budget allocation would also be used to create opportunities and tackle disadvantage in the areas of financial capability, fuel poverty and consumer education.

### Energy

The Department will work with the economic regulator NIAUR and private sector energy companies to deliver on the key energy goals within the Strategic Energy Framework (SEF) 2010, namely: building competitive energy markets; ensuring security of supply; enhancing sustainability and development of our energy infrastructure; and increasing the level of electricity and heat from renewable sources in line with the proposed SEF targets to 2020.

### Telecommunications

DETI will work to ensure that a broadband service remains available to any customer regardless of where they live or do business. It will also engage with the Department for Business, Innovation and Skills and Broadband Delivery UK to secure Northern Ireland funding to roll out faster broadband services.

### Support for R&D and innovation

DETI will continue to support and encourage the growth of Northern Ireland's knowledge and innovation based economy through the work of Matrix and by support to high tech start ups through innovative programmes such as Connect.

### Social economy

DETI will also lead on the development of the Social Economy through the implementation of the Executive's Social Economy Enterprise Strategy.

### Provision of statistical information

DETI will continue to improve official economic and labour market statistics to monitor the performance of the Northern Ireland economy. The budget allocation would enable the Department to develop an integrated survey system to improve the timeliness and quality of such measures, while reducing the burden on business.

## Asbestosis and Pleural Plaques liabilities

Funding of £29 million has been proposed across the Budget period in relation to estimated liabilities that will arise in regard to the Departments funding of asbestosis claims.

## **Capital Investment**

The capital investment allocation would support DETI activities and projects across three investment measures:

### Invest NI

The allocation would provide funding for:-

- All of Invest NI's existing Capital commitments;
- The provision of Launch Investment and SFA to the strategically important Bombardier C Series;
- Strategically significant venture capital initiatives including a £16 million Co-investment Fund and a £30 million Development Fund; and
- The provision of SFA support to new projects on an ongoing basis, albeit at much reduced levels.

### Northern Ireland Tourist Board

Capital investment will be focused on the completion of the five tourism signature projects.

### Telecommunications infrastructure

Building on the legacy of low latency, direct international connectivity and enhanced internal broadband connectivity, DETI will work with the private sector to examine opportunities to develop Northern Ireland as a base for delivery of next generation internet applications.

### Energy infrastructure

The capital allocation would assist in the investment necessary towards developing Northern Ireland's energy infrastructure.

## **European Union Funding**

The Department will progress projects under the EU Competitiveness Programme, with expenditure targeted at innovation, enterprise/entrepreneurship, telecommunications, sustainable energy and

tourism. In addition, DETI will be the Accountable Department for business support, tourism, energy and telecoms initiatives that will be progressed under the Territorial Co-operation Programme.

**Equality and Good Relations Impact**

The allocation will have positive impacts for equality, good relations, anti-poverty and sustainable development. Virtually all of DETI's Budget allocation would underpin sustainable development, and increase economic activity. This would impact positively on well-being and on poverty within the region and foster good relations among the community. A High Level Impact assessment of the Spending and Savings proposals is separately published on the DETI website.

## ANNEX A

## DETI FINAL BUDGET 2011-15 – CURRENT EXPENDITURE

OBJECTIVE AND SPENDING AREA	2010 11 £m	2011 12 £m	%	2012 13 £m	%	2013 14 £m	%	2014 15 £m	%
<b>Objective A</b>									
Economic Development, Policy & Research	16.1	15.1	-6.2	15.1	-	15.4	2.0	15.2	-1.3
Asbestosis, Pleural Plaques & Abandon Mines Provision	0	5.5	n/a	8.3	50.9	9.3	12.0	7.3	-21.5
Economic Infrastructure/ Minerals	6.8	4.7	-30.1	4.3	-8.5	4.1	-4.7	4.2	2.4
Invest Northern Ireland	126.4	129.6	2.5	133.8	3.2	125.9	-5.9	130.5	3.6
Development of Tourism	14.9	17.0	14.1	15.4	-9.6	14.4	-6.6	14.2	-0.8
Tourism Ireland Ltd	16.3	15.5	-4.7	15.0	-3.1	14.6	-3.2	14.1	-3.3
N/S Body – InterTradeIreland	3.7	3.5	-6.1	3.4	-3.0	3.3	-3.1	3.2	-3.2
EU Support for Economic Development	0.1	1.1	1000.0	1.2	9.0	1.4	16.7	1.7	21.4
Business Regulatory Services	6.8	6.7	-1.5	6.7	-	6.7	-	6.6	-1.5
Consumer Council (NI)	1.5	1.6	6.7	1.6	-	1.6	-	1.6	-
Health & Safety Executive for NI	6.9	6.8	-1.6	6.8	-0.9	6.8	-0.1	6.9	2.1
<b>Total</b>	<b>199.5</b>	<b>207.1</b>	<b>3.8</b>	<b>211.6</b>	<b>2.2</b>	<b>203.3</b>	<b>-3.9</b>	<b>205.5</b>	<b>1.1</b>

## DETI FINAL BUDGET 2011-15 – CAPITAL (INVESTMENT) EXPENDITURE

OBJECTIVE AND SPENDING AREA	2010 11 £m	2011 12 £m	2012 13 £m	2013 14 £m	2014 15 £m
<b>Objective A</b>					
Economic Development, Policy & Research	0.4	1.5	1.3	0.1	0.5
Economic Infrastructure	8.2	1.6	1.3	1.0	15.5
Invest Northern Ireland	43.3	56.3	35.3	13.5	8.4
Development of Tourism	21.6	8.0	6.5	0.6	4.0
EU Support for Economic Development	-	1.2	1.2	0.8	0.8
Business Regulatory Services	-	0.1	0.1	0.0	0.1
Health & Safety Executive for NI	-	-	-	-	-
<b>Total</b>	<b>73.5</b>	<b>68.7</b>	<b>45.6</b>	<b>16.0</b>	<b>29.2</b>

**DEPARTMENT OF ENTERPRISE, TRADE AND INVESTMENT  
BUDGET 2010 - SAVINGS DELIVERY PLAN ANNEX B**

**1. Title of Savings Measure**

<b>Department</b>	DETI
<b>Savings Measure</b>	Reductions across a number of DETI business areas
<b>Spending Area &amp; UoB</b>	A0101; A0203; A0701; A2001
<b>Senior Responsible Officer</b>	Trevor Cooper
<b>Date of Latest Version of Delivery Plan</b>	20 December 2010
<b>Date Assembly committee consulted on Delivery Plan</b>	DETI officials to consult with ETI Committee during January 2011.

**2. Forecast of Savings Accruing from Savings Measure (£000's)**

	2011-12	2012-13	2013-14	2014-15
<b>Admin</b>	-	-	-	-
<b>Resource</b>	541	541	635	919
<b>Total</b>	541	541	635	919

**3. Summary of Savings Measure.**

**Provide summary details of the savings measure including supporting evidence for the forecast level of savings.**

Savings measures taken across a range of DETI business areas including:

1. Partnering with Councils to undertake petroleum licensing inspections within the Fuel & Oil Liaison Unit (Health & Safety Executive for Northern Ireland);
2. Reduction in IT support (DETI Corporate Services);
3. Reduction in consultancy expenditure (Finance & EU Programmes); and
4. Reduction in resource expenditure required for service delivery to optimize value for money (Telecoms Policy Unit).

**DEPARTMENT OF ENTERPRISE, TRADE AND INVESTMENT  
BUDGET 2010 - SAVINGS DELIVERY PLAN ANNEX B**

**4. Impact on Frontline Services of Savings Measure.**

Will the savings measure have an impact on the standard of public services provided to the public?	No
If yes, provide a clear justification as well as any mitigating actions.	
N/A	

**5. Timetable for Actions to Deliver Savings.**

Action	Target Date	Outcome
1. HSENI - no recruitment of additional FOLU staff	01/04/2011	Savings realised
2. Corporate Services – all necessary actions will have completed by 31 March 2011	01/04/2011	Saving realised
3. Finance & European Programmes – consultancy budget reduced from 1 April 2011	01/04/2011	Savings realised
4. Telecoms Policy Unit – budget reduced from 1 April 2011	01/04/2011	Savings realised

**6. Summary of Implementation Costs for Savings Measure.**

Please provide details of any implementation costs and how they will be funded.
Measures 1 to 4: No financial cost of implementation identified.

**DEPARTMENT OF ENTERPRISE, TRADE AND INVESTMENT  
BUDGET 2010 - SAVINGS DELIVERY PLAN ANNEX B**

**7. Key risks and interdependencies to implementation of Savings Measure and details of contingencies.**

<b>Key risks</b>	<b>Probability of risk occurring (1-5)*</b>	<b>Impact of risk (1-5)*</b>	<b>Contingent Action(s)</b>
HSENI would be unable to play a key role in any future appeals heard by the new Petroleum Licence Appeals Tribunal	1	4	HSENI to ensure that the technical competence of District Council officials is sufficient to support this work.
<b>Potential Impact on other departments and public bodies.</b>			<b>Mitigating Action(s)</b>
A partnering approach has already been agreed with Councils.			N/A

\* 1 is the highest and 5 the least

**8. Summary of assessment of potential impact in respect of Equality, Good Relations and Sustainable Development as well as details of any mitigating actions.**

<b>Impact</b>	<b>Mitigating Action(s)</b>
Measures 1 to 4: Impact considered to be neutral	None considered necessary.

**1. Title of Savings Measure Annex B**

<b>Department</b>	DETI
<b>Savings Measure</b>	Reduction Payroll, Administration and Marketing Programmes
<b>Spending Area &amp; UoB</b>	Tourism Ireland Ltd – A0502
<b>Senior Responsible Officer</b>	Niall Gibbons – Tourism Ireland
<b>Date of Latest Version of Delivery Plan</b>	20 December 2010
<b>Date Assembly committee consulted on Delivery Plan</b>	DETI will consult with ETI Committee during January 2011.

**2. Forecast of Savings Accruing from Savings Measure (£000's)**

	2011-12	2012-13	2013-14	2014-15
<b>Admin</b>				
<b>Resource</b>	483	965	1,448	1,930
<b>Total</b>	483	965	1,448	1,930

**3. Summary of Savings Measure.**

Provide summary details of the savings measure including supporting evidence for the forecast level of savings.

Savings will be achieved through a programme of cost reduction that will focus in the first instance on, Payroll and Administration followed by, reduction in marketing investment in Australia and Developing Markets followed by, a reduction in Tier 2 marketing investment and lastly a reduction in Tier 1 (Top 4 markets) marketing investment.

**4. Impact on Frontline Services of Savings Measure.**

<b>Will the savings measure have an impact on the standard of public services provided to the public?</b>	Yes
<b>If yes, provide a clear justification as well as any mitigating actions.</b>	
There will be some impact in line with savings programme outlined above.	

**5. Timetable for Actions to Deliver Savings.**

Action	Target Date	Outcome
N/A		

## 6. Summary of Implementation Costs for Savings Measure.

Please provide details of any implementation costs and how they will be funded.

N/A

## 7. Key risks and interdependencies to implementation of Savings Measure and details of contingencies.

Key risks	Probability of risk occurring (1-5)*	Impact of risk (1-5)*	Contingent Action(s)
N/A			
Potential Impact on other departments and public bodies.			Mitigating Action(s)
N/A			

\* 1 is the highest and 5 the least

## 8. Summary of assessment of potential impact in respect of Equality, Good Relations and Sustainable Development as well as details of any mitigating actions.

Impact	Mitigating Action(s)
Reduction in frontline expenditure could impact on tourism growth and thus economic activity.	Reductions will be applied to admin areas to the greatest extent possible in order to minimise impact – in addition key markets would be the last impacted.

**1. Title of Savings Measure Annex B**

<b>Department</b>	DETI
<b>Savings Measure</b>	Operating Costs - Pay & Non-Pay Admin Innovation & Trade Programmes Expenditure
<b>Spending Area &amp; UoB</b>	InterTradelreland - A0602
<b>Senior Responsible Officer</b>	Liam Nellis Chief Executive, InterTradelreland
<b>Date of Latest Version of Delivery Plan</b>	20 December 2010
<b>Date Assembly committee consulted on Delivery Plan</b>	DETI will consult with the ETI Committee during January 2011.

**2. Forecast of Savings Accruing from Savings Measure (£000's)**

<b>Year<sup>1</sup></b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
<b>Admin</b>	29	57	87	115
<b>Resource</b>	79	159	238	318
<b>Total</b>	108	216	325	433

<sup>1</sup> InterTradelreland is required to operate its accounting on a calendar year basis. Figures above are provided against calendar years e.g., for 2011-2012 read InterTradelreland Budget 2011.

### 3. Summary of Savings Measure.

Provide summary details of the savings measure including supporting evidence for the forecast level of savings.

Efficiency Savings are required in Administration Expenditure (Pay and Non-Pay Administration Costs) and in Programme Expenditure. Budgets will be prioritised to minimise impact on front line services – these being the Trade and Innovation supports which we provide to businesses and on the economic impact generated through these supports. The areas which we will target for cash-releasing efficiencies are:

**Administration:**

We will reduce our communications activity and expenditure to align with anticipated lower levels of Trade and Innovation Activities.

We will deliver efficiency savings in the areas of Facilities Management and Telecommunications & IT Support.

We will establish in each Business Plan a Pay Budget to be realised.

**Resource:**

We will cap overall expenditure on Trade & Innovation Activities and will reduce the level of financial support provided to individual companies on selected Activities. We will compensate for this by increasing our use of information technology to deliver selected services online to a greater number of companies at lower cost.

We will use our rolling programme of evaluations to identify those activities which best meet the needs of companies and provide optimum economic impact in terms of business value generated and jobs created and/or sustained. We will prioritise available funding against these activities.

We will reduce our Business & Economic Research expenditure budget by targeting our research where the greatest potential value can be realised, by conducting more research in-house and by reducing publication costs through replacing printed reports with online reports for download.

We will not assign a discretionary budget for Third Party Projects.

#### 4. Impact on Frontline Services of Savings Measure.

Will the savings measure have an impact on the standard of public services provided to the public?	yes
If yes, provide a clear justification as well as any mitigating actions.	
<p>1. Operating Costs – Pay and Non-Pay Administration: The measures noted above in section 3 will be managed to ensure that any impact on front-line services will be minimised.</p> <p>2. Innovation &amp; Trade Programme Expenditure: A reduction in Trade Programme expenditure will have an impact on the support which InterTradeIreland's delivers to firms through those programmes. Expenditure reductions will be configured to maintain to the greatest extent possible the value of our programmes to participating companies and the optimum economic impact resulting from those programmes.</p>	

#### 5. Timetable for Actions to Deliver Savings.

Action	Target Date	Outcome
All of the actions noted above in section 3 will start to be actioned within the 2011 Business Plan, with ongoing activity and cumulative savings carrying forward into years 2012-2104	December 2010	2011 Business Plan – Efficiency Savings Plan objectives.

#### 6. Summary of Implementation Costs for Savings Measure.

Please provide details of any implementation costs and how they will be funded.
No implementation costs for the savings measures noted above.

#### 7. Key risks and interdependencies to implementation of Savings Measure and details of contingencies.

Key risks	Probability of risk occurring (1-5)*	Impact of risk (1-5)*	Contingent Action(s)
None			None required.
Potential Impact on other departments and public bodies.			Mitigating Action(s)
None			

\* 1 is the highest and 5 the least

**8. Summary of assessment of potential impact in respect of Equality, Good Relations and Sustainable Development as well as details of any mitigating actions.**

Impact	Mitigating Action(s)
Any reduction in trade support provided to firms may impact on economic activity.	Reductions will be applied to admin areas to the greatest extent possible

**ANNEX C****DRAFT BUDGET 2011-15:****SPENDING AND SAVINGS PROPOSALS WITHIN THE DEPARTMENT OF  
ENTERPRISE, TRADE AND INVESTMENT****SUMMARY OF CONSULTATION RESPONSES****10 MARCH 2011****Introduction**

The NI Executive's *'Draft Budget 2011-15'* was announced by the Minister for Finance and Personnel on 15 December 2010. The Executive's Draft Budget provided proposed departmental Current expenditure and Capital investment allocations for the four year Budget period. The announcement of the Draft Budget triggered the public consultation period, the closing date for which was 16 February 2011.

**Consultation Arrangements**

DETI's own Draft Spending Proposals and Savings Delivery Plan were published on our website on 5 January 2011.

The department took a number of steps to engage with key stakeholders, setting out the challenges for the department's own finances and the anticipated impact of a Budget settlement.

The department consulted with the Assembly Committee for Enterprise Trade and Investment in developing its spending proposals. We also took steps to inform our staff of the likely departmental implications of the Draft Budget settlement. In addition, business areas across the department continued to

update their key stakeholders of the likely impacts of the Draft Budget on the services which they deliver as part of their ongoing engagement.

The department welcomes the responses received and thanks all those who took the time to respond. The purpose of this paper is to provide details of those who responded to the consultation together with a summary of their responses, and this information is set out in the pages which follow.

A summary of the feedback received has been reported to the DETI Minister and Senior Management Team, as well as the Department for Finance and Personnel, in order to inform the final budget position. The department took account of the issues raised in finalising its internal budget and developing plans for the future.

DETI received fifty four responses to the consultation, of which two withheld permission for their contribution to be published. A summary of the remaining fifty two responses to the DETI consultation is provided below.

[To view the full responses please click from the following list:]

Respondent	Issue	Date Received
Advice NI	<ul style="list-style-type: none"> <li>Advice NI is keen that the Department reviews its approach of applying a grant culture to tenders and that a balance is struck between outcomes and accountability.</li> <li>Advice NI welcomed the Ministers announcement at the Debt Action NI Annual Event on the 14th February to extend the Advice NI contract for a further year. Advice NI would encourage the Department to commit funding to this service for the budget term at least given the projected slow economic recovery and the impact it and Welfare Reform will have on the most vulnerable in NI.</li> </ul>	16/2/2011
Advocate for Older People	<ul style="list-style-type: none"> <li>Concerned about the foreshortened nature of the budget consultation process</li> <li>Expresses the need for inter departmental cooperation</li> </ul>	10/02/2011
Age NI	<ul style="list-style-type: none"> <li>Age NI raised concerns relating to energy policy, given escalating levels of fuel poverty in Northern Ireland and its implications for older people.</li> <li>Age NI would urge the Department to fully consider the need to introduce a social tariff system in Northern Ireland.</li> </ul>	11/2/2011
Alliance Party	<ul style="list-style-type: none"> <li>Clarity is important regarding investment in renewable energy projects, and delivery of renewable and sustainability targets. The Strategic Energy Framework is a core policy commitment and its implementation needs to be securely implemented.</li> <li>There needs to be consideration over the future funding of Invest NI as it is responsible for inward investment.</li> </ul>	16/2/2011
An Nasc Ltd	<ul style="list-style-type: none"> <li>An Nasc proposed that some of the allocation for the Film and Screen Sector be targeted on the National Irish Language Media Centre.</li> </ul>	15/1/2011
Armagh City & District Council	<ul style="list-style-type: none"> <li>The Council is encouraged by the Department's commitment to advance delivery of the Competiveness Programme.</li> <li>The Council believes the speed at which projects progress through to the application procedure should be increased.</li> <li>The Council requests greater flexibility and consideration to be given to project eligibility to ensure maximum fund spend.</li> </ul>	15/2/2011
Arts Council of Northern Ireland,	<ul style="list-style-type: none"> <li>The Council notes that 2013 presents a golden opportunity to promote a year-long programme of arts activities, including local events and national landmarks such as the Turner and Stirling Prizes; the Bafta and Brit Awards due to Derry/Londonderry's successful bid as UK City of Culture.</li> <li>The Council requests clarity over what part of the total allocation labelled 'Development of Tourism' represents programme expenditure by NITB, that of DETI, or other relevant Government Departments to develop the Tourism.</li> </ul>	15/2/2011

	<ul style="list-style-type: none"> <li>The Council notes that the draft Tourism Strategy published for consultation this month lays emphasis on Tourism as a key driver of the economy and sets out ambitious targets to grow visitor revenues to £1 billion and visitor numbers to 4.5m, both by 2020. However, the Council questions the ability to meet these targets with the proposed funding allocated to tourism in the Draft Budget.</li> </ul>	
ASM	<ul style="list-style-type: none"> <li>The draft budget may not make sufficient provision to deliver the tourism programmes planned for 2012 and 2013.</li> <li>Belfast is in need of integrated conference and exhibition facilities if it is to significantly improve its standing and performance in the discretionary business tourism market.</li> <li>Concerned about proposed cutbacks in Tourism Ireland's marketing investment in Australia and developing markets.</li> </ul>	15/2/2011
Ballymoney Borough Council	<ul style="list-style-type: none"> <li>Requires clarification of the total budget allocated by the relevant government departments to Tourism.</li> <li>Feels it will be vitally important that realistic revenue resources are allocated to enable the industry to maximize the opportunities presented by Tourism Signature projects.</li> </ul>	12/03/2011
Belfast City Council	<ul style="list-style-type: none"> <li>Feels that, as a result of the Draft Budget for NITB, grants will be reduced for tourism schemes which may impact upon the Council's ability to deliver its tourism framework and will impact BVCB.</li> <li>Concerned that no capital funding is being provided to further develop existing business parks.</li> <li>Notes that there is no capital provision for exhibition or conference facilities.</li> <li>Would like specific additional funding for NITB for 2012 events.</li> </ul>	16/2/2011
Belfast International Airport	<ul style="list-style-type: none"> <li>A properly resourced Air Route Fund to assist route start-ups and expansions could be achieved with a fund valued at £10 million. Such a fund could influence airline decisions and open up new possibilities.</li> </ul>	18/2/2011
Belfast Visitor & Convention Bureau	<ul style="list-style-type: none"> <li>The Board wishes to emphasise the importance of NITB's investment in BVCB's operational plans for tourism marketing and visitor servicing and would like to highlight that any significant reduction in our budgets will compromise the City's ability to deliver on our targets.</li> <li>Consider the absence in the city of purpose built integrated high quality exhibition space required to support conferences is limiting Belfast's opportunities.</li> <li>Support events and plans by additional and realistic budgetary resources to maximise the benefits for tourism.</li> </ul>	16/2/2011
Bryson	<ul style="list-style-type: none"> <li>Would like greater detail in departmental budgets to assist assessment of the impact on government programmes which involve Bryson</li> </ul>	15/02/2011

Business in the Community	<ul style="list-style-type: none"> <li>• Raised issues regarding the sustainability of new jobs created by Invest NI</li> <li>• Believes proposed expenditure is significantly lower than the level of investment required for NI's energy infrastructure</li> </ul>	15/02/2011
Causeway Coast and Glens Tourism Partnership	<ul style="list-style-type: none"> <li>• Requires clarification of the total budget allocated by the relevant government departments to Tourism.</li> <li>• Feels it will be vitally important that realistic revenue resources are allocated to enable the industry to maximize the opportunities presented by these projects.</li> <li>• The board would very strongly urge DETI to allocate sufficient resources to ensure efficient, effective regional delivery of the DETI Draft Tourism Strategy for Northern Ireland to 2020.</li> </ul>	11/2/2011
CBI	<ul style="list-style-type: none"> <li>• CBI notes that the detailed DETI budget reveals a £31m funding commitment across the budget period for asbestosis and pleural plaques. CBI opposes this legislation highlighting that there is a serious risk that the costs implications are not fully understood.</li> <li>• Concerned that the inability to convert all work in progress into projects could lead to a potential loss of £183m investment and 2500 jobs.</li> <li>• Concern over a substantial curtailment in the ability to support new projects – including a slowdown in FDI prospecting, reduced support for R&amp;D, and support for export and innovation activities substantially reduced.</li> <li>• CBI members do not consider Invest NI property purchases a top priority at present.</li> <li>• Expect both DETI and Invest NI to prioritise reviewing whether further efficiency savings are feasible.</li> <li>• Note that Invest NI faces a severe cut in its capital budget by 2014/15 while the revenue budget remains broadly flat, raising concerns about whether the Executive's ambitions for the economy and the emerging Economic Strategy can be delivered.</li> <li>• Note that there is a commitment to a £19m short-term employment measure which will create 5370 jobs. CBI are concerned that this is replacing Invest NI's current work and is actually reversing the policy direction set out just a year ago in DETI's commitment to implement the majority of the measures in the Independent Review of Economic Policy (IREP) and the creation of a higher value, innovation- led economy.</li> <li>• Notes parts of the DETI savings do make reference to reductions in marketing activities in Australia and developing markets. CBI recognise that the capital expenditure on the Signature Projects has been largely spent hence we have no major concerns in this area. However with 2012/13 being major opportunities for the tourism sector in Northern Ireland to exploit the major</li> </ul>	10/2/2011

	investment that has been made in Signature Projects over the last few years CBI feel it is surprising, and disappointing, that no additional marketing budget is being allocated to reflect these two crucial years	
Ciaran Hunter	<ul style="list-style-type: none"> <li>Concerned that the continuing rises in airport departure tax are unfairly penalizing NI as the only part of the UK that lacks land links and requires most visitors to fly.</li> <li>Feels that if many of the smaller attractions combined or linked it would have the potential to significantly increase the attraction of NI to niche tourist groups. Suggest that existing resources should be targeted to help link suitable groups and venues to offer attractive packages that will make use of existing resources and venues that are poorly utilised.</li> </ul>	8/2/2011
Colleges NI	<ul style="list-style-type: none"> <li>Would like to see further evidence of how funding earmarked for job creation through Invest NI will impact on Colleges</li> </ul>	15/02/2011
Committee on the Administration of Justice	<ul style="list-style-type: none"> <li>Raised issues surrounding compliance with Equality and Section 75 issues in formulating Budget proposals</li> </ul>	16/02/2011
Community Relations Council	<ul style="list-style-type: none"> <li>Concern over the validity of the consultation process</li> </ul>	16/02/2011
Consumer Council for Northern Ireland	<ul style="list-style-type: none"> <li>The Consumer Council presented a document expressing consumer concerns on the current economic situation</li> </ul>	16/02/2011
Countryside Access and Activities Network	<ul style="list-style-type: none"> <li>Concerned to see a reduction in expenditure over the next few years in tourism development. Northern Ireland is on the cusp of strong tourism growth, and the upcoming opportunities (including the Titanic, Derry City of Culture and new visitor centre at the Causeway Coast, Mountainbike Trails) are monumental. CAAN believes Northern Ireland has to seize this moment to make a step change in tourism growth.</li> <li>Would like to question why research and insight are given such weight in the tourism priorities going forward. Whilst fundamental to have strong insights in order to direct marketing effort most effectively, a growth in spend in this area would be surprising. Investment should be directed at front line marketing to actually drive customer numbers.</li> <li>Feels culture, heritage and activities are key to attracting visitors and notes walking is a key driver of customer visits, and the launch of the new Mountain biking Trails in the Mourne area in 2012 should also be a focus – attracting a completely new customer to NI who would not have otherwise visited.</li> </ul>	9/2/2011
Craigavon Borough Council	<ul style="list-style-type: none"> <li>Encourages DETI and Invest NI to recognise Craigavon as a premier business location.</li> <li>States that untapped tourism potential remains with a focus on adventure holidays and geo-tourism in the South Lough Neagh area. This opportunity has the potential to create new jobs locally and impact on an area outside the core focus of Belfast and Derry/Londonderry</li> </ul>	14/2/2011

Disability Action	<ul style="list-style-type: none"> <li>Highlights that it is essential that the necessary investment required to make all buildings accessible does not become a victim of the cost saving exercise as this is a statutory obligation under the Disability Discrimination Act (1995).</li> <li>Disability Action suggests that disabled people who may be isolated should be given additional support to access broadband services.</li> </ul>	16/2/2011
Enterprise Northern Ireland	<ul style="list-style-type: none"> <li>Concerned that of the c. £180m p.a. current budget allocation to Invest NI, less than 3% of this is set aside for enterprise support, ie. pre-start and start-up business interventions. ENI believes that such an amount (in the context of the overall Invest NI budget allocation) is not compatible with the Northern Ireland Executive aim of putting the economy at the forefront of its Programme for Government and the associated jobs promotion targets.</li> </ul>	16/2/2011
Gertrude Fox	<ul style="list-style-type: none"> <li>Concern regarding the cost of upkeep of property, feeling that grants are always available for the Bigger Tourist Providers and the small 'one unit' tourist accommodation providers are ignored, to the point of possibly having to close.</li> </ul>	8/2/2011
Happening	<ul style="list-style-type: none"> <li>Wishes to see full clarification of the total budget allocated by relevant Government Departments to tourism.</li> </ul>	7/2/2011
Heritage Lottery Fund	<ul style="list-style-type: none"> <li>Wishes clarity around DETI's capital budgets both in the next few years and beyond. That way HLF will be able to bring in funding to Northern Ireland which would otherwise not have been secured.</li> </ul>	15/2/2011
Hugo McCormick	<ul style="list-style-type: none"> <li>Feels that due to the issues with airports/dust clouds etc we have very good chance to win those tourists back this year, but our ferry cost to get from the main land to Ireland is the most expensive in Europe, and asks if this can be addressed.</li> </ul>	13/2/2011
Kevin Taylor, Western Innovation Network	<ul style="list-style-type: none"> <li>Is encouraged to see that DETI has secured funding for the Presbyterian Mutual Society.</li> <li>Consideration should be given to channelling EU funding through a community bank for the benefit of community projects.</li> <li>More funding should be made available for the Social Economy and this funding should be channelled through community organisations like the Ulster Community Investment Trust.</li> <li>Proposals should include funding for the indigenous population in relation to renewable energy.</li> <li>Departments and the bodies they sponsor should consider smaller scale efficiencies such as paperless meetings and video conferences.</li> <li>Consideration should be given to rationalising bodies funded by DETI and in particular the Northern Ireland Tourist Board, Tourism Ireland Limited and InterTradelreland.</li> </ul>	18/1/2011

Lynchpin Tours	<ul style="list-style-type: none"> <li>Notes NI's geographical position and cultural and economic links both east and west are unique and do indeed have great potential.</li> <li>Requests as much capital and operational financing as possible is granted to our tourism industry.</li> </ul>	6/2/2011
Mourne Heritage Trust	<ul style="list-style-type: none"> <li>Requests Capital investment commensurate this potential with national parks in GB.</li> <li>Concerned that while the proposed mountain bike trail developments at Castlewellan and Kilbroney parks will provide the area with facilities to deliver to an important niche market, that the funding required for these will leave little within current allocations for other infrastructure developments to cater to the 'rest' of the market.</li> <li>MHT has secured a provisional offer of £1.5m for the period 2012 – 2016 from Heritage Lottery Fund (from a UK wide fund) for activities which can largely be described as 'brand roll out' – but requires the support of government to find match funding of a further approx £500,000.</li> <li>Requests review of the allocations processes for investment of signature project funding to free up from bureaucracy.</li> </ul>	16/2/2011
NI Chamber of Commerce	<ul style="list-style-type: none"> <li>Highlights the importance for clarification to be made on the total budget allocated by relevant Government Departments to tourism.</li> <li>The Chamber urged the creation of Enterprise Zones to aid and assist new businesses.</li> <li>NI Chamber of Commerce feel DETI and Invest NI ought to have a pivotal say as to how to exploit a reduced level of Corporation Tax similar to that in place in the Republic of Ireland.</li> <li>Feels the work of DETI has to be viewed alongside that of DEL, DARD and, to a lesser extent, the Department of Education.</li> <li>Revenue resources are needed to maximise the 2012-13 potential (including the Titanic Signature Building, Giant's Causeway Visitor Experience and the Lyric theatre) and necessary resources are required to continue to invest to improve Northern Ireland tourism's product offering.</li> <li>To develop tourism to its optimum level if direct access must be offered.</li> <li>Recommend that an additional budget of at least £5 million is allocated to Invest NI over each of the first two years to ensure key projects can be supported, and that innovation and exporting support are not reduced at this stage of recovery.</li> <li>Concerned about the Invest NI aspect of the DETI budget. The Chamber views as retrograde the clear threat that is</li> </ul>	16/2/2011

	<p>posed to viable projects because of cuts in funding.</p> <ul style="list-style-type: none"> <li>• DETI must seriously look at the whole area of job creation targets to address this deficit. The Chamber notes the expected creation of 7-8,000 new jobs (including 5,000 under a £19 million Short-Term Employment measure), but question whether this figure is ambitious enough given the scale of the challenge. It should reflect the ambition of the Jobs Plan.</li> </ul>	
NI Local Government Association	<ul style="list-style-type: none"> <li>• NILGA requested that where there is a clear impact on councils resulting from budget proposals, councils should be engaged with and consulted at the earliest opportunity</li> </ul>	16/02/2011
NI Renewable Industries Group	<ul style="list-style-type: none"> <li>• Feels smart allocation of revenue budget in growth areas will lead to private sector capital investment in the short to medium term. Asks the Department to consider the allocation of R&amp;D expenditure to the renewables sector to encourage further growth and investment in this area. NIRIG would welcome the opportunity to consider this further with InvestNI.</li> </ul>	16/2/2011
Northern Ireland Hotels Federation	<ul style="list-style-type: none"> <li>• The Federation would be keen to see an over-arching policy applied to tourism strategy, underpinning policy and decision-making in all departments in the Assembly.</li> <li>• Concerned with the reduction in real terms of funds to NITB and Tourism.</li> <li>• The safety and security issue requires a funding structure that addresses the needs on the ground, an educational element explaining what benefits tourism can bring and a media plan to reassure visitors in the future.</li> <li>• Good access is critical for the tourism industry and is vital for the short break and business markets.</li> <li>• Notes that capital spend on the NITB Signature Projects is coming to an end. When this is completed there will be a broader range of things to do and see. However, the tailing off and virtual cessation of any capital investment presents a real concern for the industry. The NIHF would urge that this be looked at again to ensure support for future projects.</li> </ul>	16/2/2011
NITB Board	<ul style="list-style-type: none"> <li>• Requests clarification of the total amount that has been allocated to tourism (such as spending on the arts, culture and heritage related projects which enhance the visitor experience) through all Government Departments and NDPBs in the draft budget.</li> <li>• The priorities and actions required to realise the 2012-13 potential are laid out in the draft tourism strategy and in detailed business plans, however, the NITB Board feels the draft budget does not make available sufficient revenue resources.</li> <li>• Request the necessary resources to continue to invest to improve Northern Ireland's tourism product offering.</li> </ul>	24/2/2011

Northern Ireland Council for Voluntary Action,	<ul style="list-style-type: none"> <li>• Supports the department's commitment to lead on the development of the Social Economy through the Executive's Social Economy Enterprise Strategy but request clarity around the resources allocated to support this work.</li> <li>• NICVA recommends that DETI works closely with local communities and other stakeholders to ensure these innovative and inspiring developments deliver their maximum potential.</li> <li>• NICVA is encouraged by the new £19million programme aimed at creating 5,000 new jobs and agree that social enterprises and voluntary and community organisations could play a part in helping deliver these objectives and looks forward to engaging with the department on this issue.</li> </ul>	16/2/2011
Omagh District Council	<ul style="list-style-type: none"> <li>• Requests review of the effectiveness of the Competitiveness programme.</li> <li>• The Council notes the Department's recent investment decision to purchase land for a business park in Newry. The land for economic and industrial development in Omagh is almost fully committed and there is a need to purchase additional land.</li> <li>• Concerned that the only capital investment proposed in the budget period is the completion of the five signature projects. The greater part of Northern Ireland has been excluded from the signature projects and this proposal further compounds this exclusion.</li> <li>• The Council also notes with disappointment not securing funds under Interreg IV for a construction sector support programme.</li> <li>• Notes that investment is prioritised in the Titanic Centenary events in 2012 and the Derry City of Culture Programme in 2013. The Council would hope this will not be the sole extent of funding for cultural tourism projects in the budget period.</li> <li>• The Council is concerned at the reduction in the revenue budget of NITB and the possible ramifications of this in respect of funding actions and programmes of the Regional Tourism Partnerships.</li> <li>• Concerns at the reduction in the allocation to Tourism Ireland for international marketing.</li> <li>• The Council has previously worked with the Department's telecoms unit in respect of "black spots" in the Omagh district and would suggest that in the first instance, investment is targeted at bringing those areas up to a standard with the rest of the network, before "fast tracking" those with good current provision.</li> </ul>	16/2/2011

	<ul style="list-style-type: none"> <li>It is essential that underinvestment in the Omagh District Council area is addressed within the period of the draft budget.</li> </ul>	
Pubs of Ulster	<ul style="list-style-type: none"> <li>Requests clarification of the total amount that has been allocated to tourism (such as spending on the arts, culture and heritage related projects which enhance the visitor experience) through all Government Departments and NDPBs in the draft budget.</li> <li>Notes that the draft Tourism Strategy for Northern Ireland (TSNI) 2010-20 clearly identifies the scale of opportunity that 2012 and 2013 present. By 2012-13 we will have a critical mass of things to see and do, offering a genuinely new experience for visitors such as Titanic Signature Building, Giant's Causeway Visitor Experience, Lyric Theatre, Built Heritage Programme and City Lighting Scheme in the Walled City. Requests that these plans are underpinned by realistic additional resources to capitalize this once in a lifetime opportunity.</li> <li>Notes that the draft Tourism Strategy for Northern Ireland 2010-20 identified product gaps such as a fully integrated conference and exhibition facility for Belfast and a new links Golf Resort.</li> </ul>	15/2/2011
PWC	<ul style="list-style-type: none"> <li>Notes that spending on tourism promotion is substantially reduced at a time when tourism offers a real possibility for employment and economic activity.</li> <li>States that Invest NI's forward investment commitment means that it will be constrained in its ability to support new Foreign Direct Investment projects – a real challenge if tax varying powers are devolved and FDI increased over the period of the draft Budget.</li> <li>Notes that Invest NI will be substantially constrained in respect of acquiring land for economic development purchases, an area where the organisation has previously been vocal in articulating the necessity of acquiring industrial development land.</li> <li>Questions if given the Budget restraint, will DETI struggle to meet NI objectives regarding sustainability and the promotion of the renewables sector?</li> </ul>	16/2/2011
QUB	<ul style="list-style-type: none"> <li>QUB's response highlighted the contribution of the Higher Education sector to the local economy</li> </ul>	21/02/2011

Railway Preservation Society of Ireland	<ul style="list-style-type: none"> <li>States that through RPSI's development project, in return for approx. £0.6m of NITB funding Northern Ireland will gain approximately an additional £3m of funding to its budget from sources outside our shores. This is a substantial boost to the NI economy.</li> <li>Notes that the review suggests that funding of NITB is only guaranteed for the signature projects. Questions if that means that RPSI's project fails to gain funding (together with the additional £3m to the NI economy)?</li> <li>Feels that the NITB Capital budget programme requires slightly greater funding allocation. The loss of leverage on HLF &amp; SEUPB funding would be a major negative outcome for NI should NITB funding not be available. Secondly the funding of the five themes needs slight adjustment to give more flexibility to NITB in its allocation of funding.</li> </ul>	26/1/2011
Royal Society for the Protection of Birds	<ul style="list-style-type: none"> <li>Would like clarity of exactly what funds are being made available for tourism-related projects across all Departments.</li> <li>RSPB support the Department's draft Tourism Strategy for Northern Ireland, which sets out the tourism potential 2010-2020 but do not believe that sufficient resources have been allocated for 2012-13 to achieve the actions set out in the draft Strategy in the same time period.</li> <li>Note that there is currently no allowance made for future capital investment. RSPB ask how the Department will be able to achieve the longer term aims from the 2020 Strategy?</li> <li>Concerned that the DOE is expected to bear financial responsibility for the Green New Deal and asks the Executive to re-evaluate this proposal and to put the cost into DETI's budget.</li> </ul>	14/2/2011
Rural Community Network	<ul style="list-style-type: none"> <li>RCN is concerned that the DETI spending plans do not acknowledge pressures on the labour force due to demographic change and an ageing workforce.</li> <li>RCN is concerned that no reference or commitment is made by DETI to locate new jobs outside of the Belfast Metropolitan Area.</li> <li>Encourages DETI to continue to invest in small to medium indigenous enterprises that are the backbone of the rural economy.</li> <li>RCN wishes to see the development of Social Economy initiatives that may enable the community and voluntary sector to deliver public services where they are best placed to do so.</li> <li>RCN believe that spending plans should recognise the importance of community and good relations issues and how these issues impact on the perception of NI as a place to invest and do business and how that perception impacts both internally and externally.</li> </ul>	16/2/2011

Sperrins Tourism Ltd	<ul style="list-style-type: none"> <li>Recognises major investment has been and continues to be diverted towards the "Signature Projects" but notes that to date there is no strategy in place to outline how this will impact on the other 4 destinations.</li> <li>Highlights the importance of financial assistance being available for marketing organisations like Sperrins Tourism Ltd to be able to deliver at a local level.</li> <li>Events have been recognised as a "pull" and a key driver in the efforts to increase visitor numbers and generate more revenue. Whilst NITB have the remit to finance events, they only fund events which are "major" events and do not support smaller events that are still vital to the tourism offering in particular regions.</li> </ul>	16/2/2011
The National Trust	<ul style="list-style-type: none"> <li>Requests that the significant capital investment in the Tourism Signature Projects should be supported with sufficient year on year revenue funding to fully market, exploit and underpin this investment and maximise the opportunities to grow tourist numbers and tourism spend for the benefit of the broader NI economy in 2012 and 2013.</li> <li>Welcomes the commitment to the Green New Deal but does not support the current proposal that the GND should be funded entirely through the Department of the Environment. The benefits will spread across a number of Departments, including DETI through job creation and business development opportunities</li> </ul>	16/2/2011
Trevor Kelso	<ul style="list-style-type: none"> <li>Requests the development of a web platform to promote Ballycastle businesses as a group and to feed information up to regional and national websites, bespoke IT, marketing and PR services as well as business support and advice.</li> </ul>	11/2/2011
UNISON	<ul style="list-style-type: none"> <li>Raised issues surrounding compliance with Equality and Section 75 issues in formulating Budget proposals</li> </ul>	16/02/2011
World Wildlife Fund NI	<ul style="list-style-type: none"> <li>Proposes that there is the need to develop a low carbon economy.</li> <li>Notes only 1% of the amount NIE estimated is needed for grid improvement has been allocated by DETI in the draft budget.</li> </ul>	16/2/2011
Name Withheld	<ul style="list-style-type: none"> <li>Disagrees with any proposal to subsidise the Business Regional Rate</li> <li>Disagrees with proposals for a public pay freeze</li> <li>Unhappy with the proposed package for the Presbyterian Mutual Society</li> </ul>	15/2/2011
Name Withheld	<ul style="list-style-type: none"> <li>Disagrees with the proposed package for the Presbyterian Mutual Society on grounds of equality</li> </ul>	16/2/2011

**ANNEX D****DEPARTMENT OF ENTERPRISE, TRADE AND INVESTMENT  
FINAL BUDGET 2011-15 AND SAVINGS DELIVERY PLANS**

The NI Executive's '*Budget 2011-15*' was announced by the Minister for Finance and Personnel on 4 March 2011, and was agreed by the NI Assembly on 9 March 2011. The Executive's Budget provides departmental Current expenditure and Capital investment allocations for the four year budget period.

Clearly, Budget 2010 takes place in a very difficult fiscal environment. This presents us with the challenge of making resource savings in order to fund business-critical services over the forthcoming Budget 2010 period. However and in spite of the pressure across the NI Block, funding is available to leverage investment by Northern Ireland business across the Budget period.

Details of the Budget settlement for DETI have been published on the DETI website, along with Savings Delivery Plans and a summary of the responses received as a result of the public consultation on the draft budget proposals. These responses are also published in full on the DETI website.

**Public Consultation**

I would like to thank all those who took the trouble to respond to the consultation exercise and I welcome their input. I have considered the responses submitted to DETI arising from the consultation process, and the NI Executive has reviewed the issues raised when agreeing the Final Budget.

A large number of issues were raised in the consultation process which would require additional funding. I made representations to the Executive for additional allocations for Invest NI and the Northern Ireland Tourist Board

(NITB), and also reviewed lower priority areas within my department to identify funding that could be reallocated.

### **Changes between Draft and Final Budget Allocations**

My focus throughout the budget process has been on implementing effective measures that will help to rebuild and rebalance the economy.

I have secured additional funding of £4 million Current expenditure in 2011/12 for Invest NI in the Final Budget which will enable Invest NI to attract and secure more Foreign and Direct Investment that will promote an additional 2,500 jobs. On top of that Invest NI will also now be able to lever an additional £50 million investment into commercially-exploitable R&D projects.

I have also secured additional funding of £3.4 million Current expenditure across the first three years of the Budget period for NITB in the Final Budget. This will enable it to prioritise the promotion of tourism during 2012, when the Titanic Centenary will be commemorated, and during 2013 when the UK City of Culture, which has been awarded to Londonderry, will be exploited. Funding will also be made available for events over the lifetime of the budget.

Whilst the additional funding is to be welcomed and will address some of the issues raised in the consultation, other issues raised remain important, and my department will seek to address these throughout the Budget period.

### **Final Budget 2010 Allocations**

I have allocated £633 million to Invest NI over the Budget period, which will allow Invest NI to create 10,000 new jobs made up of 5,000 new jobs under a new £19m Short-Term Employment Measure, and 5,000 new inward investment jobs. The allocation will also enable R&D investment of approximately £300 million to be secured.

I have also allocated £139 million to tourism over the Budget period. We have made considerable investment in Tourism Signature Projects in recent years, and the Budget settlement will enable these projects to be completed, thereby delivering a world class tourism product. Our focus going forward will be making best use of the opportunity that this world class infrastructure will present in the long-term as well as taking up the opportunity that the Titanic 2012 Centenary and the Londonderry City of Culture present in the Budget period. This will all help to drive an increase in visitor numbers and stimulate the economy.

The Department will continue to work with the economic regulator NIAUR and private sector energy companies to deliver on the key energy goals within the Strategic Energy Framework (SEF) 2010. An additional £25 million will also be made available to DETI for the Northern Ireland Renewable Heat Incentive Scheme.

DETI will work to ensure that a broadband service remains available to any customer regardless of where they live or do business. It will also engage with the Department for Business, Innovation and Skills and Broadband Delivery UK to secure Northern Ireland funding to roll out faster broadband services.

On a particularly positive note, £177 million of EU funding has been allocated to my department across the period over an above the baseline budget allocation announced in the budget for a variety of economic development initiatives. This is £74 million more than in the previous budget period. So, in reality, my overall spending power remains strong.

**Arlene Foster MLA**

**Minister of Enterprise, Trade and Investment**