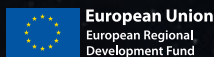




Oifig Fiontair Áitiúil  
Local Enterprise Office



Donegal  
Local Enterprise  
Development Plan  
2021-2024



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# EXECUTIVE SUMMARY



## EXECUTIVE SUMMARY

This local enterprise development plan for the Local Enterprise Office Donegal (LEO Donegal) sets out the vision, strategic and operational objectives and actions proposed by the Local Enterprise Office in Donegal County Council for the four-year period and in particular details the actions and activities to be delivered on in 2021. It is anticipated that the plan and its activities will be reviewed and updated on an annual basis during the period of the plan - however many of the actions undertaken will also pass over into 2022 given the current strategy on Enterprise Development in the county.

### Previous Enterprise Plan Milestones



Overall, the targets set in the previous plan in relation to the number of projects to be grant aided, mentoring approvals, programmes and workshops (both in number and participants), and the number of schools and students on the Student Enterprise Programme were all achieved or exceeded. During the previous plan 153 projects were approved grant aid, 456 businesses were approved mentoring, 473 businesses were approved a Trading Online Voucher and there were some 9,500 participants on over 350 programmes and workshops. In 2020 because of the additional and amended supports to assist businesses overcome COVID challenges, the volume of

applications for support increased by tenfold with over €2.7M being approved by way of direct supports. While most of the targets and outputs set for the 2017-2020 plan were achieved during the period limited progress was made in effecting change in the enterprise ecosystem in the county and thus there was limited improvement on the level and type of business start-ups during the period. The unexpected COVID pandemic that occurred in early 2020 and that has continued into 2021 is likely to present challenges for the next few years and the Local Enterprise Office will need to be remain flexible in its supports and responses to assist local firms address these

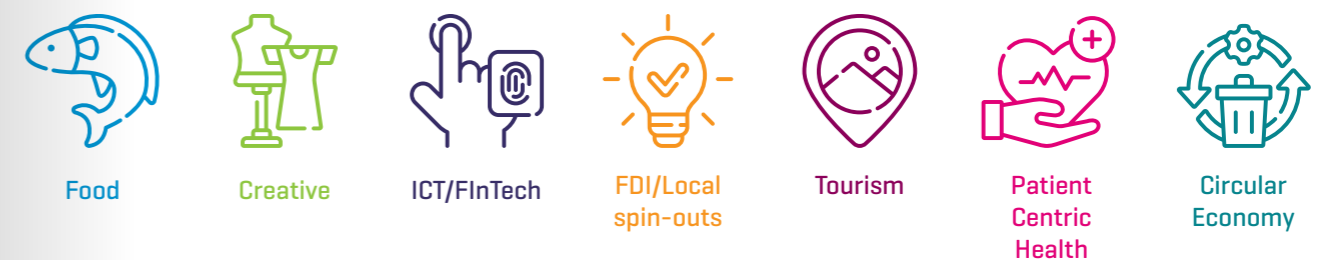
challenges. However, to remedy the situation the Local Enterprise Office has undertaken an extensive Enterprise Development Strategy exercise, engaging multiple stakeholders across the Donegal landscape, analyzing the status of enterprise in the county and seeking the support of the Government agencies that support all endeavors in the county. The resulting strategy and plan, which will seek to place the county in a strong position over the next decade, sustains the gains of the past years and places them into a national leadership position in distinct focus areas using all the stakeholders in the county as collaborators in this exercise.

This plan therefore takes place within this evolving context whilst taking cognisance of COVID, Brexit, Climate Change and Digitalisation challenges which are now present for Donegal and its business community and many of the actions proposed have a focus on assisting businesses and the county address these challenges and possible opportunities.

The plan sets out the LEO's vision and mission and the strategic and operational objectives which it hopes to achieve during the life of the plan. The plan identifies Entrepreneurship, Competitiveness & Digitalisation, Green & Sustainability, Innovation, Exporting & Internationalisation and Clusters & Networks as its key strategic priority areas

for the four-year period. It also identifies areas/sectors in which it believes there are new opportunities such as Food/Seafood, Creative Industries, ICT/FInTech, FDI/Local spin-outs, Tourism, Patient Centric Health [Medical Device/Digital Health] Social enterprise and the Circular economy which encompasses the Blue and Green economies.

### New Opportunity Sectors



The plan also recognises some key challenges such as the relatively low level of new business start-ups eligible for grant aid and the need for increased start-up activity in these sectors i.e. added-value manufacturing and services with the potential to export. In this context it proposes that a greater focus of all local stakeholders should be on the identified strengths of the county and the development of clusters within specific sectors where appropriate, such as Engineering, Food and Nutrition, FinTech, Patient Centric Health Services, the emerging Green and Blue economies, the Creative Industries and Tourism. The development of clusters - even at an initial stage - is seen as fundamental to developing new levels of business start-ups and to even attract business to the county in the next years.

The key areas for enterprise opportunity are identified in the plan and are in line with those identified in the Strategic Enterprise Plan for Donegal. LEO Donegal recognises the challenges which this strategic plan has identified and the clear need for greater collaboration among all enterprise stakeholders

in the county to deliver on its recommendations, in particular the key role that the private sector and third level education need to play. LEO Donegal will work closely with all stakeholders in seeking to drive enterprise creation in these sectors as well as supporting new and existing business that can create employment throughout the county. In this regard the plan puts significant emphasis on the need for higher levels of efficiency, innovation, internationalisation and exporting as well as digitalisation and sustainability, but also recognises that for most small and micro enterprises there is a significant development curve to be achieved before some of these capabilities and objectives can be achieved.

Finally, the adoption of the new Enterprise Development Strategy and the resultant plan and structure will encompass all the activities outlined above and within the detail of this plan. The intention is that the LEO in Donegal will be the secretariat of this core strategic activity over the next decade supporting the private and public sector in achieving the goals and targets of the plan.

This role will fit within the Service Level Agreement between Enterprise Ireland and the Local Authority which sets out clearly the key role envisioned by Government for the Local Enterprise Office as part of the Local Authority and aligned with policies and actions of the Department of Enterprise, Trade and Employment and Enterprise Ireland. It fulfills the role in the Service Level Agreement for the LEO to play in the broader economic development of the county and the integration of enterprise development within the broader local authority economic development role. Through the synergies which this model can facilitate the Local Enterprise Office Donegal through its enterprise promotion, support and development role and working closely with the Economic Development Unit in Donegal County Council has the potential to play an important role in the direction and delivery of enterprise and economic development in the county and to alter the complexion of enterprise within Donegal in the next decade.



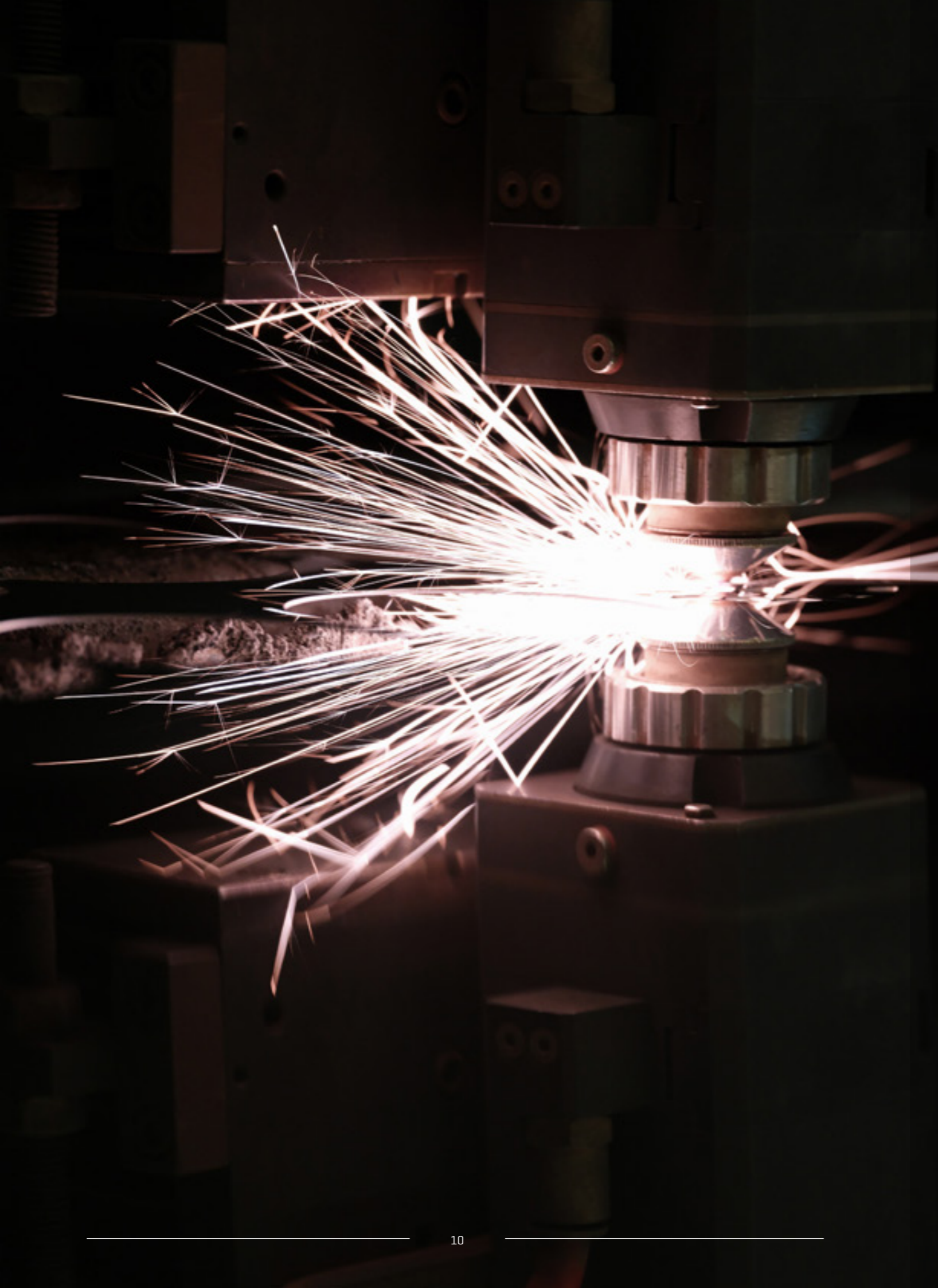
# 01. CONTEXT



Pre-Start

Start

Grow



## 1. CONTEXT

### 1.1. Overview / 4-year outlook for enterprise development in Donegal

As a county, Donegal is spatially unique, having the longest coastline in the country and sharing 93% of its land boundary with Northern Ireland and only 7% with the Republic of Ireland. Donegal is the fourth largest and fifth most rurally dispersed county on the Island of Ireland. The County has a weak urban structure with approximately three quarters of its population living in rural areas meaning that its citizens generally have to travel further to avail of essential services such as health, education, employment and retail.

Donegal operates under a unique set of circumstances – it operates within a functional economic area that straddles an international border and has suffered from underinvestment and is peripheral from the main economic activity on the island by having no motorway and non-existent rail connection to the capital or any main city. The county suffers from high levels of deprivation and is reliant on sectors that are exposed to Brexit challenges (particularly the fisheries sector). The county has the lowest levels of GVA and disposable income per head of population compared to all other counties in the country. Within national policies and funding programmes this natural economic functional area needs to be taken account of as Donegal shares few, if any, similarities or challenges with its closest neighbouring counties in the Republic of Ireland.

Businesses in Donegal are mainly small, with 92% employing less than 10 employees, and the likely impact of Brexit on these enterprises will vary from business to business. In 2018, there were 8,135 active enterprises in County Donegal, growing by 6.7% over the 2017-2018 period, compared to a growth rate of 8.2% in the State. In 2018, 29% of active enterprises were in Construction, 20% in Wholesale & Retail Trade and 12% in Accommodation and Food Service. There were 30,207 employees in all active enterprises in County Donegal of which the top 3 employers were Wholesale and Retail Trade [25.9%], Accommodation and Food Services [21.4%] and Manufacturing [20.3%].

Monthly business registrations average 45/month (source: Vision Net) and in the main these reflect the current dominant sectors in the county – construction, wholesale/retail, food and tourism services with only small number in the added-value manufacturing sector. The level of new business registrations as an indicator of entrepreneurial strength and activity is at the lower level compared to other similar sized counties and is in the bottom 20% of all counties. This is something which the new Enterprise Development Strategy seeks to address.

## 1. CONTEXT

### 1.1. Overview / 4-year outlook for enterprise development in Donegal



#### 1.1.1. CLIMATE SUSTAINABILITY

The emergence worldwide of a renewed focus on climate change and sustainability beyond mere words and gestures is driving a new dimension of understanding enterprise and industry which can be an important aspect of Donegal's future. The Blue and Green economic charges are only the beginning and the importance of rural communities and the integration of Green thinking into all facets of industry – including Tourism, Engineering, Manufacturing and Life sciences will change the form and structure of these sectors over the next years. Donegal LEO is aware of the potentialities of coordinating concerned efforts in these areas to support new industries and leadership positions in them given the natural assets in Donegal.



#### 1.1.2. DIGITALISATION

Digitalisation has become an integral part of all enterprises in the past two years, accelerated by the Covid-19 pandemic and driven by a need to see all businesses embrace the capabilities offered alongside the challenges and risks. For rural communities, this presents a real opportunity to enable a new type of working but also to attract new talent to the communities.



#### 1.1.3. BREXIT

Given Donegal's geographic proximity to Northern Ireland and proximity to exporting ports there, a strong tradition has evolved over many years for the focus of any exporting activity, particularly of manufactured goods, to have as their primary markets both Northern Ireland and Great Britain.

Businesses that trade with the UK will be impacted by the new trading rules and processes and some businesses will be impacted by supply chains shocks; for example, those that source products, component parts or services from the UK. The Annual Survey of Local Enterprise Office clients in Donegal highlights that 75% of its client base is currently selling products or services into Northern Ireland and Great Britain. This high level of engagement with UK markets, plus its key role as a supplier of raw materials and Donegal's geographic location emphasises the need for firms in Donegal to assess exposure critically and realistically to Great Britain's markets and respond accordingly.

On the other hand, the Annual Employment Survey indicates that the average percentage of sales per company into the UK markets is approximately 10%. This highlights two key issues – many small firms are thus unlikely to be too concerned with the export implications of Brexit because of the relatively low level of exporting being done by them and that overall, there is a real challenge in getting Donegal firms to raise their export ambition. Irrespective of this baseline position, the export challenge remains a real and tangible issue for Donegal.



### 1.1.4. POLICY CONTEXT

While this plan sets out the priorities of Local Enterprise Office Donegal for the next four years the content, aims and objectives of the county plan are all set within the current context of Government policies as set out in key Government and international strategic documents such as Project Ireland 2040, Future Jobs Ireland, Enterprise 2025 Renewed and the most recent OECD report on Ireland.

Project Ireland 2040 – Investing in Business, Enterprise and Innovation 2018 –2040, is the government’s overarching policy initiative to make Ireland a better country for all of us – a country that reflects the best of who we are and what we aspire to be.

Project Ireland 2040 seeks to achieve ten strategic outcomes, building around the overarching themes of wellbeing, equality, and opportunity. These ten shared priorities are aimed at ensuring a consistent approach between planning objectives under the National Planning Framework and investment commitments under the National Development Plan. Two of these ten strategic outcomes are particularly relevant to the Local Enterprise Offices – A Strong Economy, Supported by Enterprise, Innovation and Skills and Strengthening Rural Economies and Communities.

The National Development Plan 2018 –2027 sets out the investment priorities that will underpin the successful implementation of the National Planning Framework. Within the section under

National Objective 5 – A Strong Economy supported by Enterprise, Innovation and Skills it states that this element of the Plan will be achieved by:



Supporting entrepreneurialism and building competitive clusters in strategic sectors and activities.



Through collaborative actions at regional and local level.



Realising a significant uplift in the performance of enterprises in terms of innovation, export potential and productivity.



By attracting further investment to the regions.

Enterprise 2025 Renewed, is Ireland’s national enterprise strategy with the stated vision of making Ireland “the best place to succeed in business” and aims to embed resilience in Irish

enterprises and contribute to strong economic performance over the longer term through a number of key policy priorities. These include:



An increased emphasis on developing Irish owned enterprises – enhancing productivity and delivering quality jobs – and helping companies to navigate Brexit;



Building on our existing strengths and seeking out new opportunities through collaboration and clustering within our distinctive foreign and Irish owned enterprise mix;



Placing a spotlight on innovation [including disruptive technologies] and talent development, so that more enterprises are developing new products, services and solutions, and are more competitive internationally;



Realising the full potential of our regions – developing places that are attractive for business investment and for people to live and work; and



Raising Ireland’s visibility internationally, protecting Ireland’s reputation, and providing opportunities for our enterprises supported by the Global Footprint 2025 initiative.



Figure 1: Enterprise 2025 Renewed Key Policy Priorities



01. An increased emphasis on developing Irish owned enterprises - enhancing productivity and delivering quality jobs - and helping companies to navigate Brexit

02. Building on our existing strengths and seeking out new opportunities through collaboration and clustering within our distinctive foreign and Irish owned enterprise mix

03. Placing a spotlight on innovation (including disruptive technologies) and talent development, so that more enterprises are developing new products, services and solutions, and are more competitive internationally.

04. Realising the full potential of our regions- developing places that are attractive for business investment and for people to live and work

05. Raising Ireland's visibility internationally, protecting Ireland's reputation, and providing opportunities for our enterprises supported by the Global Footprints 2025 initiative

To ensure Ireland's economy is well positioned to adapt and prosper in the future, the Government Launched in 2019, **Future Jobs Ireland - Preparing Now for Tomorrow's Economy**, which seeks to position Ireland's economy so that it can adapt and prosper into the future. It is focused on embracing innovation and technological change, improving productivity, increasing labour force participation, enhancing skills and developing talent and transitioning to a low carbon economy. Future Jobs Ireland seeks to drive our development as a resilient, innovative, and globally connected economy, capable of coping with technological and other transformational changes ahead.

At the national level Future Jobs Ireland 2019 will give effect to national enterprise policy objectives and leverage a 'whole of Government' approach so that all policy levers at the national level, relevant to job creation and labour force participation, talent development, enterprise growth, innovation and competitiveness, and transition to a low carbon economy, are engaged on an agenda that will prepare for Ireland's future enterprise and

economic needs. The coming together of public and private sector stakeholders to set regional strategic objectives for enterprise development under the refreshed Regional Enterprise Plans will have an important role to play in the realisation of Enterprise 2025 Renewed and the on-going Future Jobs Ireland agenda.

A key challenge for the Local Enterprise Office Donegal arising from this policy document

is how it will address within their client base the issue of improving their productivity. This challenge calls for greater diversity in our enterprise base, the promotion of enterprise productivity, the enhancement of the framework conditions for firm creation and growth, an improvement in leadership and management skills in SMEs and for SMEs to use technology and business process improvement to increase productivity.



The **OECD Roadmap & Review of SME and Entrepreneurship Policies in Ireland** was published on 31st October 2019 following an extensive review of SME and Entrepreneurship Policies in Ireland, and examined how SMEs and entrepreneurship can be strengthened across the economy. It covered the characteristics and performance of SMEs and entrepreneurship, the business environment, the framework for policy formulation and delivery, national programmes for SMEs and entrepreneurs, the role of local bodies and interventions in tailoring policy to spatial differences, the productivity performance of SMEs, and the design and delivery of business development services.

The report identified a number of challenges for policy in Ireland. These included increasing productivity growth in SMEs, increasing the business start-up rate and business dynamism, facilitating entrepreneurship among women, youth and migrants, scaling up micro-enterprises and generating more medium-sized firms, and increasing SME activity on foreign markets. A number of recommendations are provided to help meet these challenges, some of which are particularly relevant to LEOs.

The report highlights large spatial variations in conditions for SME and entrepreneurship activity within Ireland. In relation to the Local Enterprise Offices it states:

***“The LEOs play an important function in providing tailored support for SMEs and entrepreneurship in their areas in collaboration with other bodies working locally and regionally. However there is potential to enhance local level policies to build local networks of enterprises working on common skills and innovation projects, particularly in local industry clusters. Approaches are also needed to connect SMEs and entrepreneurs in remote regions with broader entrepreneurship ecosystems in urban centres and larger cities.”***

The **Regional Enterprise Plans** are aimed at assisting in the delivery of the aims and objectives of Project Ireland 2040, Enterprise 2025 Renewed and Future Jobs Ireland, and more specifically in the implementation of the National Planning Framework and its constituent Regional Spatial and Economic Strategies (RSESs) at NUTS 2 (Regional Assembly) level. The Regional Enterprise Plans set out regional strategic objectives and actions aligned with these national strategic documents with the actions to be carried out by

regional stakeholders - the Local Enterprise Offices being critical stakeholders in every region. A key challenge on the preparation and delivery of these regional plans will be the identification of where they can contribute additionally to the existing programmes and supports of the key local, regional and national enterprise support agencies. These regional plans should thus consist of initiatives and programmes that are additional to the activities of the Local Enterprise Office.

1.1.5. LOCAL ENTERPRISE PLAN

For the next plan period a number of key national and local challenges will need to be prioritised and addressed by the Local Enterprise Office while focusing on the local and regional strengths in the area.

These include:



The creation of an ambitious and innovative new approach to creating a vibrant enterprise ecosystem within the county. While it is likely that this will take a considerable period to achieve there is a real need to address this challenge if the county is to compete at national and international level. This is reflected in the new Enterprise Development Strategy and Plan developed for the county.



The new Enterprise Development Strategy requires a secretariat to be in place to support the deployment of the Strategy and resultant plans which will be private sector driven. It is envisaged that the LEO, in collaboration with other agencies, will be this secretariat.

The Strategy envisages a drive to enhance:



The generation of an increased number of new scalable start-up firms eligible for direct financial supports from the enterprise agencies. The level of new start-ups in the county is at best static with few if any qualifying for HPSU support under Enterprise Ireland's funding programmes.



A better understanding and innovative response to the challenges facing new-start up creation. It is hoped that research undertaken by Lancaster University on the RAP 2020 will assist in this area.



The piloting of new approaches to stimulating new start-ups and in supporting local entrepreneurs, such as pre-accelerator and accelerator programmes e.g. the AMBITION Female Pre-Accelerator in 2020.



The securing of new FDI investment into the county and the closer integration of existing and new FDI firms into the enterprise ecosystem.



Leveraging the County's Diaspora to assist in FDI and enterprise investment in and into the county.



Enhancing the skills base within existing firms and the provision of skilled labour to support indigenous and FDI investments.



The development of sectoral initiatives and clusters at both local and regional level – already LEO Donegal has been engaging pro-actively with the food, engineering, and creative sectors in the county.



Addressing the financial management, productivity and innovation management capabilities of small and micro business owners and manager as identified by the OECD report.



Maximising the opportunities for businesses in areas such as the green economy and digitalisation.



Enhancing the ambition and capabilities of local firms to grow, scale, and export.

### 1.1.6. SWOT ANALYSIS

The following table sets out the Strengths, Weaknesses, Opportunities and Threats considered when preparing the Enterprise Development Plan for Donegal.

Table 1: SWOT Analysis Donegal

#### STRENGTHS

Rich natural resource assets – environment, landscape, language and culture.  
Strong culture of self-reliance.  
Strong tourism sector.  
Strong engineering sector.  
Potential within the creative sector.  
Emerging Food Sector and Food Culture.  
Emerging medical/health and medical/health related sectors.  
Wild Atlantic Way.  
Diverse existing economic base.  
Strong Diaspora resource.  
Good stakeholder engagement and collaboration.  
Strong indigenous sectors e.g. farming, fishing, engineering  
Good inter-agency collaboration.  
Third Level Institute within the county and emerging Technological University.  
Pro-active ETB within the county.  
Critical mass in Donegal/Derry /Strabane City Region.  
North West Strategic Growth Partnership  
Diverse range of enterprise space available.  
County strategy for remote working.

#### WEAKNESSES

Limited progress on strategic infrastructure.  
Limited ambition and leadership within both public and private sectors.  
Limited management capabilities within the owner managers of SMEs.  
Gaps in tourism sector.  
Under supply of bed capacity.  
Lack of marine infrastructure.  
Relative distances to larger markets.  
Over dependence on traditional industry sectors.  
Over dependence on local and regional markets by indigenous firms.  
Over dependence on GB market as the export market of choice by indigenous firms.  
Lack of market knowledge and limited internal capabilities within businesses.  
Limited ability of national enterprise support agencies to adapt to county needs.  
Dispersed creative and food sectors.  
Structural unemployment and “welfare culture”.



#### OPPORTUNITIES

Marine Technologies and resources.  
Medical sector – research, medical devices, digital health, patient health etc.  
Renewable energy in particular tidal and marine.  
Integrated enterprise ecosystem.  
New opportunities for entrepreneurship in the circular/green economy.  
Business and management enhancement through collaboration, innovation and digitalisation.  
New funding models through collaboration.  
Harnessing of Diaspora for investment and new enterprise creation opportunities.  
Creation of local service and creative hubs.  
Greater collaboration on education and training.  
Greater integration of third level in the region into the enterprise ecosystem.  
Leveraging of the “Donegal” brand.  
Cross-border opportunities arising from the city-region.  
Potential BREXIT opportunities.  
Access to a range of INTERREG and EU funds.  
Co-location of businesses north and south of the border.  
Use of technology to overcome locational and operational challenges.  
National, European and cross-border funding for enterprise.

#### THREATS

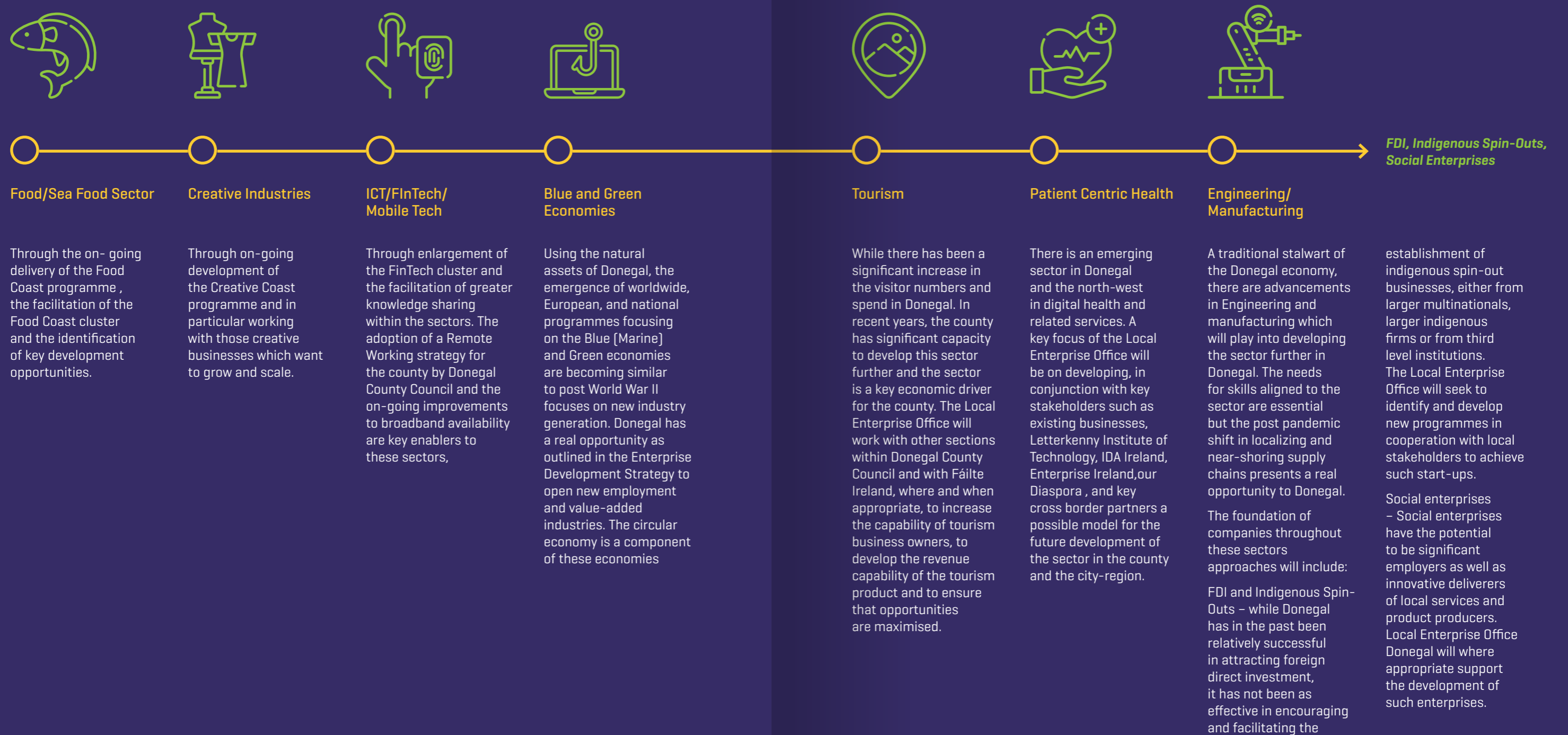
Unknown outcomes arising from BREXIT.  
Significant business closures and job losses arising from COVID-19 pandemic.  
Future political uncertainty and unrest in Northern Ireland.  
Reduction in funding at central level.  
Impact of taxes and charges on SME sustainability.  
Loss of momentum in the development of emerging sectors.  
Emigration and consequent loss of educated and motivated young people.  
Loss of potential EU funding for cross border projects arising from Brexit.  
Lack of investment in key strategic infrastructure i.e. A5, Broadband etc.  
Dependency of Agri-Food sector on NI/UK market.  
Uncertainty regarding national corporate tax rates.  
Supply chain difficulties arising from BREXIT and COVID pandemic.

The Local Enterprise Office Donegal will continue to deliver its services in a targeted way to new and existing businesses across the sectors but with a particular focus on supporting the creation and expansion of those businesses which have the desire and ambition to grow and export.

However in the context of the SWOT analysis the Local Enterprise Office Donegal believes that there are significant opportunities for development and investment which can assist in the creation of confidence, create

employment opportunities, facilitate and encourage entrepreneurship, and result in the creation of new and more sustainable small and micro enterprises in the following areas:

Figure 2: Key Focus Areas for Donegal Enterprise



## 1.2. Review of 2017-2020

During the period 2017 to 2020 the actual number of LEO Donegal portfolio clients reduced in number from 266 to 242 and the employment decreased from 1,431 to 1,283. The reasons were primarily the closure of a number of the businesses, the removal of some of the businesses from the portfolio (one employing 70+ employees) and the negative effects of COVID in 2020. At the end of 2020 there were 242 clients on the portfolio employing a total of 933 full-time and 350 part-time employees.

As per Table 2, during the four years the performance of the Local Enterprise Office in Donegal with regard to project approvals, workshop and programme delivery remained strong. The Plan for 2017 – 2020 had a stated objective of reducing the number of programmes and workshops

with the objective of enhancing the client engagement and measuring the outcomes of each programme. As can be seen some progress was being made toward this up until 2020. With the arrival of the COVID pandemic there was an unprecedented demand for supports and engagement with

the Local Enterprise Offices and thus a significant increase in the programmes and workshops. The ability to deliver these programmes and workshops online also made it easier to deliver these services but the real added-value of them has yet to be considered.

Table 2: LEO Donegal Performance 2017 -2020

	2017	2018	2019	2020	2021
M1 grant approvals	21	30	32	26	109
TAME approvals	9	7	10	7	33
Other- Agile, LIF, Comp.	9	1	1	-	11
Mentoring	37	93	106	220	456
Number of M2 programmes/workshops	94	86	79	91	350
M2 participants	1,613	1,536	1,776	4,613	9,538
SEP - number of schools	22	24	22	22	8,328
SEP - students	885	890	336	1,201	3,312
TOVs	47	47	44	473	611
BCVs	-	-	-	574	574

Overall the targets set in the previous plan in relation to the number of projects to be grant aided, mentoring approvals, programmes and workshops (both in number and participants), and the number of schools and students on the Student Enterprise Programme were all achieved or exceeded[ as per Table 3]. It should be noted that the very significant increase in the number of TOV approvals was due to the revisions made to the scheme in 2020 in particular the increase in the grant rate from 50% to 90%. In addition to the targets set in 2017, in 2020 in response to the COVID Pandemic a new scheme called

Business Continuity Vouchers was brought in by Government and there were 570 Business Continuity Vouchers approved with over 700 applications having been received. Overall in 2020 the level of applications and approvals increased by tenfold with over €2.7M being approved in direct support to businesses.

The areas not achieved were the increase in the portfolio and in the jobs within these firms – much of which can be attributed to the difficulties that many businesses experienced because of COVID-19.

It should also be noted that it was the stated aim of the LEO Donegal

to apply its mentoring support judiciously and primarily at its core client portfolio with the aim of maximising its impact. Again with the onset of COVID the LEO was required to amend this policy and made its mentoring available to any business in need of such support. It also waived the 20% cost contribution. It is intended that once the local economy begins to recover from COVID that this focusing of not alone the mentoring support, but the other non-grant supports of the LEO, will once again be primarily on its core portfolio clients.

Table 3: Achievement of 2020 Targets

	2020 Target	2020 Achievement	Variance
LEO portfolio	260	242	-7%
Total Employment in portfolio	1,450	1,283	-11.3%
Number of courses/workshops	55	91	+65.5%
Participants – courses/workshops	1,500	4,614	+307.6%
Number of mentoring assignments	40	220	+450%
SEP – number of schools	15	22	+46.5%
SEP – number of students	700	1,201	+71.5%
Trading Online Vouchers	35	473	+1,251.5%
Transfers to Enterprise Ireland	5	6	0

## 1.2. Review of 2017-2020

During the four years of the previous plan significant additional programmes and pilots were developed and delivered.

### These include:

- The delivery of an Investment Accelerator in 2019 with participants from Dublin, Sligo and the east coast of the USA.
- The completion of a new plan for the Creative Sector under the Creative Coast cluster and the delivery of a dedicated one-to-one programme to businesses in the sector with a particular focus on job creation as its key output.
- Enhanced stakeholder involvement in the development and delivery of Local Enterprise Week in the county.
- The development of a new website, e-zine, food series and food directory within the Food Coast cluster which now has 170 members.
- The delivery of an export development programme on a cross border basis with Derry City and Strabane District Council with 38 firms participating.
- Delivery of a number of INTERREG Europe funded projects including EIS with its focus on internationalisation and which produced the assessment template for the cross-border export programme, PASSPARTOOL with its focus on innovation in SMEs and SinCE AFC with its focus on entrepreneurship in the circular economy.
- Delivery and achievement of the targets for the LEO under the cross border Co-Innovate programme led by Inter Trade Ireland and on which LEO Donegal represents the border LEOs on its management committee.
- Design and delivery of a Female pre-accelerator programme in 2020 which was also open to members of the Donegal Diaspora and from which four promoters have already received support from the LEO.

## 02. VISION/MISSION AND OVERARCHING OBJECTIVES



*Pre-Start*

*Start*

*Grow*

## 2. VISION/MISSION AND OVERARCHING OBJECTIVES

### 2.1. LEO Vision

The following is the national and local vision and mission for the Local Enterprise Offices:

To develop and sustain an innovative enterprise ecosystem at local level throughout the county that will in particular drive new added-value start-ups and key sectoral initiatives and further the growth of small and micro enterprises and enhance local economies.

### 2.2. Mission Statement

We aim to promote entrepreneurship, foster sustainable business start-ups and develop existing micro and small businesses to drive job creation and to provide accessible high-quality supports for new business ideas. We also aim to be a driver of an innovative and highly engaging enterprise ecosystem within the county.

Entrepreneurs and Businesses will be supported to:



Increase Exports



Build Resilience



Increase Productivity



Prepare for the Low Carbon Economy



Embrace the Digital Economy



Innovate



Be Managed by Ambitious & Capable Individuals



Fuel County & Regional Growth



## 2.3. Overarching Objectives

The following section details the overarching objectives of the LEO as per the Enterprise Ireland/ Local Authority Service Level Agreement.

### 2.3.1. BUSINESS INFORMATION & ADVISORY SERVICES



#### First Stop Enterprise & Business Support Solution

During the previous plan period LEO Donegal sought to continuously inform itself of EU, national and regional support offerings, organised monthly Business Information Sessions, promoted the services of the Enterprises Europe Network, worked with the EURES cross border programme in raising awareness of its services, and pro-actively promoted the services of the Local Enterprise Office. LEO Donegal will continue to promote and deliver these services as well as working in collaboration with other agencies in promoting its role as the First Point of Contact.



For the period 2021 -2024, acting as “the first point of contact” at local level, the Local Enterprise Office will seek to build on its role as the recognised business information, advice and referral service within the county for anyone wishing or proposing to establish or expand a new or existing business, so that all business enquiries receive appropriate and timely information and direction.

The Local Enterprise Office will also seek to actively drive the development and delivery of an innovative and highly engaging enterprise ecosystem within the county to address the challenges and opportunities for enterprise throughout the county.

It will continue to facilitate the Enterprise and Skills committee to ensure close collaboration and co-operation between the local enterprise stakeholders, to maximise available resources and to remove duplication of effort.



#### Make It Easier to do Business

LEO Donegal will provide supports, guidance and solutions that make it easier for entrepreneurs, owners and managers to identify opportunities and implement actions to start-up, grow and thrive within a competitive business environment in Donegal. It will seek to integrate the services of the LEO with key sections within Donegal County Council, in particular the Economic Development Unit.



#### Secretariat for the new Donegal Enterprise Development Strategy and Plan

LEO Donegal will provide full secretariat services to the Private and Public sector in the deployment of the new Enterprise Development Strategy and resultant plans. These will be private sector driven initiatives across the seven sectors and working with academia, industry, and communities to bring about new ecosystems of enterprise development in the county. The plans require a real focus on the enhanced orchestration of activities across agencies hence the requirement for a secretariat to achieve this.

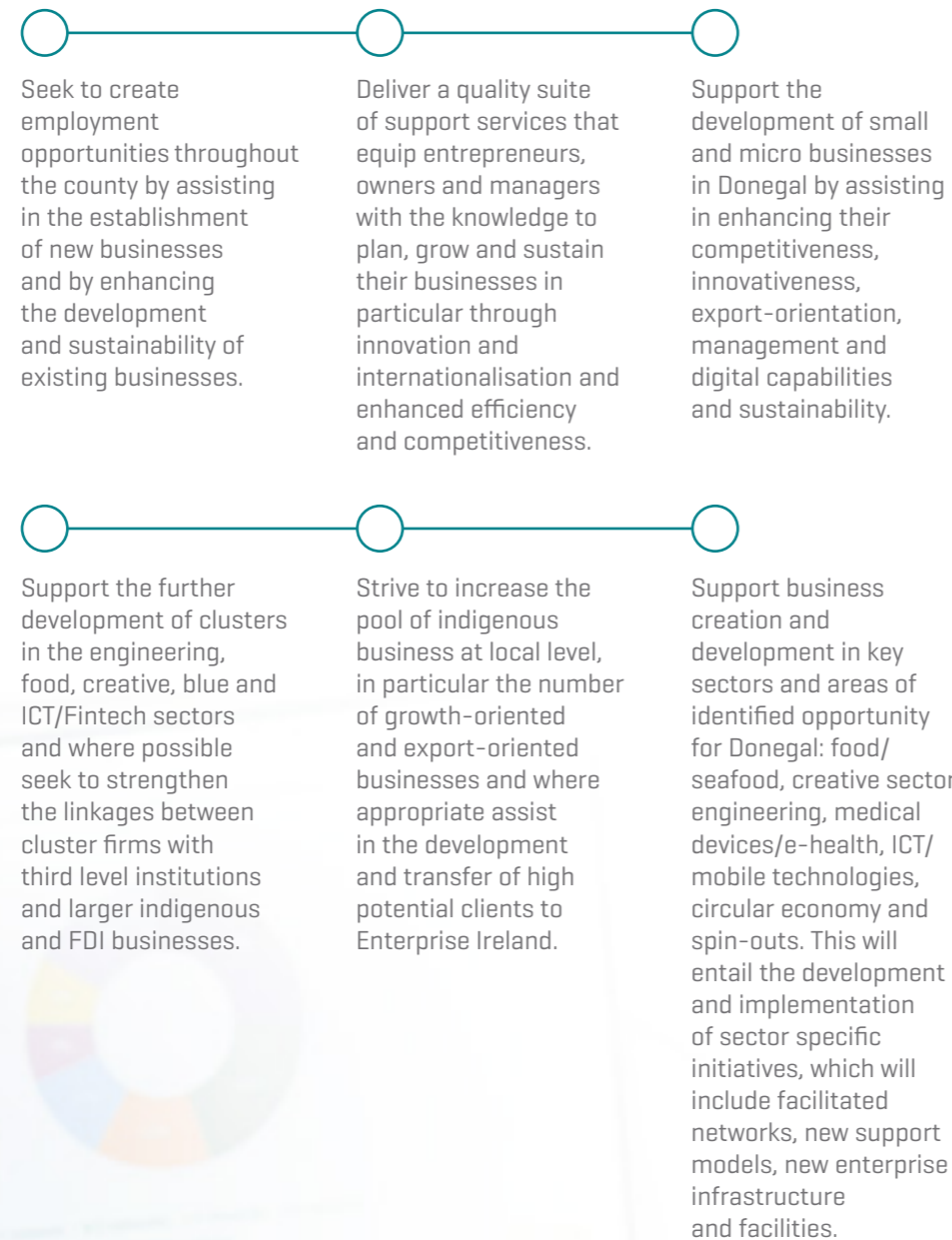


## 2.3.2. ENTERPRISE SUPPORT SERVICES

### Maximise Business Potential

During the period 2017-2020 LEO Donegal delivered a range of programmes and supports aimed at enhancing the knowledge and management capability within small and micro firms in Donegal. Examples of such programmes were the LEAN for Micro programme, the NW Export Programme, the Co-Innovate Innovation programme, the ACHIEVE and GENERATE programmes. It also facilitated a number of sector initiatives and clusters in particular in the engineering, food and creative sectors as well as facilitating per learning through the Profitnet programme.

*For the forthcoming period LEO Donegal will:*



### Collaborate with Enterprise Ireland

During the last plan period LEO Donegal worked closely with Enterprise Ireland through contributing to the implementation of actions under the Regional Enterprise Plan, through involvement in the New Frontiers programme and in promoting the relevant EI offerings to the LEO client base. A number of core portfolio clients were also transferred to EI during the plan period.

A critical challenge however has been the lack of flexibility within Enterprise Ireland to respond to local/regional initiatives outside of national programmes or calls such as the REDF. This remains something that the Enterprise Development Strategy teams may revert on in the coming period.

For the new plan period the LEO will continue to work closely with Enterprise Ireland at regional and national level to facilitate potential progression of companies from LEO Donegal to EI and where appropriate, from EI to LEO Donegal. It will seek to facilitate access to relevant EI support programmes for LEO clients, including financial, business and innovation/research facilities and access to Enterprise Ireland's overseas offices to assist clients who wish to expand into export markets.

To continue to implement the formal processes for the two-way transfer of clients to and from Enterprise Ireland so as to ensure the delivery of appropriate client services and maximum impact.

## 2.3.3. ENTREPRENEURSHIP SUPPORT SERVICES

### Promote a Best Practice Enterprise Culture

During 2017 -2020 LEO Donegal worked closely with local stakeholders in the delivery and promotion of the annual Local Enterprise Week, worked closely with ETB Donegal in addressing the skills deficit in the engineering sector and worked through the Diaspora project to encourage collaboration between LYIT, ETB Donegal with Ulster University and NW College in Derry. It also delivered the online case studies – Donegal Stories and produced two publications – “Donegal-We Make Things” and “Donegal – We Create”.

For the period 2021 -2024 LEO Donegal will continue to act as the catalyst and advocate for the establishment of a best practice enterprise culture among start-ups, micro and small businesses; also promoting enterprise and self-employment as a viable career option among the wider population. It will draw from the research being undertaken by Lancaster University under the Regional Action Plan 2020 to inform it as to how best to achieve this.

## 2.3.4. LOCAL ECONOMIC DEVELOPMENT SERVICES

### Environment for Start-Ups

During 2017 -2020 LEO Donegal worked closely with Donegal County Council and with the new Economic Development Unit that was established in 2019 to promote its objectives across the Council. It worked closely with the Donegal County Enterprise Fund Company in the completion and management of the new enterprise centre in Glenties which opened in March 2019 and in the on-going management of the Enterprise Fund Business Centre in Letterkenny. It made a number of applications under the REDF and BEDF but unfortunately none of these were successful and also supported a number of other applications developed by other local stakeholders.

LEO Donegal will seek to leverage the full range of potential enterprise support/economic development promotion mechanisms across the Local Authority's economic development remit, including enterprise space, rates framework, rural economic development zones (REDZ), etc. to assist and enable more start-ups and small businesses in county.

The Local Enterprise Office will seek to provide focus and direction for collective enterprise and economic actions at local level toward the delivery of the higher level Strategic Enterprise Plan.

This strategy seeks to raise the ambition and performance of all enterprise and economic stakeholders including the county's businesses at local and county levels, and in particular to achieve enhanced outcomes through “added-value collective projects”.

# 03. STRATEGIC PRIORITIES



Pre-Start

Start

Grow

### 3. STRATEGIC PRIORITIES

#### 3.1. Strategic Priorities for LEO Donegal 2021-2024

The following actions seek to address the strategic priorities for Local Enterprise Office Donegal for the period 2021-2024.

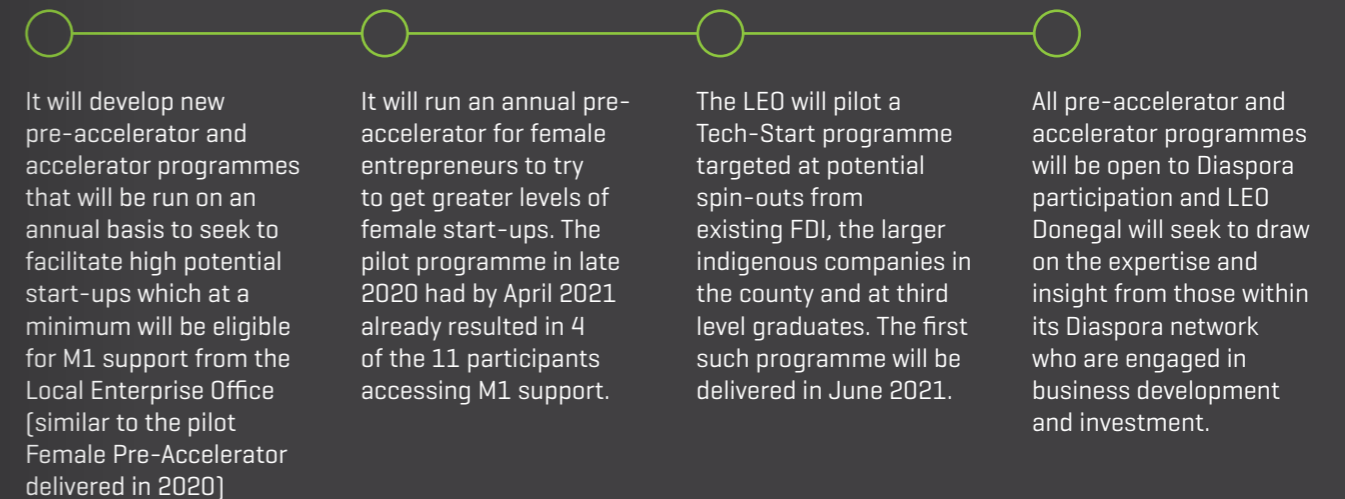
##### 3.1.1. ENTREPRENEURSHIP

As previously indicated the levels of new start-ups and in particular High Potential Start-Ups (HPSU) in the county relative to most other counties is low. New approaches and models are required and Local Enterprise Office Donegal believes that a fundamental change must happen within the enterprise support /enterprise ecosystem for this to happen.

There needs to be closer engagement by all stakeholders such as education and training providers, enterprise support agencies and organisations, Donegal County Council and private businesses. There also needs to be greater focus on developing identified sector opportunities and clusters and this needs to be committed to on a long-term [10 year] basis.

While the Local Enterprise Office will actively work and engage in these strategic priorities it will continue to develop its core supports to promote entrepreneurship and enterprise start-ups while seeking to integrate these strategic priorities/actions within all its supports.

*In this context the LEO will:*



### 3.1.2. COMPETITIVENESS AND DIGITALISATION

LEO Donegal has begun an in-depth analysis of its portfolio clients and will use this analysis as the basis for the targeting of its supports at its core M1 portfolio clients and those previous recipients of M2 support which have the ambition to grow and scale.

*In particular it will:*

- Actively promote and deliver the LEAN for Micro offerings (1-2-1 and 1-2-many) to its portfolio.
- It will ensure that all management development programmes will include modules on competitiveness and digitalisation.
- It will target its management development programmes in the first instance at its core M1 portfolio clients.
- Actively promote and deliver the Trading Online Voucher scheme as the first step for small businesses into export markets.
- Carry out an analysis of all TOV approvals with the aim of identifying those businesses that may have significant potential to grow their online sales and subsequent employment.
- Deliver on-going workshops on digital skills, digital marketing and digital tools to ensure that owner managers of small and micro enterprises in the county have every opportunity to enhance their familiarity and adoption of digital processes and tools.

### 3.1.3. GREEN/BLUE/SUSTAINABILITY

Currently LEO Donegal is a partner in the INTERREG Europe funded SinCE-AFC project which is focused on entrepreneurship in the circular economy. Through this project it intends to develop an action plan focused on identifying opportunities for new business start-ups in the circular/green economy and on how best these can be supported. This plan will be completed in late 2021.

To assist exiting firms address challenges around sustainability, reducing their carbon- footprint, and improving their efficiencies the LEO will deliver the Green for Micro programme (both the Border and national programmes). Under this action it will:



Seek to include a strong focus on sustainability and the green agenda in the delivery of the LEAN for Micro programme to its clients.



It will continue to participate with Donegal County Council in the NW cross border Green programme which seeks to address a range of environmental sustainability challenges common to both side of the border.



It will develop a new programme to promote and support new start-ups in the circular/green economy as identified in its action plan.



Complete the delivery of the SinCE-AFC project and adopt the learning and good practices from the project into the LEO offerings and support.

### 3.1.4. INNOVATION

The Local Enterprise Office Donegal has significant experience in the delivery of innovation programmes to its client base in Donegal. This has been primarily based on its previous strategic alliance with the Centre for Research and Innovation at the University of Brighton. Under this alliance the Profitnet model has also been applied in Donegal – a model focussed on innovation development through peer learning, and a range of innovation management programmes for

small and micro firms have been delivered. The LEO is also currently engaged in the INTERREG Europe funded PASSPARTOOL programme which is aimed at identifying best practices in innovation across the business, cultural and social economy sectors.

While innovation in small and micro firms is often not formally recognised as it is generally not measured or codified, linked to third level research or funded under on national or European

funding, it is constantly occurring – as recognised in the report “Leading the Way – Investing in Management Development for SME Productivity and Growth” (October 2020). The key challenge therefore for the LEO is to get micro firms to adopt formal internal processes for the promotion, development and implementation of innovation and innovation processes within their businesses.

To achieve this, the LEO will:

- Continue to deliver on the Profitnet peer learning network.
- Ensure that innovation process management is integrated into all management programmes and within each cluster.
- Collaborate with LYIT in developing suitable innovation supports for small firms in the county.

- Support the generation of innovative start-ups by identifying key development opportunities within the “Sector Opportunities” identified within the plan.
- Support the establishment of innovative start-ups through the delivery of pre-accelerator and accelerator programmes with a specific target on FDI, large indigenous firms and third level spin-outs.
- Continue to promote the R&D and Agile programmes of Enterprise Ireland to the core client portfolio base of Local Enterprise Office Donegal and other eligible businesses.

### 3.1.5. EXPORTING/INTERNATIONALISATION

LEO Donegal has been active in the design and delivery of export supports, programmes and market visits for over five years. It has taken groups of firms on market entry visits to Europe, the UK and the USA. It has participated on the EIS Internationalisation INTERREG Europe project from which it has applied the EIS toolkit and it has delivered a cross-border export development

programme in 2019 and in 2020 in conjunction with Derry City & Strabane District Council. It is also managing the Border Brexit export programme for the NW.

However it must be acknowledged that the number of LEO portfolio clients that have the market knowledge, skills, capability and resources to enter new export markets are relatively few and

that the internationalisation of LEO firms must be a long-term objective and may be better approached through cluster development through which a number of complimentary firms are assisted to identify and develop common opportunities.

During the plan period LEO Donegal will:

- Continue to develop and deliver export development programmes for its core portfolio. In this context given the limited geographical reach of the EI export programmes the LEO will seek the active promotion of these programmes to the EI client base within the county as well.
- Deliver export workshops with a particular focus on providing specific market information and insights.
- Collaborate with EI in maximising its overseas offices to assist Donegal firms seeking to enter new export markets.

- Support the clusters within the county to attend market entry visits and use the TAME grants to this end to assist groups and individual firms.
- Consider providing export coaches to identified firms to assist them implement their export plans over an 18 month period.
- Engage with LYIT to investigate the potential of using Masters students to carry out detailed market research for firms as part of their course work.

- Collaborate with Enterprise Ireland to ensure that when clients are capable and where they will be guaranteed support to transfer them to Enterprise Ireland.
- Maximise the Enterprise Europe Network [EEN] supports to assist firms identify new market opportunity and access to the EEN network at local level, in particular within European partner countries.
- Work with LYIT in the development of a suitable support measure to assist small and micro firms understand address supply-chain management challenges.

### 3.1.6. NETWORKS AND CLUSTERING

Local Enterprise Office has for some years been supporting sectoral initiatives in the food, creative and engineering sectors. It has in more recent times been developing its internal capability in the area of cluster management through training and peer-learning with a cohort of European cluster managers.

It has also been delivering the Profitnet peer learning model since 2008 with over 200 businesses taking part.

*During the plan period it will:*

- Continue to facilitate clusters in the food, creative and engineering sector. It will do this through direct staff engagement in the food and creative clusters (Food Coast and Creative Coast) and in supporting the appointment of a full-time facilitator of the Donegal Engineering cluster.
- Facilitate Profitnet groups in the engineering and food sector as well as a general business Profitnet group.
- It will support the existing Fin Tech cluster as requested.
- It will engage with and support the marine cluster in Killybegs which has been funded by Enterprise Ireland and is facilitated by LYIT.
- Seek the active participation of Donegal ETB and LYIT in the clusters.
- It will support the development of a new cluster/network in the med/tech sector.
- It will continue to support the Donegal Women in Business Network and encourage a greater focus within this network on enhancing management capability and developing female-led businesses with ambition to grow.

## 3.2. Capacity and Capability Development

### 3.2.1. REDF PROJECTS

To date LEO Donegal has been unsuccessful in its applications under the REDF BEDF for support for the engineering and creative clusters. It will seek to re-apply for support under a future call for the creative sector and possibly for a patient centric healthcare cluster.

### 3.2.2. MANAGEMENT DEVELOPMENT CAPABILITY

As previously stated, a key challenge facing the LEO is to get its client base to adopt more ambitious plans for their businesses. This is often difficult due to not only the nature of small and micro firms i.e. lacking in management capability and in market and technical knowledge,

but also having limited staff and financial resources but because of their current limited ambition and vision. A key part of all management development programmes will be to raise the confidence and ambition levels of all participating owner managers.

A further key consideration is supporting each business is the need to have a full understanding of the business and its owner and to apply supports appropriate to the business and its stage of development and management. In this context the need for close client engagement by LEO staff is imperative.

*In designing and delivering its management programmes and supports the LEO will:*

- Through on-going analysis of its portfolio clients it will target its supports at its core M1 portfolio clients and those previous recipients of M2 support which have the ambition to grow and scale.
- It will target its management development programmes in the first instance at its core M1 portfolio clients.
- In developing its capability/management development programmes it will draw from the insights and findings from the annual employment surveys, business reviews and programme evaluations.
- Continue to deliver on the Profitnet peer learning network.
- Ensure that innovation process management is integrated into all management programmes and within each cluster.
- Collaborate with LYIT in developing suitable innovation and supply chain supports for small firms in the county.
- Actively promote and deliver the LEAN for Micro offerings [1-2-1 and 1 to many] to its portfolio and in particular those with ambition to grow and scale.
- It will ensure that all management development programmes will include modules on competitiveness and digitalisation
- Deliver on-going workshops on digital skills, digital marketing and digital tools to ensure that owner managers of small and micro enterprises in the county have every opportunity to enhance their familiarity and adoption of digital processes and tools.
- Continue to develop and deliver export development programmes for its core portfolio. In this context given the limited geographical reach of the EI export programmes the LEO will seek the active promotion of these programmes to the EI client base within the county as well.
- Provide mentoring support primarily to its core client portfolio.
- Consider providing export coaches to identified firms to assist them implement their export plans over an 18 month period.

### 3.3. National LEO Programmes

Below is a summary of the actions and programmes at national level in which the Local Enterprise Office Donegal actively engages in on an annual basis and will continue to do so during the period 2021 -2024. Should additional national initiatives be developed during the period of the plan and subject to any decision taken to end national participation in these programmes or events, the Local Enterprise Office in Donegal will seek to deliver on these in a committed and professional manner.

#### 3.3.1. LOCAL ENTERPRISE WEEK

The Local Enterprise Office Donegal piloted the first Business Week some sixteen years ago and received a National European Enterprise Awards in 2007 and it has now become a national programme in the LEO network calendar. During Local Enterprise Week a series of events, workshops, guest speakers and seminars aimed at stimulating business growth and new business creation is made available to everyone, regardless of whether they are at start-up, early stage or wishing to develop their business further.

In Donegal the Local Enterprise Office does this in conjunction with other enterprise stakeholders in the county including Enterprise Ireland, Údarás na Gaeltachta, WestBic, LYIT/CoLab, Letterkenny Chamber of Commerce, Donegal Women in Business Network, Donegal County Council Library Services, and other organisations and private businesses. The Local Enterprise Office Donegal will continue to organise Local Enterprise Week as part of the national Local Enterprise Week.

#### 3.3.2. STUDENT ENTERPRISE PROGRAMME AND AWARDS

The Student Enterprise Programme and Awards is the biggest enterprise competition for students in Ireland. It helps students to grasp real life skills associated with running an enterprise, including working as part of a team, managing production and finances, organising a sales and marketing campaign and liaising directly with customers, judges and the media. Each year over 17,000 students all over Ireland get to find out what it's like to run their own business by taking part in the Student Enterprise Awards Programme. Local Enterprise Office Donegal will continue to promote and deliver the programme in Donegal.

#### 3.3.3. NATIONAL ENTERPRISE AWARDS

The Local Enterprise Office Donegal has been organising the Donegal Enterprise Awards for over 20 years and has over the years had several national finalists and a national winner. The Enterprise Awards Competition is designed to recognise and reward the commitment, dedication and entrepreneurial spirit of small businesses at local and national level and is a key action in promoting entrepreneurship at local level. The competition for the awards involves two stages: a local competition at County level, with the winner then representing the County at a National Final. LEO Donegal is committed to promoting and delivering the awards on an annual basis during the plan period.

#### 3.3.5. FOOD ACADEMY

The Food Academy is an initiative designed collaboratively with Bord Bia, Musgraves and the Local Enterprise Office Network. Its aim is to give 'Small Producers a Big Chance'. The Food Academy works with and nurtures small businesses through their journey from start up to getting their products on SuperValu shelves. The Local Enterprise Office Donegal will work with Local Enterprise Offices in the North West to continue to deliver this programme and the required prerequisite Food Starter programme at local level - provided that there is on-going demand from suitable local food producers.

#### 3.3.7. ENTERPRISE EUROPE NETWORK

Enterprise Europe Network (EEN) is a national programme involving Enterprise Ireland, the network of Local Enterprise Offices and the Chambers of Commerce in Cork and Dublin. EEN is an initiative of the European Commission Directorate-General for Enterprise and Industry and is co-funded under the EIP and CIP programmes. The Network is made up of over 600 contact points in over 60 countries and offers a range of supports to help ambitious SMEs to innovate and grow internationally. The Local Enterprise Office Donegal is the lead and managing partner for the 31 Local Enterprise Offices nationally and delivers the programme in Donegal. Donegal is committed to remaining as key partner in the EEN project under the next COSME programme 2021 -2027.

#### 3.3.4. SHOWCASE

Showcase at the RDS is the first major trade event of each year, organised by the Design & Crafts Council of Ireland and promoted internationally by Enterprise Ireland. The dedicated Enterprise Zone, co-ordinated by the Local Enterprise Offices, has become known as the home for emerging designers and craftspeople in recent years. A wide range of creative sectors is represented within the Enterprise Zone, such as ceramics, knitwear, jewellery, interiors, skincare and giftware. The Local Enterprise Office Donegal will continue to support suitable craft businesses to participate at Showcase and in their preparation for attendance at same.

#### 3.3.6. NATIONAL PLOUGHING CHAMPIONSHIPS

The National Ploughing Championships are held in September each year. As part of its National Programme the Local Enterprise Offices host a Local Enterprise Village to provide an opportunity for clients to take full advantage of this unique consumer event. Donegal will seek to have suitable businesses avail of this opportunity on an annual basis and will continue to contribute to the delivery of the event during the week through staff attendance.

#### 3.3.8. IBYE

Ireland's Best Young Entrepreneur is a national initiative to promote and encourage young people between the ages of 18 and 35 to start-up and grow their own business. Over the initial years of the project the number of applications increased and the standard of the projects also improved. Donegal has also found that the programme also produces a pipeline of potential portfolio projects. Donegal Local Enterprise Office will continue to deliver the project in Donegal in line with the national programme.





# 04. ASSOCIATED ACTIONS & ACTIVITIES



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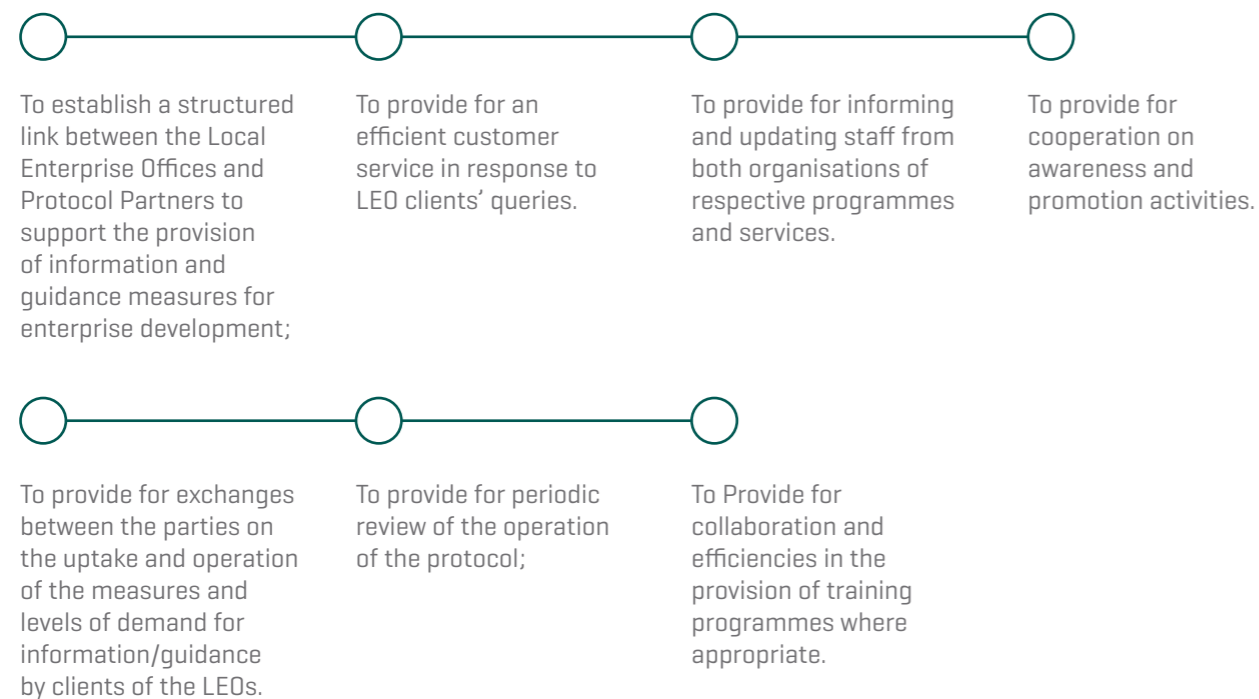
Pre-Start

## 4. ASSOCIATED ACTIONS AND ACTIVITIES

### 4.1. Protocols

The following protocols govern dissemination of information, information signposting and inter-organisation referrals. Local Enterprise Office Donegal will continue to implement these protocols on an on-going basis and review locally as required.

#### The aims of the Protocols are:



#### 4.1.1. DEPARTMENT OF SOCIAL PROTECTION

Agreed between the Department of Social Protection and The Department of Enterprise, Trade and Employment (on behalf of Enterprise Ireland), this protocol aims to maximise the recruitment of appropriately skilled persons from the Live Register by enterprise agency client companies.

#### 4.1.2. CREDIT REVIEW OFFICE

Agreed between the Credit Review Office and The Department of Enterprise, Trade and Employment (on behalf of Enterprise Ireland). The Credit Review Office provides a simple, effective review process for Micro, Small and Medium Enterprises, including sole traders and farm enterprises, which have had requests for credit refused or existing credit facilities reduced or withdrawn.

#### 4.1.3. FÁILTE IRELAND

Agreed between Enterprise Ireland and Fáilte Ireland. Fáilte Ireland is the National Tourism Development Authority, whose role is to support the tourism industry and work to sustain Ireland as a high-quality and competitive tourism destination. Fáilte Ireland also works with other state agencies and representative bodies, at local and national levels, to implement and champion positive and practical strategies that will benefit Irish tourism and the Irish economy.

#### 4.1.4. MICROFINANCE IRELAND

Agreed between Microfinance Ireland and The Department of Enterprise, Trade and Employment (on behalf of Enterprise Ireland). Microfinance Ireland, as a not-for-profit lender, has been established to deliver the Government's Microenterprise Loan Fund. All business sectors are eligible to apply. Companies may be Sole Traders, Partnerships and Limited Companies with fewer than 10 employees and an annual turnover of less than €2 million. Loans may be used to fund the start-up of a business, the purchase of stock, equipment, machinery, and business vehicles and are also available to established enterprises.

#### 4.1.5. SKILLNETS

Agreed between Skillnets and The Department of Enterprise, Trade and Employment (on behalf of Enterprise Ireland). Skillnets actively supports and works with businesses in Ireland to address their current and future skills needs on the basis that training and up-skilling are key elements in keeping Irish companies competitive. Skillnets funds groups of companies in the same region/sector, and with similar training needs, through training networks that deliver subsidised training to Irish businesses.

#### 4.1.6. EDUCATION AND TRAINING BOARDS (ETBS)

Agreed between Enterprise Ireland and Education & Training Boards Ireland. The ETBs are statutory authorities which have responsibility for education and training, youth work and a range of other statutory functions. ETBs manage and operate second-level schools, further education colleges, multi-faith community national schools and a range of adult and further education centres delivering education and training programmes. Further education and apprenticeship training is also provided through 16 training centres nationally. ETBs are active in local communities through the direct provision of training and education programmes delivered in training centres, colleges and other training and educational settings.

#### 4.1.7. REVENUE

Agreed between The Revenue Commissioners and The Department of Enterprise, Trade and Employment (on behalf of Enterprise Ireland). The role of the Revenue Commissioners is “to serve the community by fairly and efficiently collecting taxes and duties and implementing customs controls”. Specifically, in relation to business, Revenue provides information and support under three headings:

1. A comprehensive range of information and guidance on taxation issues, customs and Revenue requirements relating to starting and running a business, including the Revenue Online Service
2. Tax Simplification Initiatives for Smaller Businesses
3. Supporting Job Creation and other Enterprise Supports.

#### 4.1.9. LEADER

Agreed between The Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media and the Department of Enterprise, Trade and Employment. The aim of the protocol between Local Enterprise Offices and Local Action Groups is to ensure that the available enterprise supports are complementary, are configured to meet local needs and ultimately, maximise the impact of both development bodies in their local areas.

#### 4.1.8. NATIONAL ASSOCIATION OF COMMUNITY ENTERPRISE CENTRES (NACEC)

Agreed between Enterprise Ireland and The National Association of Community Enterprise Centres. The National Association of Community Enterprise Centres is a strong representative body of 120 community enterprise centres in the Republic of Ireland. Its primary role is to support and develop the interests of community enterprise centres on a national basis.

#### 4.1.10. ÚDARÁS NA GAELTACHTA

Agreed between Enterprise Ireland and Údarás na Gaeltachta. The rationale for the development of this proposal was to ensure that all client enterprises of Údarás na Gaeltachta and LEOs have equal access to services and funded programmes and benefit from enhanced collaboration and information sharing between the organisations. Údarás na Gaeltachta manages its client base in the Gaeltacht and use its core funding (exchequer and own resources) to service existing commitments & Údarás led schemes (grant-based supports for employment and capital projects). LEOs in the eight Local Authority areas comprising of Gaeltacht and non-Gaeltacht areas continue to operate in the county and city areas outside of the Gaeltacht and Údarás na Gaeltachta continue to deliver enterprise support in the Gaeltacht.

#### 4.1.11. OTHER INITIATIVES

Local Enterprise Office Donegal has a long history of involvement in cross-border and international programmes and is currently involved in a range of other local, regional and European projects. The LEO will continue this practice and will complete a range of existing projects and be open to new ones as outlined below:



It will play an active role in the development and delivery of the next Regional Action Plan and will seek to ensure that the identified actions add value to the activities already taking place in the region.

It will oversee the current research being carried out by Lancaster University into the challenges and opportunities to entrepreneurship in the NW and will seek to have the key finding integrated into the next Regional Enterprise Plan.

LEO Donegal commissioned on behalf of the Enterprise and Skills committee in Donegal OCO Global to prepare a higher level strategic enterprise plan for Donegal for the next ten years. LEO Donegal will seek to play its part in implementing the key recommended actions in the plan and in getting the buy-in of all stakeholders in its delivery.



Currently LEO Donegal along with the other five border LEOs are involved in the Co-Innovate innovation programme which is led by Inter Trade Ireland. LEO Donegal will continue to deliver on this programme and seek to achieve all programme targets.

LEO Donegal will continue to deliver on the INTERREG Europe projects which it is currently involved in – EIS, PASSPARTTOL and SinCE-AFC and as outlined earlier in the plan, seek to integrate the learning and actions from these projects into the design and delivery of its supports and services.

LEO Donegal is currently involved in a peer learning project with four other European partner regions on the topic of cluster and ecosystem management. The LEO will seek to use the learning from this engagement to enhance the management and opportunities for its existing clusters and to identify possible EU cluster funding opportunities.



Donegal County Council works closely with Derry City & Strabane District Council on a range of cross-border themes and issues including business development. LEO Donegal will play an active role in promoting and supporting enterprises on a cross-border basis.

Under the next round of funding there is likely to be significant funding and opportunities to develop projects on a cross border basis. LEO Donegal will seek to work with stakeholders in Donegal and from across the border in developing projects that will address identified needs either within local businesses or in the enterprise support system.

LEO Donegal will be open to participation in any European and cross-border funding programmes provided the proposed projects add to the learning and practices of the LEO in its pursuit of providing quality supports to its client base and/or driving entrepreneurship and innovation within Donegal.



# 05. RISKS AND NEW INITIATIVES



Pre-Start

Start

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## 5. RISKS AND NEW INITIATIVES

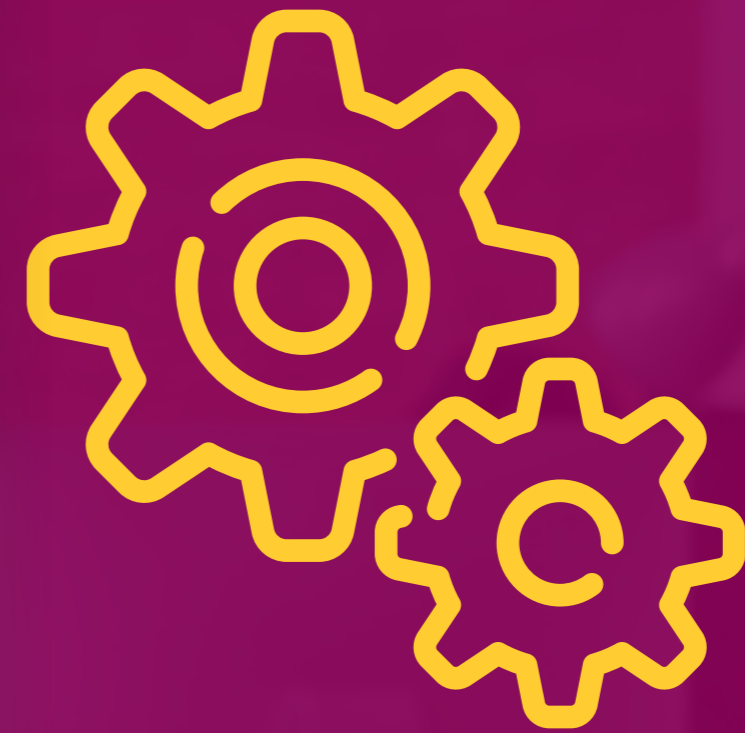
Table 4. outlines the risks that may adversely affect the delivery of LEO objectives and strategic priorities during the period 2021 - 2024, and the actions proposed to mitigate or remove these potential risks are detailed hereunder.

Table 4: Risks and Mitigation

<b>Risks that can adversely affect the achievement of</b>	<b>Actions to mitigate this risk</b>
Lack of staff resources	<ol style="list-style-type: none"><li>1. Staffing plan for the LEO prepared and submitted</li><li>2. Early discussion with SMT in DCC</li><li>3. Early engagement with HR section of DCC</li><li>4. Identification of additional funding sources</li><li>5. Secretariat resources essential for new Enterprise Development Strategy and plans</li></ol>
New wave of COVID Pandemic	<ol style="list-style-type: none"><li>1. Built in flexibility in staffing arrangements</li><li>2. Facilitation of home working if required</li><li>3. Updating of Pandemic policies and procedures</li></ol>
Unforeseen consequences of BREXIT	<ol style="list-style-type: none"><li>1. Monitor on-going BREXIT developments</li><li>2. Engage with CCU in EI and DETE re local business requirements</li><li>3. Develop new supports at national and local level</li></ol>



## 06. DELIVERING THE STRATEGY



Pre-Start

Start

Grow

## 6. DELIVERING THE STRATEGY



### 6.1. FUNDING

Local Enterprise Office Donegal is funded annually by Government through Enterprise Ireland from the Department of Enterprise, Trade and Employment (DETE). LEO Donegal will continue to work with Enterprise Ireland and DETE on its annual funding and resourcing requirements to drive the delivery of this strategy. LEO Donegal commits to maximising its budget allocation ensuring value for money in fulfilling its objectives and strategic priorities.



### 6.2. TRAINING

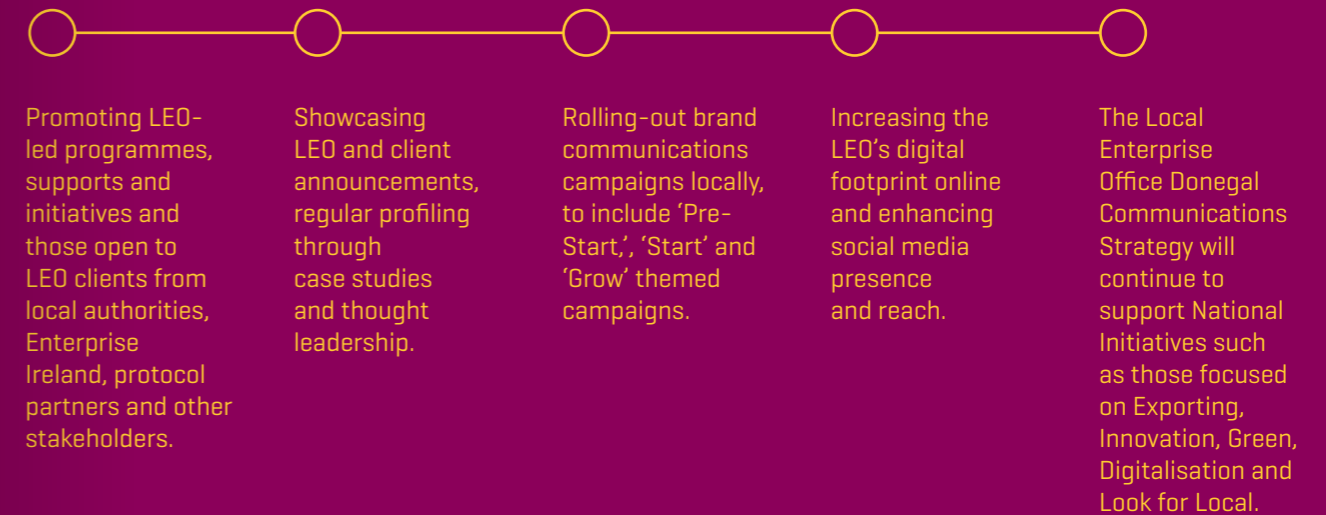
Local Enterprise Office Donegal commits to the 2021-2024 Learning and Development plan for LEO staff and managers to ensure we have the necessary business development skillset to support our clients evolving needs to survive and thrive in the ever-changing business environment. A collaborative approach between Enterprise Ireland and the LEO's is taken to design programmes to support us in achieving the strategic priorities across Entrepreneurship, Competitiveness and Digitalisation, Green/Sustainability, Exporting/Internationalisation and Innovation. A best practice approach is adopted to deliver programmes such as the Professional Business Advisor programme, Green for Micro, Finance, Social Media and other business pillar programmes accordingly.



### 6.3. COMMUNICATIONS

Local Enterprise Office Donegal's communications strategy will be fully aligned with the national 'Making It Happen' marketing and communications strategy for the Local Enterprise Offices, as set out by the LEO Communications Committee and LEO Communications Team in Enterprise Ireland.

*This strategy will focus on five key pillars:*



### 6.4. CUSTOMER CARE

The Local Enterprise Office Donegal will operate under the Customer Service Charter developed for the Local Enterprise Office network and will seek to provide its services to the highest standards and professionalism. Any adverse findings either

identified in the national customer care survey carried out by the Centre of Excellence in Enterprise Ireland or expressed directly to the Local Enterprise Office in Donegal will be addressed in a pro-active and on-going basis.



07  
APPENDIX 1:  
LEO DONEGAL,  
PERFORMANCE  
METRICS





## APPENDIX 1: LEO DONEGAL - PERFORMANCE METRICS

<b>Jobs</b>	Output 2020	Target 2021
LEO Client Portfolio*	242	252
Total Portfolio Employment (All Jobs, both FT & PT)	1,283	1,323
Gross Jobs Created (All Jobs both FT & PT)	226	200
Net Jobs Increase (All Jobs created minus all Job Losses)	-33	+40

<b>Progression Pathway</b>	Output 2020	Target 2021
Number of Clients transferred to E.I.	6	4

<b>Measure 1</b>	Output 2020	Target 2021
<b>Number of Clients Approved Funding</b>		
Feasibility	6	5
Priming	7	10
Business Expansion	13	15
TAME	7	10
No. of projected potential new jobs associated with Approvals (Priming & Business Expansion)	81	95

<b>Trading On Line Vouchers</b>	Output 2020	Target 2021
No. of Trading Online Vouchers approved	473	130

<b>Agile R&amp;D</b>	Output 2020	Target 2021
No. of Companies approved Agile R&D	1	2

<b>EI Grant Support Measure administered through the LEO (e.g. Grad Start, IP Start, etc.)</b>	Output 2020	Target 2021
No. of Companies supported	0	1

<b>Measure 2</b>	Output 2020	Target 2021
<b>Training/Development Programmes (All Training and Networking events)</b>		
Total No. of All Programmes (Training/Networking/Events/Seminars)	94	80
Total No. of all Participants participating in above Programmes	4,614	4,000
No. of SYOB Programmes	8	8
No. of Participants attending SYOB Programmes	115	120
No. of Management Development Programmes	5	19
No. of Business Coaches assigned to Clients	52	45
<b>Mentoring</b>		
Total Number of individual mentoring – (participants availing of one to one mentoring – one to one engagement by a Mentor with one client)	220	140
Total Number of group mentoring participants – (are all group mentoring engagements or clinics where a mentor engages with a group of clients.	40	45
Total Number of Mentoring Participants (both one to one and group)	220	140

<b>Schools Entrepreneurship</b>	Output 2020	Target 2021
Number of Schools Participating (Secondary schools only engaged in school enterprise programmes)	22	22
Number of Students Participating	1,201	1,200

<b>Competitiveness</b>	Output 2020	Target 2021
No. of Companies who have undertaken a Lean for Micro Assessment by a Lean Expert *	5	15
No. of Companies who will undertake Green Start Programme	0	10

<b>Export Enterprise Development Programme</b>	Output 2020	Target 2021
No. of clients undertaking Export Enterprise Development Programmes in Enterprise Ireland	0	1
No. of clients undertaking LEO Export Development Programmes	18	10

<b>MFI</b>	Output 2020	Target 2021
Number of Applications submitted	25	19



TAKE NOTE...



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